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By Regular & Electronic Mail
Mr. Kirk Jarvie
Department of State Lands
775 Sumer Street, Suite 100
Salem, OR 97301

Re: Port of Newport International Terminal renovation

Dear Mr. Jarvie:

These comments are submitted on behalf of Oregon Coast Alliance (ORCA). These comments are on the Port of Newport's Joint Permit Application (JPA) for a Department of State Lands (DSL) permit for remediation and renovation at the Port's International Terminal.

ORCA is a non-profit conservation group dedicated to protection of the Oregon coast. ORCA acts through advocacy for conservation and restoration of coastal natural resources, as well as providing education and advocacy on land use issues and working with coastal residents for sustainable communities. ORCA has members who use and enjoy the Yaquina Estuary, including both the Bay and the Yaquina River.

ORCA Supports Full Remediation And Removal of The Sunken Ships

The need for environmental remediation at the Port's International Terminal site is clear. ORCA applauds the Port's proposal to clean up the area. The Port's latest proposal is a major improvement over prior proposals. It was particularly helpful to have a draft Biological Assessment (BA) and a Remediation Plan to review.

ORCA is pleased that the Port has proposed to fully remediate both the Pasley and the Hennebique, and to immediately remove the Pasley to prevent further contamination of the Yaquina Estuary. ORCA further commends the Port's continued efforts to secure funding for removal of the Hennebique. These efforts are consistent with the state's policy to preserve the use of its waters for navigation, fishing, and public recreation uses, as is required for DSL approval of a state fill/removal permit. *See e.g.,* ORS 196.805 & OAR 141-085-0006.

Concerns About Unknown Funding

ORCA does have concerns, however, about one aspect of the proposed "phasing" of the project. The JPA repeatedly indicates that one of the first steps will be to build a new office and warehouse. *See e.g.,* JPA p.8. However, the JPA indicates it is still unknown what source will provide the funds necessary to accomplish that construction. *Id.*

This could pose a significant problem. What if no source of other funds is readily forthcoming? Will this whole project be put on hold, to await such funds? ORCA understands that the Port will ultimately need a new Terminal office and warehouse. However, this important Bay clean up and Terminal reconstruction project should not hinge on the Port obtaining some as yet completely unknown source of funding for office construction.

As a condition of approval, DSL should require the Port to go forward with the other components of the clean up **regardless** of whether the office and warehouse construction is funded or begun or even completed. The office and warehouse can always be constructed later, as funds become available. This important Bay clean up project should not be effectively held hostage to as yet unknown office construction funding.

Dredge Spoils – McLean Point

While ORCA strongly supports the Port's general approach to the Terminal renovation, there are several opportunities to improve upon project details and implementation. Dredge spoil disposal is one of those.

The JPA proposes to deposit non-hazardous dredged materials at McLean Point via a dredge bucket, soil pipeline, or other conveyance. *See e.g.,* JPA, p. 12. The proposed disposal area is immediately adjacent to a wetland. The boundary of the disposal area appears to touch the wetland boundary in several locations. *See e.g.,* JPA Figures 6K-6L.

At this close proximity, it is unlikely that the Port (or its contractor) will be able to avoid depositing at least some dredged material into the McLean Point wetland. In light of the proximity of the disposal site at McLean Point to a wetland, the statement in the JPA that there will be "no impacts on wetlands" (JPA p.2) may not be accurate.

In Figure 6L the Port states that the contractor is "to restrict all construction activities to avoid wetland area." That is an appropriate limitation, and should be incorporated into the DSL permit.

The JPA also does not discuss potential impacts of dredge spoils to the McLean Point wetland, alternative sites for clean dredge spoil disposal, or other similar concerns. These are all topics that should be addressed by the Port, as part of the Mitigation Plans. *See* OAR 141-085-0705 (Requirements for All CWM Plans). ORCA

encourages the DSL to obtain and review further information on these issues as part of the permitting of the project.

Another issue is the fact that the JPA does not seem to discuss in any detail the potential impacts to the Yaquina Bay estuary **around** McLean Point, from the deposit of dredged spoils. Nor are any mitigation measures needed to address those potential impacts discussed. Figure 6L indicates a significant amount of engineering, including berming and erecting sediment fences, is contemplated for the McLean Point disposal site. However, the JPA does not appear to describe the potential effects of those measures (if any) on the Bay. Such a description should be obtained as part of the DSL permitting requirements.

Dredge Spoil Pipeline

The potential impacts (even though temporary) of the dredge spoil pipeline are not discussed in any detail. What are the risks if the pipeline does not "sink gently" to the bottom, as the JPA predicts? *See,* JPA p.12. Also, it is not clear if anchor blocks will for certain be used on the dredge spoil pipeline, or if such blocks are only a possibility (the JPA says "may" but context appears to suggest that "will" was intended) *Id.*

Mitigation Dredge Spoils

Another issue that does not seem to be addressed, but needs to be as part of any permit, is where the dredge spoils from the Eelgrass Mitigation area will go. ORCA suspects those too may be headed for McClean Point, but if there is any thing in the JPA or related documents that specifies where those spoils go ORCA has so far not located it.

Contaminated Dredge Spoils

ORCA has additional concerns over the disposal of contaminated spoils. The JPA indicates that the Port only sampled sediments in front of the Pasley and under the timber fishing dock. *See* JPA, p. 12; BA, p. 113-4. Additional testing of the sediments in front of the Hennebique will ultimately also be needed to determine the extent of any contamination there. It will also be important to require, as a condition of approval, that further testing of sediments **under** the Pasley occur, once the ship hull is removed. The sediment there could easily have become contaminated. The Port should be required to test those sediments as soon as they can be accessed during the removal process.

The permit should also specify what upland facility(s) the Port will take contaminated dredge spoils to. There are references in the JPA to the fact that one or more upland facilities will be used. *See,* JPA pp. 12-13. The public and agencies need to know at which facility(s) disposal is proposed, so there can be an evaluation of whether the facility(s) are appropriate and what the potential impacts (if any) of transporting the material to each such facility are likely to be.

Source Of Dioxin

The JPA attachments appropriately provide a description of where the PAH's that were found in the dredge area in front of the Pasley, are thought to come from. *See e.g.,* Landau 3-30-10 Sed. Char. Rpt, p.4-1 (suspected source is creosote-treated pilings). However, no similar description is provided of where the "dioxins and furans" also found in the same location are thought to be from, *Id* This information needs to be provided, so that the agencies can determine if there is (or is not) a likelihood of recontamination of any sort.

Maintenance Dredge Spoil Testing

On a related issue, it is not clear if the Maintenance Dredging spoils will be tested for various contaminants before deposit, or how such testing as well as the cost of the Maintenance Dredging itself fits (or does not fit) in the Port's budget. Since the CWM and the terms of the DSL permit will control all future conduct that related to this permit, these issues should be addressed in the current permit process. This is especially important in light of the potential for addition of new contaminants from upstream or downstream (due to tidal action) sources that are known to exist in the River and Bay.[1]

Similarly, it is unclear where exactly the dredged material from maintenance and future mitigation activities will be placed or deposited. The BA suggests that material may be placed at the nearby south jetty to feed back into the Bay and increase eelgrass habitat. *See,* BA, p. 128. However, the JPA itself does not seem to directly confirm whether that will occur or not.

McLean Point is another likely possibility, but placement there will only exacerbate the stormwater runoff issues that the Terminal reconstruction dredging is likely to create. *See,* CWA Stormwater discussion, *infra.* The specific location of all proposed dredge spoils from the future dredging should also be addressed in the permit conditions.

Clean Water Act Issues

The Clean Water Act (CWA) National Pollutant Discharge Elimination System (NPDES) requires a permit for all point source discharges of pollutants to covered waters, such as the Bay. *See generally,* 33 U.S.C. § 1311(a). The JPA includes plans for several discharges that trigger the Clean Water Act's permit requirement.

It does not appear that in all cases there are plans to obtain the necessary CWA permits. Without such permits, discharges from the Terminal that might contain pollutants would go untreated and could adversely affect the Yaquina Estuary. That

[1] Comments submitted by Oregon Shores, and others, on the prior Port proposal identified some of the various know hazardous release sites up or downstream. Some of the BA related materials now provided also reference these sites. Any one of, or any combination of, them could potentially contribute additional contaminants – to say nothing of new releases that may occur in the interval between the Terminal project reconstruction dredging and the expected Terminal maintenance dredging.

would be a violation of both the CWA, Oregon Law (*See e.g.,* ORS 468B.025) and it would be inconsistent with DSL's policy to protect water resources. *See,* ORS 196.805.

CWA – Operational Stormwater

The JPA contemplates ongoing discharges of Terminal stormwater runoff through various outfall pipes into the Bay. Construction related discharges are, in theory, covered the 1200-C permit that was issued to the Port by the Oregon Department of Environmental Quality (DEQ). Petroleum contaminated water treatment system discharges are covered by a separate individual permit (#102991).

However, the Port has so far not addressed when it will apply for and obtain the additional NPDES permit needed for **operation** of the rebuilt Terminal. The appropriate permit is a 1200-Z general permit for stormwater associated with industrial activities. [2] *See also,* 12-17-09 Comments of Oregon Shores on Port application for permit #102991, p.5 and DEQ, NPDES Stormwater Permit 1200-Z, p. 3.

It should be relatively easy and inexpensive for the Port to obtain a 1200-Z permit, especially in light of the Stormwater Management Plan (SMP) that the Port completed as part the JPA. In order to implement DSL's water resource protection policy, as a condition of project approval DSL should require that either at the end of Phase I or at the latest at the close of Phase II of the construction, the Port apply for and obtain an NPDES permit for all the Port's operations stormwater outfalls.

CWA – Project Stormwater Management

Additional information is also needed to properly assess the Port's proposed stormwater management. It is still a bit unclear how many functional stormwater outfalls are currently present **and** how many will remain after the project is complete.

The JPA at one point identifies five existing outfalls. *See,* JPA Fig. 4A. However, the SMP appears to identify only three existing outfalls. *See*, JPA Appendix F, §B and JPA Figure 9. However, six outfalls are actually shown in JPA Figure 5.

The SWP indicates that's the Port plans to ultimately have 2 treated, and 2 untreated outfalls, from 9 drainage basins. *See*, JPA App. F, SWP Ex. C. However, only **one** outfall is authorized by the Port's current Petrol NPDES permit #102991. *See,* Permit p.2 - Sch. A(1). Having any additional outfalls through which operational stormwater is discharged, will be unlawful.

The JPA and the BA both recognize that freshwater storm type outfalls are a potential threat to eelgrass in the Bay. *See e.g.,* JPA, p. 42. So the number and

[2] Federal regulations broadly define the relevant industrial activities at facilities subject to the general industrial permit to include "storage, loading and unloading, transportation, or conveyance of any raw material, intermediate product, final product, by-product or waste product." 40 CFR § 122.26(b)(14). The activities at the Port appear to fall within the coverage of the 1200-Z permit. *See, e.g.*, JPA, p.5 (terminal used for "staging and storage of gear, gear transfer, dockside services, moorage, fueling and provisioning" commercial fishing fleet.).

location of the outfalls is critical to assessing the potential impacts stormwater may have on the Yaquina Bay habitat.

There are statements in the JPA and the BA that suggest that some of the existing outfalls will be abandoned. That is certainly appropriate. However, the DSL permit needs to specify as a condition of approval that all abandoned outfalls and the pipes and catch-basins that lead to them be removed. Otherwise there will be potential for stormwater to enter those systems and potentially cause unexpected and unevaluated harm.

Also, the 11-13-09 KPFF Consulting Memo to DEQ appears to be inaccurate, when it asserts that "All new impervious surfaces...will be treated." *See,* Memo p.2. 8th¶. The new Port Terminal Office and Warehouse buildings will be located in what is identified as Basin 7. According to the SMP, Basin 7 stormwater will **not** be treated. Instead, it will simply be sent to a "gravel area and discharge [directly] into Yaquina Bay." *See*, JPA App. F, p.5 (SWP Section C, 6th ¶). *See also*, JPA App. A, Figure 8 (showing a "SD" going directly from the area of the new buildings, to the Bay). The new Office and Warehouse roofs, walks and foundations are all new impervious surfaces. That stormwater needs to be treated, before being discharged.

The Port is going to be installing one or more extensive stormwater treatment systems, as part of NPDES #102991. Those treatment systems should be used, at all times, for **all** stormwater. Given the potential negative effects of stormwater on the Estuary, DSL should require as a condition of approval that all stormwater be treated before it reaches any outfall. That is the only way to prevent further contamination and harm to the Bay.[3]

The JPA also says that the stormwater system was designed to accomodate a "10 year storm event." *See,* JPA p.19, 3rd¶. Thereafter bypasses directly to the Bay are expected. *Id.* The design of the system should be for a 25 or 50 year event. What were statistically 10 year events, are now with the changing climate occurring with increasing frequency. It is well known that this stormwater can be harmful to the Bay and its listed or otherwise important life forms. So caution should be taken to use a larger design parameter.

There is also no discussion of the pollutant concentrations expected to flow into or out of the planned treatment system in the JPA. Presumably this is because that information was discussed in detail in the Port's application to DEQ for permit #102991.

[3] In the past, the Port has at various times indicated it will rely on Bioswales. However, a number of the proposed bioswales were either not constructed or not maintained. Few, if any, reasonably functional bioswales currently exist on the site. If bioswale treatment is proposed, an explicit condition of approval should be the immediate construction **and the long term maintenance** of such.

However, without that information it will be extremely hard for DSL (and DEQ) to assess whether the proposal will protect water quality.[4]

The SMP suggests that suspended solids, oil and grease, soluble heavy metals and nutrients are pollutants of concern at the Terminal. JPA Appendix F, §C. All of these stormwater constituents have the potential to impact water quality and aquatic species. One of the considerations is whether dissolved metals are or will be present in the site's runoff.[5] The proposed Contech Stormfilter with perlite media may not be sufficient to treat dissolved metals. Other stormwater filters exist that are specifically designed to address industrial runoff containing dissolved metals. *See, e.g.*, StormwateRx LLC, Aquip Filter http://www.stormwaterx.com/Products/Aquip.aspx.

DSL should ask the Port to address these issues. DSL has the express authority to require additional information from the Port to ensure the project complies with law. OAR 141-085-0025(9).

Finally, as an additional condition of approval, DSL should require that the Port remove all abandoned or unused stormwater catch basins, pipes, and outfalls. That is the only way to prevent future problems with those abandoned components. Such a condition is needed to ensure that the Terminal's future stormwater runoff does not interfere with the state's policy to conserve and protect aquatic resources. *See* ORS 196.805; OAR 141-085-0006.

CWA - Dewatering Pump Discharges

The JPA indicates that only the fluid and water from inside the Pasley will be run through the treatment system permitted under NPDES permit #102991 (the Petrol permit). It appears that the discharges from the pumps the Port will use to lower the water level inside the sheet pile wall will not be treated unless a visible sheen is present. The JPA states that this "water will not be treated unless a visual sheen is observed on the water surface." JPA, p. 10.

This is not acceptable. Such an approach ignores a whole host of potential pollutants: from dissolved metals, to suspended sediment, etc, that do not create an obvious or visible sheen. Moreover, such an approach also ignores oil or PAH's that happen to be at concentrations below that which creates an obvious sheen, but which could still be harmful (at least cumulatively) to the Estuary. All pumped water should be treated. That is the only safe approach.

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[4] The BA states that the stormwater treatment system is expected to remove 90 to 95 percent of pollutants from the influent. BA, p. 145. Even if this is what the system is designed for, the effluent concentrations that will be in the residual remain undisclosed in the JPA.

[5] For example, dissolved copper is extremely toxic to aquatic species, including coho, and is a common pollutant in boatyard stormwater because of copper paint used on boats. *See* Baldwin, et. al., *Sublethal effects of copper on coho salmon: impacts on nonoverlapping receptor pathways in the peripheral olfactory nervous system.* 22 Environ. Toxicol. Chem. 10 (Oct. 2003); and Washington Dept. of Ecology, *Chemical Characterization of Stormwater Runoff from Three Puget Sound Boatyards* 38 (Dec. 2006).

The remediation of the Pasley is likely to create turbidity and free pollutants into the water column. In fact, the sediment near the Pasley is known to contain high levels of toxic pollutants, such as metals and pesticides.[6] This appears to be the reason the sheet pile wall is needed in the first place. The Port must not be allowed to discharge this potential contamination – something it will be working so hard to contain - right back into the Bay. The same is true of the dewatering pump discharges that will occur after the Pasely remediation is complete.

The JPA indicates that the dewatering discharges **can** be run through the same treatment system proposed for draining the inside of the Pasley. *See e.g.,* JPA, p. 11. ORCA strongly recommends that DSL require, as a condition of approval, that the Port take the relatively simple step of treating all pumped water from any source with what ever treatment system is installed.

CWA - McLean Point Wetland Fill & Drainage

As part of the disposal of dredged spoils at McLean Point, there will almost certainly be liquid run off. This runoff must also be treated. If this runoff will continue after construction is completed - which is quite likely as the JPA notes that "[a] new stormwater outfall and tidegate will be constructed at the dredge spoils site." (*See,* JPA p.19, 4th¶) - then this runoff also will likely need a separate NPDES permit to cover ongoing discharges.

The McLean Point fill is a part of the proposal. As such it must be addressed in detail as part of any permitting. It is the Port's responsibility to provide complete information to facilitate assessment of the JPA. *See* OAR 141-085-0079. Unfortunately, it is not entirely clear whether the Port owns the property on McLean Point where spoils are proposed to be placed, or if that property is simply leased and the Port has obtained landowner agreement to dispose of the material there. Regardless, the Port needs to be required as part of this projects permitting, to take full responsibility for NPDES permit compliance at the dredge spoil disposal location(s).

Potential Noise Impacts

ORCA is also concerned that the potential noise impacts on listed species in the Estuary have not been sufficiently evaluated. The Port needs to fully address such impacts and/or to propose adequate mitigation measures for noise in each of the actions alternatives. *See* OAR 141-085-0025(3)(j).

The BA discusses several noise-related impacts that the project will potentially have on threatened coho and estimates that project noise will harass, injure or kill around 50 coho. BA, p. 121-6. However, the assessment of noise impacts fails to contain or consider baseline noise levels. It is not clear what the ambient or current

[6] *See*, Yaquina Bay and South Beach Marina Sediment Quality Evaluation Report, completed by the Army Corps in December 2005. Sediment near this site had some of the highest levels of silver, the second highest level of arsenic, copper, lead, nickel, zinc and mercury, and the third highest level of cadmium and thallium. *Id.* Table 2 (Sample #091205YAQB-BC-07). In addition, sediment near the Port had the second or third highest level of chlorinated pesticides, and the third highest levels of PCB's. *Id.* Tables 3-4 (Sample #091205YAQBBC-07)

noise levels are at the Terminal now. They may be such, there will be less impact than thought. However, there is also a risk that the impacts will be greater.

In addition, it is not clear if the potential noise impacts from dewatering pumps that will run around the clock during the project, has been evaluated on a cumulative basis with other noises that will be created during the project. As part of any permit, the DSL should require the Port to provide or conduct baseline and cumulative noise evaluations.

The BA also suggests that impacts on sturgeon and eulachon are possible, but the extent of harm is unknown. *See* BA, p. 123. The DSL should insist that the Port identify the potential adverse impacts that will result from all of the project activities, cumulatively, in order to comply with state regulations. *See* OAR 141-085-0550(j).

Mitigation Measures

ORCA appreciates the Port's adoption of mitigation measures intended to try to lessen the project's impact on the Bay. However, some concerns remain over how certain mitigation measures will be implemented.

Sediment & Demolition Debris

For example, what kind of "containment system" will the Port use during the east dock demolition to prevent debris from entering the Bay? *See* JPA, p. 8. At the west timber dock, the Port apparently plans to use nets to capture demolition debris. *See* JPA, p. 13. However, unless such nets are of almost microscopically fine mesh, that will not prevent small materials (which may include chemical-treated wood) and sediment from falling into the water.

Similarly the sediment fences and curtains proposed to contain pollutants generated during eelgrass bed excavation and around the dredge spoil disposal site are, as a practical matter, often inadequate turbidity controls. That is particularly true if it rains during any of the work (which it does now and then in Oregon).

The law requires DSL to consider "[w]hether the proposed fill or removal conforms to sound policies of conservation." ORS 196.825(e). Accordingly, DSL should require the Port to use more significant and where appropriate impervious containment systems for demolition activities (such as tarps), as well as better secondary containments around sediment curtains, and reinforced silt fences with sediment catch basins in all areas of concern.

Eelgrass Restoration

The eelgrass habitat restoration that is proposed also raises some concern, primarily because of the long term nature of that work. While ORCA fully supports such habitat restoration, DSL should note that a temporal habitat loss will occur, net habitat gains are uncertain and eelgrass restoration is difficult. DSL should also note that, even though the Port indicates it wishes to ultimately turn management or maintenance of the

eelgrass restoration project over to a "third-party steward," the Port must still remain under the permit ultimately legally responsible for "all monitoring and maintenance of the mitigation site." *See,* JPA, CWM Plan (1)(i), p. 45.

The Port should, as part of the permit, be required to do more to explain how it will fund long term maintenance of the restoration area. Just referencing the need for long term funding and the intent to have a long term plan is not sufficient. The Port needs to identify who will hold any conservation easements, what potential funding sources are, and what the basic terms of the management plan are.

The JPA indicates that if the planned restoration fails at mitigation site A, the Port might consider other restoration locations **or** "alter the success criteria" for the project. JPA, p. 47. Neither approach is acceptable. The JPA makes clear that the planned restoration site is the most promising site in the Bay. The Port is unlikely to find a better restoration site in the future. And changing the project evaluation criteria so that failure may suddenly be redefined as success is both legally and morally unconscionable.

DSL should require the Port to establish a more detailed and meaningful contingency plan for eelgrass mitigation. *See* OAR 141-085-0695. Further, the Port must specify how it will fund eelgrass bed maintenance. The Port must also specify in more detail what the plans for long-term management of the mitigation area are.

There should be both a detailed long term management plan (one that includes specification of both who will do the management, and what will be involved or required for such management), as well as a conservation easement, and identification of the reasonably expected funding sources, along with discussion of the options for any proposed third party steward. Without more specification on the long term plan, the agency will not be able to credibly compare and evaluate the mitigation related alternatives and potential impacts or reasonably expected benefits.

Potential "Benefits" Projected From The Project

The Port notes that removal of the Hennebique would be an additional benefit. ORCA fully agrees. However, it appears that additional planning is necessary to ensure the Port properly manages the Hennebique if the Port is unable to secure funding to remove the ship.

The JPA estimates that the Hennebique's concrete will experience global failure in 30 years, with localized failures much sooner. JPA, p. 17. Spalling is apparently already occurring. *Id.* Surely there must be some way to prevent on going spalling. As a condition of approval the Port should be required to research and provide solid options to prevent spalling on the exterior skin of the ship, and provide means for addressing any concrete that does fall into the Bay.

The JPA claims that because the concrete will be clean, deterioration into the Bay will not pose a problem. However the JPA does not discuss the effects deterioration may have on hydrology or habitat, so it is difficult to understand the true impacts.

Given the possible impacts, and the long term costs, ORCA is hopeful that the Port will redouble its efforts to obtain funding to remove the Hennebique. That may well prove cheaper in the long run than trying to address ongoing deterioration and its impacts on the Bay. As noted, as a condition of approval, the Port should be required to either research and address spalling or immediately locate funding to remove the Hennebique.

On the latter issue, it might help the Port obtain funding if the estimated cost of removing an already fully remediated Hennebique was provided. The figures mentioned now in the JPA for removal of both ships appear to ORCA to be excessive, and unless clarified those figures may well serve to deter future potential funders.

As part of the permit requirements, the Port should be directed to provide realistic figures that take into account the significant progress the Port will make towards full restoration of the area. Doing so will hopefully encourage potential funders to step forward and meet the relatively small remaining need. The figures for removal of the Hennebique should be a positive reflection of the future possibilities, not an unrealistic or inflated estimate from the past.

Finally, while it is important to acknowledge the many potential benefits of the International Terminal reconstruction as it is currently proposed the DSL needs to be careful not to rely on purely hypothetical "benefits" in its evaluation of the project. For example, the JPA contains speculation about future potential deep draft heavy cargo shipping using the Terminal. *See e.g.,* JPA pp.4, 5 & 20 (referencing both fishing fleets and "deep draft ships and barges" and a FUDAC recommendation that the reconstructed dock be designed to handle 150,000 lbs). Such statements are, at best, pure speculation.[7] DSL should stick to evaluating **actual** reasonably likely benefits when reviewing this project.

The need for environmental remediation of the ongoing contamination at the Port site is reason enough to support the proposal. While there may be some direct economic benefits associated with the Terminal renovation, avoiding more expensive clean-up costs later on, improving habitat for commercial fish species, and improving water quality for human recreation and tourism may well provide even greater economic returns in the long run for the Bay and the citizens of Newport and of the Oregon Coast.

Summary

ORCA is pleased with the change in the proposal, and with the potential progress is cleaning up Yaquina Bay that the current Terminal renovation proposal should produce. ORCA fully supports the idea of removal of the Pasley and full remediation of Hennebique (pending its future removal as well). ORCA is also encouraged by the potential for net habitat gains from this proposal.

[7] The market studies previously performed by the Port indicate that such shipping is **highly** unlikely to ever materialize in Yaquina Bay. At least not unless significant infrastructure (a new truly Int'l size airport, an Interstate Hwy, etc, etc) first all come into existence.

These comments are an attempt to identify ways to strengthen the remediation and renovation plan and to conform the proposal to the state's estuary conservation goals. These additional actions will meaningfully improve the project without requiring and unreasonable amount of extra time or expense from the Port or the agencies.

I trust you will find the comments useful and appreciate the opportunity to comment. If you have any questions, please do not hesitate to contact me.

Sincerely,

Karl G. Anuta

C: **by electronic mail only**
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