

State of Hawaii  
DEPARTMENT OF LAND AND NATURAL RESOURCES  
Division of Aquatic Resources  
Honolulu, Hawaii 96813

March 22, 2013

Board of Land  
and Natural Resources  
Honolulu, Hawaii

**SUBJECT: REQUEST FOR APPROVAL TO ADD FUNDING (\$550,000 FEDERAL, \$10,000 SPORT FISH SPECIAL FUND) AND EXTEND THROUGH FY14 THE PROJECT AGREEMENT (CONTRACT NO. 60395, AMENDMENT NO. 2) BETWEEN THE BOARD OF LAND AND NATURAL RESOURCES (BLNR) AND THE RESEARCH CORPORATION OF THE UNIVERSITY OF HAWAII (RCUH) FOR A DIVISION OF AQUATIC RESOURCES RESEARCH PROJECT TITLED "INVESTIGATION OF ESTUARINE HABITATS"**

Submitted herewith for your consideration is a request to amend and extend an existing Project Agreement (Contract No. 60395) between the BLNR and RCUH. Amendment No. 2 to the Project Agreement will add funding in the amount of \$560,000 (\$550,000 in Federal funds and \$10,000 in Sport Fish Special Fund) and allow continuation of the project from July 1, 2013 through June 30, 2014. Federal funds are being provided by U.S. Fish and Wildlife Service Sport Fish Restoration grants. The State match component is provided by Division of Aquatic Resources (DAR) in-kind match and \$10,000 LNR 805 Sport Fish Special Fund. Community-based volunteer services will be used when possible. The BLNR/RCUH Project Agreement allows DAR to secure assistance from RCUH in order to perform project objectives. RCUH's assistance is required in order for DAR to meet project goals and objectives in a timely way.

This project continues to examine the role of estuaries in providing functional nursery habitat for coastal fish species, and if measures are necessary to protect these resource areas. These habitats, characterized by the mixing of fresh and sea waters, typically support an abundance of juvenile fish species, and appear to serve as nursery grounds for many coastal recreational fish species such as the *aholehole*, *moi*, *kumu*, *ama'ama*, and *papio*. Unfortunately, very little is understood about the role and dynamics of the estuary habitat to fish production; and of concern is that estuaries are frequently being altered by upland sedimentation, invasive species and stream diversion, and these may be contributing, in part, to the decline of recreational sport fish species. Notwithstanding is the threat of climate change with concomitant alteration of rainfall patterns.

This project investigates attributes of a functioning nursery area and identifies the role of the estuary as recreational game fish nursery sites. Long-term monitoring of select estuary sites is being conducted to determine inter-annual recruitment variations. Focused field-research and monitoring allows DAR to identify, enhance and protect this ecosystem with special attention to

the importance of estuaries as a fish nursery, a gateway between the watershed and the ocean, and as sentinel to both surface and groundwater flow. Other elements of the project include 1) an acoustic tagging program to track movement of juvenile game fishes from estuary to coastal areas; 2) sampling stations to collect and summarize data on vital early history information such as biodiversity, size and time of recruitment, growth, habitat and water quality parameters, and determination of optimal habitat for recruiting animals, 3) identification of geographical distribution of fish species, enumerating habitat specific densities, seasonality, habitat related measures of growth and survival; 4) conducting bathymetric and water circulation characterizations and physiochemical parameters in a range of estuary types ; and 5) fish population sampling at various estuarine sites. Findings will be used to characterize the seasonality, species, and size composition of both native and introduced fish species in Hawaii's estuaries.

Approval to amend and extend the Project Agreement is being requested concurrently from the Governor, through the Department of Budget and Finance for review and approval. Also, Amendment No. 2 to the Project Agreement is being prepared for submission to the Attorney General's Office for preliminary approval as to form. DAR is aware that implementation of the Amendment No. 2 is dependent upon receipt of all required approvals and the availability of Federal funds, and that funding restrictions may occur at any time.

#### Chapter 343 - Compliance with Environmental Law:

Contract No. 60395 involves the use of state lands (submerged lands zoned in the Conservation District, Resource subzone) and use of state funds. The Department has determined that the actions undertaken by this ongoing project will have little or no significant effect on the environment and are exempt from the preparation of an environmental assessment. See Agency's Determination of Exemption (attached) from preparation of an environmental assessment.

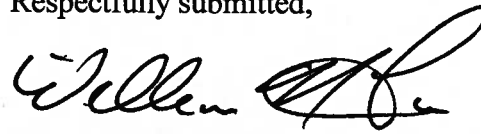
#### RECOMMENDATION:

Based on the attached proposed declaration of exemption prepared by the department after consultation with and advice of those having jurisdiction and expertise for the proposed actions under the contract:

1. That the Board declare that the actions which are anticipated to be undertaken under this contract will have little or no significant effect on the environment and is therefore exempt from the preparation of an environmental assessment.
2. Upon the finding and adoption of the department's analysis by the Board, that the Board delegate and authorize the Chairperson to sign the declaration of exemption for purposes of recordkeeping requirements of chapter 343, HRS, and chapter 11-200, HAR.

3. That the Board authorize the Chairperson to negotiate and, subject to necessary approvals, amend and extend a Project Agreement (Contract No. 60395, Amendment No. 2) with the Research Corporation of the University of Hawaii a Division of Aquatic Resources research project titled "Investigation of Estuarine Habitats."

Respectfully submitted,



WILLIAM M. TAM  
Acting Administrator

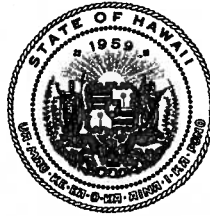
APPROVED FOR SUBMITTAL:



WILLIAM J. AILA, JR.  
Chairperson

Attachment

NEIL ABERCROMBIE  
GOVERNOR OF HAWAII



STATE OF HAWAII  
DEPARTMENT OF LAND AND NATURAL RESOURCES  
DIVISION OF AQUATIC RESOURCES  
1151 PUNCHBOWL STREET, ROOM 330  
HONOLULU, HAWAII 96813

WILLIAM J. AILA, JR.  
CHAIRPERSON  
BOARD OF LAND AND NATURAL RESOURCES  
COMMISSION ON WATER RESOURCE MANAGEMENT

ESTHER KIA'AINA  
FIRST DEPUTY

WILLIAM M. TAM  
DEPUTY DIRECTOR - WATER

AQUATIC RESOURCES  
BOATING AND OCEAN RECREATION  
BUREAU OF CONVEYANCES  
COMMISSION ON WATER RESOURCE MANAGEMENT  
CONSERVATION AND COASTAL LANDS  
CONSERVATION AND RESOURCES ENFORCEMENT  
ENGINEERING  
FORESTRY AND WILDLIFE  
HISTORIC PRESERVATION  
KAHOOLAWE ISLAND RESERVE COMMISSION  
LAND  
STATE PARKS

March 22, 2013

TO: Division of Aquatic Resources File

THROUGH: William J. Aila, Jr., Chairperson

FROM: Robert Nishimoto, Environmental Program Manager  
Division of Aquatic Resources

SUBJECT: Declaration of Exemption from the Preparation of an Environmental Assessment under the Authority of Chapter 343, HRS, and Chapter 11-200, HAR, for a Request for Approval to Add Funding (\$550,000 Federal, \$10,000 Sport Fish Special Fund) and Extend through FY14 the Project Agreement (Contract No. 60395, Amendment No. 2) between the Board of Land (BLNR) and the Research Corporation of the University of Hawaii (RCUH) for a Division of Aquatic Resources Research Project Titled "Investigation of Estuarine Habitats"

The following contract activities are found to be exempted from preparation of an environmental assessment under the authority of Chapter 343, Hawaii Revised Statutes (HRS) and Chapter 11-200, Hawaii Administrative Rules (HAR):

Project Title: Investigation of Estuarine Habitats

Request for Approval to Add Funding (\$550,000 Federal, \$10,000 Sport Fish Special Fund) and Extend through FY14 the Project Agreement (Contract No. 60395, Amendment No. 2) between the Board of Land (BLNR) and the Research Corporation of the University of Hawaii (RCUH) for a Division of Aquatic Resources Research Project Titled "Investigation of Estuarine Habitats."

Project Description: This research project continues to examine the role of estuaries in providing functional nursery habitat for coastal fish species, and if measures are necessary to protect these resource areas. The project investigates the attributes of a functioning nursery area and identifies the role of the estuary as recreational game fish nursery sites. Long-term monitoring of select estuary sites is conducted to determine inter-annual recruitment variations. Focused field-research and monitoring allows DAR to identify, enhance and protect this ecosystem with special attention to the importance of estuaries as a fish nursery, a gateway between the watershed and the ocean, and as sentinel to both surface and groundwater flow. Other elements of the project include 1) an acoustic tagging program to track movement of juvenile game fishes from estuary to coastal areas; 2) sampling stations at selected estuaries to collect and summarize data on vital

early history information such as biodiversity, size and time of recruitment, growth, habitat and water quality parameters, and determination of optimal habitat for recruiting animals, 3) identification of geographical distribution of fish species, enumerating habitat specific densities, seasonality, habitat related measures of growth and survival; 4) conducting bathymetric characterization and physiochemical parameters at established study sites; and 5) net sampling at various estuarine sites. Findings will be used to characterize the seasonality, species, and size composition of both adult and alien fish species in Hawaii's estuaries.

Exemption Determination: After reviewing §11-200-8, HAR, including the criteria used to determine significance under §11-200-1 and 5, HAR, DLNR has concluded that the activities under this contract would have minimal or no significant effect on the environment and that approval of the contract extension is categorically exempt from the requirement to prepare an environmental assessment based on the following analysis:

1. All activities associated with this contract have been evaluated as a single action. Since this research contract involves activities that are precedent to a later planned activity, i.e., the monitoring and collection of data and research, the categorical exemption determination here will treat all planned activities as a single action under § 11-200-8, HAR.
2. The Exemption Class #5 or Scientific Research with no Serious or Major Environmental Disturbance Appears to Apply. §11-200-8(a)(5), HAR, exempts the class of actions that involve "basic data collection, research, experimental management, and resource evaluation activities which do not result in a serious or major disturbance to an environmental resource." This exemption class has been interpreted to include the data collection, research and resource evaluation activities related to estuarine habitats, such as those being proposed.

In addition, the activities under consideration are exempt under Exemption Class #5, Exempt Items #3, #4, and #5, respectively, which include "placing recording devices in the field to determine animal movement," as well as "wildlife and game surveys, censuses, inventories, studies..." and "...marine surveys and research activities..." Department of Land and Natural Resources, the Division of Fish and Game 1976 Exemption List.

The proposed contract activities appear to fall under the exemption class identified under §11-200-8 (a)(5), HAR, and the Division of Fish & Game 1976 Exemption List. As discussed below, no significant disturbance to any environmental resource is anticipated. Thus, so long as the below considerations are met, an exemption class should include the action now contemplated.

3. Cumulative Impacts of Actions in the Same Place and Impacts with Respect to the Potentially Particularly Sensitive Environment Will Not Be Significant. Even where a categorical exemption appears to include a proposed action, the action cannot be declared exempt if "the cumulative impact of planned successive actions in the same place, over time, is significant, or when an action that is normally insignificant in its impact on the environment may be significant in a particularly sensitive environment." §11-200-8(b), HAR. To gauge whether a significant impact or effect is probable, an exempting agency must consider every phase of a proposed action, any expected primary and secondary

consequences, the long-term and short-term effects of the action, the overall and cumulative effect of the action, and the sum effects of an action on the quality of the environment. §11-200-12, HAR.

Significant cumulative impacts are not anticipated as a result of this activity, and numerous safeguards further ensure that the potentially sensitive environment of the project area will not be significantly affected. All activities will be conducted in a manner that does not diminish marine resources, qualities, and ecological integrity, or have any indirect, secondary, cultural, or cumulative effects.

Since no significant cumulative impacts or significant impacts with respect to any particularly sensitive aspect of the project area are anticipated, the categorical exemptions identified above should remain applicable.

4. Overall Impacts will probably have a Minimal or No Significant Effect on the Environment. Any foreseeable impacts from the proposed activity will probably be minimal, and further mitigated by general and specific conditions attached to the contract. Specifically, all research activities covered by this contract will be carried out with strict safeguards for the natural, historic, and cultural resources, other applicable law and agency policies and standard operating procedures.

Conclusion: Upon consideration of the contract to be approved by the Chairperson, being delegated signatory authority on behalf of the Board of Land and Natural Resources at its meeting of March 22, 2013, the potential effects of the above listed project as provided by Chapter 343, HRS, and Chapter 11-200, HAR, have been determined to be of probable minimal or no significant effect on the environment and exempt from the preparation of an environmental assessment.

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William J. Aila, Jr. Chairperson  
Board of Land and Natural Resources

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Date