

STATE OF CONNECTICUT
DEPARTMENT OF ECONOMIC AND COMMUNITY DEVELOPMENT
OFFICE OF RESPONSIBLE DEVELOPMENT

ENVIRONMENTAL ASSESSMENT CHECKLIST

Project ID No: (issued by OPM)

Date: 4/4/12	Staff Contact: Shelia Hummel
Municipality: New London	Project Name: Thames Shipyard Improvements
Funding Source: State Bond Act	State Funds: <input checked="" type="checkbox"/>
Type of State Agency Review:	Stage 1 <input checked="" type="checkbox"/> Stage 2

This assessment is being conducted in conformance to the department's Environmental Classification Document to determine CEPA obligations

Project Description:

The Thames Shipyard and Repair Company is proposing a capital improvement project that consists of three related elements: dredging 24,500 cubic yards of sediment from the berthing area and access channel, expanding an existing drydock and replacing/rebuilding 600 feet of deteriorating bulkheading.

The company has secured the necessary permits to dredge the footprint of the soon to be expanded Number 2 floating drydock, dredge a turning basin at the entrance to the Number 1 drydock, and to dredge the existing channel to its former depth to allow the shipyard to service deeper draft vessels that are currently turned away due to insufficient water depth to reach the drydocks. The proposed project consists of dredging a total of approximately 24,500 cubic yards of marine sediments from within the Thames Shipyard berthing area and access channel footprints. The proposed dredging of this facility consists of three individual footprints: Footprint A encompasses the dredging of a portion of the access channel, an area around the northern most dry-dock and the northern most pier to a depth of -18.0' Mean Low Water (MLW). Footprint B encompasses an area around a main facility dry dock to a depth of -28.0' MLW. Footprint C encompasses an area around the second pier from the south to a depth of -15.0' MLW. Dredging and disposal operations are proposed to be conducted using the mechanical clam-shell method and within an approved DEEP dredging window. A thorough Disposal Alternatives Analysis concluded that dredge spoils will be disposed of at either the New London Disposal Site, the Central Long Island Sound Disposal Site or the Western Long Island Sound Disposal site. When the project is completed, the shipyard will be in position to fully utilize the capability of the dry docks. This will allow Thames Shipyard to better service the region's high capacity ferry services that rely on the shipyard to maintain their fleets. This in turn will lead to the creation of jobs in the marine trades field that will enable faster vessel turnaround times and the ability to service more vessels.

In addition, Thames Shipyard is currently working on modifications to expand its Number 2 drydock thus increasing its overall capabilities. Once completed, the drydock will be lengthened by 24 feet and widened by 20 feet bringing the overall length to 170 feet (120' long pontoon with a 25' apron on each end), and overall width to 92 feet. These improvements to the drydock will increase its deck size enabling it to haul longer and wider vessels. They will increase the drydock's capacity, stability and efficiency and enable it to haul heavier vessels with higher centers of gravity and extend its useful life by 30 years. The third element to the project is the replacing and rebuilding of existing and deteriorating bulkheading at the shipyard. This will allow for vessels to be serviced while they are not in drydock. Thames Shipyard has received permits to replace 600 feet of bulkheading at the yard.

A scoping notice was published on the CEQ Environmental Monitor on November 8, 2011 and a revised notice was published on November 22, 2011. A request for a Public Scoping Meeting was received on

November 13, 2011. A Public Scoping Meeting was held at the New London Public Library on December 13, 2011. Public comment received during the Public Scoping Meeting and following the meeting has been incorporated into this Environmental Assessment Checklist. The end of the public comment period was December 22, 2011.

Note: environmental remediation is a positive environmental impact, but not a CEPA activity.

RCSA sec. 22a-1a-3 Determination of environmental significance (direct/indirect)

1) *Impact on air and water quality or on ambient noise levels*

a) *Air Quality*

- Public is concerned that the Thames Shipyard and Repair Company has not received the air permits it has been seeking since 2008. The Thames Shipyard and Repair Company has obtained permits for the sources of air emissions included in the January 15, 2008 Stipulation for Judgment.
- Public is concerned the Shipyard continues to sandblast without containment even on small projects.
- The DEEP Air Engineering & Enforcement Division has issued Notice of Violation to the Thames Shipyard and Repair Company due to fugitive dust emissions from vehicular traffic at the site (NOV 16619), sandblasting operations (NOV 16618) and bead blasting (NOV 16789). In addition, the EPA issued an Administrative Order to the Thames Shipyard and Repair Company on November 18, 2011 for violations of the National Emission Standards for Hazardous Air Pollutant for Shipbuilding and Ship Repair (Surface Coating).

b) *Water Quality*

- Permits have been obtained for 600 feet of bulkheading at the shipyard.

c) *Ambient Noise Levels*

- Public concern regarding existing noise and increased noise with larger boats.
- Public concern that noise will continue into the evening with additional shifts.

2) *Impact on a public water supply system or serious effects on groundwater, flooding, erosion, or sedimentation*

a) *Water Supply*

- The project area is not within a public water supply source water area.

b) *Groundwater*— No negatives impacts are anticipated.

c) *Flooding*

- The Thames Shipyard and Repair Company has preliminarily contacted the DEEP regarding the need to modify the NPDES permit (CT0030333) for the discharge of pumped water from ballast tanks associated with two drydocks at the facility due to the expansion of the smaller drydock. The permit must be modified prior to the discharge of additional ballast water.

d) *Erosion or Sedimentation*

- The Thames Shipyard and Repair Company has obtained permits for wastewater and stormwater discharges and developed a Stormwater Pollution Prevention Plan and Best Management Practices

3) *Effect on natural land resources and formations, including coastal and inland wetlands, and the maintenance of in-stream flows—*

- The Thames Shipyard and Repair Company has obtained permits for 600 feet of bulkheading at the shipyard.
- The Thames Shipyard and Repair Company has obtained permits and certificates of permission for several in-water structures as required by the 2008 Stipulation for Judgment. Permitting for other structures is scheduled to be completed in the future.

- 4) *Disruption or alteration of an historic, archeological, cultural or recreational building, object, district, site or surroundings*— No negatives impacts are anticipated.
- 5) *Effect on natural communities and upon critical species of animal or plant and their habitats: interference with the movement of any resident or migratory fish or wildlife species*—
 - Previous reviews by the Natural Diversity Data Base have determined that projects would not impact federally listed endangered or threatened species or species listed by the State, pursuant to section 26-306 of the CGS, as endangered, threatened or special concern in the project area. An updated review will be conducted as part of subsequent environmental permit applications submitted to DEEP for the proposed site. Applicants are required to consult with the NDDB and include the response in their application.
 - The Thames River supports a variety of fish species. Anadromous fish migration and winter flounder spawning and early life-stage development are of particular concern in the project area. Anadromous river herring (alewife and blueback herring) and American shad migrate past the project site from April through June to fresh water spawning areas. The Inland Fisheries Division will be consulted during the permitting process and appropriate mitigation measures incorporated into any approval granted by OLISP.
- 6) *Use of pesticides, toxic or hazardous materials or any other substance in such quantities as to create extensive detrimental environmental impact*— No negatives impacts are anticipated.
- 7) *Substantial aesthetic or visual effects*
 - Public is concerned that expansion of the Shipyard will have a negative impact on neighboring property values.
- 8) *Inconsistency with the written and/or mapped policies of the statewide Plan of Conservation and Development and such other plans and policies developed or coordinated by the Office of Policy and Management or other agency*— No negatives impacts are anticipated.
- 9) *Disruption or division of an established community or inconsistency with adopted municipal or regional plans*— No negatives impacts are anticipated.
- 10) *Displacement or addition of substantial numbers of people*— No negatives impacts are anticipated.
- 11) *Substantial increase in congestion (traffic, recreational, other)* — No negatives impacts are anticipated.
- 12) *A substantial increase in the type or rate of energy use as a direct or indirect result of the action*—No negative impacts are anticipated.
- 13) *The creation of a hazard to human health or safety*— No negatives impacts are anticipated.
- 14) *Any other substantial impact on natural, cultural, recreational or scenic resources*—
 - Public is concerned that the state (and federal government) is spending millions of tax dollars to benefit a private business with only a possibility of creating jobs.
 - Public is concerned that the City of New London has not considered the negative impact of the light, noise and pollution of the Shipyard when assessing neighboring properties for the purposes of taxation.

Conclusion:

The Thames Shipyard & Repair Company shall be required to obtain the following permits as a requirement for utilization of state funding for the proposed project:

- Modification to NPDES permit (CT0030333) for the discharge of pumped water from ballast tanks associated with expansion of the drydock. The permit must be modified prior to the discharge of additional ballast water.
- An updated NDDB review will be conducted as part of subsequent environmental permit applications submitted to DEEP for the proposed site.

The preparation of an Environmental Impact Evaluation (EIE) will not be required to determine the extent of cumulative impacts associated with this project.

Following are the issues identified by various State agencies:

DEEP:

- According to Paragraph B.8. of the 2008 Stipulation for Judgment if the Thames Shipyard and Repair Company receive any public funds, they shall submit a report indicating the amount and source of the funds and the intended use in order to confirm that any such funds will not be used by the Thames Shipyard and Repair Company as part of efforts to comply with the requirements of the Judgment, for the DEEP Commissioner's review and written approval. Absent such a written approval by the DEEP Commissioner, no public funds shall be used in complying with any of the requirements of the Judgment.

DPH:

- The project does not appear to be in a public water supply source water area.

Recommendations:

DECD does not recommend preparation of an EIE to determine the extent of cumulative impacts associated with the proposed project. The Thames Shipyard & Repair Company shall be required to obtain all necessary permits as a requirement for utilization of state funding for the proposed project.