CALIFORNIA COASTAL COMMISSION

NORTH COAST DISTRICT OFFICE 1385 EIGHTH STREET • SUITE 130 ARCATA, CA 95521 VOICE (707) 826-8950 FACSIMILE (707) 826-8960



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Staff: M. Kraemer–A Date: March 21, 2014

ADMINISTRATIVE PERMIT

Application No.: 1-13-0224

Applicant: Hag Fish Corporation

Location: On a pier over the waters of Humboldt Bay, 210 C Street, Fields

Landing, Humboldt County (APN 305-201-11).

Project Description: (1) Replace the existing seawater intake screen and associated

piping at an existing live seafood warehouse operation on the pier with fish-friendly screening and associated piping, and (2) install discharge piping affixed to the underside and extending to the end of the pier at the deepwater channel to drain the circulated seawater used in the live seafood operation back into Humboldt Bay in a manner that protects the intertidal mudflat

below the pier.

EXECUTIVE DIRECTOR'S DETERMINATION:

The findings for this determination and any special conditions appear on subsequent pages.

<u>Note</u>: Public Resources Code Section 30624 provides that this permit shall not become effective until it is reported to the Commission at its next meeting. If one-third or more of the appointed membership of the Commission so request, the application will be removed from the administrative calendar and set for public hearing at a subsequent Commission meeting. Our office will notify you if such removal occurs.

This permit will be reported to the Coastal Commission at the following time and place:

Thursday, April 10, 2014 – 8:30 a.m. Hyatt Santa Barbara 1111 East Cabrillo Blvd. Santa Barbara, CA 93103

IMPORTANT: Before you may proceed with development, the following must occur:

Pursuant to Title 14, California Administrative Code Sections 13150(b) and 13158, you must sign the enclosed duplicate copy acknowledging the permit's receipt and accepting its contents, including all conditions, and return it to our office. Following the Commission's meeting, and once we have received the signed acknowledgement and evidence of compliance with all special conditions, we will send you a Notice of Administrative Permit Effectiveness.

BEFORE YOU CAN OBTAIN ANY LOCAL PERMITS AND PROCEED WITH DEVELOPMENT, YOU MUST HAVE RECEIVED BOTH YOUR ADMINISTRATIVE PERMIT AND THE NOTICE OF PERMIT EFFECTIVENESS FROM THIS OFFICE.

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CHARL	ES LESTER	
Executive Director		
By:		
	MELISSA B. KRAEMER	
	Coastal Program Analyst	

STANDARD CONDITIONS:

This permit is granted subject to the following standard conditions:

- 1. <u>Notice of Receipt and Acknowledgement.</u> The permit is not valid and development shall not commence until a copy of the permit, signed by the permittee or authorized agent, acknowledging receipt of the permit and acceptance of the terms and conditions is returned to the Commission Office.
- 2. <u>Expiration.</u> If development is not commenced, the permit will expire two years from the date this permit is reported to the Commission. Development shall be pursued in a diligent manner and completed in a reasonable period of time. Application for extension of the permit must be made prior to the expiration date.
- 3. <u>Interpretation.</u> Any questions of intent or interpretation of any condition will be resolved by the Executive Director or the Commission.
- 4. <u>Assignment.</u> The permit may be assigned to any qualified person, provided assignee files with the Commission an affidavit accepting all terms and conditions of the permit.
- 5. <u>Terms and Conditions Run with the Land.</u> These terms and conditions shall be perpetual, and it is the intention of the Commission and the permittee to bind all future owners and possessors of the subject property to the terms and conditions.

SPECIAL CONDITIONS: See pages 11 through 12.

EXECUTIVE DIRECTOR'S DETERMINATION (continued):

The Executive Director hereby determines that the proposed development is a category of development which, pursuant to PRC Section 30624, qualifies for approval by the Executive Director through the issuance of an administrative permit. Subject to Standard and Special Conditions as attached, said development is in conformity with the policies of Chapter 3 of the California Coastal Act, including those policies regarding public access and coastal recreation opportunities, and will not have any significant adverse impacts on the environment within the meaning of the California Environmental Quality Act. If located between the nearest public road and the sea, this development is in conformity with the public access and public recreation policies of Chapter 3.

I. FINDINGS FOR EXECUTIVE DIRECTOR'S DETERMINATION

A. PROJECT LOCATION & BACKGROUND

The project area is located at the foot of C Street on the east side of Humboldt Bay in the unincorporated community of Fields Landing, Humboldt County (**Exhibit 1**). The approximately 8-acre property, owned by Humboldt Bay Forest Products, a log and wood chip export company, is planned and zoned for coastal-dependent industrial uses under the County's certified LCP. The Applicant leases a portion of the property, including a partially enclosed "breezeway" warehouse structure on an existing pier, for shipping, storage, and general business associated with the Applicant's live seafood operation.

Hag Fish Corporation holds and sustains live seafood product (hagfish) prior to its live export overseas. Prior to the Applicant's commencement of operations on the site in 2011, Eureka Fisheries, a separate commercial fishing facility, occupied the existing facility, including the existing pier warehouse, from 1953 until 2001.

The Applicant's operation involves extracting and circulating raw seawater from Humboldt Bay through a series of tanks holding live hagfish catch. While the original seawater intake on the site was established decades ago by Eureka Fisheries (prior to coastal development permit requirements), the Applicant replaced the majority of the original steel piping, including the pipe segment that extends into the bay from the end of the pier, with Schedule 40 PVC piping when it commenced operations on the site. This replacement development was undertaken without the benefit of a CDP.

The existing seawater intake and discharge system consists of an approximately 16-foot-long 3-inch PVC main line hanging perpendicular to the end of the pier (approximately 6 feet of which is below the water surface), screened with an existing 4-foot-long by 3-foot-diameter cylindrical screen with ½-inch filtering. At the top (above water surface) end of the intake pipe, the line bends inland (eastward) along the pier deck for approximately 40 feet to an indoor pump room. During operations (when live catch is present in tanks), water pumps with

3-inch intake and outflow pipes operated by 240-volt motors extract approximately 278 gallons of seawater per minute (~0.62 cubic feet per second). The seawater circulates through 11 tanks (most of which are 12-ft-long by 4-ft-wide by 3.5-ft deep), which store and sustain live hagfish awaiting export. The tanks discharge water through a 2.5-inch PVC discharge pipe to an existing steel discharge trough, which in turn discharges the water beneath the pier seaward of mean higher high water to intertidal bay mudflat habitat.

Hag Fish Corporation's diversion of seawater from the bay is variable, depending on weather, market conditions, and other fisheries-related factors. On average, seawater is diverted approximately four to six months per year, primarily during the summer through fall months.

B. DEVELOPMENT PROPOSAL

The proposed permit application involves the partial replacement of the existing unpermitted seawater intake and discharge system with several new system components (**Exhibits 2 & 3**).

Intake system improvements

The existing intake pipes that hang off the end of the pier will be replaced with primary and backup screened intake pipes, a standard practice for live seafood operations (the backup system will only be used in the event that the primary system fails). The new intake pipelines will consist of new 20-foot-long PVC suction hoses hung from small hand-powered davits by 1/8-inch stainless steel cables. The hoses will be screened with non-self-cleaning intake screens that limit the maximum intake approach velocity to 0.051 cubic feet per second. The suction hoses will be connected to hard 3-inch PVC piping that will run for approximately 40 feet to the pump room to connect with the existing pipeline system that connects to the various tanks.

Discharge system improvements

The existing discharge system will be retrofitted by running three new 6-inch-diameter ABS corrugated plastic pipelines under the pier (attached with galvanized strapping to existing cross beams) from the existing collection troughs to the edge of the pier at the deepwater channel. The new pipes will vary in length from 60 feet to 140 feet.

C. STANDARD OF REVIEW

The proposed project is located in the Commission's retained jurisdiction within tidelands and submerged areas. Therefore, the standard of review that the Commission must apply to the project is the Chapter 3 policies of the Coastal Act.

D. LOCAL GOVERNMENT AND OTHER APPROVALS

Humboldt County

The proposed development meets all zoning requirements of Humboldt County and needs no local discretionary permits (per County zoning regulations Sec. 313-131).

Humboldt Bay Harbor, Recreation, and Conservation District

The District is a county-wide agency with permit jurisdiction over all tidelands, submerged lands, and other lands granted to the District, including all of Humboldt Bay. Commission staff consulted with District staff to inquire about the District's permitting requirements. District staff has not yet determined whether or not a permit from the District will be required for the proposed project. **Special Condition 1** is attached to require that Hag Fish Corp. obtain any necessary approvals from the District.

California Department of Fish and Wildlife (CDFW)

CDFW, in its administration of the California Endangered Species Act (CESA), requires an Incidental Take Permit (ITP) for "take" of listed species incidental to otherwise lawful development projects. If the seawater diversion proposed under this CDP application is implemented as proposed consistent with CDFW project recommendations, the CDFW will not require an ITP for the project, because the project is expected to avoid incidental take of CESA-listed coho salmon and longfin smelt, as discussed in the following section.

North Coast Regional Water Quality Control Board

The Regional Board requires a water quality certification (WQC) for projects involving dredging and/or filling activities under Section 401 of the Clean Water Act. Regional Board staff informed Commission staff that no WQC would be required for the proposed project, since no dredging is involved, and they are not considering any new fill as being added to state waters. The Regional Board also inspected the site to determine if there would be a need to issue waste discharge requirements (WDRs) for ongoing operations. The Regional Board indicated to Commission staff that they would not be requiring a WDR permit for the site.

U.S. Army Corps of Engineers

The Corps may have regulatory authority over the proposed project under Section 10 of the Rivers and Harbors Act of 1899 (33 U.S.C. 1344) and/or Section 404 of the Clean Water Act. Section 10 of the Rivers and Harbors Act regulates structures or work in navigable waters of the United States. Section 404 of the Clean Water Act regulates fill or discharge of materials into waters and ocean waters. **Special Condition 2** is attached to require that Hag Fish Corp. obtain any necessary approvals from the Corps for the proposed project.

E. MARINE BIOLOGICAL RESOURCES & WATER QUALITY

Section 30230 of the Coastal Act states:

Marine resources shall be maintained, enhanced, and where feasible, restored. Special protection shall be given to areas and species of special biological or economic significance. Uses of the marine environment shall be carried out in a manner that will sustain the biological productivity of coastal waters and that will maintain healthy populations of all species of marine organisms adequate for long-term commercial, recreational, scientific, and educational purposes.

Section 30231 of the Coastal Act states:

The biological productivity and the quality of coastal waters, streams, wetlands, estuaries, and lakes appropriate to maintain optimum populations of marine

organisms and for the protection of human health shall be maintained and, where feasible, restored through, among other means, minimizing adverse effects of waste water discharges and entrainment, controlling runoff, preventing depletion of ground water supplies and substantial interference with surface water flow, encouraging waste water reclamation, maintaining natural vegetation buffer areas that protect riparian habitats, and minimizing alteration of natural streams.

The proposed diversion and discharge of seawater for Hag Fish Corporation's live seafood operation has the potential to adversely affect marine resources and the biological productivity of coastal waters in Humboldt Bay by potentially causing adverse impacts to various species of sensitive fish that have the potential to inhabit the project area waters. Three species of salmonids, including the Southern Oregon/Northern California Coasts Evolutionarily Significant Unit (ESU) of coho salmon (Oncorhynchus kisutch), California Coastal ESU Chinook salmon (O. tshawytscha), and Northern California ESU steelhead (O. mykiss), are present in Humboldt Bay both as adults during their migration from the sea into spawning rivers in the fall and winter and as juveniles as they move downstream into the ocean in the spring and early summer. All three salmon species are listed as threatened under the federal ESA (coho also is listed as threatened under the California ESA). Longfin smelt (Spirinchus thaleichthys), listed as a threatened species under the California ESA, generally spawns in freshwater and moves downstream to estuarine conditions to grow, including within Humboldt Bay waters. Once among the most abundant fish species in Humboldt Bay, present in larval, juvenile, and adult life stages, longfin smelt were considered to be possibly extinct there by 1996¹. In recent years, however, longfin smelt have again been observed in Humboldt Bay and are thought to be present year-round.²

The removal of seawater through intake structures is known to result in the impingement and entrainment of marine life. The type and quantity of marine life that may be adversely affected in this way is related to the size and velocity of the intake structures. Larger, high-velocity structures can cause the impingement and entrainment of larger organisms that can include adult fish, while smaller low-velocity structures can typically only impinge and entrain smaller larval and juvenile organisms. While impingement (capture of fish and marine organisms against an intake screen due to suction) can often result in the injury or mortality of the affected organism, adverse effects of entrainment (capture of fish and marine organisms in the intake stream) vary based on the type of intake system (configuration of pipes, pressure changes, temperatures) and ultimate use of the entrained water.

As part of its existing and ongoing operations, the Applicant extracts approximately 278 gallons of seawater per minute (~0.62 cubic feet per second) during periods when live catch is present in the on-site holding tanks (water is not extracted during periods when live catch is not present). As described above, Hag Fish Corporation's diversion of seawater from the bay is variable, depending on weather, market conditions, and other fisheries-related factors. On average, seawater is diverted approximately four to six months per year, primarily during the summer through fall months, to circulate through up to 11 fish holding tanks. This practice could result in a maximum annual water usage of approximately 72 million gallons. Although

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¹ Eldridge and Bryan 1972; U.S. Fish and Wildlife Service 1996.

² Pinnix et al. 2005.

the potential maximum diversion volume is large, this proposed use is substantially less intensive (due to the minimal processing and use of the water) than typical industrial uses of seawater, such as once-through-cooling, which have been associated with significant entrainment impacts due to the assumed 100% mortality of entrained planktonic organisms. In addition, the proposed use of seawater would not involve permanent or long-term removal, heating, or pressure changes and mechanical stress that comes with movement through a long series of pipes, which are the primary causes of mortality for entrained organisms. Thus, the proposed water use, limited to intake through a main pipe, circulation through live holding tanks, and immediate discharge back to the bay, is not expected to result in significant adverse or avoidable entrainment impacts to the larval and planktonic organisms within the water.

The Applicant reviewed the fish screen guidelines developed by the CDFW and National Marine Fisheries Service (NMFS) regarding entrainment and impingement of listed species such as longfin smelt and salmonids and also consulted directly with CDFW marine region staff. Hag Fish Corp. has committed in its project description to use a seawater intake designed according to NMFS and CDFW requirements as protective of fish listed under the federal and state Endangered Species Acts. Specifically, following CDFW and NMFS instructions, the Applicant constructed and proposes to install non-self-cleaning intake screens that limit the intake approach velocity to below that velocity which would exceed the swimming ability of the various sensitive fish species with potential presence in the bay (including juvenile longfin smelt and juvenile salmonids). The intake screening was sized to protect juvenile longfin smelt from impingement and entrainment impacts, as juvenile longfin smelt generally are smaller and weaker swimmers than juvenile salmonids and therefore require more protective criteria. With its proposed seawater diversion of 0.62 cubic feet per second (~278 gallons per minute), the primary and backup intake structures have been constructed with screens with 5/32" perforations and intake areas of 12.3 square feet with at least 27% porosity to ensure a maximum approach velocity of no more than 0.05 feet per second, which is consistent with CDFW criteria for waters where juvenile longfin smelt and/or delta smelt occur. While CDFW's screen size recommendations have been refined since the Applicant constructed the screens proposed for installation, the proposed approach velocity and screen mesh size standards reflected the best available science and recommendations of CDFW at the time the screens were constructed several months ago. Commission staff anticipates that further refinement of these standards will occur in the future as more information on the swimming abilities and impingement/entrainment potential of longfin smelt becomes available. Special Condition 3 requires Hag Fish Corporation to implement the intake system improvements as proposed and approved by CDFW within 60 days of Commission approval of the project.

In addition to the proposed intake system components, the Applicant also is proposing to install discharge piping in a manner that protects the intertidal mudflat habitat beneath the existing pier. Due to the degraded nature of the existing discharge pipes, discharge water associated with the live seafood operation currently discharges below the pier to the intertidal bay habitat, and during periods of low tides, the discharge has the potential to cause scouring and erosion of mudflat habitat. To maintain the biological productivity and the quality of the estuarine habitat appropriate to maintain optimum populations of marine organisms, the Applicant proposes to minimize any adverse effects of the operation's wastewater discharge

by installing new drainage pipes affixed to the underside of the pier and extending out to the seaward end of the pier to the edge of the deepwater channel. **Special Condition 4** is attached to require this project component be implemented within 60 days of Commission approval of the administrative permit.

Therefore, the Executive Director finds that the project as conditioned will be carried out in a manner in which marine resources are maintained, species of special biological significance are given special protection, the biological productivity of coastal waters is sustained, and healthy populations of all species of marine organisms will be maintained. In addition, the Executive Director finds the proposed project, as conditioned, will maintain the biological productivity of coastal waters and estuarine habitats appropriate to maintain optimum populations of marine organisms. The Executive Director therefore concludes that the proposed project, as conditioned, is consistent with Sections 30230 and 30231 of the Coastal Act.

F. FILL OF OPEN COASTAL WATERS

Section 30233 of the Coastal Act states, in applicable part, as follows:

- (a) The diking, filling, or dredging of open coastal waters, wetlands, estuaries, and lakes shall be permitted in accordance with other applicable provisions of this division where there is no feasible less environmentally damaging alternative, and where feasible mitigation measures have been provided to minimize adverse environmental effects, and shall be limited to the following:
- (1) New or expanded port, energy, and coastal-dependent industrial facilities, including commercial fishing facilities.
- (2) Maintaining existing, or restoring previously dredged depths on existing navigational channels, turning basins, vessel berthing and mooring areas, and boat launching ramps.
- (3) In open coastal waters, other than wetlands, including streams, estuaries, and lakes, new or expanded boating facilities and the placement of structural pilings for public recreational piers that provide public access and recreational opportunities.
- (4) Incidental public service purposes, including but not limited to, burying cables and pipes or inspection of piers and maintenance of existing intake and outfall lines.
- (5) Mineral extraction, including sand for restoring beaches, except in environmentally sensitive areas.
- (6) Restoration purposes.
- (7) Nature study, aquaculture, or similar resource dependent activities.

(c) In addition to the other provisions of this section, diking, filling, or dredging in existing estuaries and wetlands shall maintain or enhance the functional capacity of the wetland or estuary...

..

Coastal Act Section 30108.2 defines "fill" as "earth or any other substance or material ... placed in a submerged area." As part of its project, the Applicant proposes to install new screened intake pipes into the nearshore waters off of an existing pier. Installation of these structures into the submerged nearshore zone constitutes "fill" of estuarine waters as that term is defined in the Coastal Act.

The Commission may authorize a project that includes filling of estuarine waters if the project meets the three tests of Coastal Act Section 30233. The first test requires that the proposed activity fit within one of seven use categories described in Coastal Act Section 30233(a)(1)-(7). The second test requires that no feasible less environmentally damaging alternative exists. The third and final test mandates that feasible mitigation measures are provided to minimize any of the project's adverse environmental effects.

Allowable use

The purpose of the intake system is to extract seawater for use in sustaining a live seafood product prior to its live export overseas. Thus, the proposed intake system supports a commercial fishing facility. New or expanded port, energy, and coastal-dependent industrial facilities, including commercial fishing facilities, are an allowable use of fill under Coastal Act Section 30233(a)(1). Therefore, the Executive Director finds that the project meets the allowable use test for fill of estuarine waters under Coastal Act Section 30233(a).

Alternatives

The Commission must further find that there is no feasible less environmentally damaging alternative to placing fill in estuarine waters. Coastal Act Section 30108 defines "feasible" as "...capable of being accomplished in a successful manner within a reasonable period of time, taking into account economic, environmental, social and technological factors." In this case, two alternatives to the proposed fill in estuarine waters are considered: the proposed project and the "no project" alternative.

Under the "no project" alternative, it would be infeasible for Hag Fish Corporation to operate its commercial fishing facility, which depends on the use of seawater to sustain live catch awaiting export overseas. The Applicant took over the site from Eureka Fisheries, another commercial fishing facility that operated on the site from 1953 till 2001. When the Applicant commenced operations on the site in 2011, it replaced the previous seawater intake system with new screened PVC piping (without the benefit of a CDP). The existing unpermitted intake screen does not meet CDFW and NMFS screen criteria for protection of juvenile salmonids and longfin smelt. Therefore, this alternative would not maintain the functional capacity of the estuary, as required by Section 30233(c), and would be more environmentally damaging when compared to the proposed project.

For the reasons described above, the Executive Director finds that the proposed project is the least environmentally damaging feasible alternative, and therefore the second test of Coastal Act Section 30233(a) is satisfied.

Mitigation Measures

The final requirement of Coastal Act Section 30233(a) is that filling of coastal waters may be permitted if feasible mitigation measures have been provided to minimize any adverse environmental impacts. As described in greater detail in the marine resources section of this report, the mitigation measures associated with this project consist of intake and discharge standards to protect species of special biological significance and maintain the biological productivity and the quality of the estuarine habitat appropriate to maintain optimum populations of marine organisms. These feasible mitigation measures will minimize the project's adverse environmental impacts. Thus, with the imposition of Special Conditions 3 and 4, the Executive Director finds that the third and final test of Coastal Act Section 30233(a) has been met.

Conclusion

The fill in coastal waters associated with the screened seawater intake pipelines is allowable for a commercial fishing facility, is the least environmentally damaging feasible alternative, and includes feasible mitigation measures to minimize adverse environmental effects. Therefore, the Executive Director finds the proposed project consistent with Section 30233 of the Coastal Act.

G. PUBLIC ACCESS

Section 30210 of the Coastal Act requires that maximum public access shall be provided consistent with public safety needs and the need to protect natural resource areas from overuse. Section 30212 of the Coastal Act requires that access from the nearest public roadway to the shoreline be provided in new development projects except where it is inconsistent with public safety, military security, or protection of fragile coastal resources, or adequate access exists nearby. Section 30211 requires that development not interfere with the public's right to access gained by use or legislative authorization. Section 30214 of the Coastal Act provides that the public access policies of the Coastal Act shall be implemented in a manner that takes into account the capacity of the site and the fragility of natural resources in the area. In applying Sections 30210, 30211, 30212, and 30214, the Commission is also limited by the need to show that any denial of a permit application based on these sections, or any decision to grant a permit subject to special conditions requiring public access, is necessary to avoid or offset a project's adverse impact on existing or potential access.

As noted previously, the project site is located on a pier over the estuarine waters of Humboldt Bay. The property is situated immediately north of a County boat ramp, which provides boating access and public picnicking and restroom amenities. The proposed replacement of seawater intake and discharge pipelines will not block access along the shoreline and will not increase the demand for public access. The project site does not currently support public access, and no evidence has been presented to suggest that an implied dedication of a public access easement through or along the property has occurred. Thus, the proposed project will not adversely affect any existing rights of access that may have been acquired through use, as no existing public access will be blocked by the proposed development. Therefore, the proposed project will not adversely affect public access on the project site or the adjacent County property. As such, the Executive Director finds that the proposed project does not have any significant adverse effect on public access, and that the

project as proposed without new public access is consistent with the requirements of Coastal Act Sections 30210, 30211, 30212, and 30214.

H. CALIFORNIA ENVIRONMENTAL QUALITY ACT (CEQA)

Section 13096 of the Commission's administrative regulations requires Commission approval of Coastal Development Permit applications to be supported by a finding showing the application, as modified by any conditions of approval, to be consistent with any applicable requirements of the California Environmental Quality Act (CEQA). Section 21080.5(d)(2)(A) of CEQA prohibits a proposed development from being approved if there are feasible alternatives or feasible mitigation measures available which would substantially lessen any significant adverse effect which the activity may have on the environment.

The Executive Director incorporates its findings on conformity with the Chapter 3 policies of the Coastal Act at this point as if set forth in full. These findings address and respond to all public comments regarding potential significant adverse environmental effects of the project that were received prior to preparation of the staff report. As discussed above, the development has been conditioned to be found consistent with the policies of the Coastal Act. Mitigation measures, which will minimize all adverse environmental impacts, have been required as permit special conditions. As conditioned, there are no feasible alternatives or feasible mitigation measures available, beyond those required, which would substantially lessen any significant adverse impact that the activity may have on the environment. Therefore, the Executive Director finds that the development as conditioned to mitigate the identified impacts can be found to be consistent with the requirements of the Coastal Act to conform to CEQA.

II. SPECIAL CONDITIONS

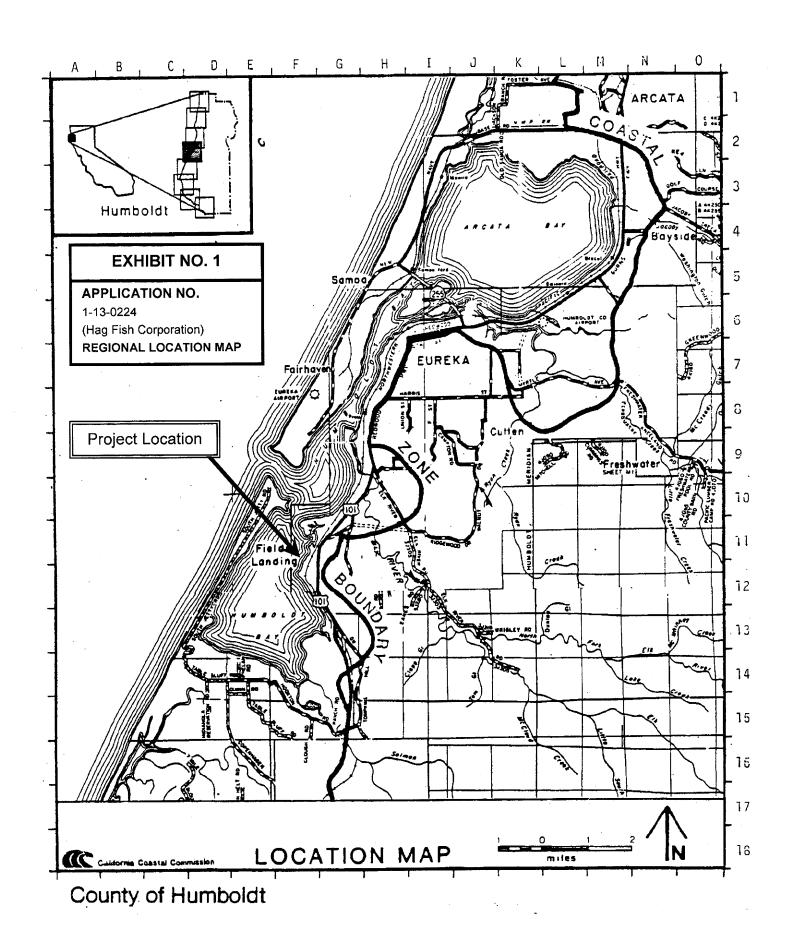
This permit is granted subject to the following special conditions:

- 1. Humboldt Bay Harbor District Permit. The Permittee shall submit a copy of a permit from the Humboldt Bay Harbor, Recreation, and Conservation District for the proposed development to the Executive Director upon its approval by the District, or evidence that no such permit is required. The Permittee shall inform the Executive Director of any changes to the project required by the District permit. Such changes shall not be incorporated into the project until the Permittee obtains a Commission amendment to this coastal development permit, unless the Executive Director determines that no amendment is legally required.
- 2. U.S. Army Corps of Engineers Approval. The Permittee shall submit a copy of a permit from the U.S. Army Corps of Engineers for the proposed development to the Executive Director upon its approval by the Corps, or evidence that no such permit is required. The Permittee shall inform the Executive Director of any changes to the project required by the Corps permit. Such changes shall not be incorporated into the project until the Permittee obtains a Commission amendment to this coastal development permit, unless the Executive Director determines that no amendment is legally required.

- 3. Intake System Requirements. WITHIN 60 DAYS OF COMMISSION APPROVAL OF THIS COASTAL DEVELOPMENT PERMIT (BY JUNE 9, 2014), or such additional time as the Executive Director may grant for good cause, the Permittee shall provide evidence to the Executive Director demonstrating that the intake system improvements have been installed as proposed, including the primary and backup screened intake pipes that limit the maximum intake approach velocity to 0.05 cubic feet per second. The Permittee agrees to grant permission to Commission staff to enter (with a minimum of 48 hours' notice) and inspect the system improvements to determine condition compliance.
- **4. Discharge System Requirements.** WITHIN 60 DAYS OF COMMISSION APPROVAL OF THIS COASTAL DEVELOPMENT PERMIT (BY JUNE 9, 2014), or such additional time as the Executive Director may grant for good cause, the Permittee shall provide evidence to the Executive Director demonstrating that new discharge drainage pipes affixed to the underside of the existing pier (pipes shall not rest on the mudflat bottom) and extending out to the seaward end of the pier have been installed as proposed, such that discharge associated with the live seafood operation drains to deeper waters of the bay to protect intertidal mudflat habitat beneath the pier from scouring and erosion impacts. The Permittee agrees to grant permission to Commission staff to enter (with a minimum of 48 hours' notice) and inspect the system improvements to determine condition compliance.
- 5. Future Uses and Improvements. This approval is limited to the uses and development specifically permitted by Coastal Development Permit 1-13-0224. All development must occur in strict compliance with the proposal as set forth in the application, subject to any special conditions. Any deviation from the approved plans must be submitted for review by the Executive Director to determine whether an amendment to this coastal development permit is required. Any additional development, including, but not limited to new construction, expansion of the live seafood operation beyond its existing footprint, or any changes in use of the live seafood operation will require an amendment to the permit or a new coastal development permit from the Commission or from the applicable certified local government.

ACKNOWLEDGEMENT OF PERMIT RECEIPT/ACCEPTANCE OF CONTENTS:

I/We acknowledge that I/we har contents including all condition	ve received a copy of this permit and have accepted its s.
Applicant's Signature	Date of Signing



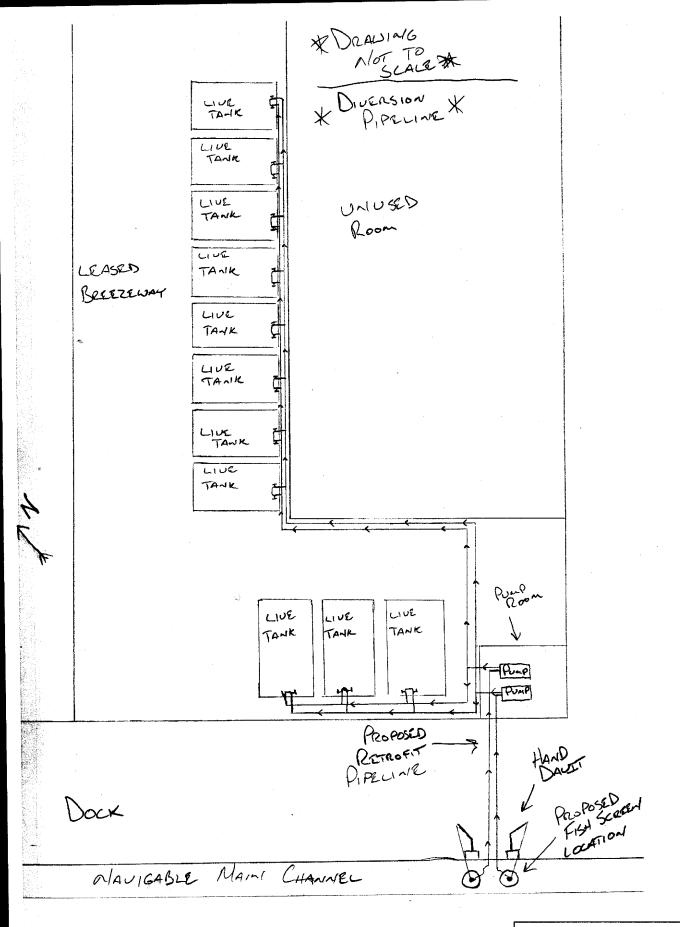


EXHIBIT NO. 2

APPLICATION NO.

1-13-0224

HAG FISH CORPORATION

PROPOSED PLANS (1 of 2)

