



Kona Blue Water Farms

Kona, Hawai`i

A Division of Black Pearls, Inc.

P.O. Box 525 • Holualoa, HI 96725 • U.S.A. • Tel: (808) 331-1188 • Fax: (808) 331-8689 • Website: www.blackpearlsinc.com

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KBWF/Hank Fergerstrom 2

Harry Fergerstrom
13-1339 Leilani Ave
Pahoa, HI 96778

Aloha, Hank,

Further to my letter to you of May 29th, Dale and I have given further thought to our offshore fish farm project. We are now proposing several changes to our original project design and location, to accommodate some of the concerns that have been shared with us over the course of our draft EA review process.

One of the most significant changes we are proposing is to make all of our six main cages of the submersible Sea Station™ kind, rather than a mixed array of surface and submersible cages. These cages will be submerged beneath the surface for most of the time, and will only be raised to at or near the surface for fish transfers or cage cleaning. We will request permission for only two small surface cages (less than 50 ft diameter), which will be used for nursery rearing and for harvesting of fish from the submersible cages. We are therefore no longer so concerned about exclusive use of the lease area surrounding the cages.

Consequently, we are now only asking for the lease area to be designated as no anchoring, no SCUBA-diving, no swimming, and slow low-wake speed by boats, rather than exclusive use.

Furthermore, to provide some greater level of assurance of no negative interaction between our project and the spinner dolphins of Makako Bay, and the commercial dive groups that use the reef area around Unualoha, we are now proposing to move our project a further 600 ft, directly to the west. This now puts our project in water between 200 ft and 220 ft deep. To accommodate this greater depth, we will now need some wider area to spread out our anchors, and so we are asking for our lease area to be expanded to around 90 acres (from 81 acres). This depth places the proposed project even further away from areas of public use, and so the chance of the public even encountering our cages is very low.

Knowing that you are particularly concerned with the potential for negative interaction between our project and humpback whales, we wanted to also inform you that we have been consulting with experts from the Hawaii Islands Humpback Whale National Marine Sanctuary to find ways of further reducing the chances of such impacts. These experts have suggested that our best approach is to keep to a minimum the number of mooring lines that we use in our cage design. We have taken this request to the project engineers that are working with us, and we hope to include an improved mooring design in the final Environmental Assessment.

We hope that this will go some way towards further ameliorating your concerns about our proposed activities. We look forward to continuing to work with you and the rest of the community to address any other concerns as our project moves forward. Our ultimate hope is that Hawaii can look to this precedent as a model for careful expansion of this sustainable, environmentally-friendly industry.

Again, thanks, and aloha,

Neil Anthony Sims
Vice-President / Research Director

cc. Land Division, Rm 220, 1151 Punchbowl St, Honolulu, HI 96813