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United States Forest Service
Flathead National Forest
Swan Lake Ranger District
Attn: Shelli Mavor (Holland Lake Lodge)
200 Ranger Station Road
Bigfork, MT 59911

To Whom it May Concern,

Below are my comments concerning the Proposed Holland Lake Lodge (HLL) Expansion. I appreciate the opportunity to submit my comments in accordance with the National Environmental Policy Act (NEPA). Thank you!

I have several concerns about the expansion project, mainly over the expanded project footprint, increased visitor capacity and likely environmental impacts. Also, I question the justification of the project. I recently learned that the actual permit area for HLL is 10 acres rather than the published 15 acres. That is a rather substantial faux pas and concerns me that the Forest has not done adequate due diligence.

There have been some confusing statements made by the current owners with respect to the permitting process and transfer of improvements. The September 15 issue of the Seeley Swan Path Finder quoted the current owner as stating that he "had been trying to sell this permit for several years." Promotional material from POWDR states: "Christian Wohlfeil, has been looking to sell the property." It is important that the current owners and the public understand that neither the permit nor the ground upon which the resort sits are for sale. The buildings and other improvements belonging to the owner are for sale, but not the land! According to the special use permit, "*Any transfer of title to the improvements covered by this permit shall result in termination of the permit. The party who acquires title to the improvements must submit an application for a permit. The Forest Service is not obligated to issue a new permit to the party who acquired title to the improvements. The authorized officer shall determine that the applicant meets requirements under applicable federal regulations.*"

Also, I do not believe that a Categorical Exclusion is the proper approach for analyzing the effects of the HLL expansion and mitigating adverse effects. Given the scope and magnitude of the proposed expansion, potential impacts, and controversy, an Environmental Assessment (EA) is the appropriate tool. An EA would examine the proposed expansion, along with a range of reasonable alternatives, including a no-action alternative; and accurately evaluate the direct, indirect, and cumulative effects of the proposed action and alternatives.

The proposed expansion of the East Holland Lake Connector Trailhead, technically, is unrelated to the HLL expansion. The trailhead expansion should be treated separately as a stand-alone project.

The trailhead expansion calls for hitching rails to be installed to accommodate pack and stock users, which is unwarranted. The Swan District established a separate packer camp and trailhead at Owl Creek. Pack and stock users should be limited to that facility.

What is the level of visitor use on the Holland Falls Trail, East Lake Connector Trail, and the Foothills Trail. Increasing the size of the parking area will only exacerbate the already crowded conditions on the Holland Falls Trail and, perhaps, the other trails as well. Prior to expanding the trailhead parking area, the Forest should evaluate the existing recreational use of the trails in the vicinity of the Lodge and determine if the level of use is commensurate with expected quality of the user experience. Also, the Forest should explore whether more frequent pumping of the pit toilet will alleviate use issues prior to adding a second pit toilet.

A. Holland Lake Lodge Expansion Purpose and Need

1. The scoping document states that improvements to the lodge would offer opportunity to satisfy some of the “increased demand for outdoor recreation.” How was that need for expanded “adventure” resort accommodations at HLL determined? Were actual data used to determine that demand? Or is this a situation of “build it and they will come?” The current HLL website states: “the Lodge has plenty of options for accommodations” (<https://www.hollandlakelodge.com/>), certainly not indicating a shortage of accommodations.
 - a. As part of an environmental assessment, I would like to see a data-driven, quantitative evaluation that demonstrates the true level of demand for the proposed project expansion in the Swan Valley. There are many upscale resorts offering “outdoor adventures” in northwestern Montana; The Resort at Paws Up, Flathead Lake Lodge, Whitefish Mountain Resort, The Ranch at Rock Creek, The Wilderness Club at Eureka, to name a few. A query of Forest users might show that more campsites at Holland Lake would be preferred over an upscale adventure resort.
2. The scoping document indicates that buildings on site are in either in poor condition, in need of repairs, unwinterized, and without foundations or modern conveniences. This begs the question as to why the resort is in a state of disrepair. It appears that maintenance and updating have been deferred by the current owner. Why, for 20 years has the owner not adequately maintained and updated the resort infrastructure, as needed? Why is it the Forest Service’s responsibility to approve a massive rebuild and expansion of a resort that has fallen into disrepair due to lack of proper maintenance and upgrades? What modern conveniences are missing at a “a rustic lakeside resort with genuine Montana charm” (per the HLL website)? The marketed concept is “rustic.”
3. This project appears to be a classic “Tragedy of the Commons” situation. Since this is public land and the environmental costs are borne by the public, it is to a resort owner’s benefit to put as many recreationists as possible in their accommodations. In 2020, the current owner received \$61,236 in PPP loan, subsequently forgiven. I hope that money went to the 15 employees it was meant to support!

- a. And why is the Forest proposing to share water rights for new water wells with POWDR? Those wells, if drilled, would be on public land (owned by us) and the associated water rights should belong solely to the government. As the saying goes, “whiskey is for drinking and water is for fighting.”
- b. The resort sits on public land and the land is not for sale. POWDR is probably paying good money for buildings and other infrastructure that are in disrepair. The argument is then made that the only remedy is to remove all buildings except the lodge and manager’s quarters and construct substantially expanded, upscale accommodations for triple the capacity and at least 25 staff. That is problematic.

Was the selling price of the resort inclusive of the value of 10 acres of lakefront land on Holland Lake that happens to be public land? That is not supposed to happen (potentially illegal). POWDR should be paying for the value of the improvements and the business, nothing else. Something is not right with the proposed scenario.

B. Proposed Activities

1. What is the actual proposed operating season? The scoping document and Master Development Plan indicate an initial summer operating season of May 15 to October 15, and after winterized accommodations are built, the winter season would be November 20 to January 15. November 20 to January 15 simply covers the holiday season and not much of a “winter season.” The promotional material posted on the Internet by POWDR states that “the current plan also would winterize the buildings, making Holland Lake Lodge a year-round destination” (<https://www.hollandlakefuture.com/?fbclid=IwAR1QaO01znBCeW5wDK9O94NIVS>) Year-round activity is a substantial increase over a summer season and short 2-month late fall/early winter holiday season. A precise definition of the operating seasons is necessary to accurately identify the potential effects of the project.
2. The current occupancy at HLL is 50 overnight guests, while the proposed expansion would accommodate 156 overnight guests at full capacity plus up to 25 employees. In addition, the MDP states that new contract opportunities for guides, caterers and recreation specialists will also be brought to the Swan Valley. That’s more than triple the current capacity and is arguably a significant increase in human activity that does not include day-visitors to the lodge and restaurant.
 - a. The proposed expansion will greatly increase the resort footprint, increase surface disturbance, loss of vegetation, disturb and displace wildlife, and increase number of users of trails in the area that potentially will degrade user experience.
 - b. What is POWDR’s marketing plan? Who is their target audience and what activities will they be promoting. This information is necessary to assess impacts and proposed mitigations for adverse effects.
3. Fiber Optic Internet Service? Why is that necessary at a resort that promotes a “rustic” environment? People wishing to be connected to the internet currently can do so at the Lodge. Putting internet routers in all accommodations distracts from enjoyment of the

natural environment. Trenching from Hwy 83 N. to the Lodge would cause an unnecessary amount of surface disturbance along the road corridor and likely promote the invasion and distribution noxious weeds.

4. Facilitating Hiker Access: There is no need to construct additional trails that would cause more surface disturbance. The East Holland Lake Connector Trailhead can easily be accessed by walking the road.
5. Proposed wastewater treatment facility. The information provided in this section is too vague with not commitment to precise development plans. I suggest that the environmental analysis include a reasonable foreseeable future develop (RFFD) scenario so the effects of a larger system are covered under the analysis for this project. It is unclear if future changes would be under public review.
6. Water rights were discussed earlier. The federal government should not share water rights with the project proponent. It is a public resource that should not be for sale!

C. Environmental Effects

My primary concerns on environmental effects relate to the substantial increase in the disturbance footprint at the resort site and associated loss of vegetation and wildlife habitat. Also, the effects of lodge visitors on wildlife, vegetation and user experience throughout the Swan watershed is of concern.

The Swan River watershed is a biologically rich and diverse landscape area in terms of range of elevations, habitats and wildlife and vegetation species. Owing to a relatively intact landscape, geologic and glacial history, decades-long private land conservation efforts, and low human density, the area supports a diverse assemblage of large predators; grizzly bear, black bear, Canada lynx, mountain lion, gray wolf, and wolverine; unique to the lower 48. Also, this landscape supports numerous wildlife species of conservation concern. Montana Natural Heritage Program (MTNHP) and Montana Department of Fish, Wildlife and Parks (MFWP) data indicate known animal Species Occurrences¹ of 25 Species of Concern (15 birds, 8 mammals, 3 fish, and 1 amphibian) within 5 miles of the Holland Lake Lodge, and lists another 14 Species of Concern (SOC) as possibly occurring (MTNHP and MFWP 2022, report attached). Montana animal SOC are considered to be vulnerable to extirpation across their range or across the state due to rarity, significant loss of habitat, or sensitivity to human-caused mortality or habitat disturbances. The USFWS Information for Planning and Consultation (IPaC) database lists 8 birds of conservation concern known or potentially occurring on or near the Holland Lake Lodge (USFWS 2022, report attached). Three species are listed as threatened under the Endangered Species Act (ESA); Canada lynx, grizzly bear, and bull trout; and wolverine is proposed for listing as threatened and are known to occur in the

¹ A Species Occurrence (SO) is an area of land and/or water in which a species is, or was, present. An SO should have practical conservation value for the species as evidenced by potential continued (or historical) presence and/or regular recurrence at a given location. SO records are most commonly created for current or historically known occurrences of native species of conservation interest. They may also be created, in some cases, for extirpated occurrences. Animal Species Occurrences are based on Observations from the Montana Natural Heritage program's Point Observation Database (POD). Observations are reviewed for evidence of sustained presence (for example, breeding evidence) and SOs are created from those that meet established criteria for species. In many cases, an SO will represent several Observations, or visits, to a given location.

vicinity of the Holland Lake Lodge. Also, the location of HLL and surrounding area are mapped by (MFWP) as general winter range for white-tailed deer, mule deer, and elk.

1. Disturbance to wildlife at the resort and surrounding areas is likely to occur due the expansion of the resort footprint and substantial increase in human activity (automobile traffic, boating, hiking, mountain biking, skiing, etc.) that will be associated with the expanded resort. The MDP also indicates that they will contract with outfitters to guide clients, adding to offsite effects. While not specified, that could entail hiking, skiing, mountain biking, rock climbing, fishing, motorboating, etc. Guides coming to the lodge to pick up or drop off clients adds additional traffic to the access road, adding disturbance to wildlife and increasing the risk of vehicle-wildlife collisions.

Recreational activities are not benign as there will be increases in motor vehicle traffic, water activity, and foot and bicycle travel on trails, all of which may adversely affect wildlife (See Joslin, G., and H. Youmans, coordinators. 1999, for a review). For example, common loons are particularly sensitive to non-motorized watercraft that can access shallow and remote water areas where nesting and brooding habitat occurs (Paruk et al., 2021). Clients at HLL would be free to rent personal motorized watercraft (e.g., jet skis) that can be quite loud, detract from the human recreational experience, and disturb wildlife (birds, otters, mink, beaver) on Holland lake.

- a. The effects of increased human activity attributable to the expanded lodge will be additive to effects that are already occurring. There will be an increase in vehicle-wildlife collisions, automobile noise (can interfere with avian breeding) and associated displacement of wildlife. Vehicle-bear collisions is an important source of mortality for grizzly bears. Hiking and riding bicycles on trails can disturb and displace sensitive wildlife species. In recent years there have been mountain biker-bear collisions in Montana and elsewhere. Winter activities have potential to adversely affect deer and elk on winter range and other wildlife species in the vicinity of HLL during a time when animals are stressed.
- b. The effects of increased development and human activity on threatened species and species proposed for listing that are known to occur at or in proximity to HLL (Canada lynx, grizzly bear, bull trout, and wolverine) need to be evaluated and disclosed.

The Master Development Plan seems to diminish the potential for grizzly bears to occur at or near the HLL by claiming that in the past 17 years, there have been no observations of grizzly bears at the HLL, Holland Lake, or on the Holland Falls Trail. That ignores the fact that HLL is situated in prime bear habitat, bears are often nocturnal and may adjust their activity periods in response to human activity (e.g., active at night). Absence of observation does not imply species absence. The appropriate sources of information on grizzly bear activity in the area are the Montana Department of Fish, Wildlife and Parks Area Biologist and Bear Specialist, and Flathead National Forest Wildlife Biologists.

2. POWDR Corporation's website advertises active outdoor "adventure" sports, such as mountain biking and mountain bike races, white-water rafting, skiing, helicopter skiing, skateboarding, etc. The solitude and rustic environment currently marketed at Holland Lake Lodge seems at odds with the POWDR "Adventure Resort" model. Promotional material posted by POWDR on the Internet list what will not happen at Holland Lake Lodge, but they say nothing about activities will be promoted. POWDR should disclose their marketing plan, outdoor activities, and targeted clientele, so the effects of the promoted activities on the areas resources can be evaluated, effects determined and mitigated, if possible.
3. Effects to Forest Users Experience: As more people recreate on waterways and trails there inevitably are more user conflicts. As user numbers increase, user experience diminishes. Also, as user numbers increase, so do impacts to the resources (e.g., soils, vegetation, and wildlife). In a review of hiker experiences in National Parks, Wearing et al. (2009) reported that key factors influencing experiences were congestion, interaction between trail user groups and environmental degradation. However, the authors found there was little to no evidence that factors influencing experience affected the level of usage.

Some trailheads at other locations on the Swan District are also at or over capacity at certain times. The Forest needs to consider the additional demand that the HLL expansion and POWDR's contracted guide services may have at other trailheads, boat launches, and fishing areas. The Forest Service should consider research on user satisfaction and resource impacts relative to user numbers when considering a substantial increase in resort accommodations at Holland Lake, particularly one focusing on "adventure sports."

D. Mitigations and Alternatives

1. Meaningful mitigations to offset or minimize adverse effects from further development of HLL and associated activities can be developed through the Environmental Assessment process. Mitigations can be incorporated in to various project alternatives. Some mitigations are listed in the MDP and Appendices. Other mitigations should include:
 - Follow Missoula County Shoreline Regulations, as specified in the MDP. Restore native riparian vegetation to the extent practicable.
 - Implement appropriate Best Management Practices to minimize erosion, loss of vegetation, fuel and fluid spills, etc.
 - Avoid ground disturbance activities during the bird nesting period and conduct appropriate nest searches ahead of construction. Depending on the species, that could be mid-to late summer.
 - Construction and HLL personnel should follow road speed limits for public safety and to reduce vehicle-wildlife collisions.
 - Develop and implement a noxious weed management plan, require all equipment to be power washed prior to entering the Holland Lake area.

- Collaborate with Montana Fish, Wildlife and Parks to place size restrictions on motorboats on Holland Lake.
 - Consider eliminating motorized personal watercraft (e.g., jet skis) on Holland Lake and/or place decibel limits on motor boots.
- 2. Considerations for development of reasonable alternatives to the MDP might include:
 - Conduct an appropriate needs assessment to determine what is needed at this site.
 - Include the No Action Alternative.
 - Consider an alternative that consists of a scaled down development that reduces the footprint, accommodates fewer guests, is more commensurate with the current resort environment. Perhaps accommodations for 80 guests. Eliminate the unnecessary Welcome Center and incorporate a welcoming area into the lodge.
 - Another reasonable alternative is to convert the site to a campground. The owner(s) would remove the improvements, at their expense. Native vegetation could be restored where appropriate, a limited number of camp sites and facilities installed. This alternative would have substantially less overall impact, while providing accommodations that most citizens would be able to afford.

E. References

Joslin, G., and H. Youmans, coordinators. 1999. Effects of recreation on Rocky Mountain wildlife: A Review for Montana. Committee on Effects of Recreation on Wildlife, Montana Chapter of The Wildlife Society. 307pp. <https://helenahuntersandanglers.org/wp-content/uploads/2020/12/Effects-of-Recreation-on-Rocky-Mountain-Wildlife-Joslin-Youmans.pdf>

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