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U.S. Forest Service, Swan Lake Ranger District  
Attn: Shelli Mavor (Holland Lake Lodge)  
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Submitted Electronically and copied to: Kurt Steele – Flathead Forest Supervisor, [Kurtis.Steele@usda.gov](mailto:Kurtis.Steele@usda.gov), Chris Dowling – Swan Lake District Ranger, [Christopher.Dowling@usda.gov](mailto:Christopher.Dowling@usda.gov), Michele Mavor – Project Leader, [michele.mavor@usda.gov](mailto:michele.mavor@usda.gov), Leanne Marten – Regional Forester, [leanne.marten@usda.gov](mailto:leanne.marten@usda.gov),

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Dear Supervisor Steele and Ms. Mavor

Thank you for the opportunity to comment on the Holland Lake Lodge (HLL) Facility Expansion proposal. At this time, with the information available, and the Forest’s spoken intent to use a Categorical Exclusion (CE), we are formally opposed to the project. We believe that a project of this size and type requires a higher level of scientific and social analysis than a CE provides and that the Forest should halt all planning until it commits to a full Environmental Impact Statement that includes a robust cumulative affects analysis.

The U.S. Forest Service should not use a categorical exclusion to evade in-depth NEPA review of the environmental impacts of the Holland Lake Lodge Facility Expansion project. “Categorical exclusions, by definition, are limited to situations where there is an insignificant or minor effect on the environment.” Sierra Club v. Bosworth, 510 F.3d 1016, 1027 (9th Cir. 2007) (quoting Alaska Ctr. For Env’t v. U.S. Forest Serv., 189 F.3d 851, 859 (9th Cir. 1999)). Before using a categorical exclusion to bypass the EA or EIS process for a proposed action, the Forest Service must “evaluate the action for extraordinary circumstances in which a normally excluded action may have a significant effect.” Id. § 1501.4(b). If an extraordinary circumstance is present, the Forest Service may only categorically exclude the proposed action “if the agency determines that there are other circumstances that lessen the impacts or other conditions sufficient to avoid significant effects.” Id. At this early stage in project review, scoping, the Forest Service must “identify the presence or absence of any extraordinary circumstances that would warrant further documentation in an EA or EIS.” USFS NEPA Handbook Rule 31.3.

The Forest Service has not demonstrated the use of categorical exclusion for the Holland Lake Lodge Facility Expansion project is appropriate, and the size and location of the project suggest that it is not. The project includes a comprehensive proposal to overhaul existing facilities and more than

triple the lodging capacity to accommodate up to 156 guests per night, from the current maximum of 50. This would necessitate the construction of more than 30 new buildings, including 26 cabins and a 28-room, two-story, 13,000 square foot lodge. Spanning 15 acres, the project would further require expanding the parking lot, upgrading or adding restrooms, demolishing or repairing old structures, and significant infrastructure upgrades. These changes are a far cry from the changes to “campgrounds, camping areas, picnic areas, day use area, fishing sites, interpretive site, visitor centers, trailheads, ski areas, and observations sites” contemplated by the categorical exclusion upon which the Forest Service relies. See Scoping Report at 1. Moreover, all of this activity would occur in known grizzly bear habitat, a species listed as “threatened” and protected under the Endangered Species Act. Among other things, the Forest Service NEPA handbook has specifically identified potential impacts to “[f]ederally listed threatened or endangered species” as an “extraordinary circumstance” under NEPA. USFS NEPA Handbook Rule 31.2(1). Due to the size and scope of the expansion, which includes potential unexamined impacts to grizzly bears, the Forest Service may not categorically exclude the Holland Lake Lodge Facility expansion project from NEPA review and must conduct an EA or EIS to analyze the environmental impacts associated with the project.

In addition to the project’s direct and indirect impact, the project would contribute to *cumulatively* significant effects that preclude the Forest Service’s reliance on a categorical exclusion. See USFS NEPA Handbook Rule 31.2(1). “Scoping should ... reveal any past, present, or reasonably foreseeable future actions with the potential to create uncertainty over the significance of cumulative effects.” USFS NEPA Handbook Rule 31.3. As the Forest Service recognizes, an impact is significant “if it is reasonable to anticipate a cumulatively significant impact on the environment. *Significance cannot be avoided by terming an action temporary or by breaking it down into small component parts.*” *Id.* Rule 15(b)(7) (emphasis added). Here, the proposed expansion, in conjunction with the dozens of other projects in the same vicinity that impair the same resource values, threatens cumulatively significant impacts to grizzly bears and other sensitive species that rely on quiet, undisturbed habitat.

That said, we will also highlight our many concerns with the HLL expansion, to make certain that those concerns are on record and included in the Forest’s scoping process. We will also at this time incorporate by reference the comments written by 1) Hilary Eisen at Winter Wildlands Alliance, as we concur with the decision that this project is ineligible for use of 36 CFR 220.6(e)(22) as justification for using a CE; 2) Dr. Chris Servheen’s 9/28/22 comments; 3) Keith Hammer at Swan View Coalition’s 10/05/22 comments; and the comments sent by George Corn, particularly the references to Section 27, LLC and private development.

The HLL is proposing to triple the overnight capacity of the permit area, an area that is in occupied grizzly bear and Canada lynx habitat, both of which are listed species under the protection of the Endangered Species Act (ESA). As well, Holland Lake itself is critical bull trout habitat, another listed species. These facts alone should be enough to warrant a larger study of impacts to species and certainly require consultation with the U.S Fish and Wildlife Service. While this expansion would likely fall under the Northern Continental Divide Ecosystem (NCDE) Conservation Strategy’s (CS) “Developed Recreation Site Objectives for Federal Land of one increase in overnight capacity at existing sites, per Bear Management Unit, every ten (10) years”, the CS is not the managing document until NCDE bears are delisted, therefore this proposal must be held to the higher standard of the ESA.

As well, we believe that there is a great potential for a winter season (as per HHL\_MDP\_Final\_20220415.pdf, pg. 11 section 4.1 Operating Season) and believe that any potential recreational use or expansion of uses (including trails, and the winter grooming thereof) needs to be included in the proposal and evaluated as part of the EIS. Given the other assets owned and operated by POWDR Corp, we believe that the facility expansion is likely just the first step in a long-term development plan for winter operations at the HLL site. Any potential winter operations need to be revealed to the public in order to fully evaluate the impacts of the HLL proposal. The increased use in winter would most certainly have an impact on important big game winter range in the area and must be addressed prior to approval of any winterization of buildings.

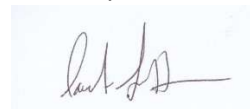
The guaranteed increase in recreational use because of an increase in overnight visitors, outside of a potential winter season, must also be evaluated with an eye towards cumulative effects of this development on the lake, the trail use in and out of the Bob Marshall Wilderness from the increased number of people and the potential increase in mountain biking, traffic, garbage, noise and attractants. All of the potential impacts of these increases in recreation use need to be evaluated and disclosed to the public, through a robust cumulative effects analysis, that also looks at potential future growth in the area.

The Forest should have learned a lesson about recreational development and CE use, when they proposed to build cabins at Bunker Creek. The public in that instance opposed additional cabin development, and instead resoundingly asked for more campsites. In this instance, we are not talking about Forest Service rental cabins, but \$350+ a night private development. In order for this project to be economically feasible, we suspect that additional development is likely to be proposed for the area, including winter recreation, more buildings and infrastructure and other forms of recreation and potential real estate. Another lesson from Bunker Creek on transparency should be heeded, put the entire proposal out for public comment and analysis, not just bits and pieces.

As it stands, this is the wrong proposal in the wrong place at the wrong time. This project should be shelved until the Forest is ready to put together desired conditions for its recreation and recreational development program into a full proposal and vision. We would recommend that the Forest work through the Crown Managers Partnership on more comprehensive multijurisdictional recreation planning, so that the land management agencies are driving recreation, visitation, and recreational development, instead of just responding to the next request or proposal.

Please feel free to contact me with any questions or for clarification at, 406-250-5346 or [slundstrum@npca.org](mailto:slundstrum@npca.org)

Sincerely,



Sarah Lundstrum  
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