

*Friends of the Wild Swan  
PO Box 103  
Bigfork, MT 59911*

October 6, 2022

Flathead National Forest

Attn: Kurt Steele, Forest Supervisor, Shelli Mavor, Project Lead

Sent via: <https://www.fs.usda.gov/project/?project=61746>

Dear Mr. Steele and Ms. Mavor,

Please accept the following additional comments on the proposed Holland Lake Lodge expansion on behalf of Friends of the Wild Swan. We incorporate by reference the comments submitted by Swan View Coalition, Center for Biological Diversity, Council on Wildlife and Fish, and Marty Almquist.

The Forest Service's handling of this expansion is an absolute debacle. It is apparent that you thought you could ram it through using a categorical exclusion and a very short public comment period (which began over Labor Day weekend). However, the public outcry is deafening which forced you to extend the deadline and have an additional public meeting (in addition to the quasi-public/private meetings that you and POWDR have been hosting).

This project needs a full, fair and transparent NEPA process in the form of an Environmental Assessment or Environmental Impact Statement to sort through the missteps and misinformation that have been distributed to the public. At the public meeting on October 4, 2022 Mr. Steele said there will be further environmental review, a 30-day review of the near-completion analysis, further environmental review and analysis then a decision. But did not commit to an EA or EIS which is a more in depth analysis that also allows the public to object to a decision. Do not try to make an end run around NEPA by developing your own quasi-NEPA process.

We also find it offensive that Mr. Steele has portrayed the uproar over this proposal as the public not understanding the process. Since 1987 Friends of the Wild Swan has been involved in many projects, policies and plans by the Forest Service, Park Service, US Fish and Wildlife Service, Bonneville Power Administration, BLM and other agencies that utilize the National Environmental Policy Act. We are well aware of how the process works which is why we are advocating for a meaningful environmental review, not the made up process that is being rammed through now.

In our previous comments we laid out some of the reasons for an EA or EIS including the presence of four threatened and proposed species in addition to Region 1 sensitive species. This letter provides additional concerns.

The Flathead has not been transparent or forthcoming:

- Documents such as the permit, Master Development Plan (MDP) appendices B and C, well drilling permit, DEQ landfill/solid waste document, and others were added to the Flathead's website during the public comment period in mid-September, yet unless the public was checking the website every day they would not know about them.

- The acreage in the permit is 10.53 acres -- it does not match up with the acreage on page 5 of the MDP (15 acres) or the POWDR 9/1/22 press release (11 acres) then Mr. Steele said at the public meeting on 10/4/22 that the permit area was 19 acres. Apparently due diligence was not done. How is the public supposed to trust you if you can't get the permit acreage right?

- The permit was amended on August 22, 2022 to allow two new wells for pump testing. This is predecisional and violates NEPA.

- The Forest Service appears to have authorized the Holland Lake Lodge owners to be responsible for the waste water system and add the acreage to the permit. This is predecisional and violates NEPA.

- The permit SWA456 that was issued on 5/26/2017 with an expiration date of 12/31/2036 lists the holder as Holland Lake Lodge, Inc. for 10.53 acres.

Permit page 3: H. it clearly states: This permit is not assignable or transferable.

I. 2. 2. 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 acquires title to the improvements. The authorized officer shall determine that the applicant meets requirements under applicable federal regulations.

J.1. The holder shall notify the authorized officer when a change in control of the business entity that holds this permit is contemplated.

b. In the case of a partnership, limited partnership, **joint venture**, or individual entrepreneurship, control is a beneficial ownership of or interest in the entity or its capital so as to permit the exercise of managerial authority over the actions and operations of the entity.

J.2. Any change in control of the business entity as defined in clause J.1 shall result in termination of this permit. The party acquiring control must submit an application for a special use permit. The Forest Service is not obligated to issue a new permit to the party who acquires control.

Christian Wohlfeil has sold or is in the process of selling the Holland Lake Lodge to POWDR corporation. On POWDR's new website: [www.hollandlakefuture.com](http://www.hollandlakefuture.com) it states "Holland Lake Lodge, Inc. and its **joint venture partner** POWDR, announced that they have submitted a Master Development Plan (MDP) to the US Forest Service...". Also see the September 1, 2022 press release on POWDR's website: "Holland Lake Lodge, Inc. and its **joint venture partner**,

POWDR, announced today that they have submitted a Master Development Plan (MDP) to the U.S. Forest Service..."

That terminates Special Use Permit SWA456. Has POWDR applied for a new special use permit? Has the Forest Service issued a new permit to POWDR? Have any of the terms changed? How? What are they? When was the public process for this? An EIS would shed light on this issue.

- The MDP says it will maintain a 20 foot shoreline protection zone. The Forest Plan Standards for riparian management zones contained in FW-STD-RMZ 01 state: The entire width of the riparian management zones shall be delineated as follows.

Category 4a Ponds, lakes, reservoirs, and wetlands greater than 0.5 acre and all sizes of howellia ponds and fens/peatlands: Riparian management zones consist of the body of water or wetland and the area to the outer edges of the riparian vegetation; or to the extent of the seasonally saturated soil; or to the distance of the height of one site-potential tree; or 300 feet slope distance from the edge of the maximum pool elevation of constructed ponds and reservoirs or from the edge of the wetland, pond, or lake—whichever is greatest.

The inner riparian management zones are defined as follows:

For category 4a and 4b ponds, lakes, reservoirs, and wetlands, the width of the inner riparian management zone shall be a minimum of 50 feet except for peatlands, fens, and bogs, where the minimum width is 300 feet.

Twenty feet is inadequate to protect water quality and does not comply with the Forest Plan.

- The roadless areas in the Holland Lake vicinity are recommended for wilderness in the Forest Plan and in the Northern Rockies Ecosystem Protection Act. Impacts from increased use needs to be analyzed to ensure that the wilderness character and qualities are maintained.

- The Forest Plan has desired conditions and guidelines for Lands and Special Uses. "Special use permits authorize the occupancy and use of NFS land by private, public and other governmental entities for a wide variety of activities, such as roads, utility corridors, communications sites, and other private, public, or commercial uses, that cannot be reasonably accommodated on private lands."

Desired conditions (FW-DC-LSU)

08 Special use authorizations meet Forest Management and public needs and are consistent with the desired recreation opportunity spectrum.

Guidelines (FW-GDL-LSU)

03 To protect riparian and aquatic habitat, new support facilities should be located outside of riparian management zones. Support facilities include any facilities or improvements (e.g., workshops, **housing**, switchyards, staging areas, transmission lines) not directly integral to the production of hydroelectric power or necessary for the implementation of prescribed protection,

mitigation or enhancement measures. At time of permit reissuance, the removal of such support facilities, where practical, should be considered.

How does this expansion comply with these desired conditions and guidelines? Has the Forest identified through a public process the desired recreation opportunity spectrum for the Forest and this Bear Management Unit?

Forest Plan Standard FW-STC-REC limits increases in developed recreation areas including cabin rentals and guest lodges to one increase above the 2011 baseline in number or capacity per decade per bear management unit. How did the Flathead identify this expansion as the one increase that was allowed? What was the public process for this decision?

- The Flathead and POWDR have tossed around the idea that because this is Management Area 7 Focused Recreation Area it is allowed by the Forest Plan. Table 32 on page 110 identifies the Holland Lake Campground as a focused recreation area with featured activities being developed recreation, including camping, boating, fishing and hiking. There is no mention of the Holland Lake Lodge or expanding its capacity.

- POWDR has reacted to public comments about potential recreation pursuits it might undertake by issuing vague statements that they are not going to build a ski area, etc. But they haven't indicated what they are planning to do. How does the Holland Lake Lodge align with their adventure lifestyle philosophy? What recreation pursuits do they have planned for their guests? What types of guides and outfitters would they use to offer services to their guests? These are reasonably foreseeable future actions that must be analyzed in an EIS in order to fully consider the impacts.

There have been many valid issues raised by the public. An EIS would disclose all of this information in one analysis that is readily accessible rather than having to hunt around on the Flathead and POWDR's websites.

In closing, this expansion is absolutely not in the public interest and should not move forward.

/s/Arlene Montgomery  
Program Director