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September 6, 2006

Forest Service  
Proposed Land Management Plan  
Bitterroot National Forest  
1801 North 1st St.  
Hamilton, MT 59840

RE: Bitterroot Resort's Comments on the Proposed Forest Plans for the  
Lolo and Bitterroot National Forests

Dear Forest Service:

Thank you for the opportunity to comment on the proposed Forest Plans for the Bitterroot and Lolo National Forests. Bitterroot Resort has put a lot of time and effort into preparing our applications under the existing plans. We submit our comments on the proposed Forest Plans with the same spirit of cooperation and enthusiasm, and look forward to your consideration of our views.

**I. Summary of Why the Forest Service Should Make a Place for  
Bitterroot Resort in the Lolo and Bitterroot Forest Plans**

Bitterroot Resort respectfully requests that the Forest Service incorporate the Forest Plan proposal set forth in our comments, and depicted on Exhibit A, into the Lolo and Bitterroot Forest Plans. Our Forest Plan proposal is an exciting opportunity for the Forest Service, for Montana, and for Americans who enjoy their public lands through high quality winter and summer recreation. Bitterroot Resort is committed to creating a four-season resort that respects the land stewardship principles of five generations of the Maclay family (with awards for ecologically sustainable range and forest management).

Our Forest Plan proposal is the foundation for a four-season resort that incorporates private lands on the Maclay Ranch with recreation on National Forest System lands on Carlton Ridge and Lolo Peak. This is a win-win situation for the Forest Service. Carlton Ridge (and ultimately Lolo Peak) could be enjoyed for the outstanding public winter and summer recreation potential that those lands offer. The development, however, would be concentrated and managed on private lands on the Maclay Ranch, and development would be minimized and carefully managed on public lands.

All development (on public and on private lands) would be undertaken in a way that minimizes, mitigates, and avoids significant environmental effects. Trails – interpretative, Nordic, alpine, hiking, equestrian and mountain biking – would be located

on existing roads and trails where possible. The minimum number of support structures would be located in the most safe, unobtrusive, and environmentally sound positions.

Bitterroot Resort's Forest Plan proposal would not authorize any development. Decisions about whether, in fact, to authorize the development of skiing on public lands by Bitterroot Resort, and the exact extent of the development, could be made in a site-specific process later under the National Environmental Policy Act ("NEPA"). This would allow full environmental review, an opportunity to tailor mitigation to the on-the-ground conditions, and extensive public involvement.

The Forest Plan proposal set forth in our comments, and depicted on Exhibit A, involves a relatively small amount of public lands. The area that we propose for Management Area 6.1, for example, is 813 acres. *To put that into context, it is less than 3/100ths of 1% of the over 3.6 million acres that make up the Bitterroot and Lolo National Forests.* Those lands, however, have the potential to yield an enormous public benefit far out of proportion to their size.

Recreation on public lands is in the public interest and is part of the Forest Service's multiple use mission. Developed recreation is underserved in the proposed Forest Plans. Bitterroot Resort can help the Forest Service meet the demand for developed recreation. The lands identified on Exhibit A could be opened up to interpretive, Nordic, alpine, hiking and mountain biking trails. That recreational use would allow for ready access for this generation and future generations in the Bitterroot Valley to a healthy lifestyle.

The polestar of the Forest Service's planning regulations at 36 C.F.R. Part 219 is sustainability – social, ecological, and economic sustainability. See 36 C.F.R. § 219.10. Bitterroot Resort would further the agency's efforts to adopt Forest Plans that are socially, ecologically, and economically sustainable within a multiple-use context. The wise use of a relatively small amount of public lands – and we submit that Bitterroot Resort is and would be a wise use – promotes ecologically and socially sustainable development. Bitterroot Resort would be ecologically sustainable. It would involve a relatively small amount of public lands, all development would be subject to prior environmental review and mitigation, most of the development "footprint" would be on private lands, and the limited recreational development on public lands would be carefully managed. Bitterroot Resort is an opportunity to create a model of applied human landscape ecology principles that furthers the Forest Service's sustainability mission. The mission, motto, vision, and guiding principles of the Forest Service, and the mission, vision, and guiding principles of the Maclay Family and Bitterroot Resort are aligned and thoroughly compatible.

There are many reasons why the Forest Service should preserve its flexibility in the Forest Plans to consider Bitterroot Resort in the future. The planning for Bitterroot Resort incorporates the latest and most progressive features of mountain planning, including experiences learned at Whistler, in British Columbia, Canada, elsewhere in the

Rocky Mountains, and at European sites. Bitterroot Resort plans to minimize motor vehicle traffic in favor of pedestrians, cyclists, wildlife, open space, and trails. Let's get people off the couch and walking, cycling, running, snowshoeing, or skiing around a very animated village that will be of interest to everyone, not just skiers and snowboarders.

Human landscape ecology principles seek to fit human activities and cultures into the landscape with the least amount of impact on the surrounding environment. We adhere to those principles at Bitterroot Resort – they are a direct reflection of the Maclay family's demonstrated commitment to being good stewards of the lands and natural environment on and surrounding the Maclay Ranch. Our vision is congruent with the Forest Service's sustainability objectives.

The combination of private and public lands at Bitterroot Resort that is identified in our Forest Plan proposal has the potential to open the surrounding forests and grasslands to people who can adventure into them, all in ways that are planned to minimize adverse environmental effects. Visitors to Bitterroot Resort will be able to follow interpretive trails through riparian areas, pine gullies, submontane prairie, and pine, larch, Douglas Fir and sub-alpine fir forests that surround the resort, see the beautiful xeriscaped native gardens, and participate in bird count surveys. Nordic skiers and snowshoers could follow trails from private lands into sub-alpine forests on public lands. Alpine skiers and snowboarders could experience over 5,000 vertical feet in a single descent, thereby traveling from the alpine zone to the Maclay Ranch and, along the way, have one of the great ski experiences in North America.

The Forest Service itself has recognized the enormous potential for a ski area on Carlton Ridge and Lolo Peak for decades. The site is uniquely suited for a destination resort that offers outstanding skiing. The existing Lolo Forest Plan, for example, states on page III-24 that "the Lolo Peak-Carlton Ridge area has the potential to be developed as a national-class ski area." See Exhibit B, Tab 11.

Bitterroot Resort will provide economic growth and development within the local Montana communities of Florence, Hamilton, Lolo, and Missoula. This is already demonstrated by our employment of local people, contractors, and craftsman. We have demonstrated with our first model home that we are committed to building the local economy and providing opportunities for the local pool of skilled craftspeople and workers. Our housing units are and will be water-use and energy efficient. We will seek out sustainably harvested materials wherever possible (supporting new technologies and local entrepreneurs like Matt Arno). Our building principles seek to maintain and enhance the biodiversity of native species, and undertake development in ways that respects the night sky by minimizing light pollution.

There is significant public support for Bitterroot Resort as demonstrated by the comments made in the Forest Plan process. Bitterroot Resort is separately submitting a package of information that documents that a spectrum of individuals and entities support Lolo and Bitterroot Forest Plan allocations for developed skiing and snowboarding on

National Forest System lands for Bitterroot Resort. For example, over 1,000 individuals have indicated their support for Bitterroot Resort, and for developed recreation on Carlton Ridge and Lolo Peak. The most credible record of public opinion about a ski area in this location occurred in 1988 when 63% of the voters in Missoula County voted in favor of a ski area.

There is a local and regional demand for the destination, high-quality winter and summer recreation that will exist at Bitterroot Resort. A market analysis prepared by RRC Associates for Bitterroot Resort in September 2005, and a follow up report prepared by RRC Associates for the National Ski Areas Association in July 2006, confirms that there is a market demand for the recreation opportunities provided by Bitterroot Resort. Those same reports show that demand for skiing and snowboarding in the Rocky Mountain Region is growing, as demonstrated by a string of record use over the past five years. The population of Missoula and western Montana is projected to continue to grow over the planning period for Bitterroot Resort. This means an increased demand for the social, recreational, and economic activities available at Bitterroot Resort.

There is organized minority opposition to Bitterroot Resort, but the Forest Service has never allowed advocacy groups to veto uses of public lands that are in the greater public interest. Bitterroot Resort is in the public interest, and the relatively small amount of public lands identified on Exhibit A will help the Forest Service achieve many important policy goals.

The Forest Service is our neighbor: National Forest System lands border the Maclay Ranch to the west. The existing Lolo Forest Plan recognizes the potential for world class winter recreation on these lands. As a neighbor, we invite the Forest Service to join us in a spirit of cooperation and partnership to make Bitterroot Resort a model of ecologically and economically sustainable uses of public and private lands. We want to work collaboratively with the Forest Service and the public to implement new Forest Plans that truly benefit and respect the diverse outdoor and recreational interests of the present and future communities of Montana families.

## **II. Bitterroot Resort's Updated Forest Plan Proposal**

Bitterroot Resort is a world class four-season resort, being developed on the Maclay Ranch (established 1889) by the fifth-generation of the Maclay family. Carlton village, the hub of this resort, will be developed exclusively on private land as will much of the associated recreational development such as ski, mountain biking and interpretive walking and hiking trails. Bitterroot Resort is committed to maintaining and enhancing the native and/or indigenous biodiversity of the various habitats (including fisheries), and promoting water-use and energy efficient technologies wherever proven feasible. We will seek out sustainably harvested and non-toxic building materials, local designers, craftsman, workers and suppliers within the boundaries of the resort.

We intend to follow many of the concepts of human landscape ecology to minimize the footprint and impact of human development on the land. The guiding principles of the Bitterroot Resort and the demonstrated land stewardship values of the Maclay family are compatible with those of the Forest Service and surrounding communities.

A. Bitterroot Resort's Modified Forest Plan Proposal

Bitterroot Resort has revised and modified its Forest Plan proposal for consideration by the Forest Service. The Forest Plan proposal identified in our comments is the product of discussions with Forest Service personnel, public meetings, and an ongoing dialogue over the past year with different individuals and entities in the region. This proposal specifically updates our November 2, 2005 proposal.

B. Management Area 6.1 – High Use Recreation Complexes

Bitterroot Resort proposes that the Forest Plan for the Bitterroot National Forest designate the lands depicted on the map attached as Exhibit A as Management Area 6.1 – High Use Recreation Complexes or Use Areas.<sup>1</sup> See Exhibit A. This is approximately 813 acres of the Bitterroot National Forest. To put this amount of land into context, it is less than 3/100ths of 1% of the 3,651,225 acres in the Bitterroot and Lolo National Forests. That relatively small amount of public lands would provide enormous public benefits.

This designation is specifically proposed to allow future consideration of a ski area that combines the identified National Forest System lands on the Bitterroot National Forest with the adjacent private lands on the Maclay Ranch. That combination would benefit the Forest Service because the majority of the developed facilities would be on private lands, and the outstanding high quality recreation on public lands would be carefully managed to minimize and avoid adverse environmental effects.

Bitterroot Resort does not propose at this time that the Forest Service designate any lands on the Lolo National Forest as Management Area 6.1. This is a significant update to our November 2, 2005 proposal.

C. Management Area 5.1 – General Forest High Intensity Management

We propose that the Forest Service designate the lands in the Carlton Creek drainage east of Lolo Peak on the Bitterroot National Forest as Management Area 5.1, General Forest High Intensity Management. This is consistent with the present designation that allows for the motorized use that has occurred in this basin for decades.

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<sup>1</sup> The Forest Plans use the term "Suitability of Areas" and "Management Designations" interchangeably. For example, the definitions use "Suitability of Areas" while the maps use the terms "Management Areas." We use the term "Management Areas" for ease of reference.

On the Lolo National Forest, Bitterroot Resort proposes that the Forest Service designate the lands identified on the attached map as Management Area 5.1 – General Forest High Intensity Management. See Exhibit A.

Bitterroot Resort proposes Management Area 5.1 for the lands identified on Exhibit A because that designation is consistent with the present and historic use of those lands, would provide for recreational use, including Nordic skiing, and would not preclude opening those areas to developed skiing and snowboarding in the future in a site-specific NEPA process. In total, this is approximately 2,146 acres. See Exhibit A. That is a relatively small amount of public lands given the landscape level planning decisions at hand – less than 6/100ths of 1% of the 3,651,224 acres in the Bitterroot and Lolo National Forests.

D. Management Area 4.1, Nordic Skiing & Equestrian Use

Bitterroot Resort specifically proposes Management Area 4.1 as identified on Exhibit A to allow for developed Nordic skiing, and to allow for future consideration of a proposal for developed skiing and snowboarding on Carlton Ridge and Lolo Peak.

Developed Nordic skiing and associated activities and facilities are consistent with Management Area 4.1. The desired conditions of Management Area 4.1 include “roads” and “developed and dispersed recreation facilities,” and “concentration of users is moderate and there is often evidence of other users.” Lolo Forest Plan at 2-121. Further, Management Area 4.1 is “suitable for recreation opportunities that are near the more developed end of the” recreation opportunity spectrum, and “suitable for cross-country over-snow vehicle use.” Lolo Forest Plan at 2-122. For these reasons, Bitterroot Resort specifically requests the Forest Service to state in the Lolo and Bitterroot Forest Plans that the Management Area 4.1 allocation identified on Exhibit A will allow for developed Nordic skiing, grooming, facilities, and activities.

The Management Area 4.1 proposed on Exhibit A is also consistent with, and intended to allow for, the equestrian use of those lands. There is a long history of equestrian trails and use on the lands depicted as Management Area 4.1 on Exhibit A. That use continues today, particularly between Section 16 on the northwest border of the Maclay Ranch and the South Fork of Lolo Creek. Winter Nordic use of that area is compatible with summer and fall equestrian use. Bitterroot Resort suggests that the Forest Service designate the identified lands as Management Area 4.1 to allow for continued equestrian use.

The Forest Service should correct an inconsistency in the definition of Management Area 4.1 in the Lolo and Bitterroot Forest Plans. Under “Desired Conditions,” the definition of Management Area 4.1 in the Lolo Forest Plan states that:

“Designated open roads and trails would provide commercial access and roaded recreational and motorized opportunities, including access to high use dispersed recreation sites.”

“Closed roads would sometimes provide non-motorized and mechanized recreation opportunities.”

Lolo Forest Plan at 2-121.

The same language does not appear in the definition of Management Area 4.1 in the Bitterroot Forest Plan. See Bitterroot Forest Plan at 2-101. To correct that oversight, Bitterroot Resort requests the Forest Service to add the following Desired Conditions statements (from the Lolo Forest Plan) to the Bitterroot Forest Plan:

“Designated open roads and trails would provide commercial access and roaded recreational and motorized opportunities, including access to high use dispersed recreation sites.”

“Closed roads would sometimes provide non-motorized and mechanized recreation opportunities.”

E. Management Area 4.1, 5.1 & Future Resort Proposals

Bitterroot Resort requests the Forest Service to state in both the Bitterroot and the Lolo Forest Plans that the Management Area 4.1 and 5.1 designations for the lands identified on Exhibit A, and any land management designations ultimately adopted for Carlton Ridge and Lolo Peak, allow the Lolo and Bitterroot National Forests to consider a future proposal to open Carlton Ridge and Lolo Peak to developed alpine skiing and snowboarding.

The existing Lolo Forest Plan of 1986 states that “*the Lolo Peak-Carlton Ridge area has the potential to be developed as a national class ski area.*” Lolo Forest Plan at III-24, Exhibit B at Tab 11. The Lolo National Forest also recognized the potential for a ski area at this location in its October 21, 1988 assessment titled Lolo Peak Ski Area Preliminary Review. See Exhibit B at Tab 8.

Given that history, the enormous potential for developed skiing and snowboarding in these areas, and Bitterroot Resort’s interest in submitting a future proposal, Bitterroot Resort requests the Forest Service to state in both the Forest Plans that the Management Area designations for Carlton Ridge and Lolo Peak allow consideration in a future site-specific NEPA process of a proposal to open Carlton Ridge and Lolo Peak to developed alpine skiing and snowboarding.

The Management Area 4.1 and 5.1 designations that we propose for both National Forests are consistent with similar designations (both existing and proposed) for lands

surrounding Lost Trail Powder Mountain and Snowbowl. See Bitterroot Forest Plan, Map of East Fork Geographic Area, Fig. 6; Lolo Forest Plan, Map of Greater Missoula Geographic Area, Fig. 4. Further, the definition of Management Area 6.1 recognizes that it is appropriate to have Management Area 4.1 adjacent to Management Area 6.1. See Lolo Forest Plan at 2-127.

The long-term aim for Bitterroot Resort is to have public skiing that combines the Maclay Ranch with special use authorization of land on the Bitterroot National Forest and the Lolo National Forest. This has also been the long-term position of the Lolo Forest Plan which specifically recognizes the potential for a world class ski area on Carlton Ridge and Lolo Peak. Exhibit B at Tab 11, page III-24. We request that the Forest Service designate those lands as Management Areas 4.1 and 5.1 as depicted on Exhibit A. For purposes of the Forest Plans, however, Bitterroot Resort specifically proposes that the agency designate the lands depicted on Exhibit A as Management Area 6.1 and suitable for developed skiing and snowboarding.

F. Management Area 1.2 – Proposed Wilderness

Bitterroot Resort supports the Friends of Lolo Peak's recommendation that the Forest Service designate lands west and south of Lantern Ridge, adjacent to Lolo Peak, as wilderness. This designation is depicted on Exhibit A. Many ski areas on National Forest System lands are adjacent to wilderness areas, and have proven that they are good neighbors. Ski areas can provide views of and backcountry access to bordering wilderness areas. Snowbowl is a great example. Other examples include Snowmass in Colorado and Grand Targhee and Jackson Hole in Wyoming.

G. Forest-Wide Desired Conditions for Developed Recreation

We request the Forest Service to change the proposed forest-wide desired conditions for both National Forests. In the Bitterroot National Forest, the forest-wide desired conditions for developed recreation state: "additional downhill ski opportunities would be provided only through limited expansion of Lost Trail Powder Mountain Ski Area." Bitterroot Forest Plan at 1-34. The Forest Plan recognizes the increasing demand for developed recreation on the Bitterroot National Forest, and projects that demand will continue due to the continued growth in population. Bitterroot Forest Plan at 1-32 to 1-33. Given those facts, it is irrational for the agency to limit meeting the growth in demand for developed recreation to one site that is distant from the population centers of the region.

We specifically request the Forest Service to change that desired condition statement to allow for the consideration of a proposal for downhill ski opportunities on the Bitterroot National Forest on Carlton Ridge and Lolo Peak.

The desired condition for the Bitterroot National Forest quoted above should be changed to:



“additional downhill ski opportunities would be provided through limited expansion of Lost Trail Powder Mountain Ski Area, and by considering a site-specific proposal for the development of downhill skiing opportunities on Carlton Ridge and Lolo Peak at Bitterroot Resort.”

This language is intended to allow for the consideration of a site-specific environmental review process under NEPA in which the Forest Service could decide whether to authorize developed skiing on public lands at Bitterroot Resort.

For the same reasons, we request the Lolo National Forest to add a similar forest-wide desired condition for developed recreation that states:

“the Forest Service will evaluate the need for additional downhill ski opportunities by considering a site-specific proposal for the development of downhill skiing opportunities on Carlton Ridge and Lolo Peak at Bitterroot Resort.”

#### H. Lolo Creek and Bitterroot Geographic Area Desired Conditions

The desired conditions section of the Lolo Forest Plan for the Lolo Creek Geographic Area, and the desired conditions section of the Bitterroot Forest Plan for the Bitterroot Geographic Area, should each specifically state that consideration will be given to the development of a ski area on National Forest System lands within both National Forests on Carlton Ridge and Lolo Peak for Bitterroot Resort. As proposed, neither Forest Plan provides for considering Bitterroot Resort. See Lolo Forest Plan at 1-49; Bitterroot Forest Plan at 1-47.

Consistent with the forest-wide desired condition that we propose, the desired conditions for the Lolo Creek and the Bitterroot Geographic Areas should state:

“the Forest Service will consider a site-specific proposal for the development of downhill skiing opportunities on Carlton Ridge and Lolo Peak at Bitterroot Resort.”

This language is intended to allow for the consideration of a site-specific NEPA process for developed skiing on public lands at Bitterroot Resort.

#### I. The Carlton Ridge RNA

Our Forest Plan proposal does not propose that the Forest Service modify the present Carlton Ridge RNA boundary. The establishment of Management Area 6.1 adjacent to the RNA is consistent with the Forest Service’s intent at the time it created the RNA. As explained in our November 2, 2005 submission on pages 14-16, the Forest Service always intended the RNA to be compatible with an adjacent ski area. The Lolo

National Forest has stated that “adjustments” to the RNA boundary are possible to make it compatible with a ski area. See Lolo National Forest, Lolo Peak Ski Area Preliminary Review at 6, Exhibit B at Tab 8.

The Forest Service should correct an inconsistency between the Lolo and Bitterroot Forest Plans concerning the definition of Management Area 3.2 – Research Natural Areas. The definition of Management Area 3.2 in the Bitterroot Forest Plan states that “RNAs outside designated wilderness are suitable for cross-country snowmobile use except in restricted areas.” Bitterroot Forest Plan at 2-98. The same language does not appear in the definition of Management Area 3.2 in the Lolo Forest Plan. Lolo Forest Plan at 2-117 to 2-118.

To correct that oversight, Bitterroot Resort suggests that the Forest Service add the following language from the Bitterroot Forest Plan to the definition of Management Area 3.2 in the Lolo Forest Plan: “RNAs outside designated wilderness are suitable for cross-country snowmobile use except in restricted areas.”

J. Development of Bitterroot Resort on the Maclay Ranch

Regardless of whether ski runs are ultimately developed on National Forest System lands, Bitterroot Resort intends to proceed with, and has proceeded with, the development of a ski resort on the Maclay Ranch. Developed skiing and snowboarding will occur on the Maclay Ranch. The Forest Service has an exciting opportunity, however, to keep options open for outstanding winter recreation on public lands by incorporating the land suitability designation identified on Exhibit A. That suitability designation will help the agency achieve its mission of providing high quality skiing and snowboarding on National Forest System lands.

The National Forest lands on the Bitterroot National Forest adjacent to the Maclay Ranch are well-suited for downhill skiing and snowboarding, and the combination of public and private lands at Bitterroot Resort would provide a truly remarkable recreational experience for both local and out-of-state visitors. For example, the total vertical drop has the potential to be the greatest in North America at about 5,400 vertical feet. The terrain would encompass a wide variety of trails, with substantial intermediate terrain, as well as glade and tree skiing. While on mountain, skiers and riders would be treated to spectacular views of the Selway-Bitterroot Wilderness, the Mission range, the Sapphire Mountains, the Missoula Valley, and even the Anaconda-Pintler Range.

This recreation would tread lightly on the environment because the majority of the development would be located on private lands rather than public lands. Skiers and snowboarders could enjoy amazing winter recreation, great snow conditions, and big mountain skiing on the high altitudes of Carlton Ridge (and ultimately Lolo Peak), but the development on public lands would be carefully located and managed to protect the natural environment. Supporting infrastructure, resort facilities, and the base village

would be located at lower elevations on the Maclay Ranch where it too would be managed to complement the natural environment.

K. The Forest Plan Designation Allows for Future Review Under NEPA

We want to emphasize that our Forest Plan proposal does not request the Forest Service to authorize the development of a ski area on National Forest lands at this time. We are instead requesting the agency to preserve the option in the Forest Plans for future consideration of a ski area at Bitterroot Resort by making a suitability designation. Before Bitterroot Resort could be developed in the future, it would have to submit a site-specific development proposal, which would be subject to comprehensive environmental review under NEPA, with full public involvement. As a matter of prudent planning, we respectfully suggest that our proposal merits a place in the revised Forest Plans.

**III. Bitterroot Resort's Proposal Advances the Public Interest**

The Forest Service should incorporate Bitterroot Resort's Forest Plan proposal into the Forest Plans because it is in the public interest.

A. Bitterroot Resort Offers A Unique Opportunity for A Destination Ski Area of Outstanding Quality

Our proposal would preserve the option for the development of a ski area in the future that would offer remarkable skiing and snowboarding opportunities at a destination resort, unlike any other ski area in the region. The unique qualities Bitterroot Resort has to offer for public recreation on public lands includes the following:

- ***The Forest Service has recognized the outstanding potential for skiing at this location since the mid-1960s. See Exhibit B at Tabs 3-11.***
  - § Lolo Peak and Carlton Ridge were rated as having "Outstanding" qualities for ski area development in the Forest Service's 1965 Field Inventory of Potential Development Sites. Exhibit B at Tab 3.
  - § In the 1960's Lolo Peak and Carlton Ridge were recognized as a national resource for winter sports and full development of the resource was a recognized goal of the Forest Service. Exhibit B at Tab 6.
  - § In the 1980s, the Forest Service recognized that the proposed Lolo National Forest Plan should give adequate consideration to the future local, regional, and national needs for downhill skiing and that the plan should not preclude future development of a ski area on Carlton Ridge-Lolo Peak – a site which was described as "the best remaining ski development opportunity in the Region." Exhibit B at Tab 4.

- § In the 1980s, the Forest Service further articulated that the site had a high potential for a ski area and that such development would strengthen the local economy.
  - § Under the Final 1986 Forest Plan for the Lolo Forest, the Forest Service recognized that “the Lolo Peak-Carlton Ridge area has the potential to be developed as a national-class ski area” and that the proposed Carlton Ridge RNA could co-exist with a ski area. Exhibit B at Tab 11 at III-24.
  - § Local interest in the development of a ski area on Lolo Peak and Carlton Ridge has been significant. In Missoula County, 63% of the voters voted for a ski area on Carlton Ridge and Lolo Peak in a November 8, 1988 referendum. Exhibit B at Tab 12. That credible record of public support stands today.
- ***No other ski area in the region provides the terrain, dependable snow conditions, uphill capacity, on mountain experience, base area real estate, base area village, and access that are possible at Bitterroot Resort.***

§ Extensive Terrain. A significant component of a high quality winter resort experience is a comprehensive and diverse area of available terrain for skiing. A variety of terrain increases the reputation of a winter resort and helps to secure its market share and name recognition among skiers. Bitterroot Resort would be able to provide a variety of beginner, intermediate, and advanced terrain that would deliver a terrain mix and extent that is not found anywhere else in the region. In particular, Bitterroot Resort would be able to provide substantial intermediate terrain (approximately 70 percent of the total terrain mix); this is the type of terrain most favored by families, baby-boomers, and those just learning the sport. In fact, the largest group of participants, approximately 46 percent of all skiers and riders, are at the intermediate level. Bitterroot Resort would also include a Nordic trail system that will incorporate about 40 miles of existing logging roads, with additional new trails and connectors to be built, that will complement both recreational and competition alpine skiing opportunities on the mountain.

§ Dependable Snow Conditions. Skier enjoyment is consistently linked to high quality snow conditions. Bitterroot Resort would have excellent snow conditions, in large part because the area on the Bitterroot National Forest and the Lolo National Forest is high elevation, north facing, and receives ample snowfall. Developed

high elevation north facing ski terrain is in short supply in western Montana, a fact made more critical in this era of global warming.

- § Ski Terrain Planning Opportunity. Bitterroot Resort presents a planning opportunity to designate additional high elevation terrain for future use as developed skiing and snowboarding terrain. That terrain may prove critical to providing skiing on public lands given the potential effects of global warming. For lower elevations, in early season, and during low snowfall periods, ample water rights associated with the Maclay Ranch will provide for extensive, reliable, high capacity snowmaking. Given the unpredictable nature of natural snow and melt events, and concerns about global warming, snowmaking capacity is critical. Bitterroot Resort would be able to make snow when necessary to provide quality ski conditions. The Forest Service and the public would benefit from the extensive snowmaking capacity possible at Bitterroot Resort, a feature that is not present at existing ski areas in the vicinity. Allocating lands to Management Areas 6.1 and 5.1 at Bitterroot Resort as depicted on Exhibit A would be good planning for the future, especially given the uncertainty associated with global warming and drought conditions.
- § Substantial Uphill Capacity. Bitterroot Resort will also utilize state-of-the-art technology to transport skiers and riders up the mountain. The initial concept for the Resort includes a lift system with high-speed quad chairs. This would provide skiers and riders with excellent uphill capacity and would allow them to enjoy more skiing time and less waiting time.
- § Exciting On-Mountain Experience. Skiing at Bitterroot Resort would be truly remarkable. The total vertical drop potential for Bitterroot Resort would be approximately 5,400 feet. This would be the greatest in North America, and the total skiable acres would also be one of the greatest in the region. We envision, for example, an array of intermediate runs that treat the snow rider to nearly 3,000 vertical feet of high altitude, north facing skiing, with views of many of the mountain ranges in western Montana. The intermediate runs would be complemented by Nordic ski trails, and by high quality beginner ski terrain and exciting glade, and tree skiing, all in high altitude areas that receive deep powder snowfalls. A powder day at Bitterroot Resort would be amazing. There is simply nothing like this ski terrain in the region, which is why the Forest Service has recognized its potential for decades.

- § Base Area Real Estate Benefits the Public. Bitterroot Resort is different from other existing ski areas in the vicinity in that it has substantial base area real estate available for development. This real estate is an asset that benefits the Forest Service and the public because it ensures the financial viability of high-quality skiing and snowboarding on public lands at Bitterroot Resort. Ski areas that lack base area real estate are limited in capital to the monies earned selling lift tickets, lessons, and food revenues. It is difficult to provide the necessary infrastructure and upgrades to maintain a first-rate recreational experience by selling lift tickets and hot chocolate. The developable real estate on the Maclay Ranch gives Bitterroot Resort the capital to invest in high-capacity snowmaking technology, state-of-the art chairlifts, base area amenities like an ice rink, hiking, cycling, and snowshoe trails, and to ensure that upgrades to the mountain are made over time. Our base area real estate ensures a financially viable, high quality public skiing experience on public lands. The Forest Service would benefit from that asset.
- § Base Area Village. Bitterroot Resort would be developed in connection with a village and a base area on the Maclay Ranch, which would be designed in such a way as to reduce the reliance on automobiles and would offer restaurants and lodging as well as a variety of family-friendly recreational opportunities such as ice skating, a hockey rink, an outdoor concert space, and snowshoe, hiking, and bicycle trails. Skiers increasingly value uncongested and pleasant base facilities, day lodges, and mountain restaurants. Our intention is to provide a state-of-the-art base village that incorporates the best and most progressive concepts in mountain resort planning. No ski area in the vicinity or ski area subject to the Lolo and Bitterroot Forest Plans includes a base area village that combines lodging, residential, retail, and recreational facilities. Bitterroot Resort offers the Forest Service a chance to incorporate into the Forest Plans a type of developed recreational experience that does not exist in either National Forest.
- § Easy Access. Accessibility and convenience are important factors to the success of a ski resort, and the public use and enjoyment of developed recreation facilities. Bitterroot Resort would be easily accessible to local and national visitors. The ski area would only be 15 miles from downtown Missoula along a four-lane highway, a short drive from the airport, and in close proximity to Interstate 90.

B. There is Substantial Market Demand For Bitterroot Resort

The Forest Plans Do Not Provide Sufficient Opportunities for Developed Recreation

In both the Lolo and Bitterroot Forest Plans, the Forest Service recognizes a fact known to everyone in Western Montana: the population of the region has increased dramatically, and will likely continue to grow.

For example, the Bitterroot Forest Plan states that “Ravalli County is one of the fastest growing counties in Montana with much of the county’s population growth and land subdivision occurring within” the Bitterroot Geographic Area. Bitterroot Forest Plan at 1-46. The Bitterroot Forest Plan also notes that “Demographic and population studies show that visitation to the Bitterroot National Forest and surrounding public lands will likely continue to grow.” Bitterroot Forest Plan at 1-33. The Lolo Forest Plan observes that “over the last 10 to 15 years, Missoula County has been among the fastest growing populations in Montana” and that “Western Montana continues to experience high growth and development, and this contributes to increased visitation of the forest and surrounding public land.” Lolo Forest Plan at Intro-11, 1-32.

With the existing and projected population growth will come an increasing demand for developed recreation facilities. Developed recreation, however, is seriously underserved in the Lolo and Bitterroot National Forests. Under the proposed Lolo Forest Plan, for example, only 1.4% of the Lolo National Forest is declared suitable for developed recreation. Lolo Forest Plan at 2-106. That percentage likely overstates the developed recreation on the Lolo National Forest because it appears to include Marshall Mountain Ski Area, a ski area that is no longer operational.

The Bitterroot National Forest provides even fewer opportunities for developed recreation: only 0.4% of the 1.5 million acre National Forest is proposed to be suitable for developed recreation. Bitterroot Forest Plan at 2-88.

Why do the Bitterroot and Lolo Forest Plans under serve developed recreation?

The Lolo National Forest states in the proposed plan that “the Lolo National Forest considers people to be an integral part of the forest environment. Forest managers are committed to balancing the need to conserve and sustain natural resources with providing for people’s desire for products and services now and in the future.” Lolo Forest Plan at Intro-12. That statement rings hollow because only 1.4% of the Lolo National Forest is designated as suitable for developed recreation.

The designation we seek would help meet the growing demand for developed recreation in the region. By allocating a relatively small amount of public lands to Management Area 6.1 for Bitterroot Resort, the Forest Service could plan for the existing

and future need for developed winter and summer recreation on National Forest System lands.

The RRC Associates Market Analysis and July 2006 RRC Report Confirm That There is a Market Demand for Bitterroot Resort

The public need for Bitterroot Resort is exhaustively documented in a Market Analysis prepared by RRC Associates. See Exhibit B at Tab 2. RRC Associates prepared a second report for the National Ski Areas Association in July 2006 that reviewed and analyzed a September 30, 2005 assessment prepared by Ed Ryberg of the Forest Service. The July 2006 RRC Report is titled Projected Demand and Visitation for U.S. Ski Areas and is attached as Exhibit C. The two RRC Reports and other pertinent information show:

- ***The ski industry is healthy. The ski industry continues to see record demand for skiing and snowboarding by the general public.***
  - § During the past season (2005/06), national skier/snowboarder visits hit an all-time record of 58.8 million visits, up 3.3 percent from the previous season and up 2 percent from the previous record set in 2002/03. Exhibit C at 3.
  - § The 2004/2005 season was the fourth best season on record for U.S. skier/snowboarder visits nationwide. In 2004/2005, there were 56.9 million visits across the U.S. Exhibit C at 3.
  - § The top five seasons on record have all occurred in the past six seasons. Exhibit C at 2-3.
- ***The Rocky Mountain Region continues to experience record skier/snowboarder visits.***
  - § During the 2005/06 season, there were over 20.71 million visits in the Rocky Mountain region, a gain of 5.8 percent over the previous record set in 2004/05. Exhibit C at 9.
  - § In 2004/2005, there were 19.61 million visits in the Rocky Mountain Region (Colorado, Idaho, Montana, New Mexico, Utah, and Wyoming). The number of skiers/snowboarders in Rockies was up approximately 3.9 percent from the prior season.
- ***Total national skier visits are projected to grow by a significant percentage during the life of the Forest Plans.***



- § Nationwide, skier and rider visits are projected to grow to 69 million participant days by the 2020/21 season, an increase of 18 percent from 2005/2006. Exhibit C at 8.
- § Destination skier visits to the Western U.S. are projected to grow by 10 percent by 2015, and by another 10 percent by 2025. Exhibit B at Tab 2.
- § By 2019/20, total skier visits in the Rocky Mountain region are estimated to rise by 5.8 percent. Exhibit B at Tab 2, page 27.
- ***Montana residents actively participate in skiing and snowboarding at a greater rate than the national average.***
  - § People in the greater Missoula area (including Ravalli, Missoula, Lake, and Flathead Counties) ski and snowboard at a rate 2.77 times greater than the national average. Exhibit B at Tab 2, page 7.
  - § The Missoula area ranks fifth out of 210 areas nationwide in the rate that its residents ski and snowboard. Other regional areas rank high in terms of total skiing participation rates, including the Butte-Bozeman area (second), Helena (thirteenth), and Spokane (nineteenth). Exhibit B at Tab 2, page 7.
- ***There is a significant demand for skiing and snowboarding in the Lolo and Bitterroot National Forests.***
  - § Of the people using the Bitterroot National Forest for recreation from October 2001 through September 2002, 14.8 percent participated in downhill skiing or snowboarding and the five most used recreational facilities or areas included downhill ski areas.
  - § To date, over 1,000 individuals have expressed support for skiing on public lands at Bitterroot Resort by signing petitions which we have separately submitted to the Forest Service.
  - § 63 percent of the Missoula public voted in 1988 in favor of creating a ski area on Lolo Peak in a public referendum. Exhibit B at Tab 12. This is a credible, authoritative record of the public's views on whether a ski area should be provided on Lolo Peak and Carlton Ridge.
  - § More than three-quarters of Missoula Chamber of Commerce poll respondents are on record supporting Bitterroot Resort.

- ***As local, state, and national populations increase, total skier visits and demand for destination ski areas will increase.***

§ The population of Missoula and Ravalli Counties is projected to grow by 35 percent by 2025, from 143,216 in 2005 to 193,105 in 2025. The total population within 200 miles of Missoula is projected to grow by 25 percent by 2025, from 1,615,791 in 2005 to 2,024,233 by 2025. Exhibit B at Tab 2, pages 4-6.

§ Missoula County is the second largest county in Montana in terms of population size, and growth over the past 10 years has been especially significant around Lolo.

§ The regional population is projected to grow by 35% during the life of the Forest Plans.

- ***If Bitterroot Resort was operational in 2005, skier visits would grow from over 133,000 in 2005 to 294,000 in 2025, with a higher proportion of skiers coming from the local and regional area at first, and with an increasing proportion of destination skiers over time.*** Exhibit B at Tab 2, page 1.
- ***Bitterroot Resort would complement existing ski areas in the region by offering a world class ski area that incorporates state of the art technology and infrastructure.***

We urge the Forest Service to take a careful look at the RRC September 2005 Market Analysis, and the RRC July 2006 document titled Projected Demand and Visitation for U.S. Ski Areas. See Exhibit B at Tab 2; Exhibit C. Those reports document the market demand for Bitterroot Resort. Good planning favors allocating additional lands to the potential development of a destination ski area at Bitterroot Resort.

### C. Bitterroot Resort Would Strengthen The Local Economy

The Forest Plan land designation that we propose would help the agency meet its commitment in the Forest Plan regulations at 36 C.F.R. 219.10 to establish Forest Plans that encourage uses of public lands that are economically sustainable, as follows:

- ***The local economy is witnessing a decrease in dependence on the timber industry and an increase in dependence on the tourism industry.***

§ The Forest Service correctly noted in the proposed Forest Plans that there has been a “decrease in forest product manufacturing jobs” and an “increase in service-oriented businesses.” See Bitterroot Forest Plan at 13.

- § The tourism industry is important to the local economy. It is responsible for generating on the order of \$2.6 billion in total industry output from non-resident sources alone; 37,000 jobs and more than \$739 million in personal income from out-of-state recreation and tourism; and \$135 million in taxes attributable to non-resident traveler spending. See Exhibit B at Tab 24.
- § The Missoula Chamber of Commerce is gathering input on preparing an Economic Development Study about Bitterroot Resort and the economic benefits it can provide the region. This indicates that the Forest Service should preserve the flexibility in the Forest Plans to consider Bitterroot Resort's proposals in the future.
- ***Bitterroot Resort would be an economically sustainable use of public lands because it would support local tourism and would generate significant job growth and entrepreneurial activities for local communities.***

§ According to the Ravalli County Growth Policy, job growth in the area is highest in the service industry, which includes the recreation industry. Exhibit B at Tab 19.

§ Bitterroot Resort would provide employment opportunities for the local community. By way of comparison, Big Sky employs approximately 800 people and Big Mountain employs 450 people. The Tamarack Resort in west-central Idaho, a new destination ski resort, is projected to generate billions of dollars in economic development over the next 15 years. There, hundreds of people have been employed for four consecutive construction seasons to bring the resort to life, resulting in the economic transformation of the local communities and a declining unemployment rate. See Exhibit B at Tab 23. Our proposal presents an opportunity for similar job growth to be realized in Western Montana as well.
  - ***This economically sustainable use is consistent with the growth policies of Missoula and Ravalli Counties..***

§ Missoula County's growth policy provides that it is Missoula County's goal to "Create a truly healthy community by: 2) enhancing human resources, such as... recreational...." resources. With respect to recreational resources, it is the County's objective to: "Provide community recreation opportunities that meet the needs of all citizens of the county." Exhibit B at Tab 16.

- § Ravalli County's growth policy seeks to "support an expanded, more vital, environmentally sustainable tourism and recreation industry." Exhibit B at Tab 19.
- § Bitterroot Resort would enhance family-friendly recreational resources to meet the needs of all citizens in these counties. In addition to skiing and snowboarding, the resort would provide a spa and health center, an ice rink, lodging, biking, hiking, wildlife viewing, and golf opportunities for the public.

D. Bitterroot Resort Would be Ecologically Sustainable

Bitterroot Resort's proposal would provide a wide range of significant recreational opportunities for hundreds of thousands of citizens on a relatively small amount of land – the proposed Management Area 6.1 of 813 acres would be less than 3/100ths of 1 percent of the over 3.6 million acre area of the Lolo and Bitterroot National Forests. Unlike dispersed recreation, managed recreation at Bitterroot Resort would be subject to the full spectrum of federal and state environmental laws, which provide ample protection for the environment, wildlife, and other natural resources. Development would be concentrated on private lands on the Maclay Ranch rather than on public lands, and the limited recreational development on public lands would be carefully managed. Mitigation would be tailored to on-the-ground conditions identified during a site-specific NEPA process. Bitterroot Resort would be ecologically sustainable because it would provide significant recreation on a relatively small amount of lands, all under conditions that protect the environment.

E. Bitterroot Resort Would Help the Agency Achieve its Multiple Use Goals

The Forest Service should make a place for Bitterroot Resort in the Forest Plans by adopting the management designations that we have identified on the map attached as Exhibit A. Our proposal will help the agency achieve its multiple use goals, as provided in the following laws and regulations:

- The Multiple-Use Sustained-Yield Act of 1960 mandates that the Forest Service manage national forest lands for "*outdoor recreation*, range, timber, watershed, and wildlife and fish purposes." 16 U.S.C. § 528 (emphasis added).
- The National Forest Management Act requires the Forest Service to develop Forest Plans that provide for multiple uses of forests, including "coordination of *outdoor recreation*, range, timber, watershed, wildlife and fish, and wilderness." 16 U.S.C. § 1604(e)(1) (emphasis added).

- The Federal Land Policy and Management Act requires public lands to be managed in a manner “that will provide for *outdoor recreation* and human occupancy and use.” 43 U.S.C. § 1701(a)(8) (emphasis added).
- The National Forest Ski Area Permit Act of 1986 specifically endorses developed winter recreation on NFS Lands. The Act authorizes the Forest Service to issue special use permits for 40-year terms “for the use and occupancy of suitable lands within the National Forest System for Nordic and alpine skiing operations and purposes” and recognizes that skiing on public lands serves the public interest. 16 U.S.C. § 497(b).
- The Forest Service’s planning regulations specifically provide that social, economic, and ecological sustainability are the objectives of National Forest planning and on-the-ground management of public lands resources. 36 C.F.R. § 219.10. Bitterroot Resort would help the Forest Service achieve those objectives, by providing high-quality developed winter and summer recreation on a relatively small amount of public lands under conditions that protect the environment yet maximize social and economic benefits.
- The Forest Service has consistently recognized the value of cooperating with the private sector to provide needed recreational services on National Forest System lands. Our Forest Plan proposal would help achieve the values the agency recognized in its Master Service Wide Memorandum of Understanding Between the National Ski Areas Association and the USDA Forest Service, 02-SU-1 1132001-185, (September 18, 2002). See Exhibit B at Tab 20. There, the Forest Service recognized the value of “promoting active participation in alpine recreation and sports by all people in a manner that emphasizes... The importance of public/private partnerships in providing recreational facilities.” Id. Further, the Forest Service agreed that it would “emphasize the value of developed recreation, and the value of enhancing the experiences of participants, in forest plan revisions and project level plans.” Id.

F. Bitterroot Resort Would Promote a Healthier Lifestyle for Western Montanans

Our Forest Plan proposal will help promote a healthier lifestyle for western Montanans by making a place in the plans for reliable, quality winter recreational opportunities. The Forest Service can help promote public health by providing more – rather than fewer – recreational opportunities for the public on National Forest System lands.

#### **IV. Additional Comments on Specific Provisions of the Proposed Forest Plans**

In the following sections, we provide additional specific comments on the proposed Forest Plans.

##### **A. Why Are the Proposed Forest Plans Silent as to Bitterroot Resort?**

In a February 9, 2005 letter, Bitterroot Resort submitted a special use permit application for the development of a four-season resort on public lands within the Lolo and Bitterroot National Forests. The Forest Service stated that it would not process the application because it was in the process of revising the Forest Plans, and the agency believed that the then-existing management area designations did not provide for the ski area that we proposed. In a March 9, 2005 letter to Bitterroot Resort, the Forest Service expressly invited us to present our proposal for consideration in the Forest Plan revision process.

We followed the process suggested by the Forest Service: we assembled a package of information dated November 2, 2005, that included: (a) an eighteen-page Forest Plan proposal for Bitterroot Resort; (b) a thorough Market Analysis prepared by RRC Associates that documents the market demand for Bitterroot Resort; and (c) over a hundred pages of Forest Service documents and other materials. Together, this information demonstrated that public interest favors allocating lands for a four-season resort in the revised Forest Plans. A complete copy of Bitterroot Resort's November 2, 2005 comments, with attachments, is appended as Exhibit B.

The Forest Service did not incorporate any element of Bitterroot Resort's proposal into the proposed Forest Plans. The words "Bitterroot Resort" do not appear anywhere in them. The proposed Forest Plans are silent as to Bitterroot Resort.

That silence is deeply unsettling. The existing Lolo Forest Plan recognizes the potential for developed recreation on Carlton Ridge and Lolo Peak and states that this area "has the potential to be developed as a national class ski area." See Exhibit B at Tab 11, page III-24. Given that provision of the existing Lolo Forest Plan, and given Bitterroot Resort's November 2, 2005 comments, why do the proposed Forest Plans fail to make any statement about the potential for skiing on Carlton Ridge and Lolo Peak?

The Forest Service's new planning regulations at 36 C.F.R. Part 219 mandate comment and collaboration with the public (including Bitterroot Resort) in preparing Forest Plans. Public comment and public collaboration are meaningless if the Forest Service does not respond, especially to comments and a proposal as detailed and thoroughly supported as the November 2, 2005 comments by Bitterroot Resort.

Recently, and because of this public comment and review process, Bitterroot Resort has emerged as one of the principal issues of public interest in the Forest Plan

revision process. In less than two months, over 1,000 individuals have expressed their support for developed recreation on public lands at Bitterroot Resort as shown in the materials that we have separately submitted.

The Forest Service has made no attempt to explain to the public why, exactly, the agency made no provision for Bitterroot Resort in the proposed Forest Plans. What is the explanation? What did the Forest Service rely on in deciding not to retain the flexibility to consider Bitterroot Resort in the proposed Forest Plans? What factors did it consider in reaching its preliminary decision? What information did it consider? What weight did it give to the document authored by Ed Ryberg which is attached as Exhibit D.

Whether or not one supports the Forest Plan proposal that we have submitted, the public deserves an explanation of the agency's position on it.

B. Why is the Forest Service Limiting Expansion of Skiing and Snowboarding to Existing Areas?

As noted elsewhere in our comments, the Bitterroot Forest Plan improperly limits the expansion of developed recreation by providing that: "Additional downhill ski opportunities would be provided only through limited expansion of Lost Trail Powder Mountain Ski Area within Management Area 6.1." See Bitterroot Proposed Plan at 34. Likewise, the proposed plan for the Lolo National Forest limits expansion of developed recreational opportunities to the Snowbowl ski area by providing that the Snowbowl ski area would only "be expanded if analysis indicates sufficient demand for a wider range of skier opportunities." See Lolo Proposed Plan at 46.

These limitations on desired conditions fail to recognize the strong public demand for a high-quality four-season resort area at Bitterroot Resort. What is the basis for limiting the availability of skiing on public lands? What has the agency relied on for its proposal to preclude developed winter and summer recreation on Forest Service lands at Bitterroot Resort? The Forest Plans are entirely silent as to Bitterroot Resort, so it is impossible to tell.

C. Is the Forest Service Relying on the Erroneous Ryberg Report?

Bitterroot Resort is aware that a former Forest Service employee prepared a study to analyze the market demand for a ski area on the Bitterroot and Lolo forests entitled "Downhill Skiing Needs Assessment for the Bitterroot and Lolo Forest Plan Revisions" by Ed Ryberg (the "Ryberg Report"). It is attached as Exhibit D.

The Ryberg Report was provided to Bitterroot Resort in 2006, long after we submitted the demand analysis prepared by RRC Associates to the Forest Service in November 2005. Curiously, the Forest Service did not provide the Ryberg Report to us in response to an August 30, 2005 FOIA request that we submitted, to which the Forest Service did not respond until February 2006.

The Ryberg Report is not mentioned anywhere in the proposed Forest Plans. Did the Forest Service rely on it? Specifically, did the Forest Service rely on the Ryberg Report in reaching its conclusions about desired conditions for developed winter recreation and projected demand for skiing and snowboarding in the Lolo and Bitterroot National Forests? Has the Forest Service relied on the Ryberg Report in any way to decide not to allocate lands to Bitterroot Resort? If so, please explain how and why, and to what extent the Forest Service has relied on the Ryberg Report.

The Ryberg Report nowhere mentions Bitterroot Resort. See Exhibit D. How can the Forest Service rely on the Ryberg Report to refuse to allocate lands to Bitterroot Resort if that Report nowhere addresses the unique features of our proposal? What else has the Forest Service relied on besides the Ryberg Report?

The Ryberg Report paints a bleak picture for skiing in Montana and the Rocky Mountain region. The Report, however, is not authoritative. It overlooks many facts, reaches conclusions that are not well-founded, and fails to consider the unique characteristics that our proposal for a destination ski area at Bitterroot Resort presents. Our observations about the Ryberg Report are shared by RRC Associates which prepared a July 2006 report critiquing the Ryberg Report. See Exhibit C. If the Forest Service takes a hard look at the Ryberg Report, it will recognize that it has serious flaws that render it unusable.

- The Ryberg Report concludes that the ski industry is “mature” and unlikely to grow. This is simply wrong. The ski industry continues to see record demand for skiing and snowboarding by the general public. See Exhibit D at 1. The top five seasons on record have all occurred in the past six seasons. Exhibit C at 2. This fact alone demonstrates that the Ryberg Report is not authoritative.
- The Ryberg Report concludes that “it is unlikely that the Rocky Mountain Region, or the State of Montana, will experience any significant increase in destination skier/snowboarder visits in the foreseeable future.” Exhibit D at 6. This observation is wrong. Colorado and Utah both experienced record skier visitation in the 2005/2006 season, and recorded notable increases in destination skier visits. Exhibit C at 9. Further, the Ryberg Report does not account for the fact that Montana residents actively participate in skiing and snowboarding at a greater rate than the national average. Exhibit B at Tab 2, pages 8-9.
- The Ryberg Report concludes that local and regional ski area capacity and utilization are sufficient based on statistics from 11 local and regional ski areas. Exhibit D at 7. The Report, however, fails to recognize that the Marshall ski area is closed, and that 7 of the 11 ski areas listed are only open 3 months or less a season, with some resorts only open 50 days or less a year. See Exhibit D at Tables 1 and 2. The Ryberg Report also does not address



- whether local ski areas provide the high quality skiing infrastructure and experience that destination skiers seek out. How can ski areas that are open less than two months a year provide sufficient skiing opportunities for Montanans and for destination visitors?
- The Ryberg Report concludes that “climatic trends are working against sustained growth in participation, and the number of participants in these sports.” Exhibit D at 3-4. The Ryberg Report, however, fails to take into account the unique features that are present at Bitterroot Resort. For example, water rights associated with the Maclay Ranch would allow for an extensive state-of-the-art snowmaking system at Bitterroot Resort that would ensure a consistent opening date, and a dependable, high quality snow pack in early season, at low elevations, and during low snow years. Even if climate trends do not favor snow sports at lower elevations and on south facing terrain, Bitterroot Resort is better positioned to offer high quality skiing and snowboarding than existing ski areas in the region given its high elevation, north facing terrain, and water supply for snowmaking. Exhibit B at Tab 2, pages 1-3.
  - The Ryberg Report expresses concern that underlying demographic trends will work against sustained growth in skier visits. This concern has not proven true in Colorado. The Forest Service has observed a correlation between Colorado’s dramatic increase in population since 1984 and the growth in Colorado skier visits over the same period, despite similar demographic trends noted in the Ryberg Report. See Exhibit B at Tab 21. These statistics support the conclusion that total skier visits will increase in western Montana as its population and the population of the region grows.
  - The Ryberg Report concludes that the population is becoming increasingly overweight, and as a result, there is less demand for skiing and snowboarding opportunities. Exhibit D at 3. This reasoning is flawed, and the Ryberg Report does not identify Montana-specific facts. Given the rise in obesity, the Forest Service should look for opportunities to encourage developed outdoor recreation on National Forest System lands, not limit them. The Forest Plan designation Bitterroot Resort proposes would be a step toward promoting a healthier lifestyle for western Montanans by providing them with a reliable, accessible quality winter recreational opportunity.
  - The Ryberg Report assumes that increasing demand for skiing and snowboarding opportunities in the area could be met by expanding the terrain at Snowbowl or extending the days of operation at Lost Trail. Exhibit D at 9. Those ski areas help meet local demand for skiing and snowboarding. By themselves, however, they cannot meet the local, regional, and national demand for a high-quality four season destination resort in this region. Exhibit B at Tab 2, page 45. Bitterroot Resort, if ultimately developed, would

not duplicate existing local ski areas, but would complement them with unique attributes that do not presently exist in the region. For example, the available real estate at the Maclay Ranch would give Bitterroot Resort the ability to make ongoing investments in snowmaking and other skier technology to create a quality, self-sustaining resort. Further, the total vertical drop at Bitterroot Resort would be far greater than at existing local ski areas, and the extensive intermediate terrain would serve families and the majority of skiers.<sup>2</sup>

The Ryberg Report is flawed, relies on incorrect data and assumptions, and does not consider many factors. The Forest Service should expressly identify whether and to what extent it relies on the Ryberg Report in its final Forest Plan decisions.

D. The Forest Plans Do Not Adequately Contribute to Economically Sustainable Uses of The Forests Through Developed Recreation

The Forest Service's planning regulations require it to enact Forest Plans that contribute to sustaining social and economic systems within the plan area. See 36 C.F.R. § 219.10. The proposed Forest Plans make certain observations that are relevant to this obligation. Specifically, the Forest Service stated that "Local communities and the Forest have experienced much economic change in the past two decades" including "the decrease in forest product manufacturing jobs" and "the increase in service-oriented businesses." See Bitterroot Forest Plan at 1-13.

The proposed Forest Plans do not adequately meet the agency's obligation to contribute to sustaining the area's social and economic systems. The tourism industry is increasingly important to the local and regional economy in the area. See Exhibit B, Tab 24. The rise in recreation – including developed recreation – is another significant social and economic development in the Rocky Mountain Region. Despite these facts, the desired conditions in the proposed Forest Plans do not identify tourism and developed recreation as ways to further the agency's planning goals of sustaining regional social and economic systems.

The desired conditions identified in the proposed Forest Plans take a limiting and meager view of tourism and developed recreation. No provision of the desired conditions identifies tourism, and the only mention of developed recreation at ski areas limits it to Snowbowl and Lost Trail Powder Mountain.

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<sup>2</sup> While local, regional, and national demand for a high-quality ski area cannot be met alone by the local ski areas already in operation, the development of a ski area at Bitterroot Resort would ultimately prove beneficial to other ski areas in the region, because skier visits would likely increase at each of the local resorts. This surge in skier demand would be expected to occur because tourists are more likely to choose a destination resort that is co-located with other ski areas due to the variety it provides. Bitterroot Resort would help make the region a winter tourist destination and would complement the presence of Lost Trail and Snowbowl – just as Bridger Bowl has benefited from the nearby presence of Big Sky, Grand Targhee has benefited from the nearby presence of Jackson Hole, and Arapahoe Basin and Loveland have benefited from their proximity to Keystone.

Bitterroot Resort respectfully suggests that the Forest Service should identify promoting tourism and developed recreation as desired conditions of the Lolo and Bitterroot Forest Plans. The Forest Plan proposal in these comments would achieve those goals. Tourism is vital to Montana's economy, and here in the New West, is supplanting extractive industries like mining and timber cutting. Developed recreation can strengthen the state's tourism industry and provide employment opportunities for the local community. Such desired conditions would be consistent with the strategic vision of the surrounding local communities. For example, Ravalli County seeks to "support an expanded, more vital, environmentally sustainable tourism and recreation industry" Exhibit B at Tab 19.

E. The Forest Plans Fail to Recognize that Bitterroot Resort's Proposal Will Contribute to Ecologically Sustainable Uses of the Forests

A ski area accommodates a large number of people on a relatively small amount of public lands under managed conditions that protect the environment. Ski areas are how millions of Americans enjoy their public lands. Notably, unlike the majority of dispersed recreation that occurs on National Forest System lands, ski areas are subject to full environmental review and mitigation under NEPA and other federal and state environmental laws.

From a resource utilization standpoint, ski areas provide more recreation use per acre than other forest activities. In 2002, the Forest Service estimated that, "Approximately 178,000 acres of National Forest System lands are under permit to ski areas. While this represents only 0.09 percent of the 191 million acres in the National Forest System, the skier visits they accommodate represent 15 percent of the total recreation use that occurs on all national forests. See Exhibit B at Tab 21, pages 3-438. Congress recognized the benefit of ski areas in the legislative history for the National Forest Ski Area Permit Act of 1986. It observed: "Ski areas on national forests are particularly notable in that, while they occupy a total of less than 100,000 acres (less than a twentieth of one percent of the national forests) they account for more than 6% of the recreational visitor-use on the forests." Exhibit B at Tab 22. The Forest Service recognized that between 1986 and 2002, ski areas provided an increasing amount of high quality recreation. Exhibit B at Tab 21, pages 3-438.

The proposed designation for Bitterroot Resort would provide a wide range of significant recreational opportunities for thousands of Montanans and other citizens on a relatively small amount of land under conditions that protect the environment. It merits a place in the Lolo and Bitterroot Forest Plans.

F. The Proposed Forest Plans Do Not Further the Developed Recreation Component of the Forest Service's Multiple Use Mission

The Forest Service is required to make a place for developed outdoor recreation on forest lands because it is part of the agency's statutory multiple use mission. See e.g.,

Multiple-Use Sustained-Yield Act of 1960, 16 U.S.C. § 528; National Forest Management Act, 16 U.S.C. § 1604(e)(1); National Forest Ski Area Permit Act of 1986, 16 U.S.C. § 497(b); 36 C.F.R. §§ 219.1, 219.12. The proposed plans for the Bitterroot and Lolo Forests, however, are not balanced. They fail to give appropriate weight to the Forest Service's multiple use mandate in the area of developed recreation.

Notably, in the Bitterroot National Forest, "Approximately 74 percent of the Bitterroot Geographic Area is within designated wilderness, recommended wilderness, wild and scenic rivers, or backcountry areas (MA 1.1., 1.2, 2.1, and 2.2)" whereas less than 2 percent of the geographic area is available for developed recreation. See Bitterroot Proposed Plan at 1-45, Fig. 4. Forest wide, only about 0.4 % of the Bitterroot National Forest is available for developed recreation. Bitterroot Forest Plan at 2-88. In the Lolo National Forest, only 1.4% of the over 2 million acre forest is proposed for developed recreation. Lolo Forest Plan at 2-106.

What is the Forest Service's rationale for under serving and minimizing developed recreation at a time when the population is booming? To help meet its multiple use mission, the Forest Service should adopt Bitterroot Resort's proposal to expand developed recreation opportunities on the Bitterroot and Lolo Forests.

G. What is the Rational Basis for Expanding the Carlton Ridge RNA?

The Lolo National Forest proposes expanding the Carlton Ridge RNA. See Lolo Forest Plan at 1-50 ("The Carlton Ridge RNA would expand to include critical alpine larch habitat in most of Section 23 (T29N, R21W), directly adjacent to the original RNA boundary."). Expanding the RNA is not appropriate for the following reasons.

First, nothing in the proposed plan explains the rationale for expanding the RNA. The planning regulations require that: "The Responsible Official must take into account the best available science, and document in the plan that science was considered, correctly interpreted, appropriately applied, and evaluate and disclose incomplete or unavailable information, scientific uncertainty, and risk." 70 Fed. Reg. at 1027 (2005); see also 36 C.F.R. § 219.11. What "best available science" did the Forest Service rely upon to conclude that the RNA should be expanded? Is there no alpine larch habitat presently in the RNA? How is the alpine larch habitat outside the RNA different than the alpine larch habitat inside the RNA?

Second, the proposed plan does not explain whether expanding the RNA will have any effect on Bitterroot Resort's proposal. How will expanding the RNA impact our proposal? If there is an effect, should the RNA be moved rather than enlarged? What is the rationale for expanding it rather than moving it? The Forest Service needs to carefully evaluate – and disclose – how expanding the RNA will impact future developed recreational opportunities on Carlton Ridge and Lolo Peak.

Third, how does expanding the RNA relate to the Forest Service's intent when it established the RNA? For over four decades the Forest Service has identified Carlton Ridge and Lolo Peak as an outstanding site for a ski area. See Exhibit B at Tab 11, page III-24; Exhibit B at Tab 3; Exhibit B at Tab 7. When the agency first considered establishing the RNA in the 1980s, the Forest Service was careful not to preclude development of a ski area. This is documented in agency files and we have provided those documents to the Forest Service in our November 2, 2005 comments. See, for example, Exhibit B at Tab 8, page 6, and Exhibit B at Tabs 25, 26, and 27, pages 12-13. Those documents irrefutably establish that the Forest Service determined that the proposed RNA should not and would not exclude potential development of a ski area, and that the RNA was always intended to be compatible with a ski area. See Exhibit B at Tabs 8, 25, 26, 27. For example, the 1986 Lolo Forest Plan states that there is sufficient room in the forest plan for both a ski area and the Carlton Ridge RNA. See Exhibit B at Tab 11, pages III-17. The Forest Service even recognized that boundary adjustments could be made to the RNA, if necessary, to improve the viability of a ski area. Lolo Forest Plan at 132 (describing RNA's as "administratively designated"); November 29, 1976 letter from Chairman of RNA Committee to Missoula District Ranger (explaining that the RNA could be disestablished by the same procedure [used] in establishment).

What has changed? If the Forest Service wanted the RNA and a ski area to be compatible when it established the RNA, what is the rationale for expanding the RNA now and potentially limiting options for public skiing on public lands?

Fourth, the Forest Service has a concrete Forest Plan proposal for Bitterroot Resort that would allocate lands for developed skiing and snowboarding adjacent to the RNA. Given that fact, the Forest Service cannot simply propose expanding the RNA and not disclose what effect that will have on our proposal.

Fifth, does the Forest Service intend to expand the RNA as a way to preclude or limit Bitterroot Resort? Forest Service documents obtained in a FOIA request state that "the Carlton Ridge RNA is viewed by many as a 'silver bullet' to prevent ski resort development... and by making the RNA larger in size.... provide an even 'bigger' bullet!" See July 22, 2005 email from J. Habeck to A. Kulla and S. Arno regarding Lolo Peaking Meeting of July 21st, attached as Exhibit E. Preventing ski resort development is not a valid purpose for expanding the RNA.

Our Forest Plan proposal does not require the Forest Service to modify the current RNA boundaries. See Exhibit A. Given the absence of any legal rationale for expanding the RNA, the proposal to expand the RNA through a desired condition statement in the Lolo Forest Plan should be removed.

## V. CONCLUSION

Bitterroot Resort merits a place in the proposed Lolo and Bitterroot Forest Plans. We are hopeful that you carefully consider our Forest Plan proposal. If adopted, it would

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provide the foundation for future uses of public lands that are ecologically, socially, and economically sustainable. We want to work collaboratively with the Forest Service and the public to implement new Forest Plans that truly benefit and respect the diverse outdoor and recreational interests of the present and future communities of Montana families. We look forward to working with you. Thank you for considering our views.

Sincerely,

Tom Maclay  
President  
Bitterroot Resort