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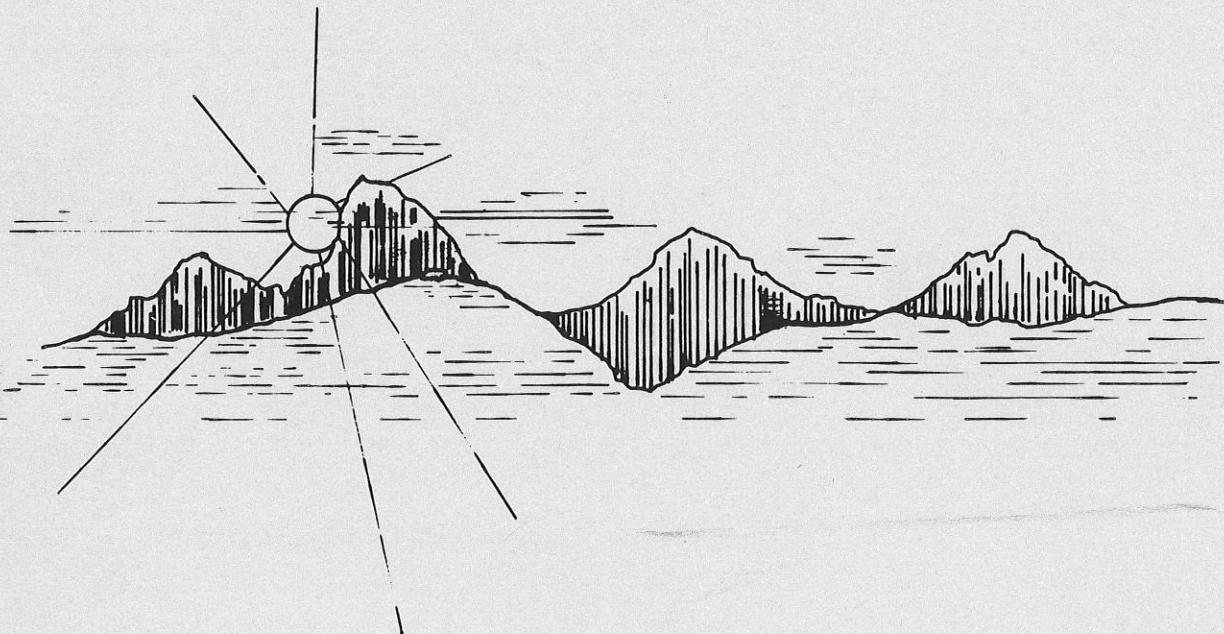
Intermountain
Region

**Targhee
National
Forest**

April 1994

Record of Decision

Grand Targhee Resort Master Development Plan



Ski & Summer Resort

RECORD OF DECISION
for the
GRAND TARGHEE RESORT MASTER DEVELOPMENT
PLAN

USDA Forest Service
Targhee National Forest

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INTRODUCTION

This document contains my decision for the revised master development plan at Grand Targhee Resort. It includes a general description as well as detailed specifics of the decision. It explains the reasons for this decision, summarizes public participation, discusses alternatives and reasons why each was or was not selected. It also includes the implementation date and information about administrative review and appeal opportunities.

Making the decision for future expansion at Grand Targhee Resort has been difficult. It has been one of the most controversial and contentious issues the Forest has dealt with. Much of the controversy centered around the question of whether or not to allow a land exchange. Personal feelings and personalities have become involved and, to some extent, have detracted from an issue that should be resolved by considering only environmental, economic and social issues, and public desires.

We received many comments and suggestions at numerous public meetings and many informal discussions with individuals and groups. Nearly 1,000 responses were received commenting on the draft environmental impact statement (DEIS). We received many comments and suggestions for preparing the final environmental impact statement (FEIS). However, most responses dealt with the land exchange question. In some respects that is unfortunate, because it obscured and detracted from other environmental, economic and social effects discussed in the DEIS that we believe are more important than the question of a land exchange. In many cases these effects will occur regardless of the outcome of the land exchange decision.

We had hoped after the DEIS was published and people had an opportunity to study alternatives and their effects, the public and especially the local community would come together in support of one of the alternatives presented in the DEIS, or suggest a "community alternative". We promoted that idea with various groups, individuals, and elected officials. That didn't happen. If anything, divisiveness grew. Again, the question of a land exchange dominated. We had hoped those opposed to a land exchange would support the preferred alternative (Alternative 4) which we believed permitted the level of expansion needed to provide the best opportunity for an economically viable resort. Some did, but others, while supporting the no land exchange feature, objected to the level of development associated with Alternative 4. Some supported the level of development in Alternative 4, but objected to the idea of no land exchange, because they felt development would not be possible without a land exchange.

In the absence of public consensus, I am making the decision based upon my interpretation of the important environmental, economic and social effects and my view of what is in the best public interest. To a degree that's also unfortunate, because I believe the local community could have played a greater role in developing a "community alternative" and thus in shaping the future of Grand Targhee and Teton Valley.

DECISION AND REASON FOR THE DECISION

After careful review of both the DEIS and FEIS, I have reached a decision I believe best serves the public interest. I have read all public comments submitted in response to the DEIS in order to become more familiar with peoples concerns and expectations regarding possible expansion at Grand Targhee. I have met with the permittee, organizations, individuals, and elected officials to learn more about their concerns and to attempt to develop consensus. Finally, I have visited the area on the ground with specific emphasis on Peaked Mountain so I would be personally familiar with environmental concerns and see firsthand the potential for development of that area.

Based upon all of the information available to me, my firsthand knowledge of the area, and discussions with my predecessor, it is clear to me that Alternative 4, with modifications and mitigation measures described in the FEIS and this Record of Decision should be and is the selected alternative. However, much more was involved in arriving at that decision.

Prior to selecting the preferred alternative for the DEIS, the interdisciplinary team and my predecessor carefully compared all of the alternatives using a process called Choosing by Advantages (CBA). The CBA process is designed to evaluate alternatives by comparing advantages of their effects on environmental, social and economic resources. Factors used to compare alternatives were developed from issues generated by the public and by Targhee National Forest personnel. These factors were considered:

•Recreation and Wilderness

- Summer and winter use
- Wilderness use levels
- Existing recreation experience
- Utilization of skiing resource

•Visual Resource as Seen From Teton Valley

- Natural appearing landscape
- Acres disturbed

•Visual Resource as Seen From Jedediah Smith Wilderness

•Noise

•Wildlife

- Disturbance to wildlife
- Building on interface/private land
- Reduction of continuous mature forested stands

•Land Exchange

- Availability of capital for development
- Cost to government to administer expansion
- Fees paid to government
- Ability to borrow money for improvements and expansion

•Skier Demand Compared to Capacity (Supply)

•Transportation

- Ski Hill Road
- Other roads
- Airport

•Water Quality

- Soil disturbance and erosion
- Wetlands and riparian areas
- Sewage treatment
- Drinking water
- Runoff

•Water Quantity

- Supply
- Fire protection

- **Socioeconomic**
 - Tax revenues
 - Costs for public services
- School enrollment
- Law enforcement vehicles
- Ambulances
- Households
- Fire protection
- Law enforcement personnel
 - Economic opportunities
- Full-time employment
- Construction employment
- Part-time employment
- Skier expenditures
 - Rate of return on investment
 - Local quality of life
- Calls for law enforcement
- Traffic accidents
- Households
- School age children
- Noise and congestion

Based upon the analysis of these factors, Alternative 3 had the most advantages. However, the economic and financial analysis indicated that economic and financial feasibility of Alternative 3 and all other alternatives was uncertain. Alternative 3 included a land exchange, and there was a reluctance to select it because it created a private inholding within the National Forest that, due to financial uncertainty, may never be developed to support lifts and other mountain facilities on the National Forest. In order to check that finding, the Forest contracted with Sno-engineering, a private ski area planning and design firm, for an independent review. Their study stated that additional information and studies would be needed in order to determine with certainty financial feasibility. However, based upon the available information, they determined that economic success of Alternative 3 as well as all other alternatives was uncertain. Therefore, Alternative 4 was selected as the preferred alternative for these reasons:

- It allows the Resort owners the opportunity to upgrade and modernize lifts and other mountain facilities on Freds Mountain and provides the latitude for the Resort to expand to Peaked Mountain. For the reasons described below (Level of Development) we believe these steps are essential for Grand Targhee to continue operating as a successful resort.
- Capacity provided by Alternative 4 would meet skier demand for the next 25 to 30 years.
- It provides the opportunity to expand base area facilities to keep pace with mountain development.
- It provides for a new 40-year permit that ensures a long-term commitment to the present owners.
- It maintains public ownership of the land.
- Additional revenues generated in Teton County, Idaho would be greater than the cost of additional public services that would be needed.

Public comments and other information we have reviewed since the DEIS was published have not resulted in reasons to select another alternative. We have, however, made some changes to Alternative 4. These changes - discussed in detail in the FEIS and this Record of Decision - deal primarily with lift configuration, location of runs and other facilities on Peaked Mountain.

Several issues were raised repeatedly by the public and/or Forest Service personnel and were considered in more detail. Our reasons for resolving these issues in a particular way are discussed in the following paragraphs.

Level of Development

If there is one thing most everyone agrees upon with respect to Grand Targhee, it is that the Resort is a major contributor to the economy of Teton Valley, and that continued success of Grand Targhee is important for the future of the Valley. We also agree with that assessment.

The central question then is: what level of development is needed to ensure Grand Targhee has the opportunity to continue operating as a successful resort? I believe Sno-engineering provided an accurate summary in their report: "In the opinion of Sno-engineering the trend of successful western mountain resorts for the late 1990's and beyond is to be four-season technologically advanced and responsive to the diversity of recreational and leisure-time needs of the customer. ... Successful resorts have catered to the changing demands of the skier population by providing convenient air access, quality accommodations, a heightened service orientation, a more refined ski experience, and by offering numerous year-round recreational amenities. ... One of the key objectives of Grand Targhee for its skiing product should be to expand its skiable terrain. ..."

Ted Farwell, a well known ski area appraiser and planner observed: "Grand Targhee is currently limited in its growth by the available accommodations. Winter utilization reaches a limit at 65% occupancy as potential bookings are lost when the resort is full for the requested dates. ... Grand Targhee is seen as a superior destination ski resort. The Grand Targhee site is an extraordinarily attractive ski experience, and with the addition of modern lifts and on-site accommodations will attract far beyond an average share of available skier-visits. ... Grand Targhee consists of a superior ski mountain but it is removed from commuter markets. As a result, adequate on-site accommodations are required to house the skiers and some of the employees."

Finally, those who will have the most influence on whether Grand Targhee is successful - the skiing public - have indicated changes are needed. We received many letters from Grand Targhee skiers in response to the DEIS. I realize many were a result of a direct solicitation by Grand Targhee for skiers to write in support of expansion and a land exchange. However, the fact that so many took time to write and express their views is impressive. Most useful, I believe, were the reasons given for a need to expand. A desire for modern high speed lifts, reduction of lift lines, and more and better lodging and skier services were a common thread in letters from the skiing public.

After considering the views of Forest Service personnel, those who responded to the DEIS, people and firms I consider experts in the industry, and most important the skiing public, it is clear to me that for Grand Targhee to have the best chance for success they must expand. Expansion and modernization of lifts and other mountain facilities are needed, more lodging and skier services will be required, and continuation of development as a four-season resort should be encouraged.

Mountain Facilities

A central question when looking at expansion of mountain facilities is whether or not to expand to Peaked Mountain, and if so, to what extent? Additional capacity - up to about 3,700 skiers at one time (SAOT) - could be reached by simply upgrading and expanding lifts on Freds Mountain (Alternatives 2 & 3).

This would put more skiers into the same general area presently being served by existing lifts. A high speed detachable quad would replace the existing Bannock lift and Shoshone and Blackfoot lifts would be upgraded to fixed grip quad and triple chair lifts respectively.

Upgrading lifts on Freds Mountain would alleviate dissatisfaction with existing slow lifts and lift lines. It would not, however, significantly improve variety of terrain and would, in time, result in overcrowding to the extent it would detract from the skiing experience. Therefore, in order to ensure Grand Targhee has the best chance for success and to provide a better product and experience to the skiing public, expansion to Peaked Mountain is justified.

After considering environmental and economic effects and customer service and satisfaction, we believe the lift configuration for Alternative 6 is superior to that of Alternative 4. Therefore, Alternative 4 has been modified to include some features of Alternative 6 with respect to Peaked Mountain lift development. However, to stay within the capacity of 5,130 SAOT, some lifts will be "downsized".

Lifts on Peaked Mountain under Alternative 4 are these:

Peaked #5. This would be a double chair and is essentially the same lift as described for Alternative 4 and 6 in the DEIS. However, the terminal is further up the channel of Mill Creek than the Alternative 6 location. This reduces the amount of clearing needed in Mill Creek and provides over 1/4 mile more buffer between the terminal and wetlands located further down Mill Creek. The new location is approximately 4,000 feet above the wetlands. Runs associated with this lift were either realigned or eliminated to avoid the "V" bottom draws that drain into Mill Creek.

Peaked #6. This lift would be in the same location. However, it would be a "downsized" detachable quad similar to that described in Alternative 6 in the DEIS instead of the double chair shown for Alternative 4. We believe the detachable is a better alternative because it is a product being demanded by the skiing public. Although it would be a high speed lift, it would be designed and built to operate at a lower capacity. Specific mitigation has been added to the FEIS to prevent capacity increases.

Peaked #7. This lift was not included in Alternative 4 in the DEIS. It was included in Alternative 6. It was added to Alternative 4 because it provides access to the revised restaurant location and to excellent low intermediate terrain. It also serves as a shuttle lift to help move skiers back to the base area via lift #5 and provides a second evacuation method from Peaked Mountain.

Peaked #8. This lift was included in Alternative 4 in the DEIS as a return from Mill Creek. It has been retained as an optional lift, but it would probably not be built until near buildout, if ever. Access back to the base area will be via lifts #5, #6, and #7 and by cat track, thus it would be used mainly to relieve crowding and congestion on other lifts and the cat track.

Overall capacity will remain at 5,130 SAOT and is consistent with Alternative 4 in the DEIS. I do not believe expansion beyond that level is warranted, because 5,130 SAOT provides enough capacity to accommodate expected demand for the next 25 to 30 years.

Skier Services

Since Grand Targhee is somewhat remote, a wide range of skier services such as equipment rentals, child care and restaurants are needed. The amount authorized (98,342 square feet) with Alternative 4 is in balance with capacity of mountain facilities and averages 19.17 square feet per skier. This is slightly higher than industry averages, but is justified because of Grand Targhee's remote location.

Peaked Mountain Restaurant location was moved from where it was shown in Alternative 4 to the location shown for Alternative 6. The reason for this change was because the addition of Peaked #7 lift provides easy access to the restaurant. This location is much less exposed and consequently less visible from both within and outside the permit area.

There was concern expressed that some skier services which are available in the Valley should not be duplicated at the Resort. The medical clinic and service station were mentioned most often. Neither are included in Alternative 4 because they are readily available in the Valley.

Skier services will be phased to support mountain capacity as shown in Appendix L to the FEIS. This schedule represents a logical sequence and balanced approach.

Commercial Facilities

A total of 37,906 square feet of commercial floor space is authorized. Commercial floor space is used for conference and meeting rooms, retail sales, offices, etc.. Many commercial facilities are typically constructed in conjunction with lodging and other buildings. Buildings which included commercial space were shown on alternative maps in the DEIS and in the master development plan submitted by the permittee. However, the amount of commercial space for each alternative was not shown. The FEIS has been updated to show commercial floor space, because we believe it is important for the public and permittee to understand exactly how much will be

allowed. The amount authorized is consistent with ski industry standards and averages and is balanced with mountain and skier service facilities.

A major need identified at Grand Targhee are facilities to accommodate conferences. The conference hotel and other conference facilities in Alternative 4 are, I feel, an important part of future development, because they are designed to accommodate conferences, training sessions and other group functions during the "off-season". These types of functions are an important aspect of successful four-season resorts.

Lodging

There is nearly universal agreement that additional lodging is needed at Grand Targhee. There is considerable difference in opinion about how much should be built at the Resort. There is also nearly universal agreement that to enhance economic development and tax revenues in Teton County, Idaho, 50 percent of needed lodging should be built in the Valley.

Grand Targhee feels a minimum of 686 units of lodging are needed at the Resort to house destination guests. The DEIS projected that if 686 units were built at the Resort, only 145 additional units would be built off-site, because demand would be largely seasonal. Several members of the public commented that lodging at the Resort should be restricted - 200 to 400 units were mentioned as maximum.

Since lodging needs to be balanced with mountain capacity, it is important that Grand Targhee have the option to construct the necessary lodging if needed lodging is not built in the Valley. Therefore, 686 units of lodging as described for Alternative 4 are authorized. However, a mitigation measure is contained in the FEIS that conditionally restricts development of lodging at Grand Targhee to an amount equal to lodging available in the Valley.

On the surface, providing 50 percent of the lodging in the Valley sounds reasonable. However, recent events surrounding the proposed Teton Creek development indicate not everyone approves of more lodging in the Valley unless it meets certain criteria and expectations. In fact, some advocates of more development in the Valley when discussing lodging associated with Grand Targhee, are opposed to the Teton Creek proposed development. Consequently, it seems appropriate, and we have included in the mitigation measures, a provision that allows Grand Targhee to exceed the 50/50 ratio in the event needed lodging is not approved or available in the Valley and utilization of lodging at Grand Targhee exceeds 65%. It does not authorize Grand Targhee to build more than 686 units. No single family units are authorized. Elements of the mitigation measure are these:

- There are approximately 230 lodging units in the Valley. An additional 31 units are approved for construction. There are only 96 units at Grand Targhee.
- Upon approval of the Master Development Plan and subject to mitigation measures described in the FEIS, site specific analysis, normal health, safety and design approvals, and balance with mountain and skier service facilities, Grand Targhee will be authorized to construct 165 lodging units (261 - 96 = 165).
- To ensure construction of lodging proceeds in a logical manner, Grand Targhee will be authorized to begin constructing the next scheduled lodging facility whenever there are more existing and approved lodging units in the Valley than at Grand Targhee. Thus, Grand Targhee is authorized to construct the 120 unit Conference Hotel and the 55 unit Standard Hotel, even though they exceed the 50/50 ratio by ten units (175 - 165 = 10) because: 1. There are more units (existing and approved) in the Valley than at Grand Targhee. 2. The Conference Hotel and the Standard Hotel are the next scheduled lodging facilities.
- In the event development of additional lodging in the Valley is not approved, Grand Targhee will be authorized to begin construction of the next scheduled lodging facility when winter occupancy at the Resort's lodging is 65%.

A concern expressed by some who responded to the DEIS was that specific locations of skier services, commercial and lodging buildings were not shown. We have included a phasing schedule for mountain and base area facilities and maps showing their location as Appendix L to the FEIS.

Four-Season Resort

Recently, Grand Targhee has placed greater emphasis on summer activities. This has been successful and to the extent possible, given the limited lodging and conference facilities, Grand Targhee has moved toward becoming a four-season resort.

It is important, I believe, for this trend to continue and to expand concurrent with development of additional base area facilities. Utilization of lodging, restaurants, and other facilities for a longer period is key to financial success of the Resort.

Summer use would consist largely of mountain bike riding, hiking, horseback riding, lift rides, tennis, swimming and special events. Since most activities would take place on existing trails and use existing facilities, environmental effects would be limited.

Issues mentioned by many people responding to the DEIS were the Miles Creek Outfitter Camp, construction of new trails in the Jedediah Smith Wilderness and increased wilderness use.

Miles Creek Outfitter Camp is outside the permit area and is not authorized by this EIS. If there is an application for an outfitter camp at Miles Creek by the permittee, or any one else, the request will be evaluated independently utilizing criteria and procedures that are used for applications for outfitter camps elsewhere on the Teton Basin Ranger District.

Some people received the impression after reading the DEIS that additional trails would be built in the Jedediah Smith Wilderness, or that additional access routes to the Wilderness would be built. This was not the intent of the DEIS. There are no new Wilderness related trails or access routes planned for any of the alternatives. We have clarified that point in the FEIS.

We have also clarified that summer trails to be used by Grand Targhee are existing trails except for one mile. Of the 24 miles of horseback trails to be used for Alternative 4, 13 miles are within the permit area and 10 miles are outside. One mile inside the permit area, would be new construction. Most recreation use on trails would occur within the permit area.

Several people who responded to the DEIS expressed concern that summer visitors to Grand Targhee would enter the Wilderness. They were particularly concerned about additional use in the South Leigh Lakes area. We do not expect Wilderness visits to increase significantly as a result of increased summer use at Grand Targhee. Few people currently ride the lift and then hike into the Wilderness.

Beards Wheatfield Trail begins at Grand Targhee. We considered, but rejected closing that trail, or restricting use, because some local residents utilize the trail as access to the Wilderness.

Other access to the Wilderness from Grand Targhee is gained by taking the cat track or lift and working cross-country east of Freds Mountain. We considered closing that area to Wilderness access, but again rejected the idea, because it is known and used mostly by local residents.

In summary, we expect annual summer use in the Jedediah Smith Wilderness to increase by only 300 visits as a result of increased summer use associated with Alternative 4. This represents only a minor portion of current use. Amended Forest Plan direction for the Jedediah Smith Wilderness will soon be in place and will provide for monitoring use regardless of origin. We believe that plan and mitigation measures in the FEIS provide adequate safeguards.

Tax Revenues

Grand Targhee Resort is in Teton County, Wyoming. However, most people who work there reside in Teton County, Idaho. Consequently, most tax revenues generated by Grand Targhee are collected by Teton County, Wyoming while many of the additional public services for Grand Targhee and the people who work there are provided by Teton County, Idaho. It is important to realize, however, that Teton County, Idaho residents receive benefits in the form of wages paid to Grand Targhee employees who spend a good share of their wages locally.

In addition, their expenditures "turn over" in the local economy generating additional income. Other benefits to Teton County, Idaho occur in the sale of goods and services to Grand Targhee visitors and from purchases by Grand Targhee Resort. We believe, and the FEIS projects, that revenues generated for Teton County, Idaho as a result of expansion at Grand Targhee will offset the cost of additional services that will be required.

Revenues and expenditures associated with expansion at Grand Targhee are a special concern to Teton County, Idaho School District 401. Projections for Alternative 4 indicate that 96 additional students would be enrolled in District schools. These students would be children of Grand Targhee employees, or children of employees or owners of other businesses that expand, or are established because of additional opportunities generated by expansion at Grand Targhee. This growth will occur over a period of 25 to 30 years. Thus, an average of about four students per year could be expected.

Additional tax revenues going to the school district that are generated by expansion at Grand Targhee would exceed operating costs associated with the additional students. Thus, school operating budgets would increase. However, these additional revenues would not be available for plant facilities. Currently, District schools are overcrowded and voters have not approved proposed bonding or other programs to build additional facilities. Although additional students will result from Grand Targhee expansion, they will represent a small portion of additional students expected in the District during the next several years.

The imbalance between tax revenues and the cost of public services is recognized by elected officials of both counties. There are ways to mitigate the situation, and some are suggested in the FEIS. However, those solutions must ultimately come from the Counties and are, therefore, not a condition for implementation of Alternative 4.

Quality of Life and Rate of Growth

Many people who wrote in response to the DEIS were concerned about change in the quality of life resulting from expansion as proposed by Alternative 4. Many spoke of the desire to retain the rural and agriculture setting. While any expansion at Grand Targhee will contribute somewhat to loss of features that make Teton Basin attractive to many residents, we believe other forces presently at work are now, and will continue to have a much greater effect than what happens at Grand Targhee. It is apparent that significant change has and is occurring in Teton Valley since much of the information for the DEIS was obtained. The net result being that incremental changes in quality of life in Teton Basin resulting from expansion at Grand Targhee will be small in comparison to what is presently happening.

After reviewing comments to the DEIS, it became apparent we had not adequately emphasized that development at Grand Targhee for all alternatives would not happen all at once, but gradually over a period of years. Increases in employment, school children, households, etc. shown in the DEIS represent conditions when each alternative was completely implemented. This would occur over 25 to 30 years in the case of Alternative 4. Thus, the manner in which socioeconomic consequences were displayed in the DEIS exaggerate effects. A few examples will illustrate:

Housing - The FEIS projects that over a period of 25 to 30 years about 200 new housing units of some type will be required to house additional employees and their families when Alternative 4 is fully implemented. This equates to about seven to eight new homes each year. About 200 building permits were issued for dwellings or siting of mobile homes in Teton County, Idaho since January 1, 1992. About 50 percent of those permits were issued to people with an address outside Teton Basin - most from the Jackson area. The report of building permits in the July 8, 1993 edition of the Teton Valley News is instructive and typical, I believe. A total of 18 permits for buildings or siting of mobile homes were issued. Twelve of the permits were issued to people with an address outside Teton Valley, seven were from the Jackson area.

Agriculture - Some respondents to the DEIS were concerned that farmers may be forced to sell their land because of pressures to subdivide and higher taxes. Evidently, this is already occurring. According to Teton County, Idaho records, 17 applications for subdivisions were approved since January 1, 1992. A total of 362 lots were created as a result of these subdivisions. Overall, there are about 2,350 unoccupied subdivision lots in 104 subdivisions. Only about 200 lots will be needed to accommodate additional employees and others as a result of expansion at Grand Targhee. Thus, additional agriculture land will not be needed for subdivisions, or other buildings to accommodate future growth at Grand Targhee.

Schools - A total of 96 additional students are expected when Alternative 4 is fully implemented. That equates to less than four students per year during the 25-30 year development period. Enrollment in District schools increased by 98 students during the past two years.

Given the magnitude of change that is presently occurring in Teton Valley, it is evident to me that expansion associated with Alternative 4, while significant, will play a comparatively small role in future growth of Teton Valley.

Land Exchange

The question of a land exchange has dominated discussions about future expansion at Grand Targhee for at least the past five years. In 1988, Congress authorized an exchange of approximately 270 acres at Grand Targhee for comparable valued private land. Subsequently, the Forest Service approved an exchange of 270 acres at Grand Targhee for private land along the South Fork of the Snake River. Litigation prevented the exchange until effects were analyzed in an environmental document. One of the purposes of this EIS is to evaluate and make a decision regarding a land exchange.

It is, and has been, the contention of the permittee that private land is needed in order to secure financing for base area facilities. We received many comments in response to the DEIS from representatives of financial institutions stating that private land is desirable, and in some cases necessary, for securing development capital and that financial institutions are hesitant to loan money for buildings without fee simple ownership of the land upon which the buildings set. This has also been the opinion of consultants in the ski industry.

Those opposed to a land exchange are concerned that if the base area becomes private, future development at Grand Targhee may be centered around land development and not demand for downhill skiing.

Public opinion is divided, feelings are strong and positions are apparently unyielding and inflexible. Regretfully, personal feelings and personalities have become involved. It is apparent that at this time, consensus cannot be reached.

I understand and appreciate that financing base area facilities will be difficult without fee simple ownership of the land and that development, if it occurs at all, will be much slower without a land exchange. However, I do not believe it is in the public interest to approve a land exchange at this time. I am not willing to create a private inholding within the Forest when financial uncertainty could result in the land not being developed and used to support skiing and other recreational activities within the permit area. Other factors that influenced this decision are lack of support for a land exchange by elected officials in Teton Counties, Idaho and Wyoming, questions concerning responsibility for maintenance of the Grand Targhee access road on the Forest and uncertainty surrounding repair of the sewage lagoon.

I recognize, however, conditions change. I also realize Grand Targhee will remain a ski area for the foreseeable future and to some extent base area facilities constitute an inholding regardless of land ownership. Therefore, I believe it may be appropriate to consider an exchange in the future, under certain conditions. As a minimum, these conditions would need to be met:

- Financial feasibility of the Resort must be shown through a complete financial analysis. The analysis must use a discounted cash flow or other approved techniques and project internal rate of return and net present values. It must include a full real estate market financial feasibility analysis and appraisal of the land identified for exchange. The analysis must be conducted by an independent firm with significant experience in similar analysis for ski areas. The study would be financed by the permittee. The Forest Service would approve the study plan and contractor.
- Preparation of an environmental document supplementing this EIS that analyzes lands to be exchanged and considers the alternative of using lands located off-site as a source of collateral for development.
- The Forest Service would consult with Commissioners of Teton Counties, Idaho and Wyoming to seek their opinion.

- An approved appraisal of the properties to be exchanged by either a Forest Service or contract appraiser.
- The exchange would be conducted according to these procedures designed to keep the exchange as small as possible and structured to avoid real estate speculation:
 - National Forest land to be exchanged would consist only of the "footprint" of base area facilities that presently exist, or are approved in this FEIS, e.g. lodging, skier service, and commercial buildings; parking lots and entrance roads; maintenance buildings and sewage lagoon.
 - The permittee would receive fee simple title, however, title to footprint of facilities approved, but not yet constructed, would be placed in trust with the Forest Service designated as trustee.
 - The Forest Service would release land from trust to the permittee on a facility by facility basis. Release would be contingent upon review by the Forest Service to ascertain the proposed facility design and schedule is consistent with the FEIS and revised Master Development Plan. Certification by County and State that the proposed facility meets applicable zoning requirements and building codes would be required. Certification by Wyoming Department of Environmental Quality that facility development is compatible with existing sewage treatment facilities would also be required.
 - If construction as approved was not underway one year following release of land to the permittee, land would revert to trust until construction was ready to begin.

PUBLIC INVOLVEMENT

Public involvement has been extensive. The process began with an information packet sent to the public and news media December 6, 1990. The packet outlined Grand Targhee's proposed Master Development Plan and described the EIS process and schedule. Information contained in the packet was presented at a public meeting that night in Driggs, Idaho. Copies of the proposed Master Development Plan were available for public review at all Targhee Forest offices and local public libraries.

A notice of intent to prepare an environmental impact statement was published in the Federal Register December 12, 1990.

A scoping statement was mailed to public, agency and media contacts December 16, 1990.

During January, 1991, public meetings were held in Jackson, Wyoming, Idaho Falls and Driggs, Idaho. The purpose was to receive comments on those issues the public felt should be considered. These meetings were attended by 271 people and about 1,500 comments were recorded. Issues to be addressed in the EIS were developed from these comments. Preliminary issues were mailed to the public March 25, 1991 for review and further comment.

A public meeting was held April 17, 1991 in Driggs to review preliminary alternatives developed by the Forest Service. Other alternatives were suggested by the public.

Preliminary alternatives were mailed to the public for review and comment. The alternatives package contained narrative descriptions, maps and a description of the process used to identify preliminary alternatives.

Approximately 350 copies of the DEIS and about 800 copies of an Executive Summary of the DEIS have been mailed to the public since September 14, 1992. A notice of availability of the DEIS was published in the September 25, 1992 edition of the Federal Register. The comment period was through November 11, 1992.

At the request of the permittee, Teton County, Wyoming Commissioners and others, the public comment period was extended to December 20, 1992 and again to February 1, 1993. Notices of both extensions were published in the Federal Register. Approximately 1,000 comments were received in response to the DEIS.

September 9, 1993 members of the Interdisciplinary Team and the Acting Forest Supervisor met with Commissioners for Teton County, Idaho and Wyoming. The meeting was open to the public and some organization representatives and individuals were in attendance. Objectives of the meeting were to brief the Commissioners and seek their concurrence on the selected alternative and proposed resolution of major issues.

In addition to the more formal public involvement, members of the Interdisciplinary Team, my predecessor and I have met on several occasions with the permittee, Teton County, Idaho and Wyoming County Commissioners, other groups and individuals. The purpose of these meetings was to discuss the proposal, answer questions, clarify information, listen to suggestions, and try to develop consensus for a course of action.

OTHER ALTERNATIVES CONSIDERED BUT NOT SELECTED

We considered the other alternatives analyzed in detail in the DEIS, but rejected them for these reasons:

Alternative 1 does not provide Grand Targhee the opportunity to modernize lifts or upgrade other skier services. Lodging would remain inadequate and out of balance with mountain capacity. Customer dissatisfaction would continue to grow. Over time, we believe Grand Targhee would become uneconomical and in danger of failing financially.

Alternative 2 would, for a time, resolve the issue of lift lines and inadequate lodging and skier services. However, it does not provide the opportunity to expand to Peaked Mountain, which we believe is necessary if Grand Targhee is to grow and thrive in a very competitive market. This alternative would, in our opinion, condemn Grand Targhee to mediocrity and possible financial failure.

Alternative 3 would, like Alternative 2, temporarily relieve overcrowded lift lines and improve lodging and other skier services at the base. It would improve the ability of the permittee to secure financing because of the availability of private land. In time, we believe overcrowding would occur on Freds Mountain as a result of faster lifts with greater capacity, but no significant increase in terrain. It would also result in a private inholding within the National Forest with an uncertain financial future.

Alternative 5 is a balanced approach to development similar to Alternative 4. It was not selected because of the financial and economic uncertainty surrounding a land exchange.

Alternative 6 was not selected because skier demand would not reach capacity of 6,490 SAOT for 32 years. At that level, environmental and socioeconomic effects become more pronounced. Base area development could impact wetlands and riparian areas to some extent. Ski lifts and runs could also impact Mill Creek. Visual resources on Peaked Mountain would be noticeably affected. Alternative 4 incorporates many of the desirable features of Alternative 6 - Peaked Mountain restaurant location and lift configuration - while maintaining capacity at 5,130 SAOT and reducing environmental effects.

Alternative 7 was not selected for the same reasons as Alternative 6 plus the uncertainty surrounding a land exchange. Also at this level of development with land exchange alternatives, the disparity between revenues and expenditures for public services in Teton County, Idaho become significant (approximately \$28,000 annually).

Alternative 8 would result in almost full development of mountain capacity. Environmental, social and economic effects would be unacceptable. Demand would not equal capacity (8,120 SAOT) for about 40 years.

Alternative 9 has all of the negative effects described for alternative 8. In addition to the uncertainty surrounding a land exchange, disparity between revenues and expenditures for Teton County, Idaho are nearly \$45,000 annually.

In addition to nine alternatives considered in detail, we also considered other alternatives. Two modified versions of the No Action Alternative were considered. One would allow development of some facilities consistent with a consent decree issued as a result of a lawsuit challenging the issuance of a 40-year permit to Big Valley Corporation in 1989. The second would allow an additional 119 lodging units which would bring lodging into balance with lift capacity and skier service facilities. Alternative sites were also considered. The reasons these alternatives were not considered in detail are described in the FEIS.

IMPLEMENTATION

If no appeal is filed, implementation of this decision may occur on, but not before, five business days from the close of the appeal filing period.

In an appeal is filed, implementation may not occur for 15 days following the date of appeal disposition. In the event of multiple appeals of the same decision, the date of the disposition of the last appeal controls the implementation date.

Mountain capacity and facilities described for Alternative 4 in the FEIS are approved. However, prior to constructing new lifts and other facilities, or upgrading existing facilities, a final Master Development Plan must be prepared by the permittee and approved by the Forest Service. An exception is the sewage lagoon. Construction may begin on upgrading the lagoon following a site specific analysis and approval of a design which meets requirements of other regulatory agencies and is compatible with Alternative 4 and associated mitigation measures in the FEIS.

The final Master Development Plan will provide specific information for implementation of Alternative 4 as described in the FEIS and the Record of Decision. Additional environmental analysis and documentation may be needed if facilities, land, or mitigation measures other than those described in the FEIS are being considered. Any environmental analysis associated with the revised Master Development Plan will apply only to elements which deviate from the FEIS and this Record of Decision. It is not prepared for the Master Development Plan per se.

Construction plans will be required to implement specific projects such as buildings or lifts. These documents will be reviewed and approved by the Forest Service prior to construction. The review will consist of site specific design analysis to determine that construction effects and mitigation are consistent with Alternative 4 as described in the FEIS and Master Development Plan. When needed, a part of the site specific analysis will be a detailed soil, rock and hydrology investigation at areas of proposed development. Review by other federal, state and county officials may be required to ensure compliance with mitigation measures and regulations for which these agencies are responsible. Appendix C to the FEIS contains detailed information regarding implementation and the project level analysis process that will be followed for all projects.

Water savings measures instituted at Grand Targhee have resulted in less inflow to the sewage lagoon and monitoring over the past year indicates compliance with the discharge permit. As a result, Wyoming Department of Environmental Quality has extended the deadline for upgrading the lagoon to 1995. They have also determined that additional development at the Resort may be possible without unacceptable risk to water quality or human health. Therefore, development consistent with the FEIS and Master Development Plan may be allowed prior to construction of a new sewage treatment facility if approved by Wyoming Department of Environmental Quality.

An annual meeting will be held with the Forest Service, permittee, other federal and state agencies, Teton County, Idaho and Wyoming officials and local community officials. Purposes of the meeting will be these:

- Review planned development at Grand Targhee for the coming year.
- Provided feedback to the permittee and Forest Service on the ability of the local infrastructure to accommodate the effects of development at Grand Targhee.
- Facilitate scheduled development at Grand Targhee by providing an opportunity for coordination among agencies and others who may need to be involved.

It will not be a purpose of the meeting to reconsider decisions previously analyzed in this FEIS, other environmental documents or the Master Development Plan.

FINDINGS REQUIRED BY OTHER LAWS

Consistency With the Targhee National Forest Land Management Plan.

Grand Targhee is located in Management Area 15 of the current Forest Plan. Direction for Management Area 15 relative to Grand Targhee states: "Grant permits for new facilities or authorize expansion of existing facilities for sites developed on Forest Land by private enterprise as shown in the following table:..."

Site	Acreage	Kind of Use	Conditions
Grand Targhee		Ski Resort	
Base	80		Expansion confined to existing permit area and approved Master Plan and Core Area Plan.
Ski Hill	1,200		

"Review, cancel or place on tenure special use permits of sites developed on Forest land by private enterprise as shown in the following table:..."

Site	Expiration Date	Action	Basic - Conditions
Grand Targhee	Dec. 31, 2002	New Permit	Master Plan approved on Oct. 29, 1971. Core area plan approved on Aug. 9, 1977.
			Issue 30 year term permit on approval of expansion plans and development schedule on Peaked Mountain Area.

The permit area has been a matter of dispute. The Forest Plan shows a permit area of 1,200 acres. However, the area historically used for activities by the Resort is considerably larger - about 2,400 acres. As near as can be determined, an official permit area boundary was never defined and mapped. The 40-year permit issued August 21, 1989 included 2,400 acres. That permit was amended August 11, 1990 to include 2,412 acres. Subsequently, a Consent Decree was executed by the Forest Service and Citizens for Teton Valley establishing the permit area at 2,353 acres. The Consent Decree is superseded by the FEIS and this Record of Decision. The Targhee National Forest Land Management Plan is hereby amended to show a permit area of 2,412 acres within the area shown for Alternative 4 in the FEIS. (Forest Plan Amendment #18).

Recreation Opportunity Spectrum (ROS) target acres in the Forest Plan need to be changed to be consistent with developments associated with Alternative 4. Target acres in Management Area 15 for Semi-Primitive Non-Motorized are hereby reduced by 1,240 acres and Roaded Natural Appearing are increased by 1,240 acres. (Forest Plan Amendment #19).

Visual Quality Objective (VQO) target acres in the Forest Plan need to be changed to accommodate development on Peaked Mountain. Target acres in Management Area 15 for Retention are hereby reduced 360 acres, Partial Retention are reduced 40 acres, and Modification are increased 400 acres. (Forest Plan Amendment #20)

Seasonal capacities in the Forest Plan need to be changed to reflect features associated with Alternative 4. Seasonal capacity for Grand Targhee is hereby changed: winter capacity is 5,130 SAOT; summer use is 52,200 visits. (Forest Plan Amendment #21).

Findings Required by the Regulations Which Promulgate the National Forest Ski Areas Act of 1986.

Pursuant to the regulations at 36 CFR 251.56(b)(2)(i), I have found: 1) that the existing on-site investment is of sufficient magnitude to justify a term of 40 years for the new permit; 2) that the existing investment of capital is in ski-related facilities; 3) that the planned investment capital is directly related to development of ski area facilities and is not for financing regular ongoing operations and maintenance costs; 4) ski facilities requiring long-term investment are, or will be on land authorized by the special use permit; 5) the number and magnitude of planned facilities described in the selected alternative, which will be reflected in the Master Development Plan, clearly require long-term financing and/or operation; and 6) the United States is not the owner of the principal facilities within the authorized ski area. Pursuant to 36 CFR 251.56(b)(2)(ii), I have not found: 1) any

information that a shorter term is sufficient for financing of the ski area; 2) that the ski area development fails to meet the items specified at 36 CFR 251.56 (b)(2)(i); 3) that a 40-year authorization would be inconsistent with the Forest's Land Management Plan.

Grand Targhee is presently operating under a 40-year permit. Upon approval of the revised Master Development Plan, it is my intention to issue a new 40-year permit incorporating provisions of the FEIS, this Record of Decision and the new Master Development Plan.

Issuance of a new permit will necessitate a pen and ink change to the Forest Plan to reflect the expiration date of the new permit and the date of approval for the Master Development Plan.

I have considered all of the relevant laws and regulations including but not limited to the Weeks Act of 1911, the Multiple Use-Sustained Yield Act of 1960, the Forest and Rangeland Renewable Resources Planning Act of 1974, the Clean Air Act as amended, the Clean Water Act, Protections of Wetlands Executive Order 11990, Exotic Plants Executive Order 11987, the Safe Drinking Water Act, the National Historic Preservation Act of 1966, as amended, the Archeological Resources Protection Act of 1979, the Native American Religious Freedom Act, and the National Forest Management Act of 1976. The Forest submitted the Biological Assessment for the FEIS to the Wyoming State Office of the U.S. Fish and Wildlife Service for determination of effects on listed species as required by Section 7(a) (1) of the Endangered Species Act (P.L. 93-205 as amended). The Forest's Biological Assessment is contained in the FEIS (Appendix N). The Biological Assessment determined that the selected alternative is not likely to adversely affect threatened or endangered species or their habitat. Concurrence of the Forest's assessment by Fish and Wildlife Service is pending. Implementation of the selected alternative is contingent upon their concurrence.

Based upon analysis consistent with direction contained in FSM 2672.42 and mitigation measures contained in the FEIS, it is my judgement that the selected alternative will not contribute to a loss of viability as evidenced by a significantly downward trend in population and density or habitat capability that would reduce existing distribution. The Forest will continue to survey and monitor sensitive species as a part of its responsibilities under applicable requirements. If necessary, any time during construction or operation of the project, the design of the project may be modified based upon the surveys and monitoring results to ensure that it will not cause a loss of species viability or create a significant trend toward federal listing.

I have considered the relevant planning documents such as the Land Management Plan for the Targhee National Forest and other documents incorporated by reference in the FEIS. Furthermore, I have considered the effects and consequences disclosed in the FEIS and public comments received during the public involvement process. I have concluded that my decision to approve the project, with the necessary mitigation measures meets all applicable laws, regulations, land policies and is in the public interest.

ENVIRONMENTALLY PREFERRED ALTERNATIVE

Alternative 1 (No Action) is the environmentally preferred alternative, because no additional development would occur.

ADMINISTRATIVE REVIEW OF APPEAL OPPORTUNITY

ADMINISTRATIVE REVIEW OF APPEAL OPPORTUNITY

This decision is subject to administrative review (appeal) pursuant to 36 CFR Part 215. Any appeal of this decision must be fully consistent with 36 CFR Part 215.14, Content of an Appeal, and must include the reason the decision should be reversed or remanded. The appeal must be postmarked within 45 days of the date of publication of legal notice of this decision in the Idaho Falls Post Register.

In the event of an appeal, I will schedule an informal meeting within 15 days of the close of the appeal period at this office to explore possibilities for resolution of disagreements.

Two copies of an appeal must be filed with:

Appeal Reviewing Officer
Intermountain Region
USDA Forest Service
324 25th Street
Ogden, Utah 84401

CONTACT PERSON

For further information contact Lynn Ballard, Targhee National Forest, P.O. Box 208, St. Anthony, ID 83445, telephone (208) 624-3151.



William P. LeVere
Acting Forest Supervisor
Targhee National Forest

Date: 4/14/94

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