



Categorical Exclusion Review for Reconstruction of the Holland Wastewater Treatment System

PROPOSAL INFORMATION

General Information

Proposal Name: Reconstruction of the Holland Wastewater Treatment System

Proposal Tracking #: 277772

Responsible Official: Anthony Botello

Unit: Swan Lake Ranger District, Flathead National Forest

Anticipated Implementation: FY 2027

General Location of Proposal: Approximately 11 miles south of Condon near Hwy 83 adjacent to the Holland Lake Lodge and Holland Lake Campground. The existing wastewater treatment system serves a loop of the Holland Lake Campground and associated RV dump station and Holland Lake Lodge (a privately owned lodge operating on National Forest System lands and managed by the Flathead National Forest under a special use authorization (SUA) resort permit). See map on page 6.

Applicable Management Areas: Management area 7 – Focused Recreation Area

Project Webpage: <https://www.fs.usda.gov/r01/flathead/projects/277772>

Applicable Category

Programs and activities listed in 7 CFR Part 1b.4 (2026 USDA NEPA regulations) may utilize categorical exclusions, which do not require the preparation of an EA or EIS, unless extraordinary circumstances exist. The determination of extraordinary circumstances is found on pages 17-19 of this document.

This proposal is categorically excluded from documentation in an environmental assessment or environmental impact statement because it fits the following category or categories under 7 CFR Part 1b.4(d)(44):

(USDA-44d-USFS): Construction, reconstruction, decommissioning, or disposal of buildings, infrastructure, or improvements at an existing recreation site, including infrastructure or improvements that are adjacent or connected to an existing recreation site and provide access or utilities for that site. Recreation sites include but are not limited to campgrounds and camping areas, picnic areas, day use areas, fishing sites, interpretive sites, visitor centers, trailheads, ski areas, and observation sites. Activities within this category are intended to apply to facilities located at recreation sites managed by the Forest Service and those managed by concessioners under a special use authorization.

Examples include but are not limited to: (iii) Installing or reconstructing a water or waste disposal system.

Reconstruction of the Holland Wastewater Treatment System

Swan Lake Ranger District, Flathead National Forest

Supporting Documentation

- Page 110 and 148/149 of the 2018 Flathead Forest Plan discusses the Holland Lake Campground Focused Recreation Area (see <https://www.fs.usda.gov/r01/flathead/planning/forest-plan>). Focused recreation areas typically feature certain types of recreation activities that take place near or at a large lake or reservoir, developed ski area or year-round resort, large campground or trail system. The desired conditions for this specific focused recreation area are for the Holland Lake Campground and associated recreational facilities to provide quality visitor experiences in a natural setting. Facilities are maintained to a standard that protects Forest resources and are updated as needed to accommodate current and anticipated recreational use.

Purpose and Need

The purpose and need of this project is to replace/modernize the wastewater treatment system which will protect soil and water resources and restore a valued recreational opportunity for the community, a driver for the local economy, and improvement of recreation opportunities to the surrounding National Forest System lands – all desired conditions identified in the Flathead National Forest Plan. System replacement is necessary to allow the Holland Lake Lodge to continue providing recreation resort services to the public, as well as providing a wastewater treatment system for the campground loop, host sites, and RVs.

The original treatment system, constructed in the early 1970s, consisted of an aerated pond discharging into an infiltration/percolation basin. In 2000, the lagoons were redesigned and reconstructed to improve treatment performance and change the disposal method. Those improvements included reshaping both lagoon cells, installing synthetic liners, upgrading aeration in one cell, and converting the other cell into a storage facility where the treated effluent is applied on an adjacent forested area.

The lagoon area is located on a bench above Holland Lake, approximately 880 feet north of the lakeshore. Ground surface elevation at the lagoon site is approximately 4,106 feet, while the water surface elevation of Holland Lake is about 4,035 feet. The site is not prone to flooding and is outside of any flood hazard zones mapped by FEMA.

A portion of the campground (Bay Loop) and the RV dump station are served by five on-site septic tanks (one tank at the dump station, two tanks for the restrooms, and two tanks for the host sites). Wastewater from these tanks is collected in a lift station in the campground which is then pumped into the aerated lagoon.

Wastewater from Holland Lake Lodge goes into a separate tank near the lodge and is pumped by a lift station to two septic tanks located at the lagoon area prior to discharge in the aerated lagoon. From there, treated effluent flows to the storage lagoon and is then applied on the nearby fenced forested area.

The system is currently not operational due to a compromised lagoon liner. Once this liner tear was observed, a leakage test and groundwater assessment were conducted, which displayed no evidence of groundwater or surface water contamination.

Reconstruction of the Holland Wastewater Treatment System

Swan Lake Ranger District, Flathead National Forest

Decision

A proposed action addressing the wastewater treatment system was posted to the Flathead National Forest website on March 2, 2026; news releases, emails, meetings with local municipalities, and a public meeting were provided to share information with the public about the proposal. A public comment period was offered, and we received about 155 comments (some of these included multiple letters written by the same author). A summary of the comments and our responses are provided in this document, starting on page 7.

After considering the comments received and further review of the proposed design, I have decided to modify the proposed action and reduce the size of the wastewater treatment system. The table below provides a capacity comparison between the design for the existing system (2000), the design proposed in March 2026, and the system I have decided to install.

Table 1. Design capacity of wastewater in gallons/day*

Design Capacity in Gallons/Day	Existing design (2000)	Proposed action (March 2026)	Decision
Summer Gallons/Day	8,300 g/d	4,330 g/d	4,066 g/d
Winter Gallons/Day	2,000 g/d	3,030 g/d	1,600 g/d

*gallons per day values are monthly daily averages

The reconstructed wastewater treatment system will be a lagoon type facility, similar to what exists now. The new system will provide better tracking and analysis of flows in and out of the system and ensure there is adequate separation between lagoon bottoms and groundwater. System reconstruction will involve partial demolition of existing facilities, followed by installation of the modernized lagoon system.

Demolition of Existing Facilities

Before reconstruction can begin in the existing lagoon area, removal of sludge will be taken from the existing lagoons to a separate private facility that is able to properly dispose of this waste. The existing lagoons will then be demolished to prepare the site for the new lagoons. Select equipment will be salvaged for reuse in the upgraded lagoon system, including the existing floating aerator to provide aeration in the new partial-mix lagoon, and the irrigation pumps for continued land application of treated effluent.

As stated above, there are currently two septic tanks serving Holland Lake Lodge—a 5,000-gallon tank and a 3,000-gallon tank located near the lagoons. These tanks will be removed as part of the reconstruction. In the new system, wastewater from the lodge will be conveyed directly from the nearby tank/lift station to the new primary aerated lagoon system. This configuration will improve lagoon performance by ensuring that the influent retains sufficient organic loading to support the microbial activity essential to lagoon treatment processes.

The septic tanks serving the campground collection system will remain in place. Additionally, the pumps in the campground and lodge lift stations will stay in place as they remain compatible with the replacement system to convey wastewater.

Reconstruction of the Holland Wastewater Treatment System

Swan Lake Ranger District, Flathead National Forest

Installation of Lagoon System

After removal of the existing lagoons, two new lagoons will be constructed in the same location; one will consist of a partial-mix aerated lagoon and another lagoon will be for storage of treated effluent during non-irrigation months. Treated effluent will be applied to the existing land application area using the existing irrigation equipment. To prevent leakage, both lagoons will be lined with a 45-mil reinforced polyethylene (RPE) synthetic liner placed over an 8-ounce geotextile underlayment. These liners are thicker and more durable than the liners used in the existing lagoons. A floating cover will be installed over the primary aerated lagoon; ensuring that optimal treatment temperatures are maintained year-round, suppress foul odors and emissions, and block sunlight to prevent algae growth.

The lagoons will be constructed to create at least 4 feet of separation between the lagoon bottoms and high groundwater.

Once complete, the lagoons will be a larger footprint than exists today, but a smaller footprint than was proposed in the March proposed action.

The new design would accommodate the existing and continued use of the campground and the RV dump site, as well as the use of the Holland Lake Lodge, which includes lodging for 54 overnight guests, restaurant, and special events. The new design would allow for full occupancy of use at the Lodge for the high use summer season and allow for some lesser use in the winter. The anticipated level of use for both summer and winter are within the use authorized by the existing resort permit. Several regulatory updates have occurred since the installation of the existing system in 2000; these changes will result in an increase in the size of the lagoons. These updates are explained below in the Response to Comment Section (see scale of wastewater system expansion).

Replacement of Existing Septic Tank Near Lodge

The existing tank and lift station near the lodge may also be replaced with a new lift station and tank with similar configuration and functionality. This tank and lift station are owned by the current permit holder / owner of the lodge and could be replaced at the same time deemed necessary.

Design Criteria

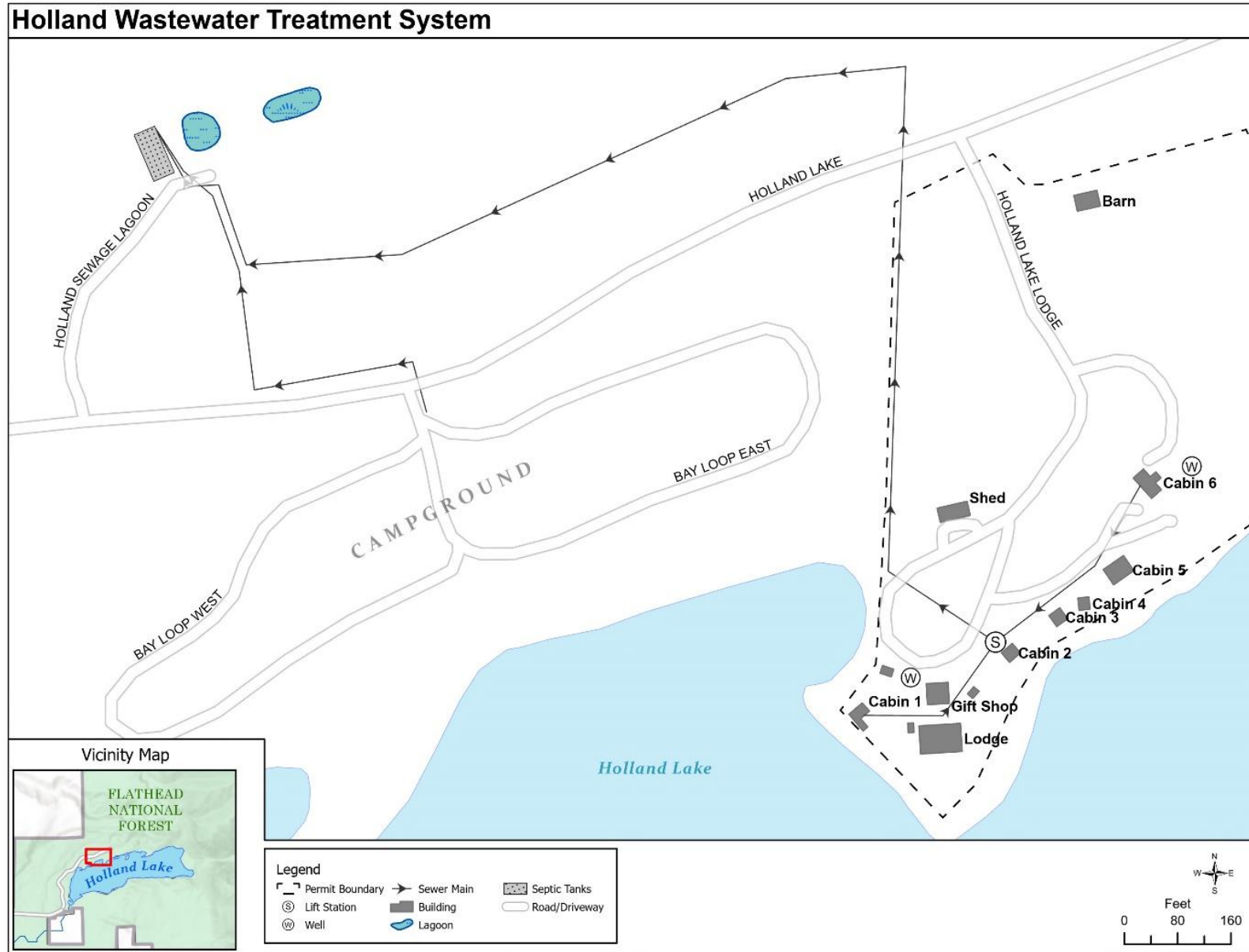
I have decided to include several design criteria in my decision, that were not included in the proposed action released to the public in March. These are:

1. Fencing around the updated wastewater facility will include electrified fencing consistent with MT Fish Wildlife and Parks (FWP) electric fencing guidelines for bear deterrence (https://fwp.mt.gov/binaries/content/assets/fwp/conservation/wildlife-reports/bears/mfwp_electric-fencing-guide_v5.0.pdf). Warning signs will be included on this fencing.
2. Contractors, operators, and their employees will be informed of procedures for safely working and recreating in grizzly bear country and of the food and wildlife attractant storage special order prior to beginning work and annually thereafter, to reduce the risk of grizzly bear-human conflicts (FW-GDL-WL-01; see forest plan page 50).
3. If needed to resolve grizzly bear-human conflict situations, activities will be modified, cancelled, suspended, or temporarily ceased (FW-GDL-TE&V-04; see forest plan page 43).

Reconstruction of the Holland Wastewater Treatment System
Swan Lake Ranger District, Flathead National Forest

4. Access management conditions in each affected bear management subunit will be restored to pre-project levels within one year after completion of project activities to reduce the duration of grizzly bear displacement or disturbance due to project-related activities (FW-GDL-IFS-02; see forest plan page 67).
5. Dust abatement on the Holland Lake Road will be applied as needed during construction activities.
6. Hauling activities will not occur during the weekends to reduce interactions with the recreating public at the campground, lodge, and nearby trailhead between the Saturday before Memorial Day and Labor Day. Signage will also be placed on the Holland Lake Road warning the public of construction activities.
7. Approved weed free seed mixes would be used as part of this project and will not include attractants or non-natives. Native seed mixes or those that are less palatable to grizzly bears would be used so that seeded areas do not become an attractant.

Reconstruction of the Holland Wastewater Treatment System
Swan Lake Ranger District, Flathead National Forest



Reconstruction of the Holland Wastewater Treatment System
Swan Lake Ranger District, Flathead National Forest

PROJECT SCREENING

Legal and Regulatory Considerations

Given the nature of the project, I as the responsible official am requesting documentation to demonstrate compliance with the following legal and regulatory considerations:

Law, Regulation, Policy:

- ☒ NFMA/Land Management Plan
- ☒ Endangered Species Act (ESA)
- ☒ National Historic Preservation Act (NHPA)
- ☒ Tribal Consultation
- ☒ Clean Air Act (CAA)
- ☒ Clean Water Act (CWA)
- ☐ Pertinent Executive Orders

Special Management Areas:

- ☐ Wilderness
- ☐ Roadless
- ☐ Wild & Scenic River Corridor
- ☐ Recommended Wilderness
- ☐ Research Natural Areas
- ☐ National Scenic & Historic Trails
- ☐ National Recreation Areas

Agencies, Organizations, and Persons Contacted

The proposed action was posted to the Flathead National Forest's public-facing project webpage (<https://www.fs.usda.gov/r01/flathead/projects/68935>) on March 2, 2026 which started a public comment period. On the same day, an email was sent by an automated mail service to a public self-subscriber list for NEPA projects on the Flathead National Forest that indicated the proposed action for the Holland Wastewater Treatment System Project was available for review on the Forest's webpage. This email was sent to approximately 1004 people as this was the size of the self-subscriber mailing list at the time of the mailing. Comments were accepted and used to inform the decision up until the FANEC was finalized.

Additionally, an information session on the proposed action was offered to the public on March 9, 2026, at the Swan Valley Community Hall in Condon, Montana. Both in-person and virtual options were provided. Approximately 16 people attended in-person, and a similar amount participated online. Lastly, I attended the Swan Valley Community Council meeting on March 17, 2026, which was attended by members of the public as well as the Council, to share information and answer questions.

Since I proposed the original action in March, we received about 155 letters commenting on the proposed action. The following is a summary of the comments with our responses.

Response to Comments

Scale of wastewater system expansion: Some commenters oppose the proposed increase in size. Many assert the increase is unnecessary, exceeds historic use, benefits the private lodge

Reconstruction of the Holland Wastewater Treatment System Swan Lake Ranger District, Flathead National Forest

rather than the public, and implies future commercial expansion. Many of them request repairing or replacing the existing system at or near original capacity.

Response: The final action was reduced and refined from the March 2026 proposed action based on public comment, interdisciplinary review and updated design parameters. The final design has changed from the current footprint for several reasons, but to characterize the change as an “increase” depends on which measurement is being used. The updated wastewater facility will be larger in surface area than the existing lagoons even though the daily flow rates (Table 1) are being reduced.

The size and design modification is based on three factors:

1. To increase the separation between the lagoons and the groundwater, requiring a change in the spatial extent of the ponds.
2. Advancement in how hydraulic retention time is calculated
3. Effluent storage capacity to account for winter occupancy at the lodge while also accounting for storage of winter precipitation when evaporation is at its lowest rates and when spray irrigation is not available.

The 2000 design has a design volume of 1.69 million gallons per year, while the March 2026 proposed action had a design volume of 1.24 million gallons per year. The decision authorizes a design volume of approximately 961,298 gallons per year. This design flow is nearly half of the existing system's design flow.

Differences in design from the existing 2000 system reflect a modernized system consistent with updated regulations, technology and wastewater management. Additionally, reconstruction of the site provides a durable infrastructure update which avoids recurring expenses of repair and maintenance associated with an older facility.

The 2000 design sized the primary treatment pond for a 15-day Hydraulic Retention Time (HRT), the time necessary for the potency of the waste to be sufficiently reduced to levels suitable for spray application. The current MT DEQ regulations state that the consistency of the waste should be evaluated and accounted for when determining HRT. Utilizing the method prescribed by MT DEQ, the HRT was set at 79 days, based on the projected consistency of our incoming waste stream. The increased retention time increases the design size of the primary treatment pond.

The increase in lagoon size is primarily due to the result of the updated water balance analysis. The balance is based on inflows such as wastewater and direct precipitation while outflows consist of irrigation and evaporation losses. In this region of Montana, annual precipitation exceeds evaporation, resulting in a net gain of water within the lagoons that must be accounted for in storage capacity, particularly in winter when spray irrigation cannot occur. The 2000 existing design did not consider this water balance.

NEPA compliance and level of review: Some commenters argue that a categorical exclusion (CE) is inappropriate because of impacts to extraordinary circumstances, such as to grizzly bear habitat and bull trout critical habitat, traffic and construction impacts and the scale of the system. Additionally, some expressed concern that project segmentation avoids review of induced growth and this evaluation should be done in an EA or EIS.

Reconstruction of the Holland Wastewater Treatment System Swan Lake Ranger District, Flathead National Forest

Response: To apply a categorical exclusion, the proposal must meet one or more categories that are included in the revised 2026 USDA NEPA regulations (7 CFR Part 1b), have been statutorily defined, or are categories the Forest Service is able to adopt from other agencies. In addition, to apply a categorical exclusion, the Forest Service must determine that no extraordinary circumstances exist. For this proposal, it fits clearly under 7 CFR Part 1b.4(d)(44): “Construction, reconstruction, decommissioning, or disposal of buildings, infrastructure, or improvements at an existing recreation site, including infrastructure or improvements that are adjacent or connected to an existing recreation site and provide access or utilities for that site” (see page 1 of this finding). The final action involves reconstructing a wastewater treatment facility in the same location as the existing lagoon system. In addition, the planned reconstruction area is not only adjacent to an existing campground but also processes wastewater from a loop within that campground and the RV dump station used by campers from both loops.

For the test of extraordinary circumstances, the mere presence of one or more of the resources or circumstances listed in 7 CFR 1b.3(f)(1) does not mean an extraordinary circumstance exists. If there is a cause effect relationship (impact) between the proposed actions and the resource considered, an extraordinary circumstance exists only when there is reasonable uncertainty whether the degree of the effect is significant or certainty that the degree of effect is significant. We received some comments expressing concerns about significant impacts from the proposal to the threatened grizzly bear and bull trout, and the Holland Lake subwatershed. A review of resource conditions that were considered for extraordinary circumstances included threatened and endangered species and water sources such as Holland Lake. The evaluation from our resource specialists did not indicate any significant impacts. Impacts to these resources are discussed in this document in some of the other comment responses below and on pages 17-19 where we discuss extraordinary circumstances.

The forest has not proposed expansion of the lodge, the campground or other special recreational uses at Holland Lake. Rather, the reconstruction of the wastewater facility reflects a single infrastructure investment to modernize the site and avoid costs associated with recurring repair and maintenance of an older facility.

Wildlife and bear attractant concerns: There were concerns that open sewage lagoons could attract grizzly and black bears, and cause potential increases in human-bear conflict near the campground and lodge areas. Several cite real world examples and bear specialists' warnings.

Response: There have been reported occurrences of bears entering wastewater treatment lagoons in other locations such as in Wyoming as indicated by communications from Jamie Jonkel, Montana Fish, Wildlife and Parks bear and lion management specialist. However, there are many different variables for rural wastewater treatment sites that could impact likelihood of serving as a potential attractant to bears such as design of the wastewater system, bear density, existing human activity in the vicinity of the site, fencing, electrification etc. The Flathead National Forest met with local bear managers from MT Fish, Wildlife and Parks to discuss the design of the project and collect input. The planned chain-link fencing with stand-off electrified wires will follow bear manager recommendations and will be consistent with MT Fish, Wildlife and Parks specifications for bears.

Reconstruction of the Holland Wastewater Treatment System Swan Lake Ranger District, Flathead National Forest

The concern regarding odors and attracting bears to the site as an “additional threat” to bear and public safety assumes that the change in system design would create more odor and bring in more bears. The design of the new facility is not likely to produce additional odor. Wastewater pond covers have been found to block odor emissions through reducing wind/water interaction and providing a surface to odor-eating bacteria to thrive. Additionally, aeration increases the amount of dissolved oxygen in the pond, increasing aerobic bacteria and prevents anerobic conditions that produce foul-smelling waste gases. With the considerations of these design factors, the proposed action is not likely to result in any greater odor emission from the pond than the current system.

Bears have an advanced sense of smell; however, are not necessarily drawn in blindly or unaware by attractive smells. Existing odors are present from campers cooking at the nearby campground loop, the RV dump station or the bear-resistant garbage dumpsters can all be smelled by bears. The animals balance their own safety between proximity to humans and the attractive smell of potential food rewards. Appropriate bear-resistant storage such as food storage boxes in the campground, bear-resistant dumpsters near the dump station or electric fencing around the wastewater site, decrease interest in odors from bears because no food reward can be obtained. Without food to be obtained, there is little incentive for a bear to risk areas of developed human activity thereby diminishing the risk for human-bear conflict.

The background to the comment that “Holland Lake area has a history of being frequented by both black and grizzly bears” is not clear. Grizzly bears and black bears do use habitat in the general area of the lake. There is no indication that the bear density is higher in the vicinity of the recreational sites around the lake relative to other habitats in the surrounding area. The area surrounding the lake shore has two popular trailheads, a guest lodge, a 38-site campground area, a day-use area with a swimming beach, a boat launch, recreational residences on the south shore of the lake, a publicly available rental cabin, a packer camp and residences on private land. The lodge has hosted groups for events under its past special use permit. However, not considering the lodge operations, the lakeshore can have upwards of 1,000 people around the shoreline on any given day. Bears adopt temporal and spatial patterns to avoid consistent human activity. The wastewater facility itself is located within several hundred feet of an RV dump station, an open public road to a popular trailhead (Holland Falls), the guest lodge and one of the two loops of the campground. Given the existing high human activity in the area, the site around the wastewater facility is likely to be avoided by bears based on existing disturbance alone.

Water quality, leakage history, and system reliability: Commenters cite past lagoon liner failure, leakage into groundwater, and concerns about monitoring, transparency and long-term risks to Holland Lake, wetlands, and streams. Requests include enhanced monitoring, an operations and maintenance (O&M) plan, and public reporting.

Response: There are no streams near the facility and no surface water connection to Holland Lake. The most common water quality impact from wastewater treatment plants is nutrient based, particularly nitrogen and phosphorus levels (Carey, 2009). The USFS collected water samples and M.E. Labs analyzed the samples in November 2023 (HL-1, HL-2, HL-3 results included with bull trout BA). The average total nitrogen (TN) value of 0.010 mg/l obtained by the Forest Service is below EPA’s reference range (0.103 - 2.93 mg/l) for

Reconstruction of the Holland Wastewater Treatment System Swan Lake Ranger District, Flathead National Forest

the Northern Rockies Ecoregion (USEPA 2000). The average total phosphorus (TP) value of 0.009 mg/l obtained by the Forest Service is within the EPA's reference range (0.000-0.760 mg/l) for the Northern Rockies Ecoregion (USEPA 2000). These TN and TP values also fall within Montana's narrative nutrient standards, which evaluate nutrient levels based on ecological response rather than numeric thresholds (MTDEQ 2023, 2024). Additionally, there is a very small chance that nutrients could temporarily enter the groundwater system at the site during implementation. Both the design and timing of the work will ensure that the potential for pollutants to enter the groundwater system remain extremely low.

Furthermore, the proposed Holland Lake wastewater treatment design meets and exceeds all applicable Montana DEQ regulations for wastewater treatment, incorporating enhanced safety measures to protect groundwater and surface water quality beyond the minimum requirements (MTDEQ, 2018). Based on design and compliance measures built into the system, the likelihood of water quality impacts to Holland Lake from this system is extremely low, and the system will be an improvement over what currently exists. An operation and maintenance plan will be developed by the project engineer as part of the implementation process.

In consultation with USFWS, a biological assessment determined that this project is "not likely to adversely affect" both bull trout and bull trout critical habitat.

Carey, R.O., Migliaccio, K.W. 2009. Contribution of Wastewater Treatment Plant Effluents to Nutrient Dynamics in Aquatic Systems: A Review. *Environmental Management* 44, 205–217. <https://doi.org/10.1007/s00267-009-9309-5>

USEPA (US Environmental Protection Agency). 2000. Ambient water quality criteria recommendations. Information supporting the development of State and Tribal nutrient criteria for rivers and stream in Nutrient Ecoregion II. EPA-822-B-00-015.

MTDEQ. 2018. Circular DEQ-2: Design Standards for Public Sewage Systems (Revised December 21, 2018). Helena, MT. Retrieved from Montana DEQ website: <https://deq.mt.gov/files/Water/WQInfo/Documents/Circulars/Circulars/2018DEQ-2.pdf>.

MTDEQ. 2023. Guidance Document in Support of Circular DEQ-15: Translation of Narrative Nutrient Standards & Adaptive Management Program (Version 1.0, December 2023). Helena, MT.

MTDEQ. 2024. Circular DEQ-15: Translation of Narrative Nutrient Standards and Implementation of the Adaptive Management Program (March 2024 edition). Helena, MT.

Construction impacts: Some commenters expressed concern that the estimated truckloads of fill needed to construct the wastewater treatment system would cause additional congestion and dust creating safety hazards for people and wildlife on a road that serves a campground, a trailhead, and the lodge.

Response: There will be additional traffic on the Holland Lake Road, which accesses the Holland Lake Campground, Holland Lake Lodge, and the East Holland Connector (Holland Falls) Trailhead, due to the re-construction of the wastewater system. However, I have added design criteria (see design criteria 5 and 6) that should reduce the potential conflict with the public and construction traffic: signage will be placed on the Holland Lake Road

Reconstruction of the Holland Wastewater Treatment System Swan Lake Ranger District, Flathead National Forest

warning the public of construction activities, hauling will not occur during the weekends, and dust abatement will be used on the road as needed to improve sight distance.

Seismic and geotechnical risk: There were commenters who indicated that the project site sits within an active seismic region and cited lagoon failures after earthquakes.

Response: There are no federal or state regulations requiring seismic analysis of lagoons of this size. The lagoons are expected to store less than 5 acre-feet of liquid.

Dams are included in the National Inventory of Dams (NID) if they store at least 50 acre-feet of water or are at least 25 feet high. Note that dams less than 6 feet high are excluded regardless of storage capacity. Similarly, dams that store less than 15 acre-feet of water are excluded, regardless of height. Regardless of which threshold applies per the final design, the Holland lagoons will not meet the NID criteria.

For more information, see Dams in Montana (2018) available at:

https://dnrc.mt.gov/docs/water/Dam_Safety/PUBLICATIONS/Dams-in-Montana-12-28-2018.pdf

Odors: Some commenters expressed concerns that the open lagoons would create more odors affecting the visitors' experience at the campground, lodge, and trailhead.

Response: The design of the new facility is not likely to produce additional odor. The floating cover that will be installed over the primary lagoon will aid in reducing odor. Wastewater pond covers have been found to block odor emissions through reducing wind/water interaction and providing a surface to odor-eating bacteria to thrive. Additionally, aeration increases the amount of dissolved oxygen in the pond, increasing aerobic bacteria and prevents anerobic conditions that produce foul-smelling waste gases. With the considerations of these design factors, the proposed action is not likely to result in any greater odor emission from the pond than the current system.

Requests for smaller scale or alternative designs: Some people expressed preferences for repairing the existing system at the current size, creating a smaller lagoon design, relocating the lagoons to different sites, creating a sealed system, or the consideration of composting toilets or graywater separation.

Response: The design, location, and type of system for the wastewater treatment site included considerations for the rural location, existing recreational uses, long-term maintenance, updated requirements for wastewater management, and capital improvements that reduce long-term costs associated with maintenance, repairs, or modifications which accompany an older facility. The existing system is at the end of its useful life, and I did not consider in detail an option of repairing it. Forest Service engineering staff and contracted engineering firm considered other options and recommended a two-lagoon system similar to the existing system. The final design responds to some public comments who expressed interest in a smaller footprint. Smaller lagoon sizes reduces the footprint and impacts to National Forest System lands, reduces costs, and construction time.

Requests to Sunset or Remove Lodge Operations: A few commenters suggested terminating the private lodge permit, repurpose the area for public recreation or remove structures and cabins.

Reconstruction of the Holland Wastewater Treatment System Swan Lake Ranger District, Flathead National Forest

Response: I did not consider revoking or otherwise terminating the permit for Holland Lake Lodge. The Flathead National Forest authorizes four (4) recreation lodge / resorts special use permits. Lodge and resorts are a legitimate use on NFS lands. The Holland Lake Lodge serves a segment of our recreation public and is recognized and authorized by the Flathead Land and Resource Management Plan. While we have heard from a very few individuals that they believe the lodge should not operate on public lands, we have also heard from people with cherished memories from their time at Holland Lake Lodge with a desire to see the historic buildings restored and public services resumed.

Process, Transparency, and Data Availability: Commenters request plain-language tables (flows, volumes, historical data, dimensions), clarify on comment deadlines, timelines for decisions, and concern over lack of access to certain documents or operating plans. Several expressed distrust based on past communication.

Response: The Flathead Forest has maintained transparency with the public throughout the permit issuance and wastewater system proposal development processes and actively solicited and incorporated public feedback. These environmental analysis processes include proposal development, regulatory and stakeholder engagement, public comment, and analytical decision-making. As such, not all information remains static throughout the process. The Flathead National Forest has provided all official records that have been requested and has built and maintained a public-facing platform for providing information. Data and rationale supporting wastewater design including historical data, flows, precipitation levels and dimensions of the existing and reconstructed facility are available in the RPA Design Report.

Supporting Documentation

- **Public Involvement Efforts** (Box\R01 FNF Project\Planning\SLRD\Small NEPA\FY_26\Holland Wastewater\Project File\I_Public_Involvement\Public Involvement Efforts)
- **Comments and Comment Summary** (Box\R01 FNF Project\Planning\SLRD\Small NEPA\FY_26\Holland Wastewater\Project File\I_Public_Involvement\PublicComments)
- **Holland Wastewater Treatment System Reconstruction and Design Process Overview** (Box\R01 FNF Project\Planning\SLRD\Small NEPA\FY_26\Holland Wastewater\Project File\H_Supporting_Documentation)

Consultation with Federally Recognized Tribes

On March 3, 2026, the Forest Archaeologist initiated project-specific Tribal consultation by sending an email to the Confederated Salish and Kootenai Tribes (CSKT) and the Blackfeet Nation to provide project information and solicit feedback on the project and the consultation process. The CSKT asked questions related to how far the wastewater facility was located from Holland Lake and whether a Tribal monitor could be present during construction. A reply email was sent back providing more details on the proposal and to let the Tribe know that a Tribal monitor would be welcomed during project implementation. The Forest Archaeologist also initiated program-to-program level consultation with the respective Tribal Historic Preservation Offices in May 2026. No areas of concern or inherent issues associated with cultural resources in the project activity area were identified. On July 27, 2026, I contacted the Tribal Liaison for the CSKT to update the Tribes on the progress of the analysis and upcoming FANEC.

Reconstruction of the Holland Wastewater Treatment System
Swan Lake Ranger District, Flathead National Forest

Supporting Documentation

- **Email to Tribes** (March 3, 2026) (Box\R01 FNF Project\Planning\SLRD\Small NEPA\FY_26\Holland Wastewater\Project File\C_InterAgencyGov\FW_Flathead Press Release_Holland Wastewater System Reconstruction Proposal.pdf)

ENVIRONMENTAL REVIEW

The following documents compliance with relevant environmental laws, regulations, and policies.

National Forest Management Act (NFMA) Land Management Plan Consistency

The pertinent specialist has reviewed the proposed action including design criteria and provided supporting analysis and rationale for determinations in the project record. The following are specialist determinations regarding project consistency with applicable land management plan direction, standards, and guidelines:

Botany: Consistent

Range: N/A

Cultural/Heritage: Consistent

Recreation: Consistent

Engineering: Consistent

Scenic Resources: Consistent

Fisheries: Consistent

Soils: Consistent

Fuels: Consistent

Silviculture: Consistent

Hydrology: Consistent

Special Management Areas: N/A

Lands and Special Uses: Consistent

Wildlife: Consistent

Minerals: N/A

Other Resources: N/A

Supporting Documentation

- **Holland Wastewater Consistency with the 2018 Forest Plan** (Box\R01 FNF Project\Planning\SLRD\Small NEPA\FY_26\Holland Wastewater\Project File\H_Supporting_Documentation\Holland Wastewater Forest Plan Consistency Document.docx)
- **Holland Wastewater Project Forest Plan Consistency Document Wildlife** (Box\R01 FNF Project\Planning\SLRD\Small NEPA\FY_26\Holland Wastewater\Project File\D_Wildlife\Holland Wastewater Project Forest Plan Consistency Document Wildlife.docs)
- **At-Risk Plant Species Regulatory Framework and Consistency Holland Wastewater Treatment System Project** (Box\R01 FNF Project\Planning\SLRD\Small NEPA\FY_26\Holland Wastewater\Project File\F_Botany (H001_HWTS_CE_PlantsFPConsist.pdf)

Reconstruction of the Holland Wastewater Treatment System
Swan Lake Ranger District, Flathead National Forest

Other Law, Regulation, and Policy Consistency

Endangered Species Act

The pertinent specialists reviewed the proposed action and made the following determinations for threatened, endangered and/or proposed species:

Table 2. Threatened, endangered, proposed or candidate species and critical habitat effect determinations

Species/Habitat	Status	Proposed or Designated Critical Habitat Present?	Determination	Brief Rationale (or project file reference)
Grizzly bear	Threatened	No	NLAA	See terrestrial wildlife consultation sheet in Wildlife project record
Canada lynx	Threatened	Yes	NLAA	See terrestrial wildlife consultation sheet in Wildlife project record
Canada lynx critical habitat	Threatened	Yes	NLAA	See terrestrial wildlife consultation sheet in Wildlife project record
Wolverine	Threatened	No	NLAA	See terrestrial wildlife consultation sheet in Wildlife project record
Yellow-billed cuckoo	Threatened	No	NE	See yellow-billed cuckoo BA in Wildlife project record
Bull trout	Threatened	Yes	NLAA	See aquatics BA in Aquatics project record
Bull trout critical habitat	Threatened	Yes	NLAA	See aquatics BA in Aquatics project record
Meltwater Lednian stonefly	Threatened	No	NE	See Meltwater lednian stonefly programmatic biological assessment for all activities on the Flathead National Forest
Spalding's catchfly	Threatened	No	NE	See plants BA in Botany project record
Whitebark pine	Threatened	No	NE	See plants BA in Botany project record
Monarch butterfly	Proposed Threatened	No	NE	See Monarch Butterfly BA in Wildlife project record
Suckley's cuckoo bumblebee	Proposed Endangered	No	No Jeopardy	See Suckley's cuckoo bumblebee BA in Wildlife project record

NE – no effect; **NLAA** – may affect, not likely to adversely affect; **LAA** – may affect, likely to adversely affect; **No Jeopardy** - not likely to jeopardize the continued existence or adversely modify critical habitat

A biological assessment prepared for bull trout and bull trout critical habitat made a “may affect, not likely to adversely affect” determination based on the following factors:

Reconstruction of the Holland Wastewater Treatment System Swan Lake Ranger District, Flathead National Forest

- Low intensity/short term effects of the proposed actions while also providing long term beneficial effects.
- Low probability of encountering bull trout within the analysis area during project implementation
- Beneficial, insignificant and/or discountable effects to bull trout and critical habitat PCEs.

Biological assessments were also prepared for whitebark pine, Spalding's catchfly, Meltwater Lednian stonefly, Monarch butterfly and Yellow-billed cuckoo, and the determinations by the biologist/botanist were "no effect" due to primarily the lack of suitable habitat or lack of observations for these species in the project area. A biological assessment prepared for Suckley's cuckoo bumble bee made a "no Jeopardy - not likely to jeopardize the continued existence" due to low or moderate suitable habitat, no known detections or observations of the species in the project area, and the project will not contribute to any other stressors identified for Suckley's cuckoo bumble bees. Effects to grizzly bears, Canada lynx (and critical habitat), and wolverine were also evaluated and the biologist determined a "may affect, not likely to adversely affect" determination for these species. Please review a summary of effects in the extraordinary circumstances for these species. On June 22, 2026, the USFWS sent the Flathead National Forest a letter concurring with the "May affect, not likely to adversely affect" determination for the effects of the proposed action to bull trout and bull trout critical habitat.

Supporting Documentation:

- **Aquatics Biological Assessment** (Box\R01 FNF Project\Planning\SLRD\Small NEPA\FY_26\Holland Wastewater\Project File\E_Aquatics\HLL Wastewater TX System BT BA_Final.pdf)
- **Botany Biological Assessment** (Box\R01 FNF Project\Planning\SLRD\Small NEPA\FY_26\Holland Wastewater\Project File\F_Botany\H0002_HWTS_CE_PlantBA.pdf)
- **Terrestrial Wildlife Consultation Sheet for Programmatic Biological Assessment for Activities Not Likely to Adversely Affect Threatened and Endangered Terrestrial Wildlife Species** (Box\R01 FNF Project\Planning\SLRD\Small NEPA\FY_26\Holland Wastewater\Project File\D_Wildlife\2024_NLAAScreen_Griz_Lynx_Wolverine_summaryBA_HollandLakeWasteWater061826.pdf)
- **Meltwater Lednian Stonefly Programmatic Biological Assessment** (Box\R01 FNF Project\Planning\SLRD\Small NEPA\FY_26\Holland Wastewater\Project File\E_Aquatics\SignedStonefly2019ProgrammaticBA.pdf)
- **Yellow-Billed Cuckoo Biological Assessment** (Box\R01_FNF_Project\Planning\SLRD\Small NEPA\FY_26\Holland Wastewater\Project File\D_Wildlife\YellowBilled_Cuckoo_NoEffect_FNFActivities10042024.pdf)
- **Monarch Butterfly Biological Assessment** (Box\R01_FNF_Project\Planning\SLRD\Small NEPA\FY_26\Holland Wastewater\Project File\D_Wildlife\HollandWastewater_Monarch_NoEffect_BA.pdf)
- **Suckleys Cuckoo Bumblebee Biological Assessment** (Box\R01_FNF_Project\Planning\SLRD\Small NEPA\FY_26\Holland Wastewater\Project File\D_Wildlife\HollandWastewaterReconstruction_NoEffect_BA.pdf)
- **USFWS Letter of Concurrence** (Box\R01 FNF Project\Planning\SLRD\Small NEPA\FY_26\Holland Wastewater\Project

Reconstruction of the Holland Wastewater Treatment System
Swan Lake Ranger District, Flathead National Forest

File\C_InterAgencyGov\20260622_LOC_FNF_Holland Lake Lodge
Wastewater_BTBTCH.pdf)

National Historic Preservation Act – Section 106 Review

The forest archaeologist has reviewed the proposed action and made the following determination regarding Section 106 compliance: No Adverse Effects to Historic Properties. The Montana State Historic Preservation Office reviewed this determination and concurred with the determination.

Supporting Documentation:

- **SHPO concurrence letter** (Box\R01 FNF Project\Planning\SLRD\Small NEPA\FY_26\Holland Wastewater\Project File\G_Heritage\HLwastewater_shpo_concurrence.pdf)

Clean Water Act

The proposed design and operation of the wastewater facility would meet all DEQ requirements. The Clean Water Act delegates regulatory authority for water quality to the State.

Clean Air Act

The project will not result in permanent air emissions and no modifications or further coordination needs to occur to ensure compliance. Dust abatement will be used when needed during construction activities.

Special Management Area Considerations

No activities are proposed within or in the vicinity of special management areas such as wilderness, wilderness study areas, wild and scenic rivers, inventoried roadless, or national recreation areas.

National Environmental Policy Act (NEPA) Consideration of Extraordinary Circumstances

This categorical exclusion has been prepared in compliance with USDA NEPA requirements at 7 CFR 1b.3. Pertinent specialists have reviewed the proposed action and informed the following determinations made by me, the responsible official, with regards to degree of potential effects for the resource conditions considered:

Table 3. Resource conditions considered for extraordinary circumstance determinations

Resource Conditions Considered for Extraordinary Circumstances	Is there a degree of potential effect that raises uncertainty over its significance? Briefly explain.
Federally listed threatened or endangered species or designated critical habitat or species proposed for Federal listing or proposed critical habitat [7 CFR 1b.3(f)(1)(i)]	Botany: NO, there is no uncertainty Rationale: The proposed project will have no effect on Spalding's catchfly (<i>Silene spaldingii</i>), whitebark pine (<i>Pinus albicaulis</i>), their habitat, or potential habitat for these species. This determination is based on 1) the lack of known occurrences within the project area and 2) the lack of suitable habitat for Spalding's catchfly or whitebark pine within the project area.
	Fisheries: NO, there is no uncertainty Rationale: Effects to bull trout and bull trout critical habitat were considered and analyzed in a biological assessment. The determination of "Not likely to adversely affect" due is based on the rationale that short-term changes to water quality in Holland Lake are possible, although they are

Reconstruction of the Holland Wastewater Treatment System
Swan Lake Ranger District, Flathead National Forest

Resource Conditions Considered for Extraordinary Circumstances	Is there a degree of potential effect that raises uncertainty over its significance? Briefly explain.
	expected to be insignificant and temporary, long-term changes are expected to be beneficial as the new system provides upgrades and enhanced features that improve protections for both ground and surface water quality. Effects were also considered for the Meltwater stonefly; it was determined there would be no effect from project activities because there is no habitat for this species in the project area. Wildlife: NO, there is no uncertainty Rationale: Effects to grizzly bear, Canada lynx, Canada lynx critical habitat, and wolverine were considered and evaluated using the Region 1 programmatic biological assessments for activities not likely to adversely affect these species (and critical habitat if it applies). The biologist determined that the proposed activities were "Not likely to adversely affect" wolverine, grizzly bear, Canada lynx, and Canada lynx critical habitat. While the project takes place in lynx and lynx critical habitat, there will be no reduction of snowshoe hare habitat and will meet all applicable standards and guides in the Northern Rockies Lynx Management Direction, Appendix A of the Forest Plan. Possible short-term disturbance from the immediate area may impact grizzly bears, however work is located in an area immediately adjacent to high human use and where disturbance is likely already occurring. Education and fencing to reduce bear conflict at the site are included in the proposal as well as sanitation features (see design criteria 1, 2 and 3). For wolverine, there are potential short-term impacts due to disturbance of project activities; however, they do not occur in primary or maternal habitat. Effects to the Yellow-billed cuckoo (YBCU) were also assessed and the biologist determined "No effect" due to no observations of YBCU being documented on the Flathead Forest; no breeding for YBCU has been documented on the Flathead Forest; the Flathead Forest has low potential for suitable habitat; and most likely potential habitat occurs in small-isolated patches located in river bottoms on the mainstem of the Flathead which are unlikely large enough to serve as suitable habitat.
Flood plains, wetlands, or other such sensitive areas; Special sources of water, such as sole-source aquifers, wellhead protection areas, municipal watersheds, or other water sources that are vital in a region [7 CFR 1b.3(f)(1)(ii), (iii)]	NO, there is no uncertainty Rationale: Permit issuance through the regulatory authority (MT DEQ) would ensure safeguards are in place to adequately protect water quality.
Areas having formal Federal or state designations, such as wilderness areas, parks, or wildlife refuges; wild and scenic rivers; marine sanctuaries; national natural landmarks; inventoried roadless areas; or national recreation areas [7 CFR 1b.3(f)(1)(iv)]	N/A, not present Rationale: There are no federal/state designated areas or inventoried roadless areas within or near the project area
Specially managed areas, such as designated research or experimental areas, coral reefs, coastal barrier resources, or, unless exempt, coastal zone management areas [7 CFR 1b.3(f)(1)(v)]	NO, there is no uncertainty Rationale: There are no designated research or experimental areas, coral reefs, coastal barrier resources, or, unless exempt, coastal zone management area within or near the project area.
Prime, unique, or important farmland as defined by and subject to the	NO, there is no uncertainty Rationale: There are no farmlands within the project area

Reconstruction of the Holland Wastewater Treatment System
Swan Lake Ranger District, Flathead National Forest

Resource Conditions Considered for Extraordinary Circumstances	Is there a degree of potential effect that raises uncertainty over its significance? Briefly explain.
provisions of the Farm Protection Policy Act [7 CFR 1b.3(f)(1)(vi)]	
Property (e.g., sites, buildings, structures, and objects) of historic, archeological, or architectural significance, as designated by Federal, Tribal, State, or local governments, or property eligible for listing on the National Register of Historic Places [7 CFR 1b.3(f)(1)(vii)]	NO, there is no uncertainty Rationale: The archaeologist determined there would be no adverse effects to historic properties; SHPO was contacted and they concurred. Consultation between the Forest and the Confederated Salish and Kootenai Tribes and the Blackfeet Nation did not identify any Tribal cultural concerns or traditional cultural properties within the project area.



Finding of Applicability and No Extraordinary Circumstances

This Finding of Applicability and No Extraordinary Circumstance (FANEC) incorporates the Categorical Exclusion Review form and relies on documentation in the associated proposal record.

Proposal Information

Proposal Name: Reconstruction of the Holland Wastewater Treatment System (#277772)

Unit: Swan Lake Ranger District, Flathead National Forest

Responsible Official: Anthony Botello, anthony.botello@usda.gov

Contact: Michele Draggoo, michele.draggoo@usda.gov

Categorically Excluded Activities

I have determined the actions described in the Decision section of the Categorical Exclusion Review form fit the 7 CFR Part 1b.4(d)(44) (USDA-44d-USFS) categorical exclusion.

Decisions that are categorically excluded from documentation in an environmental assessment or environmental impact statement are not subject to an administrative review process (Agriculture Act of 2014 [Pub. L. No. 113-79], Subtitle A, Sec. 8006).

Determination of No Extraordinary Circumstances

As informed by an interdisciplinary review of all resources listed at 7 CFR 1b.3(f)(1), I have determined that no extraordinary circumstances exist based on the rationale provided in the "Consideration of Extraordinary Circumstances" section of the Categorical Exclusion Review form.

Decision

I am authorizing all project activities under the Decision section as described in the CE Review Form, which includes the changes documented since the proposal was originally released for public comment in March 2026. Implementation could begin immediately upon signature.

Signature and Authorization Date

Date

ANTHONY B. BOTELLO

Forest Supervisor



In accordance with Federal civil rights law and U.S. Department of Agriculture (USDA) civil rights regulations and policies, the USDA, its Agencies, offices, and employees, and institutions participating in or administering USDA programs are prohibited from discriminating based on race, color, national origin, religion, sex, disability, age, marital status, family/parental status, income derived from a public assistance program, political beliefs, or reprisal or retaliation for prior civil rights activity, in any program or activity conducted or funded by USDA (not all bases apply to all programs). Remedies and complaint filing deadlines vary by program or incident.

Persons with disabilities who require alternative means of communication for program information (e.g., Braille, large print, audiotope, American Sign Language, etc.) should contact the State or local Agency that administers the program or contact USDA through the Telecommunications Relay Service at 711 (voice and TTY). Additionally, program information may be made available in languages other than English.

To file a program discrimination complaint, complete the USDA Program Discrimination Complaint Form, AD-3027, found online at [How to File a Program Discrimination Complaint](#) and at any USDA office or write a letter addressed to USDA and provide in the letter all of the information requested in the form. To request a copy of the complaint form, call (866) 632-9992. Submit your completed form or letter to USDA by: (1) mail: U.S. Department of Agriculture, Office of the Assistant Secretary for Civil Rights, 1400 Independence Avenue, SW, Mail Stop 9410, Washington, D.C. 20250-9410; (2) fax: (202) 690-7442; or (3) email: program.intake@usda.gov.

USDA is an equal opportunity provider, employer, and lender.