



File Code: 2720;1950

Date: April 28, 2020

Dear Interested Party:

The U.S. Forest Service (Forest Service), Superior National Forest (SNF), is preparing an Environmental Impact Statement (EIS) to consider and disclose the anticipated environmental effects of implementing select projects from the Lutsen Mountains Resort (Lutsen Mountains) 2016 Master Development Plan (MDP). Through the identification of opportunities and constraints at the ski area, the proposed projects are designed to allow Lutsen Mountains to meet guest expectations for a safe and enjoyable recreational experience that is unique to Lutsen Mountains, by providing an increased variety of ski terrain, additional chairlifts, and enhancing guest services at the resort.

You are receiving this letter because we are soliciting public comments on these projects as we begin the scoping process. Your comments will help identify issues that will be used to focus the analysis of the EIS and generate additional action alternatives, if needed. These alternatives will be analyzed within the EIS in addition to the Proposed Action and the No Action Alternative. The EIS will contain full disclosure of potential environmental and social effects and the projects will be evaluated for consistency with standards and guidelines identified in the *2004 Land and Resource Management Plan* for the SNF (2004 Forest Plan). Based on the analysis that will be documented in the forthcoming EIS, the SNF Forest Supervisor will decide whether to authorize the Proposed Action (in whole or in part) or one of the alternatives, including the No Action Alternative. The decision will also include a determination of whether additional site-specific management requirements and/or mitigation measures will be required.

LUTSEN MOUNTAINS SKI AREA EXPANSION PROJECTS

Reason for the Analysis

Lutsen Mountains' proposal is being considered at this time because:

- The MDP and this proposal were developed in response to the Lutsen Mountains' need to expand terrain offerings and improve the guest experience across the ski area to ensure the ski area's survival and competitiveness in the Midwest ski area market.
- Because the proposed projects cannot be accommodated on adjacent private land, developing a SUP permit would allow the resort to develop terrain adjacent to the existing ski area for winter uses to address the Lutsen Mountains' Goals and Objectives identified within their MDP.
- The proposed projects provide an opportunity to meet the SNF Forest-wide Goals around providing forest settings and natural resources that enhance social and economic benefits as well as Recreation-specific Desired Conditions for the SNF.



Purpose and Need

Lutsen Mountains Corporation (LMC) has applied to the Forest Service for a SUP under the National Forest Ski Area Permit Act of 1986 that would authorize LMC to construct, operate, and maintain an expansion to a winter sports resort onto approximately 495 acres of National Forest System (NFS) lands. Federal regulations at 16 U.S.C. § 497b and 36 CFR Part 251 Subpart B specifically identify ski areas and associated facilities as permissible uses of NFS lands that also require a SUP.

The purpose of, and need for, the Forest Service's action is to decide whether to grant a SUP for the project. The Forest Service will consider the application for use of NFS lands and determine if the project is in the public interest and is appropriate, based on the SNF 2004 Forest Plan. The 2004 Forest Plan identifies Forest-wide Desired Conditions, which guide management direction across the SNF. The Proposed Action could help achieve D-REC-3, which states "the [SNF] provides developed sites, facilities, trails, water access sites, and other recreation opportunities within health and safety, resource protection, cost, and maintenance requirements" (2004 Forest Plan, Chapter 2, p. 39). The Forest Supervisor will use the EIS to inform the decision regarding: 1) whether to issue a SUP under the National Forest Ski Area Permit Act of 1986; 2) the selection of a preferred alternative; 3) any need to amend the 2004 Forest Plan; and 4) what specific terms and conditions should apply if a SUP is issued.

Project Objectives

LMC's overall purpose of the proposed projects and associated SUP application is to improve the guest experience at Lutsen Mountains, which cannot be accommodated on adjacent private land controlled by LMC. Specifically, LMC has identified a need to:

- Construct additional traditionally cleared alpine ski trails and undeveloped, minimally maintained lift-served terrain to address the current deficit in beginner and expert terrain and to enhance the existing terrain variety and skiing experiences at Lutsen Mountains.
- Improve skier circulation and reliable snow conditions, particularly on Eagle Mountain and Moose Mountain.
- Improve base area, parking, guest services, and operational facilities to meet the ever-increasing expectations of the local, regional, and destination skier markets.

The existing conditions driving these needs are described here in additional detail.

1. Construct additional traditionally cleared alpine ski trails and undeveloped, minimally maintained lift-served terrain to address the current deficit in beginner and expert terrain and to enhance the existing terrain variety and skiing experiences at Lutsen Mountains.

Lutsen Mountains currently operates eight lifts and provides access to a trail network of approximately 210.8 acres. These 210.8 acres of terrain contain approximately 187.3 acres of traditionally cleared alpine trails (developed terrain) and 23.5 acres of gladed (undeveloped) terrain. Lutsen Mountains' terrain and lift network occurs entirely on private land and is

bordered on three sides by the SNF. An analysis comparing Lusten Mountains' existing terrain by ability level to the skier market has identified a deficiency in terrain across most skier ability levels but particularly beginner, novice, and expert terrain. Lutsen Mountains' existing private land, however, will not support an increase in the amount of developed or undeveloped terrain. Surrounding private property also does not contain the required terrain to correct these imbalances while meeting visitation demands.

In Ski Magazine's Reader Resort Ratings, "terrain variety" is consistently ranked as the second most important criterion in readers' choice of a ski destination, behind only snow quality, and ahead of such other considerations as lifts, value, accessibility, resort service, and others. This is a relatively recent industry trend, representing an evolution in skier/rider preferences and expectations. The implication of the importance of terrain variety is that a resort must have a diverse, interesting, and well-designed developed trail system, but also must have a wide variety of alternate-style undeveloped terrain, such as gladed terrain. Lusten Mountains' undeveloped terrain is limited to small non-contiguous tree islands between developed trails.

Overall, these conditions equate to inadequate terrain for customers of all ability levels, a lack of appropriate balance of terrain for Lutsen Mountains' customers, and an overall lack of terrain diversity.

2. Improve skier circulation and reliable snow conditions, particularly on Eagle Mountain and Moose Mountain.

Lutsen Mountains has a deficit of skier circulation space compared to industry norms that results in an uncomfortable or cramped feeling for guests. In addition, some ski trails are currently truncated (*Lighthouse*) or not directly lift served (*The Plunge*). Much of the existing ski terrain has steep headwalls that make the snow on these headwalls more susceptible to becoming undesirably hard or even icy if skier density gets too high.

Minnesota is generally known for its cold weather and adequate snow; however, warm periods during the winter and low snow years do occur and can create poor skiing conditions through minimal snow coverage, hard and/or icy snow, and exposed dirt and rocks. The snow on Lutsen Mountains' current ski trails and gladed terrain can become negatively impacted by below-average natural snowfall, high use, and high wind and/or solar exposure unless augmented by snowmaking operations. The current snowmaking system requires periodic routine maintenance and upgrades to continue operating efficiently and would require additional on-mountain snowmaking water storage to accommodate increases in snowmaking coverage.

3. Improve base area, parking, guest services, and operational facilities to meet the ever-increasing expectations of the local, regional, and destination skier markets.

Guests to Lutsen Mountains increasingly expect a certain quality of guest services, including food and service venues, as well as parking and transportation options. Perception of the quality of these venues and guest service amenities is strongly influenced by sufficient space being provided and the amount crowding present. Lutsen Mountains currently operates a single base area that contains approximately 200 walk-to parking spaces, ticketing, ski rental and repair,

public lockers, retail, ski school/children's programs, ski patrol, first aid, and administrative offices.

There are currently limited options for expanding the existing base area onto surrounding private lands. Specifically, topography, slope stability/geotechnical concerns, and land ownership inhibit expansion. This lack of base area expansion opportunities on private lands has resulted in an incremental decrease in the quality of and opportunities for guest services over time. For example, the small size of the ski rental and repair facility has resulted in Lutsen Mountains being unable to provide sufficient rental services, such as inventory volume and variety, to meet guest demand. In addition, the lack of sufficient ski school facility space inhibits Lutsen Mountains' efforts to increase family visitation in the destination skier market.

Available parking is particularly deficient: Lutsen Mountains currently has a deficit of 132 parking spaces on a peak day. In addition, although Lutsen has over 1,000 parking spaces available across the resort and neighboring properties, these parking spaces are spread along Ski Hill Road and in a dirt overflow parking lot approximately 0.5-mile south of the base area, which is beyond a comfortable walk to the base area and requires customers to ride a shuttle or trolley. This lack of walk-to parking fails to meet skier expectations, particularly the destination skier market. Overall there is currently a deficit of available parking on peak days, and any increases in skier visitation would result in further strain to the existing parking condition. Due to topography, there is a lack of potential parking expansion opportunities on adjacent private lands.

On-mountain skier services are provided at one venue: the Summit Chalet located at the top of the Lutsen Gondola. On peak days when the Summit Chalet is at capacity, guests must ride the Lutsen Gondola back to the base area for restroom access and food services. Finally, the primary ski patrol/first aid facility is located in the existing base area. The facility is conveniently located for most of the ski area but less convenient to the ski runs on Moose Mountain. Patients injured on Moose Mountain are transported back to the primary ski patrol/first aid facility unless seriously injured; seriously injured guests on Moose Mountain are transported to the main maintenance facility located at the base of Moose Mountain that also has road access for ambulances. Any increases in visitation, particularly on Moose Mountain, would further strain existing on-mountain skier services and ski patrol response.

Proposed Action

The proposed projects include the authorization of a SUP to include skiable terrain in the Moose and Eagle Mountain areas, the addition of lift-served terrain in the Moose Mountain and Eagle Mountain areas, expansion of guest service and maintenance facilities at the base of these areas and one mountain-top chalet, installation of snowmaking infrastructure and corresponding snowmaking reservoirs within the SUP area, expansion of ski patrol operations, and development of additional parking adjacent the proposed base areas. All project components are detailed in the **Scoping Figure** included in the distribution of this scoping notice and on the project website. More project details may be accessed online at <https://www.fs.usda.gov/project/?project=52440>.

To review the content of this scoping notice in an interactive viewer, please visit <https://arcg.is/18mzzu>.

Specific components of these projects are further described in the following discussions.

Authorization of a SUP

The development of the proposed lifts, terrain, and guest services at Lutsen Mountains would require the authorization of an approximately 495-acre SUP on NFS lands. This SUP would be divided into two noncontiguous areas: a 36-acre area on the south side of Eagle Mountain and directly south of LMC's existing Eagle Mountain terrain, and a 459-acre portion on the southwest side of Moose Mountain and southwest of the existing LMC Moose Mountain terrain. According to the Forest Plan, this proposed SUP would be located in areas identified with a Management Area designation of Recreation Use in a Scenic Landscape (RUSL).

Ski Terrain

Under the Proposed Action, Lutsen Mountains' developed ski terrain network (not including access trails) would increase by approximately 174.5 acres, from approximately 187.3 acres to 361.8 acres. Six separate pods of ski terrain are proposed. Of the proposed 174.5 acres of traditional terrain, approximately 142 acres would be located on NFS lands and 32.5 acres would be located on private land. The majority of the proposed traditionally cleared ski terrain (143.1 acres) is located on Moose Mountain, with approximately 31.4 acres located on Eagle Mountain.

A variety of gladed terrain, which would be developed in the tree islands in between the proposed develop runs, is also proposed. Glade skiing would increase from approximately 23.5 acres to 172.5 acres. Of the 149 acres of proposed glading, approximately 6.4 acres are on private land and 142.6 acres are on NFS lands. Glades would be constructed with varying amounts of tree removal to improve and support intermediate through expert-level skiing and riding. Tree stand density varies within the area, thus tree removal could range from approximately 10 to 25 percent depending on the stand density of a particular area selected for glading. Attempts would be made to prioritize removal of dead and dying trees, in order to address skier safety, operational concerns, and forest health.

Chairlifts

The proposal includes seven new chairlifts and one surface lift (refer to **Scoping Figure**). The surface lift would provide access to beginner terrain in Pod 1. The remaining seven proposed chairlifts would provide access to the variety of proposed ski terrain and glades in the SUP and adjacent existing terrain. **Table 1** describes the proposed lift specifications.

Table 1. Proposed Lift Specifications

Lift Name	Location (Mountain/Pod)	Lift Type	Carrier Capacity	Lift Capacity (pph)	Vertical Rise (feet)	Length (feet)
Lift 1	Eagle Mountain Pod 1	Chairlift	4	2,200	537	3,025
Lift 1-A	Eagle Mountain Pod 1	Surface Lift	1	800	46	390
Lift 2	Moose Mountain Pod 2	Chairlift	6	3,200	725	2,829
Lift 2-A	Moose Mountain Pod 2	Chairlift	3	1,800	82	626
Lift 3	Moose Mountain Pod 3	Chairlift	4	2,400	716	2,900
Lift 4	Moose Mountain Pod 4	Chairlift	3	1,800	317	1,051
Lift 5	Moose Mountain Pod 5	Chairlift	3	1,800	351	1,137
Lift 6	Moose Mountain Pod 6	Chairlift	3	1,800	374	870

Source: SE Group, 2019

Note: All lengths and areas reported in this document are based on plan length and area, which is the linear distance and area of a specific feature and does not incorporate terrain topography (e.g., slope length).

Snowmaking

Snowmaking infrastructure would be installed on all new developed ski trails, for a total of 174.5 acres of snowmaking coverage. While snowmaking infrastructure would not be installed within gladed terrain, gladed terrain could receive supplemental coverage from snowmaking operations such as through carriage by wind. Snowmaking infrastructure necessary to support the proposed snowmaking system would include new pumps, valves, hydrants, and pump houses. Proposed snowmaking infrastructure would also include air, water, and power lines, which would be buried as feasible. These snowmaking lines would be located within the proposed ski trails and roads; the exact location of these lines would be determined during final design. Each trail would have a snowmaking line contained in its entire length.

Two snowmaking reservoirs are proposed in the vicinity of the Moose Mountain base area as part of the Proposed Action connecting with LMC's existing snowmaking line that originates at a pump house on the shore of Lake Superior. The combined capacity of the two ponds would be 13 million gallons. Both of the snowmaking reservoirs would be located on NFS lands and would require new water pipelines to connect to both existing and proposed snowmaking pipeline infrastructure.

Snowmaking would occur during LMC's current snowmaking season, which lasts an average of 100 days (early November through late February) depending on yearly conditions. Snowmaking water is obtained from Lake Superior through Minnesota Department of Natural Resources (MNDNR) Permit # 2012-0664, which was authorized in March 2013 for 150 million gallons per

year (mgy) for snowmaking and subsequently increased to 410 mgy in March 2019. The permit specifies a maximum rate of pumping from Lake Superior of 7,500 gallons per minute. LMC would be required to obtain additional water appropriations from the MNDNR for the proposed snowmaking prior to implementation.

Lutsen Mountains' snowmaking operation currently includes the use of Snowmax, a "snow inducer" based on bacteria proteins that improve the snow crystallization process, in a small minority of locations across the mountain. Therefore, Snowmax may also be used in the snowmaking process in the Proposed Action but would be based on site specific conditions and would not be used universally in the snowmaking system.

Guest Services and Operations

Two new base areas are proposed: one in the Eagle Mountain area of the SUP and the other in the Moose Mountain area of the SUP. All proposed facilities would be designed in compliance with the Forest Service Built Environment Image Guide (BEIG), Americans with Disabilities Act (ADA), and the Architectural Barriers Act (ABA). The Eagle Mountain base area is proposed to include skier service facilities like restrooms, food and bar services and seating, ticketing and rental/repair options, ski school opportunities, and public lockers. It would also include operational space like administrative offices, ski patrol space, storage, and employee lockers and lounge space. For the purpose of analysis, it is assumed that the skier services and operational building(s) would be approximately 19,000 to 23,000 square feet over two stories and would require a building footprint of approximately 10,000 square feet. The base area would also provide approximately 630 spaces of walk-to parking in parking areas totaling approximately 5.6 acres in size. A maintenance building with a ground footprint of approximately 1,200 square feet is also proposed.

A variety of guest services are also proposed at the Moose Mountain base area. This area would include a base lodge containing restrooms, food service and seating, ticketing and rental options, and ski school opportunities. Administrative offices, employee lockers, and other storage would also be included. The size of the building(s) would be 19,500 to 23,500 square feet over two stories and would require a building footprint of approximately 10,000 square feet. This section of the SUP would also contain approximately 630 parking spots and a shuttle drop off location in a parking area totaling approximately 6.4 acres in size. Moose Mountain would also include an approximately 4,500-square foot maintenance facility, which would be developed within an approximately 1.2-acre area containing a gravel parking lot and outdoor storage. This maintenance facility would include space for indoor snowcat parking and vehicle maintenance space.

To provide additional food service opportunities and to allow guests to ski and eat on the expanded Moose Mountain terrain without descending to the existing and proposed base areas, the Moose Mountain Chalet is proposed near the top terminals of Lift 2 and Lift 5. The Moose Mountain Chalet would be approximately 8,500 to 10,500 square feet over two stories and have a building footprint of approximately 5,000 square feet. The Moose Mountain Chalet would contain food service options, seating, and restrooms as well as space for ski patrol and storage. In

addition to normal ski season operating hours, the Moose Mountain Chalet would operate during the evening hours in both winter and summer seasons for weddings or other special events. A temporary ski patrol and storage building may be constructed in a similar location as the Moose Mountain Chalet to provide interim ski patrol services on the proposed Moose Mountain terrain prior to the completion of the Moose Mountain Chalet. This interim building would be approximately 500 square feet in size.

Construction, Maintenance, and Utilities

Existing Snowmobile and Hiking Trail Realignment

Two existing trails would be realigned as part of the Proposed Action. In the proposed Eagle Mountain area of the SUP, approximately 782 linear feet of an existing snowmobile trail would be realigned south of the proposed Eagle Mountain base area parking area, Lift 1-A, and beginners' area. The realigned portion of the trail would be approximately 1,425 feet long, which is an additional 643 feet of snowmobile trail length.

The second trail that would be realigned is a 8,947-foot-long (1.7-mile) portion of the Superior Hiking Trail within the proposed Moose Mountain area of the SUP. This portion of the Superior Hiking Trail is located both on the backside (northwest side) of Moose Mountain and along the ridge, particularly within areas proposed for Pods 4 through 6. As part of the trail realignment, switchbacks would be constructed to decrease the trail grade on the backside of Moose Mountain and improve the hiking experience. The realignment would add an additional 1,289 feet (0.2 mile) to the length of the Superior Hiking Trail. LMC would realign the trail in coordination with the Superior Hiking Trail Association.

Access Roads

Approximately 5 miles of new permanent access roads are proposed under the Proposed Action. These roads would provide access to the proposed Eagle Mountain and Moose Mountain base areas and would cross both NFS and private lands.

New permanent mountain access roads would be required to both the top and bottom terminals of each proposed lift for lift construction and maintenance on Moose Mountain. No permanent mountain access roads would be required on Eagle Mountain. Temporary access roads may be required for the construction and installation of lifts and lift towers and are proposed across Moose Mountain. Temporary access roads would be decommissioned after use.

Utilities

Utilities required for both of the proposed base areas would include electricity, domestic water, and sewer. Fuel storage (diesel, gasoline, and liquid propane) would also be required and would be stored in above and/or below-ground tanks within the disturbance areas associated with the proposed base areas and Moose Mountain Chalet. It is assumed that utility lines would be buried within proposed access road and ski trail corridors and collocated to minimize disturbance; however, construction of cross-country utilities lines may be required. New electrical lines would be constructed connecting to existing Lutsen Mountains electrical lines in order to power the

proposed lifts and provide electricity to the proposed base areas and Moose Mountain Chalet. For sewer service, two septic drainfields, one in the Eagle Mountain SUP area and the other in the Moose Mountain SUP area, are proposed. Each drainfield would be approximately 1.2 acres in size. Domestic water supply would be provided by two new wells that would be constructed on NFS lands under the Proposed Action: one well at the Moose Mountain Chalet and one well at the Moose Mountain base area. Depending on the production of the wells, they may be supplemented by water storage facilities similar to the storage tanks currently installed by Lutsen Mountains near the gondola base area. To collect stormwater runoff and prevent erosion, four separate stormwater ponds are proposed (two in the Eagle and two in the Moose Mountain SUP areas, respectively).

Tree Removal and Grading

As discussed in previous sections, trees would be removed or otherwise directly impacted for trail corridor construction, enhancement, accessibility, or other management needs. Tree removal for all projects could be accomplished via helicopter, skidding, hauling off-site, chipping, burning, or lop-and-scatter, depending on specific site conditions and accessibility. LMC would compensate the SNF for the value of the trees harvested during construction. The value of the timber in the area would be appraised by a certified Forester.

In addition, a variety of grading would be required for construction of the project components. This would involve the use of bulldozers and dump trucks to create level areas for the lift terminals, certain sections of traditional ski terrain, the base areas, and roads. Certain components would also require cut-and-fill grading to produce level terrain.

REQUEST FOR COMMENTS

The Tofte Ranger District is requesting for your comments on any component of this project. The purpose of this scoping period is to provide an opportunity for interested parties to provide early and meaningful participation on this project and to learn more about the project. We are looking for any issues, concerns or suggestions you may have regarding the project. During the National Environmental Policy Act (NEPA) process, we may modify the Proposed Action or consider alternatives to the Proposed Action informed by your comments. Questions and comments regarding this proposal are an integral part of the environmental analysis process. Respondents should include: (1) name, address, telephone number, e-mail, organization represented, if any; (2) reference the “Lutsen Mountains EIS Projects;” and (3) specific facts, concerns or issues, and the supporting reasons.

Comments may be submitted online at <https://www.fs.usda.gov/project/?project=52440>. The content of this scoping notice is also available online in an interactive viewer at: <https://arccg.is/18mzzu>. Written comments may be submitted by mail to: Constance Cummins, Forest Supervisor, c/o Michael Jiménez, Project Leader, Superior National Forest, 8901 Grand Avenue Place, Duluth, MN 55808; or by e-mail to: comments-eastern-superior@usda.gov (please include “Lutsen Mountains Ski Area Expansion Project” in the subject line).

Your comments will be most helpful if received by May 28, 2020. Specific written comments received by May 28, 2020 will provide the commenter standing to object per 36 CFR Part 218. Comments can also be submitted online at <https://www.fs.usda.gov/project/?project=52440>.

The Lutsen Mountains Ski Area Expansion Project decision is subject to objections following Forest Service regulations at 36 CFR Part 218, Subparts A and B. Only individuals or organizations who submit timely and specific written comments regarding the proposed project during a public comment period established by the Responsible Official are eligible to file an objection.

After we consider your scoping comments, the NEPA process will include the following steps: we will publish a Draft EIS and seek public comment; we will publish a Final EIS and Draft Record of Decision initiating an opportunity to object; after any objections are addressed, we will publish a Final Record of Decision.

Thank you for your participation. I look forward to your comments.

Sincerely,

A handwritten signature in cursive script that reads "Constance Cummins".

CONSTANCE CUMMINS
Forest Supervisor



Scoping Figure

Lutsen Mountains Ski Area Expansion Project EIS

April 2020. Prepared by:

