



United States
Department of
Agriculture

Forest
Service

Tahoe National Forest
Supervisor's Office

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File Code: 2720

Date: **OCT 01 2015**

Andy Wirth
Squaw Valley Ski Holdings, LLC
PO Box 2007
Olympic Valley, CA 96146

*Included in
Cost Recovery
PKG
JBR*

Dear Andy Wirth,

This letter is to inform you that the Tahoe National Forest (TNF) has completed screening review of the Squaw Valley Ski Holdings, LLC (Squaw Valley) proposal to install, operate, and safely maintain an aerial ropeway system connecting the Squaw Valley and Alpine Meadows ski resorts. This proposal includes an alteration to current avalanche mitigation techniques including the installation of Gazex Exploders. Implementation of the proposal would require an amendment to existing Special Use Permit #TRU014 issued for the operation and maintenance of Alpine Meadows Ski Resort. The authorized holder of Permit #TRU014 is Alpine Meadows Ski Resort LLC, which is a legal subsidiary of Squaw Valley. I have determined that your proposal passes the screening criteria for further analysis for use of National Forest System (NFS) lands and the consideration of an amendment to your permit consistent with regulations at 36 CFR 251. Your proposal has been accepted as an application pending execution of a cost-recovery agreement and payment of processing fees.

A brief summary of existing conditions at Alpine Meadows Ski Resort (the Resort) and projected impacts of Squaw Valley's proposal follow. The Resort encompasses approximately 2,278 acres of mixed ownership including private property, state-owned property, and NFS lands. Portions of the Resort occurring on NFS lands are administered under the aforementioned Special Use Permit. Both the Granite Chief Wilderness and the Five Lakes Trail, popular TNF managed recreation sites, are immediately adjacent to the Resort. The Resort also forms the visual foreground and/or middle ground from several locations within the Alpine Meadows area including residential subdivisions and sections of the Five Lakes Trail and Alpine Meadows Road. Additionally, much of the Resort and the surrounding area lie within US Fish and Wildlife Service proposed Critical Habitat for the federally endangered Sierra Nevada Yellow Legged Frog (SNYLF). Projected impacts of Squaw Valley's proposal to install, operate, and maintain an aerial ropeway system include, but are not limited to: visual impacts to predominantly natural, upslope viewsheds; potential impacts to Wilderness character and the recreation setting for Wilderness users; impacts to the quality of recreation opportunities along the Five Lakes Trail; and potential impacts to the endangered SNYLF and its habitat.



According to the regulations at 36 CFR 251.58, the Forest Service is required to assess cost-recovery fees prior to processing special use applications. Your proposal was determined to be a major category (category 6) project taking more than 50 hours of agency time for processing. We understand from our discussions that Squaw Valley has hired an environmental contractor, SE Group, to prepare a joint EIS/EIR. The Forest Service has reviewed SE Group's statement of qualification and accepts SE Group as a third party contractor to prepare the EIS portion of the analysis on behalf of the Forest Service and under Forest Service supervision at Squaw Valley's expense. Please see the enclosed scope of work and cost-estimate completed by the TNF for development of the federal purpose and need and proposed action, directing and reviewing the work of SE Group for the EIS portion of the analysis, issuing a project decision, and amending the special use permit for implementation. The full-actual processing cost has been estimated at \$110,113.78 based on an approximately two-year EIS/EIR process. Processing fees will be reconciled to reflect costs in excess of those estimated or costs lower than those estimated. A separate monitoring cost-recovery agreement and monitoring fees will apply in advance of project implementation should your project be approved.

The processing fee estimate is based on the information provided in your application and the scope of work developed by the TNF staff after review of your proposal and NFS resources to be affected. If you wish to dispute the fee determination, you may do so in accordance with the regulations contained in 36 CFR 251.58 (e) (1 and 2). For your reference the standards for filing a dispute, requesting a fee reduction to reasonable costs, and reconciliation of payments are contained on the last pages of the enclosure.

The Truckee Ranger District Winter Sports Specialist, Joe Flannery, will be the TNF project manager and your primary point of contact for all communications concerning this matter. Joe is in the process of developing the cost-recovery processing agreement and appendices for signature of both parties and will be contacting you for input and feedback on the agreement. If you have any questions, please contact him at (530) 587-3558 or jflannery@fs.fed.us.

Sincerely,



TOM QUINN
Forest Supervisor