

DECISION NOTICE AND FINDING OF NO SIGNIFICANT IMPACT

For The

Suttle Lake Resort and Marina Master Development Plan

Sisters Ranger District, Deschutes National Forest

Jefferson County, Oregon

LOCATION

Suttle Lake is located in a glacial valley in the foothills of the Cascade Mountains, 12 miles northwest of Sisters, Oregon in Jefferson County (T13S, R8E, Section 24, W.M.). The lake is of glacial origin and connects upstream to Blue Lake. Suttle Lake, Blue Lake, and Lake Creek are part of the Headwaters of the Metolius River. The Suttle Lake Resort is located on the northeast shore of Suttle Lake.

DECISION

The Suttle Lake Resort and Marina Master Development Plan has been in the planning process for over 10 years. There have been three environmental assessments released to the public. We have received hundreds of comments that have shaped and reshaped the alternatives. Through this long process we have reached a delicate balance of actions. I believe these actions will provide a high quality resort-based recreational opportunity for the public and allow a sustainable economically viable operation for Suttle Lake Resort, while minimizing environmental impacts and maintaining the sense of place that so many people value.

Following review of the alternatives and effects disclosed in the Environmental Assessment (EA), and after careful consideration of the public comments on the EA and the interdisciplinary team's response to those comments, I have decided to authorize implementation of **Alternative B, with some minor modifications**, as the basis for framing the Master Development Plan that will guide the reconstruction, restoration and enhancement of the Suttle Lake Resort. This Alternative addresses the types and level of structures, roads, and trails to be developed at the Resort, and addresses restoration, interpretive services and mitigation and resource monitoring programs. The analysis and this decision tier to the 1990 Deschutes National Forest Land and Resource Management Plan as amended by the Northwest Forest Plan (1994). The analysis also uses information and recommendations from the Metolius Watershed

Analysis (1995). This decision adopts riparian reserve widths recommended in the Metolius Watershed Analysis for the Suttle Lake/Lake Creek area.

I believe Alternative B, with some minor modifications from the EA, best meets the purpose and need and desired future condition described in the EA, and is most responsive to the demonstrated need and anticipated future demand. It best addresses the social and environmental concerns of this very special area. In addition, my decision allows three other actions:

1. Issue a Term Special Use Permit to the Suttle Lake Resort and Marina LLC. for purposes of restoration and enhancement of the existing Resort. The maximum term of the current Special Use Permit is 20 years before it is reconsidered for renewal. The permit allows for completion of build-out to occur up to 5 years after the approval of the Master Development Plan. Upon satisfactory implementation of the approved Master Development Plan, the tenure of the permit will be extended for the balance of the 20-year term.
2. The permit amendment will also allow expansion of the permitted area from the current 9 acres to 12.9 acres. The additional acreage is north of the Cinder Beach Road and will be used for the construction and operation of the Resort's maintenance and storage facility, employee parking, and for some of the cabins included in the approved Master Development Plan.
3. This decision adopts the recommendation of the Metolius Watershed Analysis for expanding riparian reserve widths in the Suttle Lake/ Lake Creek area from 300 feet to 400 feet on each side of the stream edge and from edge of the lake. The Watershed Analysis recommended this adjustment because of low stream densities in the Suttle subwatershed, habitat fragmentation, and the aggregation of riparian reserves in the area.

Description of Alternative B

The following is a summary description of Alternative B. It is discussed in more detail in the EA on pg. 52-56.

Proposed Activity

Alternative B --Selected Alternative

ACCESS

New Entrance with Bridge over Lake Creek with 5 foot wide pedestrian/ bike lane

LODGE

New Lodge, Cascadian architecture 5,000 ft.2 footprint, 2 stories, (10,000 ft.2 total), 10-12 guest rooms

CABINS

Build up to 6 permanent cabins and up to 6 camping cabins and Centralized Bathroom/Shower Facility for Camping Cabins

STORE	Store is a Camping Cabin placed on the existing historic store foundation
MAINTENANCE BUILDING	New Maintenance Building is 2,000 ft.2 and has employee parking and occasional overflow parking as needed.
PARKING	Add Parking Areas- asphalt, 20 new spaces
RESTORATION /REVEGETATION	Restore ~2.4 acres heavily disturbed forest; ~1.5 acres heavily disturbed riparian area Total = 3.9 acres
TRAILS	Designated trails, boardwalks and viewing platforms Clearly marked trail through resort area to connect to Suttle Lake Loop Trail

Access to the Resort

The Master Development Plan will include a new bridge across Lake Creek and a new entrance road to the Resort as described for both Alternatives B and C in the EA. I want to emphasize that this component of the Master Development Plan must be completed prior to completing the construction of the new lodge or cabins in order to resolve known safety concerns associated with the current access to the Resort and Cinder Beach.

The new road will be double lane (22 ft paved surface width). Roadside clearing would generally be minimal. The bridge will have a 5 foot wide clearly marked pedestrian /bike lane.

The new road and bridge will be designed and engineered to provide a safe access to and from the Resort and Cinder Beach, protect sensitive riparian and aquatic values associated with Lake Creek, as well as provide an aesthetic entrance. The cost of the new entrance will be shared between the Resort, the Forest Service and the Oregon Department of Transportation.

With the new entrance to the Resort off of the 2070 Road also comes a need to update and clarify the directional signing to it and the other National Forest recreational destinations in the Suttle Lake area.

Vegetation Restoration

The Master Development Plan will include an aggressive riparian and forest vegetation restoration plan as described for Alternative B in the EA. Emphasis will be on riparian areas adjacent to Lake Creek and Suttle Lake and heavily impacted upland forest areas within the expanded riparian reserve area. Priority will be given to restoring the vegetation with approved native plants in a way that will most benefit riparian and aquatic habitats. An approved revegetation plan is required as part of the Master

Development Plan. Revegetation needs and monitoring will be reviewed in annual operating plans for the Resort as well as for site-specific projects during the build-out of the Master Development Plan.

Resort build-out will minimize tree removal and will emphasize protection of existing large trees. Trees that need to be felled will be utilized, to the extent possible, as down woody habitat to improve both forest and aquatic ecosystems. Salvage of soil and plants is required.

Full Service and Camping Cabins

The Master Development Plan will include a mix of full service cabins and camping cabins. Alternative B proposed a mix of up to 6 full service cabins and up to 6 camping cabins. I believe this mix reduces impacts since the camping cabins are smaller, have additional flexibility in their placement, don't require construction of a foundation or construction and operation of as many new septic systems. I also believe this mix of full service cabins and camping cabins provides a balanced range of cabin experiences and prices.

All of the new full service cabins and camping cabins will be set back from Suttle Lake and Lake Creek by at least 100 feet to protect riparian vegetation and maintain shoreline function to contribute to attainment of the Northwest Forest Plan Aquatic Conservation Strategy. Camping cabins would be supplied with electrical power for light and heat to expand the season of safe and comfortable use. A centralized shower and restroom facility will serve the camping cabins.

As the 6 full service cabins are constructed, the existing camping cabins (there are currently 12 temporary camping cabins) will be phased out until the desired mix of up to 6 full service cabins and up to 6 camping cabins is achieved.

The Lodge

The Master Development Plan will include a new lodge that will be set back at least 100 feet from Suttle Lake. As described in Alternative B, the lodge will be a 2 story structure in the Cascadian design resembling the appearance of the most recent historic lodge that burned down in 1974. The Master Development Plan will allow it to be up to 10,000 square feet with a foundation and ground level footprint not to exceed 5,000 square feet.

I feel this scale of lodge provides the centerpiece dominant structure for the Resort that is consistent with the sense of place we are trying to restore. I feel it will provide visitors a spacious and comfortable lodge experience; more flexibility to utilize the lodge with changing needs over the future; provide greater economic viability for the permittee; and is still consistent with the Northwest Forest Plan Aquatic Conservation Strategy.

Maintenance Shop and Storage Area

The Master Development Plan will include a new maintenance shop and storage area north of the access road to Cinder Beach. This facility can also be used to provide employee parking and occasional overflow parking if needed.

Marina and Restaurant

No expansion of the footprint of the existing Marina and Restaurant is allowed in this Master Development Plan. Should the need to replace or rebuild the existing facility arise in the future, analysis and consideration will occur at that time as to its desired function and location.

The Master Development Plan will allow for the reconstruction and/or minor modification of the floating docks at the Marina in order to best serve the boat renting aspect of the recreational experience. Additional changes to the Marina and the services offered there, other than cosmetic improvements to the exterior consistent with the Cascadian design theme, are not anticipated or included in the Master Development Plan.

The Master Development Plan does not include a restaurant or kitchen facility in the new lodge. Any food served in the lodge will be prepared and served from the restaurant in the Marina.

In response to public comments, I have decided to remove the existing boat ramp at the Marina, which currently gets little use. This will provide an additional opportunity to restore riparian vegetation along Lake Creek. Three other developed boat ramps exist nearby on the lake at Blue Bay, South Shore, and Link Creek campgrounds.

Resort Roads, Parking and Trails

The Master Development Plan will include a redesign of the road, parking and trail system in the Resort as described in the EA for both Alternatives B and C. The construction and signing of the trail network within the Resort, and the construction of the boardwalks and viewing platforms is essential to achieving forest and riparian vegetation restoration objectives that contribute to the attainment of the Northwest Forest Plan Aquatic Conservation Strategy. The Master Development Plan will also include rerouting, signing and maintenance of the Suttle Lake Trail as it passes through and near the Resort. The trail will allow trail users to either travel around Cinder Beach and the Resort, or to directly access these facilities. Parking in the Resort will be as described for Alternative B in the EA.

Septic Systems

The Master Development Plan will include replacement of the existing septic tank and drain field systems to accommodate the lodge and cabins as described for Alternative B in the EA.

Interpretation and Environmental Education

The Master Development Plan will emphasize the rich opportunities available at the Resort for interpretation and environmental education. The location of Suttle Lake Resort and the number of visitors who travel by and through it, make it an exceptional place to provide interpretive and educational information. Topics may include prehistory and history, as well as the outstanding natural resources of the Suttle Lake Basin and Metolius River Watershed. The Master Development Plan will include a kiosk or other means to display interpretive and educational information. Environmental programs will be developed in partnership with the Resort, the Forest Service and others, and will compliment the interpretive and environmental programs offered to visitors in the Suttle Lake and Metolius Basin campgrounds

Monitoring Programs, Resource Protection, and Project Specific Design

The Master Development Plan will incorporate the monitoring requirements presented in the EA related to water (water quality, water table, and bridge/road construction), wildlife (Bull Trout, Kokanee, Redband Trout, Bald Eagles, Northern Spotted Owl), revegetation, noxious weeds, heritage resources, and scenic resources. This will assure that effects of Resort construction, restoration, and operation on these critical resources are tracked.

I emphasize monitoring programs because I want to be sure my commitment to the importance of monitoring specific key resources is understood and that the Master Development Plan, when finally approved by the Forest Service, details how the various types of monitoring will be implemented.

The Master Development Plan will provide a conceptual framework and guiding direction for the construction, restoration and operation of Suttle Lake Resort. Final site-specific design and engineering plans will be developed and reviewed prior to build-out of each component of the Master Development Plan. The Master Development Plan will provide the direction for on-going monitoring and mitigation activities at the Resort. Specifics are discussed in the EA on pg. 58-64.

Monitoring elements include:

- Water Quality
- Water Table
- Bridge/Road Construction- Best Management Practices (BMP's)
- Bull Trout, Kokanee, Redband Trout
- Bald Eagle
- Northern Spotted Owl
- Revegetation
- Noxious weeds
- Heritage Resources
- Scenic Resources
- Economic Viability

Implementation of the project will be coordinated by the Forest Service and the permittee. An approved Implementation Plan, accomplished yearly as part of the annual operating plan, will ensure that each phase of the build-out is consistent with my decision, the EA and the Master Development Plan. The Resort and the Forest Service will review and agree on an annual operating plan describing proposed development and operational activities at the Resort to ensure high priority components of the Master Development Plan are being accomplished on a yearly basis.

Performance Bond

Public comments on the project raised valid concerns about the uncertainty regarding economic viability of any business venture. In response, I will require performance guarantees to assure completion of all aspects of the required restoration, monitoring, and mitigation work.

Modifications to Alternative B

The following changes were suggested by the public and/or Forest Service Specialists during the comment period and will be implemented:

- The permittee will construct small viewing platforms off of the water on the western (lake) shore, rather than a boardwalk. This will allow protection and preservation of this intact riparian area while still providing good lake views for the visiting public.
- The permittee will impose a 10 pm noise curfew on resort guests, which is consistent with the noise policies at the Forest Service campgrounds on the lake.
- The permittee will provide light and sound screening between the new road alignment and the Methodists Youth Camp facilities. This will likely consist of planted vegetation.
- The boat ramp at the Resort will be removed. It currently gets little use and three other developed boat ramps are available nearby. This will provide an additional opportunity to restore riparian vegetation along Lake Creek.
- A Sign Plan will be developed and followed. Forest Service approved signs will be provided to better direct the public to the various Forest Service recreation facilities in the Suttle Lake Basin.
- The permittee will paint the existing cabin on Lake Creek so that it follows the design theme for the Resort in the Master Development Plan and so that it blends into the background as much as possible.
- Gasoline, diesel fuel, and propane will not be available for sale at the Resort, other than to the Resort's rental boats.
- If the need to replace or rebuild the existing Marina or two existing cabins arises, the need, desired function and location for those facilities will be analyzed and considered at that time.

Changes/Corrections to The Environmental Assessment

Several corrections and changes were made based on review of the EA by the public and Forest Service personnel.

- Cabin size is stated as 600 sq.ft on pg 50 and 55 of the EA and 790 sq.ft in Appendix 8. The number 790 is correct and is based on plans provided to the Forest Service by Suttle Lake Resort (1st floor=520 square feet, 2nd floor= 270 square feet).
- Number of people per lodge room is given as 2 on pg 55 and 4 on pg. 99. The number 4 is correct.
- The cumulative effects analysis on number of people using on-site liquid wastewater systems in the Suttle Lake area (Table 10, pg 75, 76), average year-round use is incorrect. The estimated use in people-days should read 5,292 for Alternative A (rather than 12,600), 23,040 for Alternative B (rather than 18,000) and 20,160 for Alternative C (rather than 18,000). The estimated change in use percentages for Alternatives B and C should be 24.6 and 20.6, respectively, rather than 6.8 and 6.8.

None of these changes affect the conclusions of the analysis.

REASONS FOR THE DECISION

My decision addresses both the short-term and long-term future of Suttle Lake Resort. In arriving at my decision, I carefully weighed many environmental and social issues reflecting core values that are at times in conflict with each other. Some issues are addressed in laws and policies, others are the focus of debates about the best way to balance human needs with what is best for the environment.

Issues that I considered in reaching this decision include:

1. The long-term goal for quality recreation opportunities on the Deschutes National Forest, including the type of experience the Resort should provide.
2. Whether there is a demonstrated need for a resort at Suttle Lake.
3. How the selected alternative responds to the sense of place, purpose and need, desired future condition, and
4. Issues and concerns raised and addressed in the Environmental Assessment.

Other considerations on how well Alternative B complies with relevant laws and policies are addressed later in this Decision Notice (see "[OTHER FINDINGS](#)").

I received many thoughtful comments from the public who spent considerable time and energy carefully reviewing the environmental assessment. These comments have shaped the multiple revisions of the alternatives addressed in previous EA's and this one in order to reduce the level of development, improve safety, strengthen accountability, protect water quality, and insure a better opportunity for long-term economic sustainability.

Providing Quality Recreation and Restoring Sense of Place

One prominent issue relates to trends in increasing demand for outdoor recreation, commensurate with

trends in population growth, across the nation and locally. The debate is over how to balance the ever-increasing demand for quality recreation opportunities with the need to protect, restore or enhance the quality of treasured natural resources in the Suttle Lake Basin.

The laws, regulations and policies to allow private resorts on National Forests to provide needed services to the public have been in place since 1915. Many of the recreation facilities found on the National Forest, such as stores, marinas, ski resorts, organization camps, and resorts are privately owned and operated under special use permit. These permittees help the Forest Service meet the demand for recreation services while providing important stewardship of special places and public education.

The location, beauty and resources of Suttle Lake Basin make it a special place where people have come for thousands of years. Suttle Lake Resort has been an integral part of this place, providing resort based recreation opportunities to the public for over 80 years. Many people have fond memories of the original Resort and they desire to see a similar experience re-created. However, there is a concern that reconstructing the historic Resort would result in unacceptable impacts to the resources and natural beauty of the basin.

Since the 1920s three different lodges have stood on this site; the first one burned down in 1929, the second one in 1939, and the third one in 1974. During the period between 1939 and 1974, the Resort consisted of a one and one-half story lodge (approximately 5,000 square feet). It included a restaurant, small store, reading and fireplace room and guest rooms. There was also a boathouse and marina, boat docks, 9-12 rental cabins and a gas station. Use of the Resort included boating, swimming, gathering at the lodge, dining, and staying in the cabins. During that period, there was no camping at the Resort.

The Resort from 1974 to the present has consisted of the boathouse and marina, boat docks, two (out of the original nine) rental cabins, and a 21-site campground that largely occupies an area that was formerly a day use and picnic area.

For many years now the Resort has struggled with deteriorating conditions, detracting from its quality as a special place for people to visit. The magnificent natural setting is also showing signs of wear and tear. For various reasons not directly related to the Resort, the waters of Suttle Lake and Lake Creek show signs of impaired quality. Many of the wildlife species dependent on healthy, late-successional forests, clean lakes and clean, free flowing rivers are at risk. However, these concerns are being addressed and work is in process to restore the health of our forests and the waters that flow from them.

Similarly, we now have an opportunity to restore the historic functions and "health" of the Suttle Lake Resort. The ultimate span of options are to let it continue to struggle and likely eventually fail, remove the Resort, or restore it for present and future generations of people to enjoy. This question is ripe for decision. The Resort has an owner and management who over the last few years have shown progress in turning the Resort around, which demonstrates the potential that with good management the Resort could provide a quality recreational opportunity to the public. The current Resort management has demonstrated that they have the vision, skills and economic ability to reconstruct and restore the Resort's

"sense of place".

I find that development under Alternative B, will contribute to public recreational opportunities, environmental restoration, and aesthetic quality at the Resort.

I have thought about the future of Suttle Lake Resort for several years. My decision is that it is appropriate to reconstruct and restore the Resort as long as it provides the public with a quality Resort-based experience on their National Forest, while contributing to the protection and restoration of the aquatic and terrestrial resources on the site.

Demonstrated Need

A key requirement in the Deschutes National Forest Plan is determining demonstrated need for a Resort development. I believe there are both a need and a niche for the restored Suttle Lake Resort.

As discussed above, both population and demand for outdoor recreation are growing nationally, regionally and locally. Recreation is the fastest growing use of National Forests across the nation. These trends alone indicate a need to provide additional quality recreation opportunities on the Forest.

Suttle Lake Resort is located so that it can efficiently supply recreation opportunities for this growing demand. The Resort is located adjacent to Highway 20, one of Oregon's busiest highways. Highway 20 is referred to as the gateway to Central Oregon, a popular recreation destination for millions of visitors each year, and every season of the year. Highway 20 is also part of the McKenzie Pass-Santiam Pass Scenic By-way, one of the State's most popular driving-for-pleasure routes.

Suttle Lake, the largest lake on the Sisters Ranger District, will continue to be an attraction to recreationists. The existing complex of recreation facilities and services around the lake attracts more recreationists to the Suttle Lake Basin than other areas on the Sisters Ranger District. The current recreation opportunities in the basin (outside of the Resort) include 4 campgrounds (with ample capacity to accommodate growing use), several organized camps, and a variety of day use activities (i.e. trails, fishing, boating).

The niche that is missing, particularly since the Blue Lake Resort (just west of Suttle Lake) closed to the public, is the opportunity to stay at a lodge or rent a cabin near a lake. A restored Suttle Lake Resort can fill that niche.

Another indication of demonstrated need is that visitation to the Resort has increased over the past several years with the recently improved services, including rental camping cabins, and improved appearance of the buildings and grounds. This has also improved the Resort's economic viability. Considering all these factors, I believe there is a demonstrated need for Alternative B. In addition, I find there is plenty of evidence to conclude that a well thought out reconstruction, restoration and enhancement of the Resort is an appropriate National Forest recreation opportunity to offer the public on

their National Forest, and a viable business venture for a privately owned and operated business under a Special Use Permit administered by the Forest Service.

How Alternative B Addresses Key Issues

In arriving at my decision, I considered the key issues evaluated in the EA, and weighed the advantages and disadvantages of each of the alternatives. Alternative B best addressed the combination of key issues, based on the following conclusions:

- Highway Safety - Alternative B, similar to Alternative C, best addresses the issue of safe access to the Resort with the new entrance road and bridge. In addition, half of the old entrance road from Highway 20 will be restored with vegetation, and half left open as an emergency exit. I find this action prudent in order to provide an additional escape or access route for emergency situations, such as a wildfire. Alternative A does not address the highway access safety issue satisfactorily.
- Water Quality - Alternative B, similar to Alternative C, adequately addresses the concerns about water quality and riparian restoration within the expanded 400 foot riparian reserve, based on the analysis of Aquatic Conservation Strategy Objectives of the Northwest Forest Plan and other analysis (see EA, pg. 79-84, 69-78). The analysis predicted the effects on water quality of either Alternative B and C are not measurable in the Suttle Lake area or cumulatively in the Metolius Basin. The difference of effects between Alternative B and C is also not measurable. Actions which will benefit the riparian reserve include: the 100 foot set back of new structures to protect riparian vegetation, lake shore, and stream banks; revegetation of forest and riparian areas within the 400 foot riparian reserve to restore function and structure; elimination of camping; changes in hazard tree management with emphasis on retention of wood in the reserve, controlled vehicle and pedestrian traffic through established roads, parking, trails and boardwalks to protect habitat; and new septic systems and monitoring of water quality and water table to protect adjacent surface waters and provide early detection of changes. The new entrance road and bridge across Lake Creek will not prevent attainment of the Aquatic Conservation Strategy or adversely impact the riparian and aquatic resources over the long term, and short term impacts will be mitigated. Alternative A does not address the water quality issue as well.
- Recreation - Alternative B best compliments the spectrum of recreation opportunities offered in the Suttle Lake Basin and surrounding area as described above under "[Demonstrated Need](#)". Reconstruction and restoration of the Resort will provide a lake-based Resort opportunity with lodge and rental cabins at affordable prices for the public.

The larger lodge I have selected will provide a spacious and comfortable setting for visitors with more flexibility to modify the use of interior space as future needs change. The mix of full service cabins (up to 6) and camping cabins (up to 6) should provide a balanced mix of cabin experiences and prices. These new facilities will be designed to be universally accessible to all types of visitors (meet American with Disabilities Act requirements). The reconstruction, restoration and enhancement of the Resort will also provide an extended season for overnight lodging in the area. The increase in use these facilities will allow should not be detectable to most

visitors in the area, since most of the increased use occurs in the winter. The lodge can also provide interpretive displays and environmental education.

I find that Alternative C does not provide as much additional capacity and flexibility of options to adjust to growing recreation demands over time as does Alternative B. And I find Alternative A is even less desirable in terms of the quality and quantity of facilities and services it offers, as well as the mix of opportunities it would provide when considering the other recreation opportunities already provided in the Suttle Lake area.

- Economics - Based on the information in the EA and further analysis performed in response to public comments, I find Alternative B provides the best opportunity for an economically viable and sustainable Resort operation, while still meeting resource concerns. I feel that the 10,000 square foot lodge and 12 cabins will improve the potential for greater long-term return on investment. To ensure public interest is protected should the Resort fail to perform successfully, a performance guarantee will be required as a condition of the Special Use Permit. Alternative C is slightly less economically viable, and Alternative A is even more at risk in terms of potential economic viability.
- Cinder Beach - Cinder Beach is not part of the permitted area for the Suttle Lake Resort and is not addressed by this Master Development Plan. However, in response to public comments I find it important to state that it is my intent that the Forest Service will continue to seek ways to maintain Cinder Beach as a free day-use area, and that we will also continue to seek opportunities to restore the CCC facilities near Cinder Beach in order to maintain and enhance this traditional and popular recreation experience. This goal would be similar for all of the Alternatives we considered for the Suttle Lake Resort Master Development Plan in this EA.

ALTERNATIVES CONSIDERED

The range of alternatives for the Resort has been under discussion with the public off and on since 1980, when the last approved EA was completed for the Resort, but not implemented. In the latest rounds of planning which began with the current permittee in 1990, a broad range of alternatives have been considered.

In 1991, a draft Environmental Assessment was completed with a variety of alternatives which provided a range of 5-20 cabins, full service or day lodge with restaurant, expanded moorage, and a full service campground with 21-30 spaces with RV hookups. The Environmental Assessment was not completed due to internal concerns and changes in key personnel.

In 1995, the Forest Service began scoping on a downscaled development with 8 new cabins, a lodge with 15 rooms, and 14 camping sites.

In 1998, a draft Environmental Assessment was sent to the public with the preferred alternative of 15 new cabins, a 10,000 square foot lodge with 15 rooms and a restaurant, a new store and interpretive center, and no campground. Because of public concern about the scale of the development, the analysis,

and potential environmental effects, the Ranger decided to revise the alternatives and assessment.

In 1999, another draft Environmental Assessment was issued with a preferred alternative of 12 full service cabins, a 10,000 sq ft lodge with 15 rooms, and a remodeled marina with restaurant. Due to continued public concerns about the scale of the development, and the need to incorporate additional plant and animal survey requirements the Ranger again decided to delay the decision until all surveys were completed and revise the alternatives and analysis.

In 2001, the draft environmental assessment considered, but did not analyze in detail, several additional alternatives:

Remove the Resort- An alternative was suggested and considered that involved removing the Resort from the site to address the concerns about potential impacts to water quality, the ability to meet the Northwest Forest Plan Aquatic Conservation Strategy Objectives, and about desires to change the recreation setting from developed to undeveloped. This alternative was not considered in detail for several reasons: 1) Analysis results have indicated that the proposed action and the alternatives to it can be designed to meet the Aquatic Conservation Strategy objectives and adequately address water quality concerns in Lake Creek and the Metolius Watershed. 2) Removal of the Resort would not be consistent with the Forest Plan recreation goals for providing a variety of recreation facilities and services to accommodate a growing number of visitors, and Forest Plan guidelines for forest resorts. National and local trends indicate an increase in demand for recreation services of this type, and there has been a cumulative loss of services of this type with the closure to the general public of the only other Resort operating in the Suttle Lake area (Blue Lake Resort). 3) Requests to consider this type of alternative were not broad-based. 4) This alternative would not be consistent with the Purpose and Need for the project.

Increased Level of Development- Previous Environmental Assessments (EA's) had action alternatives that had more development than the current alternatives. During public review there was broad response that the alternatives proposed too much development. These alternatives were dropped from further consideration in this analysis because of broad public feedback that they were too large in scale and not fitting, desirable, or feasible for the area.

Alternatives for New Access and Lake Creek Bridge Location- Several alternatives for improving access were considered early in the environmental analysis process, but were not analyzed in detail. One alternative was a turn lane on Highway 20. Oregon Department of Transportation said this alternative was not feasible due to the proximity to the existing Highway 20 bridge over Lake Creek. To put in a turn lane would require making the Highway bridge a four lane bridge. Another alternative considered was installation of signs and flashing caution lights on Hwy 20, but ODOT did not consider

this adequate to reduce the hazard. Other locations for an access road off of Hwy 20 were discussed but eliminated. In the 1998 EA the bridge and road were proposed as smaller, with only one lane. Concerns were raised about a one lane road meeting Fire Access standards.

The Forest Service then considered feasible locations for access across Lake Creek. There is approximately 1000 feet of Lake Creek below the Suttle Lake Dam and Highway 20 where a bridge crossing could be constructed. An alternative location, downstream about 50 feet, was considered since it would reduce impacts to a small flood channel. However, this location was eliminated from detailed analysis since it would result in more large trees being removed as well as higher bridge costs.

Alternatives for Managing Existing Camping or Not Adding Additional Facilities-The no action alternative considers managing the existing camping, not adding any facilities, as well as maintenance and rehabilitation of the site.

There were two other alternatives considered in detail (Alternative A and C) under this EA. They were not selected for the following reasons:

Alternative A (No Action) - This alternative did not adequately address any of the key issues. It did not improve safe highway access, or sufficiently enhance the variety or quality of recreation experiences, monitor water quality, or enhance economic viability for a Resort operation. The continuation of camping at the resort would make restoration of vegetation difficult and more limited.

Alternative C - This alternative did not address concerns about economic viability as well as Alternative B and provided fewer year-round recreation facilities. The expenses of running the operation would be almost the same as Alternative B, but income and profits would be less. The emphasis on camping cabins would result in a shorter season of use and less opportunities for year around cabin rental by the public.

PUBLIC INVOLVEMENT

Public participation on the latest planning began in the fall of 1995, initiated when the Forest Service sent out a Schedule of Proposed Actions newsletter requesting public input. This was followed by a letter to over 300 members of the public on December 4, 1995, and an article published in the local newspaper *The Nugget* (Sisters, Oregon) on December 13, 1995 and in *The Bulletin* (Bend, Oregon) on December 15, 1995. That EA planning process was delayed while waiting for a water table analysis and septic feasibility required by the Oregon State Department of Environmental Quality. That report was not completed until March 1997.

On April 14, 1998, an EA was completed and 208 letters and 32 EAs were sent out for public review and comment. The Forest Service received 30 letters and several phone calls with comments regarding

the EA. Most of the comments opposed some portion of the EA, mostly having to do with the type and scale of development. The District Ranger decided to withdraw the EA to re-address some of the public's concerns.

Next a scoping letter was mailed to over 300 people on September 14, 1998, announcing a public meeting to be held at Suttle Lake Resort on September 30, 1998. Concerns and comments were combined with previous public input to fully develop the issues related to the proposed action and alternatives for the Suttle Lake Resort and Marina.

A letter to update the public on the progress of the planning process was mailed on January 13, 1999 to 74 people who had requested to remain on the Suttle Lake Resort mailing list. The letter also invited them to a Sisters Ranger District Open House where information on the project and alternatives were available.

Newspaper articles were initiated from the January 13, 1999 update letter. The Bulletin (January 20, 1999 edition) featured an article on page 2 of the 'A' section. The Nugget (January 27, 1999 edition) covered the District Open House and mentioned the Suttle Lake proposed project.

On June 16, 1999 an EA was completed and released for public review and comment. The Forest Service received comments from 31 individuals.

In January and February of 2001, 5 articles on issues and aspects of the project were featured in the Nugget Newspaper. On April 30, 2001 letters notifying the public that the Environmental Assessment was available for comment were sent to 242 individuals. Public Notice appeared in the Nugget Newspaper and The Bulletin on May 2, 2001.

The Nugget Newspaper released 2 additional articles about the project asking for public comments on May 2 and 9, 2001 and had an article on the resorts history and proposed expansion in their Sisters Visitor's Guide which is available at local businesses and restaurants. The Oregonian featured an article asking for public comment on May 11, 2001. The Bulletin printed an editorial in support of the project on May 16, 2001. The Friends of the Metolius Spring Newsletter contained an article on the project inviting the public to comment with a 2 page table from the Environmental Assessment describing the alternatives.

The Forest Service received comments from 33 individuals on the 2001 Environmental Assessment.

FINDING OF NO SIGNIFICANT IMPACT (FONSI)

I have determined that this decision does not constitute a major Federal action, individually or cumulatively, that would significantly affect the quality of the human environment in the locality, affected interests, affected region, or society as a whole; therefore, an Environmental Impact Statement will not be necessary. Based on site-specific analysis documented in the EA, I expect no adverse impacts

resulting from implementation of this alternative.

All impacts are limited in scope and intensity and can be considered minor. This determination is based on the following factors:

1. Beneficial and adverse direct, indirect, and cumulative environmental impacts discussed in the EA have been disclosed within the appropriate context and intensity (EA pgs 65-108). Soil disturbance and removal from construction activities, possible localized, short duration sedimentation during construction of the bridge, and disturbance of a documented prehistoric site from installation of septic facilities. Impacts to the prehistoric site will be mitigated through data recovery. Sedimentation will be mitigated by the application of Best Management Practices.

The direct effects of Suttle Lake Resort redevelopment are limited to the immediate area although there are expected to be minor indirect effects on the recreation experience in the Suttle Lake Basin by a slight increase in year-round use in the area, especially winter lodging.

2. No significant adverse effects to public health or safety have been identified (EA, pg. 102). There will be beneficial effects to the safety of visitors both driving to the site, with the relocated access road, and evacuating the site, with the maintenance of the existing access road as an emergency access. Water quality will also be monitored.
3. There will be no significant adverse impacts to any unique characteristics of the geographic area such as cultural resources, parklands, prime farmlands, wetlands, wild and scenic rivers, or any other ecologically critical or sensitive areas.

Impacts to the prehistoric site in the project area may occur through any construction that requires deep (over about 3') excavation. The potential for these impacts have been evaluated, consulted with the State Historic Preservation Office, and mitigation measures have been developed.

No adverse effects to water quality are anticipated. Suttle Lake drains into Lake Creek, which then drains into the Metolius Wild and Scenic River. Any potential minor impacts to water quality (EA pg. 65-94) in either Lake Creek or the Metolius Wild and Scenic River from this action will be mitigated by the application of Best Management Practices (Appendix 10) and other mitigation, monitoring, and subsequent remedial actions as outlined on pg. 58-64 of the EA and on pg. 11 of the Response to Comments.

4. The implementation of this decision and the resulting effects to the human environment are not expected to be highly controversial (see Response to Comments, pg. 6-7). Though there are differing public values about reconstructing and restoring the Resort at this site, there is not expected to be scientific controversy about the types of effects.
5. Based on numerous lakeside resorts on National Forest lands in Pacific Northwest, and across the nation, the probable effects of this decision on the human environment, as described in the EA, are reasonably well known and do not involve unique or unknown risks (EA, pg.65-108).
6. This action does not establish a precedent for future actions or represent a decision in principle about a future consideration with significant effects.

7. This decision is made with consideration of past, present, and reasonably foreseeable future actions on National Forest land and other ownerships within potentially affected areas which could have a cumulatively significant effect on the quality of the human environment (EA, pg. 65-108). I find there to be no such adverse cumulative significance.
8. An intensive search for districts, sites, structures, objects, or other items listed or eligible for inclusion to the National Register of Historic Places in the potential area of effects has been completed. There are eligible sites. Consultation with the Oregon State Historic Preservation Office on these findings has been concluded and an approved mitigation plan to minimize adverse impacts has been developed (EA, pg 64).
9. The Biological Evaluation for the area indicates that the proposed project will have no significant adverse impacts on any Proposed, Endangered, Sensitive or Threatened plant, animal, or fish species, or Survey and Manage species (EA, pages 79-94). Monitoring will continue to track the Bald Eagle and Northern Spotted Owl activity in the area. Bull Trout monitoring will also continue as it has in the Metolius River and associated key spawning tributaries.
10. This decision is in compliance with relevant Federal, State, and local laws, regulations, and requirements designed for the protection of the environment (Response to Comments, pg 2, 9 and EA, pg. 14-19, 65-108). I find no evidence in the EA to suggest otherwise. Of particular concern with this project is the need to comply with Department of Environmental Quality requirements for septic systems (administered by the US Environmental Protection Agency (EPA), under rule 40 CFR part 503, and the State Department of Environmental Quality (DEQ), under Oregon Administration Rule 340). The State of Oregon and Jefferson County are responsible for permitting operation and maintenance of wastewater facilities. Rules and regulations by the DEQ have numerous stringent requirements, including monitoring, to ensure protection of the groundwater resource. Jefferson County building and land use regulations, Oregon Department of Transportation requirements for safe highway access, and Uniform Fire Code regulations will also be met.

Effects from this action will meet state and county water and air quality standards

The Special Use Permit (a license to have private facilities on National Forest lands) requires the permittee to comply with all present and future Federal, State, and County, laws, regulations, and ordinances.

OTHER FINDINGS

National Forest Management Act and Deschutes National Forest Plan

Alternative B is consistent with the goals, objectives, and direction contained in the Record of Decision for the Deschutes Land and Resource Management Plan (LRMP) including guidelines for special uses and intensive recreation, and accompanying Final Environmental Impact Statement dated August 27, 1990, as amended by the Record of Decision for Amendments to Forest Service and Bureau of Land Management Planning Documents within the Range of the Northern Spotted Owl (Northwest Forest

Plan), April 13, 1994, and as amended the Metolius Wild and Scenic River Plan (1997).

The Forest Plan for the Deschutes National Forest (Deschutes LRMP) provides direction for managing resort based recreation under special use permits through goals, objectives, standards and guidelines. I have carefully reviewed and considered them and believe that my selection of Alternative B helps to accomplish the goals and objectives in the Forest Plan and is in compliance with the associated standards and guidelines.

Specifically, Alternative B is consistent with Deschutes LRMP, as amended, based on the following:

- There is an emphasis on rehabilitation and maintenance of existing recreation sites, and on careful design and management of recreation developments adjacent to water in order to permit enjoyment of these sites by many people (Deschutes LRMP Record of Decision pg. 13).
- The Suttle Lake area is allocated and managed as Intensive Recreation, under the Deschutes LRMP, and as Administratively Withdrawn, under the NWFP. The Administratively Withdrawn allocation permits recreation developments as long as the goals and objectives of the Riparian Reserves and the Aquatic Conservation Strategy are not prevented from being achieved.
- The Desired Future Condition for recreation is to maintain an average of 40 - 45% occupancy rates at developed recreation sites, and to operate several Resorts during the winter as well as summer to meet increasing year round recreation (Deschutes LRMP pg. 4-4).
- The Intensive Recreation goal of providing a wide variety of quality outdoor recreation opportunities within a forest environment where the localized settings may be modified to accommodate large numbers of visitors (Deschutes LRMP pg. 4-135).
- The Intensive Recreation standards and guidelines M11-6, "facility complexes will be constructed and maintained to development levels 3 (moderately modified) through 5 (modern)", acknowledging and accepting modifications of sites to accommodate intensive recreation, while still emphasizing pleasing forest environments (Deschutes LRMP pg. 4-136); and M11-8, providing quality recreation facilities through privately provided recreation (Deschutes LRMP pg. 4-136),
- Riparian Area standard and guideline RP-36, manage recreation activities to prevent site deterioration within riparian areas (Deschutes LRMP pg. 4-65),
- Special Use standards and guidelines SU-17, authorizing special use permits where demand has been demonstrated; SU-20, incorporating as many needed public services as possible under existing permits; SU-40, designing Resorts to furnish services to those seeking Forest recreation; SU-41 developing a Management and Development plan for each Resort; SU-44, permitting the expansion of Suttle Lake Resort permit boundary; and SU-46, partnership agreements between the Forest and permittees for shared services, such as access roads (Deschutes LRMP pg 4-77).
- Attainment of Aquatic Conservation Strategy objectives is not prevented, and riparian reserve conditions are improved from the existing condition (NWFP, pg. B-11). The recommendations of the Metolius Watershed Analysis are followed, including expanding riparian reserve widths from 300 to 400 feet in the resort area. The riparian reserve is protected and restored by: a 100 foot set back of new structures to protect riparian vegetation, lake shores, and stream banks; revegetation of upland forest and riparian areas within the 400 foot riparian reserve to restore function and

structure; elimination of camping; controlled vehicle and pedestrian traffic through established roads, parking, trails and boardwalks to allow people to enjoy the area without adversely effecting vegetation or soil resources; changes in hazard tree management with emphasis on retaining downed wood in the riparian reserve; new septic systems and monitoring of water quality and water table to protect adjacent surface waters and provide early detection of changes, and the commitment to conscientious design. These actions ensure that the values of the riparian reserves and the objectives of the Aquatic Conservation Strategy can be obtained along with the planned reconstruction and restoration of the Resort.

- The Metolius Wild and Scenic River Plan (1997) identified high quality of water as one of the outstandingly remarkable values of the Metolius River. The selected alternative will not adversely impact the water quality in Suttle Lake, Lake Creek or the Metolius River. Vegetation restoration plans for the Resort will have a positive influence on downstream water quality. To ensure this, I am requiring that a system for monitoring both ground water and instream water be established. If monitoring detects adverse effects to Lake Creek or the Metolius River that can be related to the Resort, remedial action will be developed and implemented as a term and condition of the Special Use Permit.

Clean Water Act

Due to high water temperatures, Lake Creek is on the State's list of water quality impaired streams (Section 303d of the Clean Water Act). Water quality in Suttle Lake has also been of concern and studied for many years. The planned redevelopment of the Suttle Lake Resort will not have an adverse effect on water quality in either Suttle Lake or Lake Creek. Nonetheless, the water quality monitoring I am requiring will help track water quality trends and indicate if corrective action needs to be taken.

Executive Order 13186, Responsibility of federal Agencies to protect Migratory Birds

The proposed actions will not result in an intentional take of migratory birds.

Trust Responsibilities for the Confederated Tribes of Warm Springs

Discussions about the proposed project with the Confederated Tribes of Warm Springs indicated that a primary concern with the Tribes was that water quality in the Metolius River not be adversely affected. Based on the information in the EA, I find that water quality in the Metolius River will not be adversely affected as a result of this project. There will be a water quality monitoring system and a commitment to take corrective action if water quality issues related to Suttle Lake Resort are detected.

Cultural Resource monitoring is also coordinated through the Confederated Tribes of Warm Springs and the State Office for Historic Preservation.

APPEALS AND IMPLEMENTATION

This decision is subject to administrative appeal.

Organizations or members of the general public may appeal this decision according to Title 36 Code of Federal Regulations (CFR) Part 215.

The appeal must be filed within 45 days of the date that legal notification of this decision is published in The Bulletin, the official paper of record. The notice must be filed with:

Regional Forester
Attn.: 1570 Appeals
USDA Forest Service
P.O. Box 3623
Portland, OR 97208-3623

It is the responsibility of those who appeal a decision to provide the Regional Forester sufficient written evidence and rationale to show why the decision by the Forest Supervisor should be changed or reversed. The written notice of appeal must:

1. State the document is a Notice of Appeal filed pursuant to 36 CFR part 215;
2. List the name, address, and if possible, the telephone number of the appellant;
3. Identify the decision document by title and subject, date of decision, and name and title of the Responsible Official;
4. Identify the specific change(s) in the decision that the appellant seeks or portion of the decision to which the appellant objects;
5. State how the Responsible Official's decision fails to consider comments previously provided, either before or during the comment period, and, if applicable, how the appellant believes the decision violates law, regulation, or policy.

For further information, contact:

Maret Pajutee
Sisters Ranger District
P.O. Box 249
Sisters, OR 97759
Phone (541) 549-7727

/s/ Rebecca Heath for

LESLIE A.C. WELDON

Date: July 26, 2001

Forest Supervisor

[Deschutes and Ochoco National Forests Website](http://www.fs.fed.us/centraloregon/manageinfo/nepa/documents/sisters/suttlelake/suttlelakedn.html)

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Last Update: 8/8/01

R.A. Jensen