



ENVIRONMENTAL ASSESSMENT SANITATION IN SUBDIVISIONS ACT

August 13, 2026

**Engineering Bureau
Water Quality Division
Montana Department of Environmental Quality**

PROJECT/SITE NAME: Territory 1889 – Phase 1 (Formerly named Flathead Lake Club Subdivision – Phase 1)

APPLICANT: Flathead Friends, LLC

PROPOSED PERMIT/LICENSE NUMBER: EQ#26-1579/1590

LOCATION: A tract of land located in S29 and S30, T26N, R20W, P.M.M., Flathead County, MT

PROPERTY OWNERSHIP: Private

Special Notes:

1. In this document, the term "Phase 1" refers to Phase 1 of the Flathead Lake Club development, not the Lakeside WSD Phase 1 discharge permit.
2. The developer asked that the name be changed to "Territory 1889" in the final approval documents. The terms Flathead Lake Club and Territory 1889 are used interchangeably in this document.
3. The initial application and EA described the development as having 80 lots. Subsequent developer changes to the plans resulted in one less lot, or 79 total lots.

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OVERVIEW OF PROPOSED ACTION

1.1 DEQ AUTHORIZING ACTION

In accordance with the Montana Environmental Policy Act (MEPA), 75-1-102, Montana Code Annotated (MCA), Montana agencies are required to prepare an environmental review for state actions that may have an impact on the human environment. During the 2025 legislative session, Senate Bill 262 was passed which exempted subdivision sanitation approvals from a mandatory MEPA environmental review requirement, meaning a formal MEPA document is no longer automatically required for projects of this type. For this project, however, and in light of substantial public interest, the Montana Department of Environmental Quality (DEQ) has elected to complete a MEPA Environmental Assessment (EA) on a discretionary basis to inform the public of anticipated impacts and to assist DEQ in better understanding potential environmental implications during its legal and technical review of the Proposed Action.

The Proposed Action, described in Section 1.3 below, is considered a state action that may have an impact on the Montana environment and, therefore, DEQ has prepared an environmental review. This EA examines the Proposed Action and alternatives to the Proposed Action and discloses potential impacts that may result from the Proposed Action and alternative actions. DEQ will determine the need for additional environmental review based on consideration of the significance criteria set forth in Administrative Rules of Montana (ARM) 17.4.608.

1.2 DESCRIPTION OF DEQ REGULATORY OVERSIGHT

DEQ's subdivision review excludes impacts related to the subdivision as a whole, which fall under county actions such as zoning, platting, and planning, when applicable. *Mont. Wilderness Ass'n v. Bd. of Health & Env'tl. Sciences*, 171 Mont. 477, 559 P.2d 1157 (1976). Under MEPA, DEQ must take a "hard look" at the environmental impacts of its actions. *Bitterrooters for Planning, Inc. v. Montana Dep't of Env'tl. Quality*, 2017 MT 109. However, the scope of that analysis is tied to DEQ's legal authority and discretion under the governing statutes, and MEPA does not require an agency to analyze environmental impacts that it cannot avoid or mitigate through the lawful exercise of its authority. *Id.*; *Belk v. Mont. Dep't of Env'tl. Quality*, 2022 MT 38.

Accordingly, the extent of DEQ's MEPA review for this Proposed Action is limited to the direct, secondary, and cumulative impacts relating to water supply, wastewater, and stormwater facilities that DEQ has authority to approve and condition under the Sanitation in Subdivisions Act, Public Water Supply Act, and related water and wastewater statutes. This EA evaluates the environmental impacts of DEQ's decision whether to issue a Certificate of Subdivision Approval (COSA) for the Phase 1 water supply, wastewater collection, and stormwater management facilities described in Section 1.3. The COSA addresses only the adequacy of water supply, sewage disposal, and storm drainage systems for the subdivision lots; it does not approve the subdivision plat itself or any other aspects of land development.

Subdivision design, land use, and associated improvements such as home construction, internal roads, grading, and other site development are regulated and approved under the Montana Subdivision and Platting Act and applicable local regulations by Flathead County and other local and state agencies. Preliminary plat approval for the Flathead Lake Club Subdivision, including Phase 1, was granted by the Flathead County Board of Commissioners under that separate authority on August 21, 2025, and final platting and related conditions are administered through the county's processes. Those broader subdivision decisions such as the number and configuration of lots, roadway alignments, and building envelopes are outside DEQ's jurisdiction and are not analyzed in this EA.

Accordingly, this EA does not evaluate or authorize the overall subdivision development, home construction, road building, or other non-sanitary improvements. Its analysis is confined to the three sanitary infrastructure components for which DEQ approval is required; public water supply and distribution system, wastewater collection, and stormwater management, and to the extent those components may affect human health and the environment.

SANITATION IN SUBDIVISIONS ACT

DEQ implements the Sanitation in Subdivisions Act of Montana, overseeing the development of Subdivisions and associated facilities. Its responsibilities include regulating water supply, sewage disposal, and the potability of public and domestic water supplies, as well as protecting water quality for other beneficial uses (76-4-101, *et seq.*, MCA). Rules promulgated pursuant to the sanitation laws are adopted in ARM Title 17, Chapter 36. DEQ reviews subdivisions only to determine the adequacy of water, sewage, solid waste, and storm drainage systems. Circular DEQ-8: *Montana Standards for Subdivision Storm Water Drainage* establishes design standards for subdivision stormwater facilities.

MONTANA PUBLIC WATER SUPPLIES, DISTRIBUTION, AND TREATMENT LAWS

DEQ implements the Public Water Supplies, Distribution, and Treatment Laws, reviewing public water and wastewater systems pursuant to 75-6-101, *et. seq.*, MCA. Rules promulgated pursuant to the Laws are adopted in ARM Title 17, Chapter 38, Sub-chapter 1. Circular DEQ-1: *Standards for Water Works* is adopted and incorporated by reference into ARM 17.38.101 (22) and imposes design requirements for public water supply systems. Circular DEQ-2: *Design Standards for Public Sewage Systems* is adopted and incorporated by reference into ARM 17.38.101 (22) and imposes design requirements for sewage works.

MONTANA WATER QUALITY ACT

DEQ administers the Montana Water Quality Act, issuing Montana Ground Water Pollutant Control System (MGWPCS) discharge permits pursuant to 75-5-4, *et seq.*, MCA. Regulations governing MGWPCS permitting are codified at ARM Title 17, Chapter 30, Sub-chapter 10.

1.3 PROPOSED ACTION

DEQ's Proposed Action is to issue a Certificate of Subdivision Approval (COSA) under the Sanitation in Subdivisions Act, together with any associated plan approvals under the Public Water Supply laws, for the water supply, wastewater collection, and stormwater management facilities that would serve Phase 1 of the Flathead Lake Club Subdivision. The COSA, if issued, would authorize construction and operation of the sanitary facilities described below, subject to applicable conditions. The COSA does not approve the subdivision itself, which received Preliminary Plat approval from the Flathead County Board of Commissioners on August 21, 2025, under separate local authority.

Phase 1 of the Flathead Lake Club Subdivision encompasses 79 residential lots, approved by Flathead County on August 21, 2025 ranging from approximately 1 to 12 acres in size, together with associated open space parcels, roads, and utility infrastructure, located on a tract of land located in Sections 29 and 30, T26N, R20W, P.M.M., Flathead County, Montana. Only the Phase 1 sanitary facilities are the subject of this EA and DEQ's decision. Any future phases requiring separate DEQ review and approval would be analyzed at that time. In this EA, the term "Phase 1" refers to Phase 1 of the Flathead Lake Club and not Phase 1 of the Lakeside County Water and Sewer District (LCWSD) wastewater treatment system upgrade.

The sanitary facilities proposed for Phase 1 consist of three primary components:

1. *Public Water Supply and Distribution System.* Three public water supply wells (two existing wells, PWS-1 GWIC 237308 and PWS-2 GWIC 237309, and one new well, PWS-3 GWIC 337457), a pump station, a water storage tank, and associated transmission and distribution mains are proposed to serve the 79 Phase 1 lots. The wells would pump to a storage tank, and a booster pump would distribute water through the Phase 1 distribution system to the individual lots. The storage tank volume and distribution main sizing are designed to meet both domestic water-demand and fire-flow requirements, with hydrant locations and fire-flow capacity coordinated with the Somers–Lakeside Fire Department. The water system is designed in accordance with Circular DEQ-1 and would be established as a new community public water supply system with its own system identification number, separate from the existing LCWSD public water system (PWS ID MT0000266). Ownership, operation, and maintenance of the Phase 1 public water supply system are proposed to be transferred to LCWSD as a condition of approval. LCWSD is responsible for any certifications required by MCA 76-4-130, including the existence of an appropriate water right for subdivision connections. Once transferred, ongoing operation and maintenance costs (including power for the wells and booster pump, and routine tank and watermain maintenance) would be handled by LCWSD.
2. *Wastewater Collection System.* The wastewater collection system will generally consist of gravity sewer mains, manholes, gravity service connections, and two low-pressure force mains serving individual grinder pump service connections. The system would collect wastewater from Phase 1 lots and convey it via an offsite sanitary sewer connection (EQ# 26-1187) to the existing LCWSD collection system and wastewater treatment facility (WWTF). The sewer system is designed in accordance with Circular DEQ2. Under the Wastewater and Water Service Agreement between the Applicant and LCWSD dated March 21, 2025, wastewater from the 79 Phase 1 lots would be conveyed to and treated at the existing LCWSD WWTF. DEQ's March 28, 2025, Lakeside Wastewater Treatment System Capacity Analysis concluded that, based on lagoon storage capacity, winter influent flows, and existing commitments, the LCWSD WWTF had 54,423 gallons per day of remaining capacity, equivalent to 228 additional EDUs at 230 gallons per day per EDU. An updated LCWSD capacity summary dated April 27, 2026, shows that, after the 79 Phase 1 lots and other commitments issued since March 28, 2025, approximately 15,393 gallons per day of treatment capacity (about 67 EDUs) remained available, without requiring capacity expansion for Phase 1. No separate groundwater discharge from the Phase 1 wastewater system is proposed, and no Montana Ground Water Pollutant Control System (MGWPCS) permit is required for this project, as treated wastewater will be processed at the existing LCWSD facility under its existing permits and authorizations.
3. *Stormwater Management System.* On-site stormwater management facilities, including roadside swales, culverts, natural drainage pathways, and detention and retention basins, designed to manage stormwater runoff from Phase 1 in accordance with Circular DEQ-8: *Montana Standards for Subdivision Storm Water Drainage*. The stormwater system is designed to limit post-development off-site discharge quantities to pre-development conditions. Phase 1 stormwater facilities include twelve on-site detention/retention ponds, natural drainage ways, and swales and culverts as outlined on the DEQ-8, 2.3.1 General Layout. Detention and retention ponds are constructed basins designed to capture and reduce runoff to pre-development rates in accordance with Circular DEQ-8. The ponds would also serve to capture and treat stormwater to reduce sediment runoff from the development. The ponds would be constructed where runoff naturally occurs, allowing existing drainageways to be maintained and minimizing disturbances and erosion. Where natural drainages are crossed by a roadway, culverts crossing would be required. Additional stormwater facilities depicted on the Stormwater General Layout (SWGL-1) that serve future phases of development are not part of this Proposed Action and are not authorized under this COSA.

Two figures relied on in this EA are included as separate attachments due to their large file size. **Figure 1** depicts the general Flathead Lake Club location and surrounding areas. **Figure 2, included as an attachment,** depicts the Flathead Lake Club Phase 1 Lot Layout. **Figure 3, included as an attachment,** depicts the DEQ-8 2.3.1 Flathead Lake Club Storm Water General Layout. **Figure 4** depicts the USGS NHD Map of surface water in or near the approximate Phase 1 analysis area.

TABLE 1: SUMMARY OF ACTIVITIES PROPOSED IN APPLICATION

Summary of Activities Allowed by the Proposed Action	
General Overview	The Proposed Action is for the Montana DEQ to issue a Certificate of Subdivision Approval (COSA) and associated public water supply, wastewater, and stormwater plan approvals for Phase 1 of the Flathead Lake Club Subdivision in Flathead County. Phase 1 consists of 79 residential lots, associated open space, roads, and utility corridors located on a tract of land located in Sections 29 and 30, T26N, R20W, P.M.M., Flathead County, Montana, with DEQ's decision and environmental review limited to sanitary facilities rather than the subdivision itself, which received separate preliminary plat approval from Flathead County. The sanitary facilities include: (1) a public water supply system consisting of three public water supply wells (two existing wells, GWIC 237308 and 237309, and one new well PWS-3), a pump station, water storage tank, and associated transmission and distribution mains designed in accordance with Circular DEQ-1 to provide both domestic supply and required fire flows via hydrants, ; (2) The wastewater collection system will generally consist of gravity sewer mains, manholes, gravity service connections, and two low-pressure force mains serving individual grinder pump service connections that conveys flows via an off-site connection (EQ 26-1187) to the existing LCWSD wastewater treatment facility for treatment and disposal under the District's existing permits; and (3) an on-site stormwater system consisting of roadside swales, culverts, natural drainage pathways, and detention/retention basins designed to Circular DEQ-8 to maintain post-development discharge rates at or below pre-development conditions and maintained by Territory 1889 Association, LLC. As a condition of approval, the public water supply system would be transferred to the Lakeside County Water and Sewer District (LCWSD) for ownership and long-term operation.
Duration and Hours of Operation	Duration: Construction of the Phase 1 sanitary facilities would be temporary and limited to the construction period for installing the water, wastewater, and stormwater systems, but the construction schedule for the Phase 1 sanitary facilities is unknown at this time. DEQ's plan and specification approvals for the Phase 1 sanitary facilities would remain valid for up to three years from the date of approval, consistent with applicable subdivision sanitation rules. Once constructed, the Phase 1 water, wastewater, and stormwater systems are intended to function as permanent infrastructure serving the subdivision for the life of the development. Hours of Operation: Construction activities are expected to occur during normal daytime construction hours. After construction, the sanitary facilities would operate continuously, with periodic inspection and maintenance performed by LCWSD or its system operator.

Estimated Disturbance	Construction of Phase 1 sanitary facilities (public water supply wells, pump station, storage tank, water and sewer mains, and stormwater basins and swales) would disturb ground within subdivision utility corridors and designated facility sites. Although DEQ's Sanitation in Subdivisions Act review does not extend to road construction itself, the 26 foot wide roadway corridors where utilities are located—approximately 763,750 square feet (about 17.5 acres) across roughly 29,375 linear feet of road—are used as a conservative approximation of the maximum area where trenching for buried mains and adjacent stormwater swales could occur. DEQ based its roadway assumptions on the Kimley Horn and Associates, Inc., Paving Plan Key Map prepared for the Flathead Lake Club. The primary ground disturbance within DEQ's review scope is associated with roadside stormwater swales and other stormwater facilities, which are typically about 6 feet wide outside the road prism and occur on one or both sides of the road depending on topography, together with the tank and booster pump station site (about 20,000 square feet, or 0.46 acres) and the three public water supply well sites (about 7,000 square feet, or 0.16 acres each). In total, sanitary and associated utility construction for Phase 1 is expected to disturb on the order of approximately 18–20 acres, focusing on excavation for buried water and sewer mains, stormwater swales, well sites, and the tank and pump station site, rather than the full scope of road or individual lot construction. Disturbed areas within the sanitary review area would be regraded and revegetated consistent with applicable erosion control and weed management requirements.
Construction Equipment	The type and number of equipment necessary to complete construction will be determined by the contractor selected to perform the work and is unknown at this time. The following is a list of construction equipment typically used for the type of work included in the proposed action. - Backhoe - Boom truck - Dozer - Dump truck - Excavator - Front end loader - Light duty passenger trucks - Skid steer - Water truck - Small Trencher - Concrete truck - Concrete pumper
Personnel Onsite	The applicant has stated that construction of the Proposed Action Phase 1 sanitary facilities is expected to create approximately 30 temporary construction jobs, including contractors for installation of the public water supply wells, water distribution mains, stormwater facilities, and sanitary sewer infrastructure. It is unknown how many personnel may be on site at any one time. Following construction, the Proposed Action would require ongoing operation and maintenance by LCWSD personnel, either through a small increase in existing staff workload or a minor number of additional positions, but no substantial permanent employment changes are anticipated.

Location and Analysis Area	Location: A tract of land located in Sections 29 and 30, Township 26 North, Range 20 West, P.M.M., Flathead County, Montana, on private property outside the incorporated limits of Lakeside. Analysis Area: The area being analyzed as part of this environmental review includes the immediate project area, as well as neighboring lands surrounding the analysis area, as reasonable and appropriate for the impacts being considered. Figures 1-3 depict the Proposed Action location, and the analysis area for each individual resource analyzed in this EA is scaled for that resource being considered.
The applicant is required to comply with all applicable local, state, and federal requirements pertaining to the following resource areas:	
Air Quality	Construction would generate short-term exhaust from worker vehicles and heavy equipment and fugitive dust from excavation, grading, and soil handling. The applicant proposes to minimize air quality impacts from travelled and disturbed areas through dust abatement measures and best management practices (BMPs), more fully discussed in the Air Quality section below. During operation, only minor traffic would occur from ongoing maintenance and operations activities of LCWSD staff. The project area is not located within a maintenance area or Class I airshed. Air quality impacts, including construction related dust, are expected to be minor.
Water Quality	The applicant proposes to minimize impacts to water quality through centralized water, wastewater, and stormwater infrastructure designed and reviewed under applicable DEQ and Flathead County requirements. The Phase 1 sanitary facilities are located upslope and landward of Flathead Lake, outside any mapped floodplain, lakeshore protection zone, or County-designated wetland and riparian “No Build Zones”. Construction phase trenching, excavation, and grading could temporarily increase erosion and sediment transport, but these short-term impacts would be addressed through the required construction stormwater permit and SWPPP, including BMPs to limit sediment discharge and protect nearby surface waters, including Flathead Lake. Following construction, the public water supply system would provide potable water meeting drinking water standards. DNRC’s groundwater analysis indicates adequate supply for Phase 1, wastewater would be conveyed to the existing LCWSD WWTF with remaining capacity, and stormwater facilities designed to Circular DEQ-8 standards would manage runoff and limit post-development discharge rates. With centralized collection and treatment of wastewater, DEQ-compliant stormwater controls, and a lack of wetlands or perennial streams in the Phase 1 footprint, water quality impacts from the Phase 1 sanitary facilities are expected to be minor and not significant within DEQ’s scope of review.
Soils, Vegetation, Erosion Control and Sediment Transport	The applicant proposes to reduce erosion and sediment transport associated with construction of the Phase 1 sanitary facilities. Since the Proposed Action involves disturbing soil over an area greater than 1 acre, the applicant must obtain coverage under the Montana Pollutant Discharge Elimination System (MPDES) General Permit for Storm Water Discharges Associated with Construction Activity (MTR100000). That permit requires preparation and implementation of a Storm Water Pollution Prevention Plan (SWPPP) that includes erosion and sediment controls such as silt fence, stabilized construction entrances, temporary seeding or mulching, and other BMPs appropriate to site conditions.

	The permanent stormwater infrastructure for Phase 1, including roadside swales and detention and retention basins, is designed in accordance with Circular DEQ-8 to control runoff and limit post development discharge rates, which is expected to reduce erosion potential and protect water quality over the long term. Additionally, Circular DEQ-8 requires stormwater infrastructure to be designed to capture and infiltrate, or treat, the runoff from the development to limit off-site transport of sediment and pollutants. Construction of Phase 1 sanitary and associated utility facilities is expected to disturb on the order of 18–20 acres within roadway utility corridors, stormwater swales, and designated facility sites, including the well sites and tank/booster pump station area. Disturbed areas within the sanitary review area would be regraded and revegetated with an appropriate weed-free seed mix to reestablish perennial vegetative cover and reduce the potential for erosion and noxious weed spread, consistent with county and state weed control requirements. With implementation of the construction phase SWPPP and the long-term DEQ-8 stormwater controls, vegetation impacts and erosion risk associated with the Proposed Action are expected to remain limited in extent and duration.
Terrestrial, Avian, and Aquatic Life	The Phase 1 sanitary infrastructure footprint is located on the eastern portion of the Flathead Lake Club property, within a mixed conifer forest that has been historically managed for timber production. The project area provides habitat for a variety of common wildlife species including white-tailed deer, mule deer, elk, black bear, and numerous migratory and resident bird species. Three federally listed or proposed species — grizzly bear, Canada lynx, and North American wolverine — have potential to occur in the broader region given the property's adjacency to Flathead National Forest and State lands to the west, though no documented occurrences of these species were identified within the project area by Montana Natural Heritage Program spatial data. The Phase 1 sanitary facilities consist of subsurface and roadway-corridor infrastructure that would not permanently displace wildlife habitat beyond the construction disturbance footprint, and disturbed areas would be revegetated following construction. Impacts to wildlife and aquatic habitats from the Phase 1 sanitary facilities are expected to be minor and not significant.
Cultural Resources	No properties listed in or formally determined eligible for listing in the National Register of Historic Places were identified within the area of potential effect for the Proposed Action, based on file review and coordination with the State Historic Preservation Office (SHPO). If previously unknown cultural or paleontological materials are encountered during construction, SHPO requests that it be notified so that appropriate evaluation and avoidance or mitigation measures can be developed, as applicable. With these procedures in place, impacts to cultural and historic resources from the Proposed Action are not anticipated to be significant.
Solid Waste and Hazardous Substances	Construction of the Phase 1 water, wastewater, and stormwater facilities would generate typical construction debris and small quantities of fuels and lubricants for equipment. These materials would be managed and disposed of in accordance with applicable local, state, and federal requirements, and no onsite treatment or disposal of hazardous waste is proposed. During operation, wastewater from the Phase 1 lots would be conveyed to the existing LCWSD WWTF under its separate permits, and the

sanitary facilities reviewed in this EA are not expected to generate or discharge hazardous wastes.

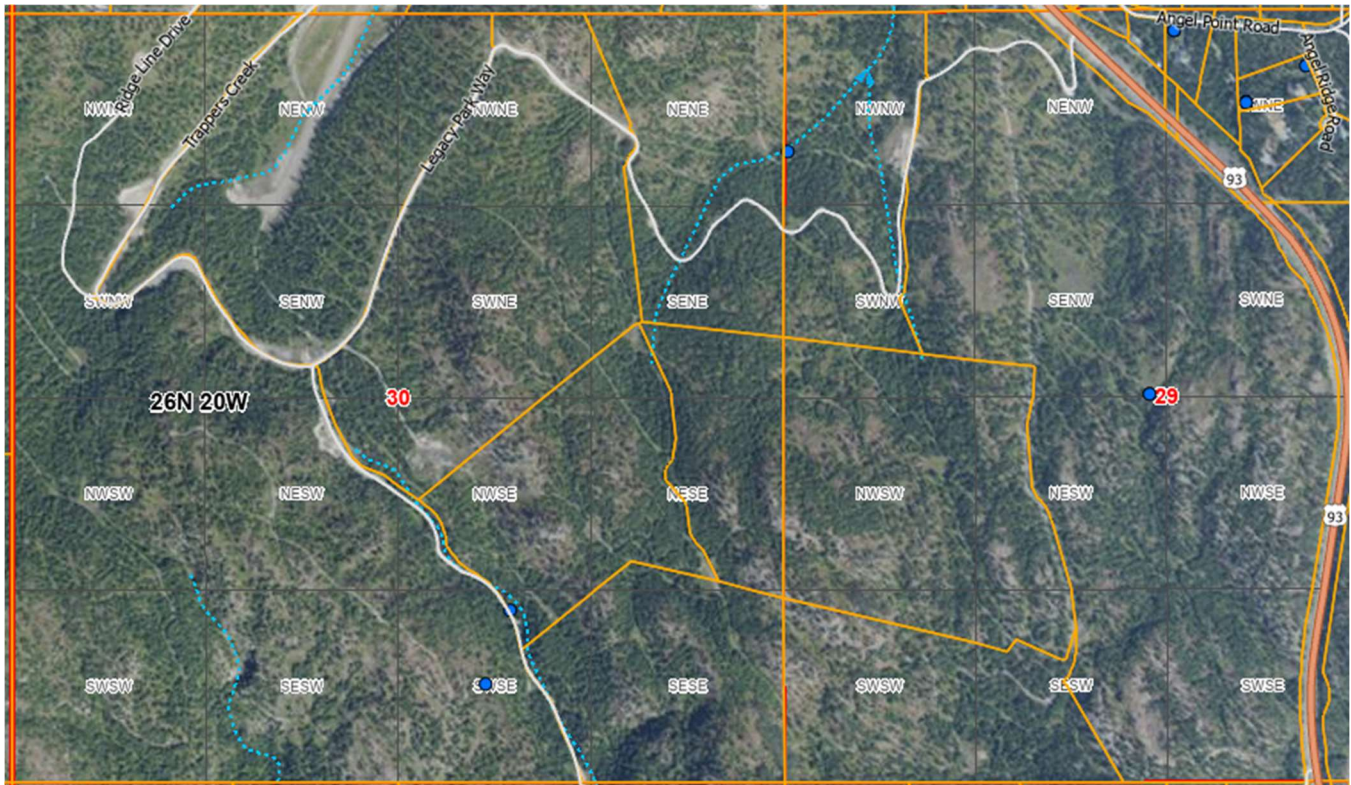


Figure 1. General Flathead Lake Club location and surrounding areas

Cumulative Impact Considerations	
Past Actions	Two existing groundwater wells, identified as GWIC 237308 and GWIC 237309, were drilled in 2007 on the project property, but were not connected to a public water system at that time. These wells are now proposed to be incorporated into the Phase 1 public water supply system, together with one new well (PWS-3), a pump station, water storage tank, and associated transmission and distribution mains. Historical land uses in the general area include timber harvest, existing residential development, Highway 93, and existing LCWSD water and wastewater infrastructure serving the Lakeside area. Since 2003, the Lakeside/Highway 93 corridor near the project area has seen multiple rural residential subdivisions, including the Amended Plat of Lot 2 of Fischer Estates, Eagle Development Phases II and III, Timber Rock Estates, and Angel Point Meadows, resulting in ongoing land disturbance, additional impervious surfaces, and increasing housing density in the vicinity of the Proposed Action.
Present Actions	The present action is DEQ's review of a Certificate of Subdivision Approval and associated plan approvals for Phase 1 sanitary facilities serving 79 residential lots, including the public water supply system, water distribution system, gravity wastewater

	collection system, off-site sewer connection to LCWSD, and on-site stormwater facilities. In addition, LCWSD has submitted a separate application to DEQ for upgrades to its WWTF, which DEQ is currently reviewing. Those District upgrades are intended to increase long-term treatment capacity and reliability for the broader service area. The record for this EA shows that Phase 1 does not require those upgrades because the existing LCWSD WWTF has documented available capacity to accept Phase 1 flows under the Wastewater and Water Service Agreement and DEQ’s 2025 capacity analysis, with the District’s April 27, 2026 capacity summary continuing to show remaining available capacity.
Related Future Actions	No related future actions have been identified at this time. Any future phases of the Flathead Lake Club development would require separate review and approval at the time they are proposed.

1.4 PURPOSE, NEED, AND BENEFITS

The need for the Proposed Action arises from statutory and regulatory requirements. Under the Sanitation in Subdivisions Act (Title 76, chapter 4, MCA) and the Public Water Supplies, Distribution, and Treatment Laws (Title 75, chapter 6, MCA), DEQ must review and act on applications for the water supply, wastewater, and stormwater systems that serve proposed subdivisions. The Applicant has submitted applications for a COSA and associated plan approvals for the Phase 1 sanitary facilities. DEQ must decide whether to approve these applications, with conditions as appropriate, to ensure the proposed facilities are designed and operated in a manner that protects the quality and potability of water for public water supplies and domestic uses and protects water quality for other beneficial uses, including agriculture, industry, recreation, and wildlife. DEQ’s authority under the Sanitation in Subdivisions Act is limited to evaluating “whether there is enough water, whether it is clean, whether other waters’ cleanliness will be affected, and whether the systems are adequately designed.” *Upper Missouri Waterkeeper v. Broadwater County*, Cause No. BDV-2022-38, Order at 50 (1st Jud. Dist. Feb. 14, 2024). DEQ does not have authority over water rights (which are governed by DNRC under Title 85, chapter 2, MCA), land-use planning, zoning, density, road design, fire protection, or other aspects of subdivision development that fall under local or other state/federal jurisdiction.

The Applicant’s purpose in seeking this approval is to obtain the COSA and associated authorizations necessary to construct and operate the public water supply system, wastewater collection system, and stormwater infrastructure to serve Phase 1 of the Flathead Lake Club Subdivision.

This EA addresses DEQ’s decision on the COSA and associated plan approvals for the Phase 1 water, wastewater, and stormwater facilities. The broader Flathead Lake Club development, including buildout of future phases and other amenities, will be reviewed under separate permitting processes. Future phases of the development that require DEQ approval will be subject to independent MEPA review at the time of application, if a MEPA review is required under applicable rules.

1.5 GOVERNMENTAL AGENCIES WITH OVERLAPPING OR ADDITIONAL JURISDICTION

The proposed action is located on private land. All applicable local, state, and federal rules must be adhered to, which may also include other local, state, federal, or tribal agency jurisdictions.

Other governmental agencies with overlapping or additional jurisdiction include but may not be limited to:

Agency – Jurisdiction

Flathead County Address Coordinator – Road Names, house numbers
Flathead County Air Pollution Control Program – Dust Control Plan
Flathead County Planning and Zoning – Final Platting
Flathead County Commissioners – Final Platting
Flathead County Roads & Bridges Department – Review of on-site road design/construction
Flathead County Weed Department – Revegetation Plan, Weed Control Plan
Flathead City-County Environmental Health Department – water, wastewater, and stormwater
Lakeside County Water and Sewer District – Design construction and operation of water/sewer utilities.
Somers-Lakeside Fire Department – Road, utility, fuels reduction review, final plat review
Montana Department of Natural Resources and Conservation – Water Rights, Water sources
MDEQ Water Protection Bureau – Storm Water Pollution Prevention Plan (SWPPP)
Montana Department of Transportation – Access Road approach design/construction
United States Postal Service – Final Plat, access to mail requirements

These agencies maintain independent jurisdiction over matters within their authority. DEQ's COSA does not replace, supersede, or interfere with these agencies' independent review processes.

LCWSD is responsible for any certifications required by MCA 76-4-130, including the existence of an appropriate water right for subdivision connections.

AFFECTED ENVIRONMENT AND IMPACT BY RESOURCE

EVALUATION AND SUMMARY OF POTENTIAL IMPACTS

This impact analysis will identify and evaluate direct, secondary, and cumulative impacts to Montana's environment in the area to be affected by the proposed action. *Direct impacts* occur at the same time and place as the action that causes the impact. *Secondary impacts* are "a further impact to the human environment that may be stimulated, induced by, or otherwise result from a direct impact of the action." ARM 17.4.603(18). Where impacts would occur, the impacts will be described in this analysis.

Cumulative impacts are the collective impacts on the Montana environment of the proposed action when considered in conjunction with other past and present actions related to the proposed action by location or generic type. Related future actions must also be considered when these actions are under concurrent consideration by any state agency through pre-impact statement studies, separate impact statement evaluation, or proposed action processing procedures. ARM 17.4.603(7); 75-1-220, MCA (4).

To better ascribe a significance value to anticipated impacts, and in line with ARM 17.4.608 (further discussed in Section 3.3), DEQ analyzes the anticipated severity of impacts using the following terms:

- The duration of impacts is quantified as follows:
 - **Short-term:** Short-term impacts are defined as those impacts that would not last longer than the installation and construction of the Proposed Action.
 - **Long-term:** Long-term impacts are impacts that would remain or occur after construction and development, during operation of the Proposed Action.
- The intensity of impacts is measured using the following:
 - **No impact:** There would be no change from current conditions.
 - **Negligible:** An adverse or beneficial effect would occur but would be at the lowest levels of detection.
 - **Minor:** The effect would be noticeable but would be relatively small and would not affect the function or integrity of the resource.
 - **Moderate:** The effect would be easily identifiable and would change the function or integrity of the resource.
 - **Major:** The effect would alter the resource.

1. Geology; Soil Quality, Stability, and Moisture

Langan Engineering and Environmental Services conducted multiple geologic hazard and geotechnical investigations for the Flathead Lake Club property, summarized in the referenced geotechnical engineering reports, which DEQ relies on for this analysis. Those investigations identified potential geologic hazards within and adjacent to the Phase 1 area, including rockfall zones, potential fault lineaments, seismicity, slope instability, and steep slopes. They also provide design recommendations intended to avoid or mitigate those hazards through site-specific engineering measures such as setbacks, stabilization, and foundation design.

The Phase 1 sanitary infrastructure would be located in mountainous terrain with variable soil depth over bedrock. Soils in the project area include shallow residual and colluvial materials overlying bedrock, with alluvial deposits in lower-lying areas. The geotechnical investigations noted that shallow bedrock is present in portions of the Phase 1 area, which may require mechanical breaking or blasting during excavation for utility trenches, stormwater detention/retention basins, and well/pump station/tank site preparation. Flathead County's preliminary plat approval also requires further geotechnical review for building pads on 25 to 40 percent slopes

and in mapped rockfall areas, as well as a fault investigation for identified lineaments prior to final plat approval of Phase 1.

All areas disturbed during development of the subdivision must be revegetated in accordance with an approved Weed Control Plan under Flathead County conditions of preliminary plat approval, and the County Weed Supervisor must approve that plan before final plat. Within DEQ's sanitary review area, disturbed areas would be regraded and reseeded with a weed-free mix consistent with that plan and applicable erosion control requirements.

Direct Impacts:

Construction of the Phase 1 water, wastewater, and stormwater facilities would involve temporary excavation, trenching, grading, and potential localized bedrock removal within roadway utility corridors, stormwater swales, detention and retention basins, and the well, pump station, and water tank sites. The Phase 1 stormwater system, designed in accordance with Circular DEQ-8, uses roadside swales, natural drainageways, and regional detention and retention basins to manage runoff and help control erosion during and after construction.

Based on the disturbance information in the project summary, DEQ's Sanitation in Subdivisions Act review focuses on utility and stormwater disturbance rather than road construction itself. The 26-foot-wide roadway corridors where utilities are located—approximately 763,750 square feet (about 17.5 acres) across roughly 29,375 linear feet of road—provide a conservative approximation of the maximum area where trenching for buried mains and adjacent stormwater swales could occur. The primary ground disturbance within DEQ's review scope is associated with roadside stormwater swales and other stormwater facilities, which are typically about 6 feet wide outside the road prism and occur on one or both sides of the road depending on topography, together with the tank and booster pump station site (about 20,000 square feet, or 0.46 acres) and the three public water supply well sites (about 7,000 square feet, or 0.16 acres). In total, sanitary and associated utility construction for Phase 1 is expected to disturb on the order of 18–20 acres, focusing on excavation for buried water and sewer mains, stormwater swales, well sites, and the tank and pump station site, rather than the full scope of road or residential construction. This estimate is conservative and is intended to bracket the maximum likely disturbance within DEQ's review scope. These activities would temporarily disturb soils and increase erosion potential during construction, and where shallow bedrock is encountered, mechanical breaking or controlled blasting may be required, creating short-term localized noise, vibration, and dust.

These short-term impacts would be mitigated through the project SWPPP and the DEQ construction stormwater permit, which require erosion and sediment control BMPs such as silt fencing, sediment traps, stabilized construction entrances, and prompt revegetation of disturbed areas, and through Flathead County's requirement that all disturbed areas be re-vegetated under an approved Weed Control Plan with County Weed Supervisor approval prior to final plat. The Langan geotechnical reports provide voluntary recommendations for slope avoidance, slope stabilization, drainage management, and engineered treatment of hazard areas, and incorporation of those recommendations into final plans is expected to reduce geotechnical risk during and after construction.

Secondary Impacts:

Following construction, the utility corridors, detention/retention basins, and facility sites would be stabilized and, where appropriate, revegetated. The stormwater system is designed to manage

runoff and reduce erosion potential within the Phase 1 infrastructure footprint. For areas of higher slope stability concern within the utility corridors, the Langan reports recommend voluntary mitigation measures of turf reinforcement matting, geocellular confinement, or rip-rap armoring, to be designed by a geotechnical engineer. A Stormwater Maintenance Plan prepared in accordance with Circular DEQ8 will govern long-term inspection and maintenance of stormwater basins and conveyances, including natural drainageways used as part of the Phase 1 system. These measures are expected to help maintain slope and drainage stability over the life of the facilities.

Secondary impacts to geology and soil quality from the Phase 1 sanitary facilities are expected to be minor and localized to the infrastructure footprint, provided that the geotechnical design recommendations are incorporated into construction plans and that post-construction stabilization is completed.

Cumulative Impacts

Past and present activities in the Lakeside area, including existing residential development, Highway 93, and timber harvest, have resulted in prior soil disturbance and altered drainage patterns. The Phase 1 sanitary facilities would add a localized increment of soil disturbance within a property that has previously been managed for timber production.

The geotechnical investigations prepared for the property address the full development site and include analysis of potential hazards relevant to both Phase 1 and future phases. Future phases of the Flathead Lake Club development would be subject to separate DEQ review and would need to demonstrate compliance with applicable geotechnical design recommendations at the time of application.

Based on the site-specific geotechnical investigations, the designed voluntary mitigation measures, and the relatively localized footprint of the Phase 1 utility infrastructure, cumulative impacts to geology, soil quality, stability, and moisture from the Phase 1 sanitary facilities are not expected to be significant.

2. Water Quality, Quantity, and Distribution

The Phase 1 infrastructure footprint is located on the eastern portion of the Flathead Lake Club property, in proximity to Highway 93, and is situated upgradient from Flathead Lake approximately 0.75 miles to the west, with the closest point of Phase 1 infrastructure approximately 0.5 miles from the lake. A Wildlife Assessment, including an Aquatic Resource Delineation, was prepared by Improve One, LLC, and Power Engineers, Inc. for the project area (February 2024), supported by field investigations conducted October 10–12, 2023 (Wildlife Assessment). United States Geological Survey (USGS) topographic maps and the National Hydrography Dataset (NHD) identify several intermittent streams across the approximately 1,700-acre property, as shown on **Figure 4**. During the October 2023 site investigation, the property as a whole exhibited dry conditions with limited observable surface water. With the exception of the unnamed tributary to Stoner Creek (WW-1) and its associated wetland (WL-1) on the western portion of the property, the NHD-mapped drainages in the eastern Phase 1 area did not exhibit ordinary high-water marks, wetland hydrology, or other jurisdictional indicators at the time of field investigation. All delineated jurisdictional surface water features are located on the western and north-central portions of the property, outside the Phase 1 sanitary infrastructure footprint, and no streambank or Section 404 permitting is anticipated for the Phase 1 sanitary facilities. The Phase 1 stormwater detention and retention facilities are designed in accordance with Circular DEQ-8 to limit post-development

runoff discharges to pre-development conditions, capturing drainage from the Phase 1 area and reducing the potential for increased runoff to reach downgradient water resources.

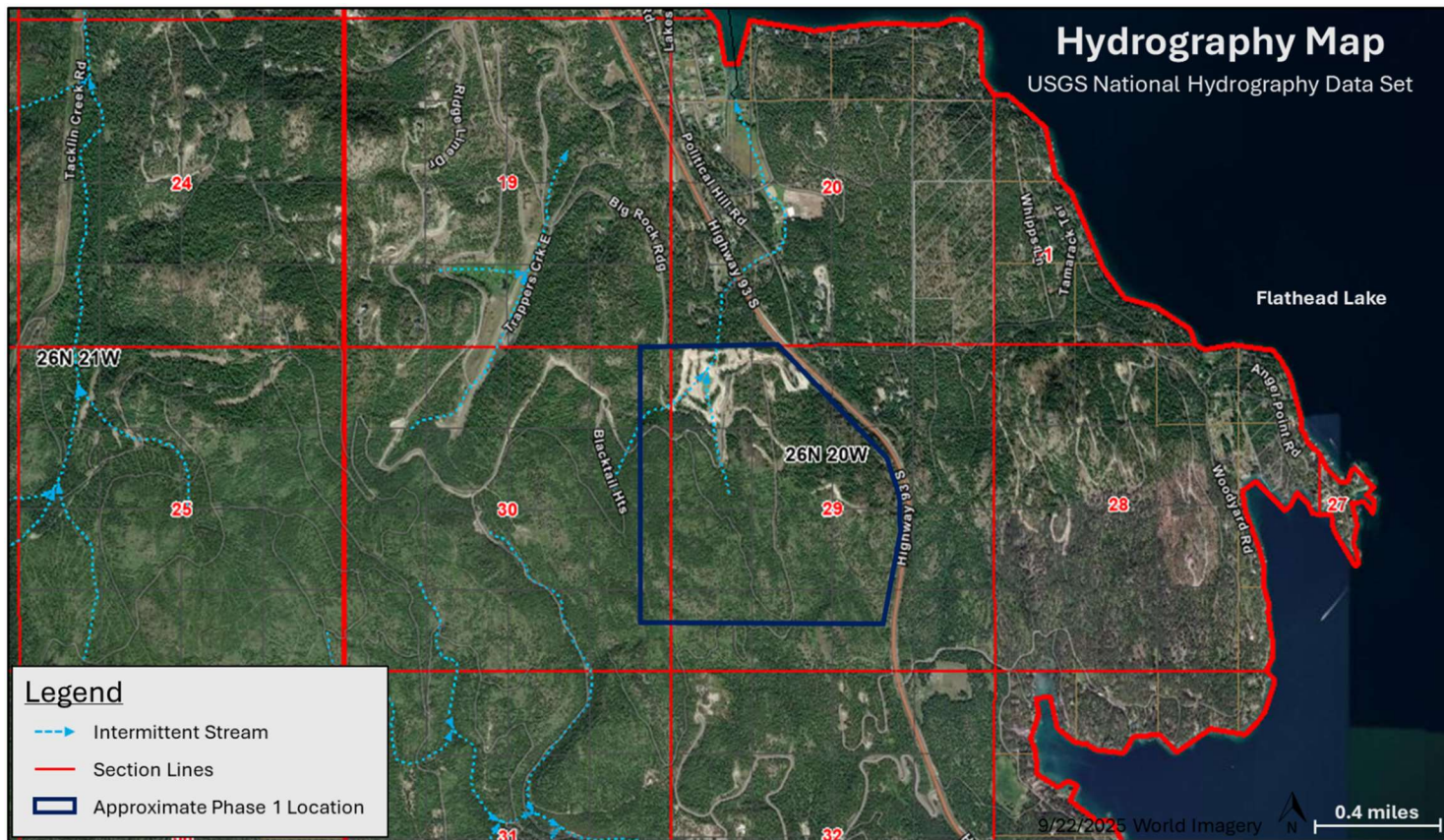


Figure 4. USGS NHD Map of surface water in or near the approximate Phase 1 analysis area.

The Flathead Lake Club preliminary plat approval requires preparation and implementation of a Riparian Resource Management Plan and an Aquatic Resource Delineation for the broader subdivision, with conditions requiring vegetated buffers, building set-backs, and "No Build Zones" along WW-1/UT Stoner Creek and its adjacent wetlands. These conditions apply to the broader subdivision and future phases that may be applied for, not to the Phase 1 sanitary infrastructure footprint, which is located outside the designated No Build Zones on the eastern side of the property.

The Phase 1 sanitary infrastructure footprint is located on the east side of Highway 93, within the eastern portion of the approximately 1,700-acre Flathead Lake Club property. Phase 1 sanitary facilities (wells, tank, pump station, mains, and stormwater features) are not located in any mapped lakeshore protection zone or lakeshore permit area.

The Proposed Action includes provision for public sanitary sewer collection and transmission to existing Lakeside County Water and Sewer District mains and treatment facility. Three existing wells are proposed as a domestic water source, including transmission, storage, and distribution infrastructure. The Montana Department of Natural Resources (DNRC) received water right Application No. 76LJ 30165067 for PWS-1 and PWS-2 and second water right application for PWS-3 will be required. DEQ has reviewed and approved the well locations through the Source Water Delineation and Assessment Report (SWDAR) process and DEQ-1 well location requirements.

Groundwater at the site is present at depths ranging from approximately 340 to 400 feet and moves generally northwest, away from Flathead Lake. Pump-test data for the three public water supply wells indicate sustained production rates on the order of approximately 270 gpm at PWS-1, 160 gpm at PWS-2, and 269 gpm at PWS-3, based on 24-hour controlled pumping tests with concurrent water-quality sampling and evaluation of drawdown and recovery. Evaluation of Phase 1 water supply capacity through the DNRC groundwater permitting process is separate from the evaluation of LCWSD wastewater treatment capacity documented in DEQ's March 28, 2025, capacity analysis; water-supply adequacy is based on well testing and groundwater analysis, while wastewater capacity is based on lagoon storage and influent flow data.

The EA's water adequacy analysis relies on multiple lines of technical information, including DNRC Form 633 pump test data for PWS-1 and PWS-2, hydrogeologic information in the project record, and more recent pump test data for PWS-3. The pump test for PWS-3 was a 72-hour pump test starting on June 13, 2025, at 9:10 am and ending on June 16, 2025, at 9:10 am. During testing, discharge was monitored using both a Pulsar ultrasonic flow meter and a McCrometer propeller flow meter equipped with a totalizer. Drawdown was measured in PWS-3 and PWS-2 used as an observation well for the 72-hour pump test. PWS-3 has a static water level of 402.51' and the well pump was set at 700' with the well screened from 760'-860'. 20' of drawdown observed this yields approximately 297.5' of available drawdown, approximately 22.3' of that used in the 72 hour pump test. The pump test was completed at the design flow of 269 gpm for 72 hours the drawdown was $22.3'/297.5 = 7.5\%$ of available drawdown on PWS-3.

The 2007 aquifer pumping tests were conducted in accordance with accepted industry practices and in compliance with ARM 36.12.121 and applicable DEQ rules. The difference in aquifer conditions is a response to the nature of the fractured bedrock aquifer and does not indicate any inadequacy in the planning or execution of either test. The 2025 test of PWS-3 returned very similar results to the 2007 test of PWS-1. The differences between the tests of PWS-1 and PWS-2 are consistent with the conditions expected of a fractured bedrock aquifer. Morrison-Maierle, Inc. completed extensive numerical modeling in 2008 and concluded that the results were entirely consistent with the site conditions. For these reasons, and because the three Phase 1 wells are located in close proximity and completed in the same hydrogeologic unit, DEQ considers the 2025 PWS-3 pump test representative of current aquifer conditions for the well field as a whole.

The three supply wells are completed in the Helena Formation (known elsewhere as the Siyeh Formation), an interval of the Piegan Group of the Belt Supergroup (Harrison, et al., 1986). This group of Precambrian formations forms the bedrock of most of northwestern Montana and represents mainly fine-grained carbonates and shales. Over nearly 1.5 billion years since they were deposited (Lonn et al., 2022), the rocks of the Belt Supergroup have been faulted, folded, eroded, weathered, and glaciated many times. As a result, the bedrock has been fractured over many events and many millions of years (Johns, 1970).

PWS-1 was pumped at approximately 270 gallons per minute for 72 hours, with a total drawdown of approximately 46 feet. PWS-2 was pumped for 24 hours at approximately 160 gallons per minute, with a drawdown of approximately 221 feet. The two wells are 610 feet apart, and both were drilled in 2007 on an identified fault zone. The difference in response between the two wells is not unusual for a fractured bedrock aquifer. While the fault zone is densely fractured, not all the fractures are equally open or connected. PWS-3 was drilled along the same fault zone in 2025, northwest of PWS-2. Depth was similar to the other two wells, but PWS-3 was constructed with 100 feet of perforations, compared to 18 feet on PWS-1 and PWS-2. The aquifer pumping test performed on PWS-3 produced discharge and drawdown nearly identical to PWS-1.

The nearest surface waters to the wells are Flathead Lake (2.5 miles southeast) and Stoner Creek (2.6 miles northwest). Both are outside the maximum extent of the zone of influence of the wells. The maximum potential

surface water depletion is calculated as 49.5 acre-feet per year. If the entire annual volume were removed instantaneously from Flathead Lake, the water surface could be lowered by 0.0005 inches, well beyond the precision of any available field measuring technology, and significantly less than DNRC's 0.01-foot required precision for reporting zone of influence impacts to senior water rights users.

Stormwater infrastructure is proposed within the Proposed Action area with collection, conveyance and detention/retention facilities with the goal of limiting post-development off-site discharge quantities to pre-development conditions. Stormwater facilities were designed in accordance with Montana DEQ Circular DEQ-8, *Montana Standards for Subdivision Storm Water Drainage*. County conditions require a DEQ construction stormwater permit where applicable, which would be intended to control erosion, manage runoff, and reduce sediment and pollutant loading to surface waters. Implementation of centralized wastewater service through the LCWSD, rather than individual on site systems, further reduces the potential for septic effluent to affect nearby surface waters and wetlands compared to dispersed on lot systems serving the same development.

The construction contractor has acquired a General Permit for Storm Water Discharge Associated with Construction Activity (SWC) in which the applicant was required to prepare a SWPPP. The SWPPP is a document that must be developed, implemented, and maintained in accordance with good engineering selection and design, hydrologic principles, and pollution control practices to minimize and control potential pollutants in storm water associated with construction activity. Construction facilities, controls and BMPs would be employed as required during construction activities.

DEQ does not expect the stormwater runoff retained or detained in stormwater facilities to be significant contributors of pollutants to surface waters due to the functions of DEQ-8 stormwater facilities, which temporarily impound stormwater runoff, attenuate peak discharge rates, promote settling and capture of suspended solids (including phosphorus bound to soil) and floatables, and facilitate infiltration to subsurface soils.

Direct Impacts

The Phase 1 sanitary facilities — wells, storage tank, pump station, water mains, sewer mains, and stormwater features — are located within subdivision road corridors, utility parcels, and easements on the eastern portion of the property, and are not proposed within any designated wetland areas, riparian No Build Zones, or lakeshore protection areas. No direct impacts to jurisdictional surface waters or wetlands are anticipated from the Phase 1 sanitary infrastructure.

Construction-phase trenching, grading, and soil disturbance over approximately 18–20 acres could temporarily increase erosion and sediment transport risk. These impacts would be minimized through the required construction stormwater permit (MPDES General Permit MTR100000) and associated Storm Water Pollution Prevention Plan (SWPPP), which requires implementation of best management practices including silt fencing, stabilized construction entrances, temporary seeding and mulching, and other controls appropriate to site conditions to minimize erosion and sediment transport from areas disturbed during construction. The SWPPP must include measures necessary to maintain BMPs until final stabilization, including revegetation, of all disturbed areas.

The stormwater detention and retention facilities serving Phase 1 are designed in accordance with Circular DEQ-8 to limit post-development off-site discharge rates to pre-development conditions, capturing runoff from the Phase 1 area.

DNRC has received water right Application No. 76LJ 30165067 for PWS-1 and PWS-2 and a second water right application for PWS-3 will be required. DEQ has reviewed well locations through the Source Water Delineation and Assessment Report process and DEQ-1 requirements. Following construction, the water supply system would provide potable water meeting applicable drinking water standards under Circular DEQ-1 and long-term water quality impacts from operation of the Phase 1 public water system are not anticipated.

The wastewater collection system would convey sanitary wastewater to the existing LCWSD WWTF for treatment and disposal, which avoids the water quality risks associated with individual on-site septic systems in this setting. No direct groundwater discharge from the Phase 1 sanitary sewer system is proposed. DEQ's March 28, 2025, capacity analysis for the existing LCWSD WWTF indicates that, based on lagoon storage and winter influent data, the facility has remaining capacity to accept additional EDU allocations, including Phase 1, under current operating conditions, with the District's April 27, 2026, capacity summary continuing to show remaining available capacity.

The stormwater system is designed to Circular DEQ-8 standards and is intended to limit post-development offsite discharge to predevelopment conditions, with detention and retention facilities managing peak flows and reducing the volume of runoff and associated transport of sediment.

Secondary Impacts

Provision of centralized wastewater collection and treatment through LCWSD reduces potential water quality risks that would otherwise be associated with 79 individual on-site wastewater treatment systems in a setting upgradient of Flathead Lake. This centralized approach may provide secondary water quality benefits by reducing the potential for nutrient and pathogen migration to groundwater and, ultimately, surface waters including Flathead Lake.

Provision of a new public water supply system enables residential development on the Phase 1 lots that has already been approved through the Flathead County preliminary plat process. This development would incrementally increase impervious surface area and associated stormwater generation within the Phase 1 footprint, which the stormwater system is designed to manage.

The Phase 1 sanitary facilities are located upslope and landward of the Flathead Lake shoreline, outside of any lakeshore protection zone. With centralized collection and treatment of wastewater at the existing LCWSD WWTF, stormwater facilities designed to DEQ-8 standards to manage runoff and limit post-development discharge rates, no measurable direct impacts to Flathead Lake water quality are anticipated from Phase 1 sanitary facilities within DEQ's scope of review.

Cumulative Impacts

Stoner Creek and the unnamed tributary (WW-1) on the western portion of the property, while outside the Phase 1 sanitary infrastructure footprint, are subject to Flathead County's required riparian protections if future phases of the subdivision are developed, as explained in the preliminary plat. The Riparian Resource Management Plan, No Build Zone designations, streambed permit requirements, and required United States Army Corps of Engineers coordination collectively establish a framework that would protect these water resources from

cumulative impacts if the broader subdivision proceeds through future phases. Any future phases would be evaluated by the appropriate authority at the time it is proposed.

The Lakeside area has experienced gradual residential growth, and existing water and sewer infrastructure serves the surrounding community through LCWSD. The Phase 1 water supply system (three wells, pump station, storage tank, distribution mains) would be transferred to LCWSD and integrated into the District's system. The Phase 1 wastewater flows would be conveyed to LCWSD's existing WWTF, which has documented remaining capacity under DEQ's March 28, 2025, capacity analysis and the District's April 27, 2026, capacity summary, and is able to accommodate Phase 1 allocations under the Wastewater and Water Service Agreement without immediate expansion of the treatment facility.

Subsequent phases of the Flathead Lake Club development would increase demand on the water supply and on LCWSD's treatment capacity and would require separate DEQ review at that time. DEQ's approval of the Phase 1 COSA does not authorize sanitary facilities for future phases and does not commit DEQ to any particular outcome for future applications.

Based on the Phase 1 design and the existing capacity documented by LCWSD, the Phase 1 sanitary facilities are not expected to cause significant cumulative impacts to water quality, quantity, or distribution.

3. Air Quality

The Flathead Lake Club Phase 1 area is located in Flathead County. The Flathead County Air Pollution Control Program has jurisdiction over air quality in this area. The project site is not located within any designated nonattainment or maintenance area for National Ambient Air Quality Standards (NAAQS). No Class I airsheds occur in the immediate vicinity.

Air quality is regulated under the federal Clean Air Act, the Montana Clean Air Act (Title 75, chapter 2, MCA), and implementing rules in ARM Title 17, chapter 8. The Flathead County Air Pollution Control Program requires a Dust Control Plan for construction activities, and the SWPPP requires erosion and sediment control BMPs that also help minimize fugitive dust.

Direct Impacts

Construction of the Phase 1 water, sewer, and stormwater infrastructure would generate short-term emissions from diesel-powered construction equipment (excavators, drill rigs, loaders, trucks) and fugitive dust from soil disturbance during trenching, grading, and facility site preparation. Well drilling for the one new public water supply well would involve temporary operation of a drill rig and associated equipment. If bedrock blasting is required during utility installation (see Section 2.1.1), blasting operations would generate short-term localized dust and particulate emissions.

These short-term construction-phase air quality impacts would be temporary, localized to the active construction area, and mitigated through implementation of the Dust Control Plan required by the Flathead County Air Pollution Control Program and BMPs required by the SWPPP. Mitigation measures include minimizing the area of active disturbance, applying water to access roads and exposed soils, using vehicle tracking pads at construction ingress/egress points, restricting unnecessary travel on unpaved surfaces, and post-construction revegetation of

disturbed areas. The contractor must maintain compliance with Montana's Air Quality Act (Title 75, chapter 2, MCA) regarding reasonable precautions to control airborne particulate matter.

Secondary Impacts

Following construction, the Proposed Action facilities would not generate ongoing air emissions. The water supply system, gravity sewer system, and stormwater system operate without combustion sources. Operational vehicle trips for system maintenance would be infrequent and represent a negligible contribution to ambient air quality.

Cumulative Impacts

Construction of the Proposed Action facilities would temporarily add localized dust and equipment exhaust to existing background air quality conditions in the Lakeside area. These construction-phase emissions would be short-term and would not persist after construction is complete and disturbed areas are stabilized. The Phase 1 facilities themselves do not include ongoing combustion sources or other permanent sources of air emissions.

4. Vegetation Cover, Quantity, and Quality

The Wildlife Assessment conducted on the subject property included assessment of on-site vegetation. The Phase 1 sanitary infrastructure footprint is located on the eastern portion of the Flathead Lake Club property, in proximity to Highway 93. The jurisdictional waterway (WW-1, UT to Stoner Creek) and associated wetland (WL-1) identified in the Aquatic Resource Delineation portion of the Wildlife Assessment are located on the western portion of the property and are outside the Phase 1 sanitary infrastructure footprint. Vegetation across the Phase 1 area primarily consists of multiple age-class mixed conifer forest. The Montana Natural Heritage Program (MTNHP) identifies the following landcover types on the property: aspens, mixed conifer forest, Northern Rocky Mountain lower montane riparian woodland and shrubland, montane-foothill deciduous shrubland, mesic and dry-mesic montane mixed conifer forest, lower montane foothill and valley grassland, and harvested forest-tree regeneration. No rare plants or critical plant communities were identified within the Phase 1 infrastructure footprint, and the county record likewise found no plant species of concern with documented occurrences in the vicinity of the proposed subdivision.

The Proposed Action location likely contains spotted knapweed (*Centaurea stoebe*), a common noxious weed in Montana. A Weed Control Plan would be required as a condition of approval of the subdivision, and the preliminary plat approval also requires that all disturbed areas be re-vegetated in accordance with an approved Weed Control Plan. Property owners would also undertake weed control measures on the property in accordance with MCA 7-22-2116.

Direct Impacts

Construction of the Phase 1 water mains, sewer mains, stormwater conveyances, detention/retention basins, wells, pump station, and water storage tank would require clearing vegetation within utility corridors and facility sites. The primary ground disturbance within DEQ's review scope is associated with roadside stormwater swales and other stormwater facilities, which are typically about 6 feet wide outside the road prism and occur on one or both sides of the road depending on topography, together with the tank and booster pump station site (about 20,000 square feet, or 0.46 acres) and the three public water supply well sites (about 7,000 square feet, or 0.16 acres). In total, sanitary and associated utility construction for Phase 1 is expected to disturb on the order of approximately 18–20 acres, focusing on excavation for buried water and sewer mains, stormwater swales, well sites, and the tank and pump station site, rather than the

full scope of road or residential construction. No rare or critical plant communities have been identified within this disturbance footprint, and direct impacts to sensitive vegetation are not expected.

Vegetation removed during construction would be replaced through revegetation with native species in accordance with the Weed Control Plan. Disturbed areas within utility corridors would be regraded and reseeded following installation of subsurface infrastructure. Detention and retention basin areas would be stabilized with appropriate vegetation as part of the stormwater system design.

Secondary Impacts

Ground disturbance during construction, particularly in utility corridors and stormwater basin areas, creates conditions favorable for colonization by noxious weeds. Implementation of the Weed Control Plan during and after construction is expected to minimize this risk. Utility corridors that are revegetated following subsurface installation would transition to low-growing vegetation compatible with utility maintenance.

The Phase 1 sanitary facilities enable residential development on the 79 approved lots, which would result in additional vegetation clearing as individual lots are developed. Lot-level clearing is authorized by Flathead County through the preliminary plat and is outside DEQ's review authority. However, the open space parcels (OS-1 through OS-12) and steeper slopes within the Phase 1 area are designated for preservation on the lot layout, which would retain forest cover across a substantial portion of the property.

Cumulative Impacts

The Lakeside area and Proposed Action location have experienced vegetation alteration through residential development, highway construction, and historical timber harvest. The Phase 1 sanitary facilities would contribute an incremental area of vegetation disturbance, primarily within utility corridors that would be revegetated.

The Phase 1 infrastructure disturbance of approximately 18-20 acres, when considered with existing area development, is not expected to result in significant cumulative impacts to vegetation cover, quantity, or quality, provided that disturbed areas are revegetated and noxious weeds are managed in accordance with the Weed Control Plan.

5. Terrestrial and Aquatic Life and Habitats

The Wildlife Assessment conducted on the subject property concluded that the Proposed Action location provides habitat for a multitude of terrestrial wildlife species including mammals, birds, fish, amphibians, and reptiles. Wildlife observed during the October 2023, site visit included white-tailed deer, mountain cottontail, red squirrel, red-tailed hawk, ruffed grouse, American crow, and northern flicker. Other species that may occupy the project area include elk, mule deer, mountain lion, pine marten, yellow-bellied marmot, coyote, striped skunk, red fox, bobcat, snowshoe hare, and smaller prey animals such as deer mouse, meadow vole, and shrew. The Wildlife Assessment indicated that the one-mile buffer surrounding the project area does not overlap with any federally designated critical habitat.

Montana Department of Fish, Wildlife, and Parks (MFWP) distribution data contained in the Wildlife Assessment indicate the project area falls within general and winter range for white-tailed deer, mule deer, moose, elk, gray

wolf, and black bear, with south- and southwest-facing aspects providing important winter range topography for ungulates. Migratory birds such as mountain chickadee, cliff swallow, Clark's nutcracker, black-billed magpie, and western tanager likely inhabit the area, and the property is located along the Pacific Flyway. Bald eagle nests have been documented approximately one mile northeast of the project boundary along the Flathead Lake shoreline; the Phase 1 infrastructure footprint is not within any documented bald eagle nest buffer.

Montana Species of Concern birds documented near the project include brown creeper (nearest occurrence approximately 0.5 miles southwest of the project boundary on State Land), evening grosbeak (nearest occurrence approximately 1.5 miles north along Stoner Creek), and pileated woodpecker (nearest occurrence approximately one mile east of the project area). Three federally listed or proposed species — grizzly bear, Canada lynx, and North American wolverine — have potential to occur in the broader region given the property's adjacency to Flathead National Forest and State lands to the west. A trail camera on nearby private property captured a wolverine in the vicinity during the county review process, providing additional local context, though no documented occurrences of these species were identified within the project area by MNHP spatial data. While suitable habitat for Canada Lynx, including prey species, was identified within the project area, the nearest designated critical habitat for Canada Lynx is in the Mission Mountain Range. Limited suitable habitat for the Wolverine was identified within the project area.

No jurisdictional surface water features were identified within the Phase 1 (eastern) footprint; aquatic resources including WW-1 and WL-1 are located on the western portion of the property and are discussed in the Water Quality section.

Direct Impacts

Construction of the Phase 1 water, sewer, and stormwater infrastructure would create temporary disturbance within utility corridors, detention/retention basin sites, well locations, and the pump station and water tank site. This construction activity could temporarily displace wildlife that currently use those areas. The Wildlife Assessment identified the project area as providing habitat for a variety of terrestrial wildlife species. The jurisdictional surface water features on the western portion of the property, including the unnamed tributary to Stoner Creek and its associated wetland, are outside the Phase 1 sanitary infrastructure footprint, and no direct impacts to those aquatic features are anticipated from the Phase 1 sanitary facilities.

Following construction, subsurface infrastructure (water mains, sewer mains, stormwater conveyances) would not present a barrier to wildlife movement. Above-ground infrastructure (water storage tank, pump station building, control structures) would represent a minor and localized permanent change in wildlife habitat, which may reduce suitable habitat at the Proposed Action location for the species identified above.

Secondary Impacts

The Phase 1 sanitary facilities would enable residential development on 79 approved lots, which would result in incremental habitat alteration and fragmentation within the Phase 1 area as lots are developed.

The project area is within the broader landscape between the Flathead Lake shoreline and the mountainous terrain to the west. MTNHP records indicate that Canada Lynx, Grizzly Bear, and North American Wolverine have been documented within the section, township, and range of the project area. The nearest designated critical habitat for Canada Lynx is in the Mission Mountain Range. Grizzly bear occurrence records include data from the Northern Continental Divide

Ecosystem, which is approximately 8 miles east of the project site. While the Wildlife Assessment did not document any of these species on site, the project area may serve as part of a broader wildlife movement corridor.

Secondary impacts on aquatic habitat from Phase 1 sanitary facilities are not anticipated. The Phase 1 infrastructure footprint is located on the eastern portion of the property, and the jurisdictional surface water features identified in the Aquatic Resource Delineation portion of the Wildlife Assessment— including the unnamed tributary to Stoner Creek (WW-1) and associated wetland (WL-1) — are located on the western portion of the property, outside the Phase 1 footprint. USGS NHD-mapped drainages in the eastern Phase 1 area were not observed as surface water features during the 2023 field investigation conducted for the Wildlife Assessment that would support aquatic life. Additionally, wastewater from Phase 1 lots would be conveyed to the existing LCWSD treatment facility rather than discharged on-site, stormwater would be managed to pre-development discharge conditions under DEQ-8 standards, and the construction stormwater permit and SWPPP would control erosion and sediment transport during construction.

Cumulative Impacts

Existing development in the Lakeside area, including residential properties, Highway 93, and the Legacy Mountain Bike Park, has already altered wildlife habitat in the vicinity of the project area. The Phase 1 sanitary facilities would enable incremental residential development that would contribute to this existing pattern.

Future phases of the Flathead Lake Club development, which include areas with potentially higher wildlife value closer to the Flathead National Forest, would be subject to separate DEQ review at the time they are proposed, if required under applicable rules.

The Phase 1 sanitary facilities themselves — consisting primarily of subsurface utilities and several above-ground structures — would not significantly alter wildlife habitat beyond the temporary construction-phase disturbance. The project area's adjacency to the Flathead National Forest and State lands provides a large, connected landscape that would retain habitat and movement corridor function as the Phase 1 sanitary facilities are constructed. The Phase 1 sanitary facilities' cumulative contribution to terrestrial and aquatic habitat impacts is not expected to be significant.

6. History, Culture, and Archaeological Uniqueness

The Montana State Historic Preservation Office (SHPO) was consulted regarding the proposed subdivision. SHPO identified one previously recorded cultural resource site within the designated search area and noted several previously conducted cultural resource inventories in the vicinity. After reviewing the proposed subdivision and available cultural resource information, SHPO determined that "as long as there will be no disturbance or alteration to structures over fifty years of age, we feel there is a low likelihood cultural properties will be impacted" (SHPO email, Murdo, February 21, 2024). No existing structures are located within the Phase 1 infrastructure footprint.

Direct Impacts

Based on the SHPO review, no historic, cultural, or archaeological resources have been identified within the Phase 1 footprint. Direct impacts to cultural resources from construction of the water, sewer, and stormwater facilities are not expected.

If previously unknown cultural, archaeological, or paleontological materials were discovered during construction of the Phase 1 sanitary facilities, SHPO requests that they be notified so that the finds can be evaluated and appropriate measures taken.

Secondary Impacts

No secondary impacts to history, culture, or archaeological uniqueness are expected from the Proposed Action. The infrastructure does not change access patterns to known cultural sites or introduce uses that would indirectly affect historic properties.

Cumulative Impacts

Based on SHPO's assessment that there is a low likelihood of cultural resource impacts and the absence of identified resources within the Phase 1 infrastructure footprint, the Phase 1 sanitary facilities are not expected to contribute to cumulative impacts on history, culture, or archaeological uniqueness.

7. Demands on Environmental Resources of Land, Water, Air, or Energy

The Proposed Action would use approximately 18-20 acres of land for utility corridors, stormwater basins, well sites, pump station, and water tank. The water supply system would extract groundwater for domestic, irrigation, and fire protection purposes. The pump station, water treatment equipment, and building controls would require electricity; the Applicant is coordinating with Flathead Electric Cooperative (FEC) for electrical service. DEQ has reviewed and approved the well locations through the SWDAR process. The wastewater collection system operates by gravity; gravity mains rely on pipe slope and elevation differences to move wastewater to the existing LCWSD collection system, which reduces the long-term electrical and mechanical demands associated with operating multiple pump stations.

Construction would require materials including earthwork, gravels, pipe, precast concrete structures, and mechanical equipment. Earthwork and gravels are expected to be primarily sourced on site.

Direct Impacts

Construction and operation of the Proposed Action would use a modest area of land, modest quantities of construction materials, groundwater and electricity for the pump station and associated equipment. These resource demands are within available capacity and are not expected to significantly affect the availability of land, water, air, or energy resources in the analysis area.

Secondary Impacts

Secondary energy impacts from the Phase 1 sanitary facilities are expected to be minor. The wastewater collection system consists primarily of gravity sewer mains that convey flow downslope without the need for additional lift stations at the Phase 1 scale, so routine operation does not require substantial electrical energy beyond that already used at the existing LCWSD wastewater treatment facility. Operation of the new wells, booster pumps, and water storage tank will incrementally increase LCWSD's electricity use to supply potable water to the 79 Phase 1 lots, but this increase is small relative to the District's overall energy demand and is typical of extending centralized service to an approved subdivision.

Cumulative Impacts:

The Proposed Action's demands on land, water, air, and energy resources would represent a small increment to existing resource use in the Lakeside area. Future phases of the Flathead Lake Club development would be evaluated in connection with separate DEQ applications when those phases are proposed. Based on the physical water available evaluated by the DEQ and in coordination with Flathead Electric Cooperative, the Phase 1 facilities are not expected to result in significant cumulative impacts on environmental resources.

8. Human Health and Safety

The Proposed Action involves construction and operation of public water supply, wastewater collection, and stormwater facilities to serve 79 Phase 1 residential lots. Human health and safety considerations associated with DEQ's review primarily include construction-related worker and public safety, protection of drinking water quality, safe conveyance and treatment of wastewater, and the availability of fire-protection water through the proposed water distribution system.

Direct Impacts

Construction of the Proposed Action facilities would involve typical short-term occupational and site-safety hazards associated with civil construction, including excavation, trenching, heavy equipment operation, well drilling, and possible bedrock removal or controlled blasting in localized areas. These risks would be addressed through compliance with applicable state and federal safety requirements, including OSHA standards, contractor safety programs, traffic and site controls, and temporary restriction of public access to active work areas through fencing, barricades, and related construction controls. Because construction would occur within the project area and utility corridors rather than in public spaces, exposure of the general public to construction hazards is expected to be limited.

Construction also has the potential to temporarily affect nearby water resources if soils were disturbed and erosion or sediment was not controlled. However, the project would be subject to a SWC and associated BMPs intended to minimize sediment transport and protect nearby water quality during construction. With these controls in place, direct adverse impacts to human health and safety from construction are expected to be minor and temporary.

Secondary Impacts

Operation of the Proposed Action would provide a public water supply system designed in accordance with Circular DEQ1 and subject to required public water monitoring, operation, and maintenance requirements. The Proposed Action would also convey wastewater from the Phase 1 lots to the existing LCWSD wastewater treatment facility for centralized treatment rather than relying on 79 individual onsite septic systems, which reduces the potential for failures of individual systems and associated risks to groundwater quality and public health.

The proposed water distribution system also includes hydrants for fire protection. According to the July 14, 2025 Kimley-Horn memorandum prepared in coordination with the Somers-Lakeside Fire Chief, the fire-protection design uses a minimum required fire flow of 1,500 gallons per minute for two hours for both residential and commercial structures, with hydrants generally spaced at up to 750 feet apart and a maximum unobstructed hose-pull distance of 1,050 feet from hydrant to building. For nine lots that would otherwise exceed that 1,050-foot distance, the fire-protection design calls for installation of 10,000-gallon storage tanks between the building

area and the nearest hydrant. These design features are intended to support effective firefighting and reduce structural fire risk within the Phase 1 area.

Because the Phase 1 public water system would be owned, operated, and maintained by LCWSD, long-term system oversight would be provided by an established public utility rather than individual lot owners.

Cumulative Impacts

In combination with the existing LCWSD service area, the Proposed Action would extend centralized water service, centralized wastewater treatment, and coordinated fire-protection water infrastructure to additional development in the Lakeside area. The existing LCWSD wastewater treatment facility has documented remaining capacity for Phase 1 flows, and the District's recent capacity summary indicates that remaining capacity is still available, so that Phase 1 service would not create a cumulative public-health risk associated with wastewater overloading. No significant adverse cumulative impacts to human health and safety are anticipated from DEQ's approval of the Phase 1 sanitary facilities.

9. Aesthetics

The Phase 1 area is located in mountainous terrain southwest of Lakeside, Montana. The project site is generally screened from Highway 93 by steep uphill slopes and topographic features on the western portions of the property. However, the eastern lots and several stormwater facilities (detention and retention ponds near Highway 93) would likely be partially visible from the highway corridor and from existing development along Highway 93. Two highway approaches provide direct visual access into the Phase 1 area from the public road.

Direct Impacts

During construction of the Phase 1 sanitary facilities, aesthetic impacts would be noticeable within and near the project site. Construction activities, including well drilling, trenching for water and sewer mains, excavation for detention/retention basins, and construction of the pump station and water storage tank, would involve heavy equipment, exposed soil, and temporary construction staging visible from within the development area and, to a limited extent, from Highway 93 near the highway approaches.

Short-term construction noise from drilling, excavation, and heavy equipment operation may be audible to nearby residents and travelers on Highway 93, particularly during well drilling and blasting operations if bedrock is encountered. These noise impacts would be temporary, limited to construction hours, and typical of civil construction projects.

Secondary Impacts

Following construction, the majority of the Phase 1 sanitary infrastructure would be subsurface (water mains, sewer mains, stormwater conveyances) and would not be visible. The principal above-ground features would include:

- The water storage tank, which would be a permanent structure visible from within the Phase 1 area and potentially from limited vantage points along Highway 93.
- The pump station building, a small utility structure.

- Stormwater detention and retention basins, which would be permanent earthwork features. Those basins near Highway 93 (e.g., BA-DET1, BA-DET2) may be partially visible from the highway.
- Minor above-grade appurtenances such as manholes, vent pipes, and access hatches.

Disturbed areas not occupied by permanent infrastructure would be revegetated in accordance with the Weed Control Plan, which would reduce the visual contrast of construction disturbance over time. The Phase 1 sanitary facilities are utility infrastructure rather than buildings or structures with significant visual mass, and their aesthetic impact is expected to be minor.

Cumulative Impacts

The Lakeside area includes existing residential development, Highway 93, and associated infrastructure. The Phase 1 sanitary facilities, primarily subsurface, with a water tank, pump station, and stormwater basins as the only above-ground features, would add a minor visual increment to the existing landscape. The Phase 1 sanitary facilities are not expected to result in significant cumulative aesthetic impacts.

10. Industrial, Commercial, and Agricultural Activities and Production

The Proposed Action is located on privately owned land that has historically been managed for timber production and forest land uses, according to the Flathead County Preliminary Plat. The project area does not currently contain industrial or commercial operations. This property was logged by previous property owners, the Plum Creek Timber Company, and records of past production are not available. According to the Montana Department of Revenue the site is classified as forest land with a production capacity of 45-65 cubic feet per acre per year. The subject property was transferred from a timber company to private ownership in 2003. No timber production has been completed on the property since before that time and remaining merchantable timber on the property is minimal. The property does not appear to have previous other agricultural land within the project site or neighboring the project site. The subdivision is not anticipated to have any specific development conflict with any agricultural land.

No current or historic industrial production is evident for the property.

Direct Impacts

The Proposed Action would not affect agricultural or industrial production. No active agricultural or industrial operations exist within or adjacent to the Proposed Action infrastructure footprint.

Secondary Impacts

Residential use at the Proposed Action location has already been authorized by Flathead County through the Preliminary Plat. The Phase 1 facilities do not independently affect industrial, commercial or industrial production potential.

Cumulative Impacts

The Proposed Action is not expected to result in cumulative impacts to industrial, commercial or agriculture activities and production.

11. Quantity and Distribution of Employment

The Proposed Action is not expected to directly create, move, or eliminate jobs, other than creation of temporary jobs during construction. These jobs include contractors for installation of well, water, storm, and sanitary sewer facilities. Approximately 30 temporary construction jobs, as estimated by the applicant, may be created for the installation of sanitary facilities.

Direct Impacts

Construction of the Proposed Action facilities would generate temporary employment for construction workers, well drillers, engineers, and service providers. Approximately 30 temporary jobs are estimated during the construction period.

Secondary Impacts

Following construction, the Proposed Action would require ongoing operation and maintenance by LCWSD personnel. The transfer of the water system to LCWSD may create a small number of permanent positions or increase workload for existing district staff.

Cumulative Impacts

The Proposed Action's contribution to cumulative employment impacts is minor. Construction-phase employment would be temporary, and operational employment could consist of a small increment to LCWSD staffing.

12. Local and State Tax Base and Tax Revenues

The Proposed Action area is currently classified as forest land for Montana property tax purposes, reflecting the subject property's history of commercial timber production under prior ownership by Plum Creek Timber Company. Conversion of this land from forest and timber-production classification to a platted residential subdivision would result in a change in the assessed tax classification of the subject parcels, generally increasing their taxable value under Montana law as individual residential lots are created, sold, and developed. The Proposed Action will add new area to the Lakeside County Water and Sewer District (LCWSD), increasing service area and revenues associated with providing water and sewer service to the development. The Phase 1 sanitary infrastructure itself does not directly generate property tax revenues, but it enables the residential development that drives the reclassification and increased assessed value of the Phase 1 lots.

Direct Impacts

The Proposed Action will provide beneficial impact for LCWSD revenues and operating area. No direct impact to the local or state tax base and revenue is expected from construction and operation of the Phase 1 sanitary facilities themselves.

Secondary Impacts

Provision of centralized water and sewer service, combined with the Flathead County preliminary plat approval, enables individual lot sales and residential construction on the 79 Phase 1 lots. As lots are sold and residences are constructed, those properties would be reclassified from forest land to residential use and assessed at significantly higher values, increasing property tax revenues to Flathead County, applicable school districts, and other taxing jurisdictions.

Cumulative Impacts

The broader conversion of the Flathead Lake Club property from forest land classification to a subdivision represents a substantial long-term change to the Flathead County tax base. As lots are developed, the assessed value of the subject property is expected to increase relative to its current forest land classification, generating additional property tax revenues for Flathead County and local taxing entities. The Phase 1 sanitary facilities' contribution to this cumulative tax base increase is proportional to the 79 Phase 1 lots and is consistent with the pattern of residential subdivision development occurring elsewhere in the Lakeside area.

13. Demands for Government Services

Public services available to the project area include fire protection through the Somers–Lakeside Fire Department, law enforcement through the Flathead County Sheriff’s Office, and road maintenance through Flathead County and the Montana Department of Transportation.

Direct Impacts

Construction of the Proposed Action may temporarily increase demand for construction-related traffic control or inspection services. These demands are short-term, typical of construction projects of this scale, and any additional costs would be borne by the applicant or its contractors rather than local service providers.

The Phase 1 water distribution system includes fire hydrants designed in accordance with Circular DEQ-1 standards and the fire-protection criteria established in coordination with the Somers–Lakeside Fire Department, which would enhance fire protection service to the Phase 1 area by providing hydrant coverage where such infrastructure does not presently exist.

Secondary Impacts

As residential development occurs on the 79 Phase 1 lots, demand for government services such as law enforcement, fire protection, emergency response, road maintenance, and schools may increase. These changes in service demand result from the residential development authorized by Flathead County, and the development is expected to generate tax revenues and user fees that support provision of local services.

Cumulative Impacts

Ongoing residential growth in the Lakeside area has contributed to increasing demand for government services over time. The Proposed Action facilities would contribute incrementally to this trend by enabling residential development on the 79 approved lots, but the Phase 1 sanitary and water facilities themselves do not require substantial ongoing government services beyond routine utility operations performed by LCWSD and existing fire protection and inspection responsibilities.

14. Access to and Quality of Recreational and Wilderness Activities

The Proposed Action location is adjacent to Flathead National Forest and State of Montana public land to the west and is located directly adjacent to the Legacy Mountain Bike Park site. Primary public access to this portion of National Forest is provided through Blacktail Road. Flathead Lake, a premier recreational water body, is located approximately 0.75 miles east of the project area. The subdivision location does not currently provide public access to adjacent public lands, nor does the Phase 1 infrastructure propose to alter existing public access routes.

Direct Impacts

Construction of the Proposed Action may result in temporary, localized increases in construction traffic on roads accessing the project area. Construction activity is not expected to interfere with public access to adjacent public lands or to Flathead Lake. The applicant is coordinating with affected landowners to adjust easements currently used to access the Legacy Mountain Bike Park, and public access to the park is not expected to be interrupted as a result of Phase 1 construction.

Secondary Impacts

The Proposed Action enables residential development that may incrementally increase recreational use of nearby trails, public lands, and Flathead Lake by future residents. This increased use would be gradual and consistent with existing recreational patterns in the Flathead Lake area. The provision of centralized wastewater collection and treatment through LCWSD, rather than individual on-site septic systems, reduces the potential for nutrient and pathogen impacts to groundwater that could ultimately affect Flathead Lake surface water quality and its recreational value.

Cumulative Impacts

Ongoing residential growth in the Flathead Lake area contributes to increasing recreational demand on public lands, trails, and the lake itself. The Proposed Action's contribution to this trend is indirect (through enabling residential development) and minor relative to existing growth patterns. The centralized wastewater approach provides a water quality benefit that supports the continued recreational value of Flathead Lake.

15. Distribution and Density of Population and Housing

The Proposed Action area is located outside the incorporated limits of Lakeside, in a semi-rural residential setting along Highway 93 south of the community. Flathead County has experienced gradual residential growth in this corridor in recent years, and several rural residential subdivisions, including the Amended Plat of Lot 2 of Fischer Estates, Eagle Development Phases II and III, Timber Rock Estates, and Angel Point Meadows, have been approved since 2003. Flathead County has generally experienced continued population growth in recent years, as reflected in the county's demographic reports, and the Flathead Lake Club development represents an incremental addition to this broader trend, as approved by the Flathead County Board of Commissioners in its preliminary plat approval, with Phase 1 lots ranging from approximately 1 to 12 acres in size and lot configuration and density determined by the preliminary plat approval. While provision of water and sewer infrastructure supports residential development within the approved subdivision, the project does not authorize additional development beyond that previously approved by Flathead County.

Direct Impacts

The Proposed Action consists of water, sewer, and stormwater utility infrastructure and would not directly result in changes to regional population distribution or housing density beyond what the county has already approved. The infrastructure enables residential development on the 79 Phase 1 lots, but actual housing construction and occupancy would occur incrementally as individual lot owners develop their properties under Flathead County's subdivision and zoning authority.

Secondary Impacts

As the Phase 1 lots are developed and occupied over time, gradual increases in population and housing density within the subdivision would occur. These changes are consistent with the county

approved preliminary plat and with existing residential land use patterns in the Lakeside/Highway 93 corridor. The centralized water and wastewater infrastructure provides a higher level of service and public health protection than individual on-site systems and supports compliance with state water quality and public health standards.

Cumulative Impacts

Residential growth in the Lakeside area and along the Highway 93 corridor has contributed to gradual increases in population and housing density over time, as documented by the county's approval of multiple nearby subdivisions since 2003 and the broader Flathead Lake Club preliminary plat. The Phase 1 sanitary facilities would support the addition of up to 79 residential lots within this existing development pattern. Future phases of the Flathead Lake Club development would be subject to separate DEQ and county level review when those sanitary facilities are proposed. The Phase 1 sanitary facilities' contribution to cumulative population and housing impacts is consistent with existing development trends in the area and is not expected to be significant.

16. Social Structures and Mores

The project area is located in an existing semi-rural residential setting along Highway 93 south of Lakeside, where several rural residential subdivisions, including the Amended Plat of Lot 2 of Fischer Estates, Eagle Development Phases II and III, Timber Rock Estates, and Angel Point Meadows, have been approved since 2003. As approved by Flathead County on August 21, 2025, Phase 1 of the Flathead Lake Club would add 79 single-family lots within this established pattern of residential development, rather than introducing a new type of land use to an otherwise undeveloped area, with the Phase 1 sanitary facilities supporting those homes.

The Lakeside area is a rural residential community along the western shore of Flathead Lake, and public comments submitted during the county preliminary plat review raised concerns about the potential effects of the Flathead Lake Club on community character, population density, and the area's rural character. DEQ acknowledges these concerns; however, DEQ's authority in this EA is limited to the sanitary facilities (water, sewer, and stormwater) and does not extend to land use planning, residential density, or community character, which fall within Flathead County's subdivision and zoning jurisdiction.

Direct Impacts

The Proposed Action consists of water, sewer, and stormwater infrastructure. Installation, operation, and maintenance of these utility systems are not expected to directly alter existing social structures, community relationships, or cultural norms in the Lakeside area.

Secondary Impacts

The project area is located in an existing semirural residential setting along Highway 93 south of Lakeside, where several rural residential subdivisions, including the Amended Plat of Lot 2 of Fischer Estates, Eagle Development Phases II and III, Timber Rock Estates, and Angel Point Meadows, have been approved since 2003. Phase 1 of the Flathead Lake Club would add 79 singlefamily lots within this established pattern of residential development, and the sanitary facilities evaluated in this EA would enable occupation of those lots by new residents over time, which may contribute to gradual demographic change in the area.

Cumulative Impacts

Residential growth in the Lakeside/Highway 93 corridor has been ongoing, as evidenced by the nearby rural residential subdivisions approved since 2003 and the county's preliminary plat approval for the broader Flathead Lake Club project. The sanitary facilities proposed for Phase 1 would support an incremental addition to the local population by serving 79 lots within this existing development context, but the social and community character effects of that residential growth are attributable to the subdivision and housing development itself, not to the utility infrastructure that serves it.

The Phase 1 sanitary facilities are not expected to result in significant cumulative impacts to social structures and mores.

17. Cultural Uniqueness and Diversity

The Proposed Action is located in the Flathead Lake area, which holds cultural and spiritual significance for the Confederated Salish and Kootenai Tribes (CSKT) and is also valued by the broader community for its scenic, recreational, and cultural attributes. The sanitary facilities evaluated in this EA are limited to Phase 1 water, sewer, and stormwater infrastructure within the previously approved Flathead Lake Club Subdivision.

Direct Impacts

Installation of water, sewer, and stormwater infrastructure within existing subdivision road corridors, utility parcels, and easements is not expected to directly affect cultural uniqueness or diversity. No cultural resources or specific areas of cultural significance have been identified within the Phase 1 infrastructure footprint, as discussed in the History, Culture, and Archaeological Uniqueness section of this EA.

Secondary Impacts

No secondary impacts to cultural uniqueness or diversity are expected from DEQ's approval of centralized sanitary infrastructure for Phase 1. Any changes to the cultural character of the Flathead Lake area would be associated with the underlying residential subdivision and related land-use decisions made by Flathead County.

Cumulative Impacts

The Proposed Action is not expected to result in cumulative impacts to cultural uniqueness and diversity. Broader cumulative effects of ongoing residential and recreational development around Flathead Lake on CSKT cultural values and community character are primarily attributable to long-term land-use patterns and local land-use approvals by Flathead County.

18. Private Property Impacts

DEQ has determined that the Proposed Action authorization includes conditions that are reasonably necessary to ensure compliance with § 76-4-101 et seq., 75-5-101 et seq., and 75-6-101 et seq., MCA. Further, the Proposed Action would be constructed primarily within public utility easements, common open space parcels, and a recorded homeowners' association (HOA) blanket easement that provides for installation, operation, and maintenance of subdivision stormwater infrastructure within the Flathead Lake Club Subdivision. Above-ground facilities (pump station, water storage tank) would be located on designated utility parcels. Subsurface infrastructure (water mains, sewer mains, stormwater conveyances) would be located within platted utility easements, open space tracts, or the HOA blanket easement providing stormwater rights, rather than new

easements across individual privately owned lots. Therefore, the approval of the Proposed Action would not have private property-taking or damage implications.

19. Locally Adopted Environmental Plans and Goals

The Proposed Action facilities have been designed in accordance with applicable DEQ design standards, including Circular DEQ-1 (water supply), Circular DEQ-2 (sewage systems), and Circular DEQ-8 (stormwater drainage). The project has been reviewed under the Flathead County Subdivision Regulations and is subject to applicable provisions of the Sanitation in Subdivisions Act, Montana Public Water Supply laws, and the Montana Water Quality Act.

The Flathead County Growth Policy, originally adopted in 2007 and most recently updated on May 21, 2024, sets forth county-wide goals and policies intended to guide land use, protect natural resources, and coordinate public infrastructure and services with growth. To the extent those goals relate to protecting water quality, managing wastewater, and providing appropriate infrastructure to serve approved development, the Phase 1 water, sewer, and stormwater facilities evaluated in this EA are not in conflict with the Growth Policy.

Direct Impacts

The Proposed Action is designed in accordance with applicable DEQ design standards and regulatory requirements for public water supply, wastewater collection, and subdivision stormwater management. No conflicts with applicable local or state environmental plans and goals have been identified for the sanitary facilities within DEQ's scope of review.

Secondary Impacts

The provision of centralized wastewater collection and treatment through LCWSD, rather than individual on-site systems, is consistent with environmental protection goals that emphasize protecting surface and groundwater quality and directing development to areas that can be adequately served by public infrastructure, particularly near sensitive water resources such as Flathead Lake. Similarly, compliance with DEQ stormwater design standards supports local and state objectives to control runoff and reduce pollutant loading to surface waters.

Cumulative Impacts

The Proposed Action is consistent with applicable state regulatory frameworks for subdivision sanitation and public water and wastewater systems and is not expected to conflict with or contribute to adverse cumulative impacts on locally adopted environmental plans and goals. To the extent the Growth Policy and related watershed planning documents promote maintaining water quality in the Flathead Lake watershed, implementation of centralized wastewater service and DEQ-compliant stormwater controls for Phase 1 is aligned with those objectives.

20. Other Appropriate Social and Economic Circumstances

No other social or economic circumstance impacts from the Proposed Action are expected to be induced beyond those discussed in this EA.

21. Greenhouse Gas Assessment

DEQ is required to evaluate greenhouse gas (GHG) emissions for proposed actions that meet the statutory definition of a fossil fuel activity, in accordance with 75-1-211 and 75-1-220, MCA. However, pursuant to

75-1-220(8), this Proposed Action is excluded from the definition of a fossil fuel activity and therefore a GHG assessment is not mandatory. For this EA, DEQ relied on its 2026 Greenhouse Gas Guidance Document, including Appendix 4, to consider whether GHG emissions from construction and operation of the Phase 1 sanitary facilities could be potentially significant within the meaning of MEPA. Consistent with that guidance, and with ARM 17.4.609(3)(d)–(e), DEQ applies the normal MEPA standard of whether GHG emission impacts from the Proposed Action are potentially significant.

Construction of the Proposed Action would generate temporary GHG emissions from construction equipment (excavation, trenching, pipe installation, well drilling) and from transportation of materials and workers to and from the project site. These construction-phase emissions would be short-term and minor in the context of statewide GHG emissions, as summarized in DEQ’s GHG inventory information provided in Appendix 4. Ongoing operation of the water supply system (well pumps, booster pumps) and stormwater system would require electrical energy, resulting in indirect GHG emissions from electricity generation. The Applicant is coordinating with Flathead Electric Cooperative for electrical service, and these operational emissions would be small relative to the overall electrical load in the Flathead Electric Cooperative service area. Wastewater conveyance to the LCWSD wastewater treatment facility does not generate significant direct GHG emissions at the project site, as the gravity sewer system does not require pumping at the Phase 1 scale.

Based on DEQ’s 2026 Greenhouse Gas Guidance, the short construction duration, the limited amount and size of construction equipment, and the absence of any combustion-based industrial processes during normal operation, DEQ concludes that construction and operation of the Proposed Action would not meaningfully increase GHG emissions. Accordingly, a more detailed quantitative GHG assessment is not necessary for purposes of this EA, and the project’s incremental contribution to statewide GHG emissions is expected to be negligible.

DESCRIPTION OF ALTERNATIVES

No Action Alternative: Pursuant to ARM 17.4.609, when an applicant proposes an action with the potential to have an impact on the Montana environment, the associated EA must include a description of reasonable alternatives. For purposes of MEPA, the alternatives analysis must include the “no action” alternative. The “no action” alternative would deny the approval of the proposed water main supply and distribution system, connection to the LCWSD sanitary sewer system, and proposed stormwater measures. The applicant would lack the authority to conduct the proposed activity. Any potential impacts that would result from the proposed action would not occur. However, because the applicant has demonstrated compliance with all applicable rules and regulations required for approval, the “no action” alternative would not be appropriate. Rather, the “no action” alternative forms the baseline from which the impacts of the proposed action can be measured. Pursuant to section 75-1-201(4)(a), MCA, DEQ “may not withhold, deny, or impose conditions on any permit or other authority to act based on” an EA. Therefore, since the application meets all the requirements for permit approval, DEQ cannot require any alternative to the proposed action as described in the permit application, including a “no action” alternative.

CONSULTATION

DEQ engaged in internal and external efforts to identify substantive issues and/or concerns related to the Proposed Action. Internal scoping consisted of internal review of the EA document by DEQ staff and information sourced by the applicant. All reference material sourced from the Applicant or other sources are documented

below in the References section. External scoping efforts also included queries to the following websites/databases/ personnel:

- Flathead County agencies
- Lakeside County Water and Sewer District
- Montana Department of Natural Resources and Conservation (DNRC)
- Montana Department of Transportation (MDT)
- Montana Sage Grouse Habitat Conservation Program
- Montana State Historic Preservation Office (SHPO)
- Somers-Lakeside Fire Department

SIGNIFICANCE OF POTENTIAL IMPACTS AND NEED FOR FURTHER ANALYSIS

When determining whether the preparation of an environmental impact statement is needed, DEQ is required to consider the seven significance criteria set forth in ARM 17.4.608, which are as follows:

- The severity, duration, geographic extent, and frequency of the occurrence of the impact;
- The probability that the impact will occur if the proposed action occurs; or conversely, reasonable assurance in keeping with the potential severity of an impact that the impact will not occur;
- Growth-inducing or growth-inhibiting aspects of the impact, including the relationship or contribution of the impact to cumulative impacts – identify the parameters of the proposed action;
- The quantity and quality of each environmental resource or value that would be affected, including the uniqueness and fragility of those resources and values;
- The importance to the state and to society of each environmental resource or value that would be affected;
- Any precedent that would be set as a result of an impact of the proposed action that would commit the department to future actions with significant impacts or a decision in principle about such future actions; and
- Potential conflict with local, state, or federal laws, requirements, or formal plans.

Severity, duration, extent, and frequency: The Phase 1 sanitary facilities consist primarily of subsurface water, sewer, and stormwater infrastructure, together with a pump station, water storage tank, and detention/retention basins. Construction-phase impacts — including noise, dust, erosion, temporary vegetation removal, and temporary wildlife displacement — would be short-term and localized to the approximately 18–20-acre utility disturbance footprint. No jurisdictional surface water features are located within the Phase 1 infrastructure footprint, and the facilities are not proposed within any designated riparian No Build Zones or lakeshore protection areas. Operational impacts are limited to the ongoing function of utility systems designed in accordance with applicable DEQ standards, and long-term adverse impacts to physical resources, wildlife, or water quality are not anticipated. The geographic extent of adverse impacts is limited to the Phase 1 utility corridors, stormwater basins, and facility sites on the eastern portion of the property.

Probability: The Phase 1 sanitary facilities are designed in accordance with Circular DEQ-1, Circular DEQ-2, and Circular DEQ-8 standards. Compliance with these design standards, together with applicable permit conditions, the MPDES construction stormwater permit and associated SWPPP, and DEQ-required BMPs, provides reasonable assurance that the facilities would operate as designed and that adverse impacts to water quality, public health, and the environment would be minimized. LCWSD's documented treatment capacity confirms Phase 1 flows can be accommodated without expansion of the existing WWTF. The design standards and permit

conditions applicable to the Phase 1 sanitary facilities provide an adequate framework to minimize the impacts identified in this EA, and impacts to the Montana environment are expected to be not significant with controls in place.

Growth-inducing or growth-inhibiting aspects: The Phase 1 infrastructure would enable residential development of 79 lots that have already been approved through the Flathead County preliminary plat process. DEQ acknowledges that the Phase 1 sanitary infrastructure is a necessary precursor to residential development of these 79 lots and that the broader Flathead Lake Club development is planned. However, future phases of the development would require separate DEQ applications and independent MEPA review if required under applicable rules at the time of application. DEQ's approval of the Phase 1 COSA does not commit DEQ to approval of future phases; each future application would be evaluated independently based on the specific facilities proposed and the circumstances at that time. The Phase 1 facilities represent a small increment to existing resource demands in the Lakeside area, and cumulative impacts across the resource areas analyzed in this EA are expected to be minor when considered alongside past and present actions in the corridor.

Quantity, quality, uniqueness and fragility of resources: Flathead Lake is an important regional water resource and ecologically significant lake. The Phase 1 wastewater collection system, by connecting to the LCWSD centralized treatment facility rather than relying on individual on-site septic systems, avoids direct groundwater discharge from the project site and reduces the potential for nutrient and pathogen impacts to groundwater and, ultimately, Flathead Lake. The stormwater system is designed to manage runoff in accordance with DEQ-8 to protect downgradient water quality. The project area provides habitat for a variety of common wildlife species, and three federally listed or proposed species — grizzly bear, Canada lynx, and North American wolverine — have potential to occur in the broader region. However, no documented occurrences of these species were identified within the project area itself, no designated critical habitat is present within the project footprint, and the Phase 1 sanitary infrastructure (primarily subsurface and within road corridors) would not permanently eliminate wildlife habitat at a scale that would affect the function of the surrounding landscape. Jurisdictional surface water features, including the unnamed tributary to Stoner Creek and its associated wetland on the western portion of the property, are outside the Phase 1 infrastructure footprint and are protected by County-required No Build Zones and riparian buffers.

Importance to State and Society: Flathead Lake is recognized as a premier recreational and ecological resource of statewide importance. The Phase 1 sanitary facilities are designed and conditioned to protect Flathead Lake water quality through centralized wastewater treatment and DEQ-compliant stormwater management. Provision of a public water supply system meeting Circular DEQ-1 standards, including fire flow design coordinated with the Somers-Lakeside Fire Department, supports public health and safety. The conversion of the subject property from forest land to residential use has relevance to Flathead County's growth patterns and local public interest, as evidenced by public comment during the preliminary plat review process. DEQ's authority in this EA, however, is limited to the sanitary facilities and to impacts that DEQ has authority to avoid or mitigate; the broader questions of land use, density, and community character fall within Flathead County's jurisdiction.

Precedent: Issuance of a COSA for the Phase 1 sanitary facilities does not establish a precedent for DEQ's review of future phases or other applications. DEQ's approval is limited to the Phase 1 water, wastewater, and stormwater facilities described in this EA and does not commit DEQ to any particular outcome for future applications. Future phases of the Flathead Lake Club development would require their own COSA applications, separate design submittals, and independent MEPA review if required under applicable rules at the time of application.

Conflict with local, state, or federal laws, requirements, or formal plans: The Phase 1 sanitary facilities are consistent with applicable DEQ statutes, rules, and design standards, including the Sanitation in Subdivisions Act (Title 76, Chapter 4, MCA), the Public Water Supplies, Distribution, and Treatment Laws (Title 75, Chapter 6, MCA), Circular DEQ-1, Circular DEQ-2, and Circular DEQ-8. The preliminary plat for the Flathead Lake Club was conditionally approved by the Flathead County Board of Commissioners on August 21, 2025, and the Phase 1 sanitary facilities are designed to comply with the applicable County conditions related to water, sewer, and stormwater. No conflict with any known local, state, or federal laws, requirements, or formally adopted plans has been identified for the sanitary facilities within DEQ's scope of review.

Based on analysis of the significance criteria, DEQ has determined that the Proposed Action — issuance of a COSA for the Phase 1 water, wastewater, and stormwater facilities — would not result in significant adverse impacts to the Montana environment within DEQ's scope of review. Potential adverse impacts are minor in intensity, localized in geographic extent, and limited primarily to the construction period. Long-term operational impacts are expected to be minor and, in the case of water quality, the centralized wastewater and DEQ-8-compliant stormwater infrastructure would reduce risks compared to the alternative of individual on-site systems. Accordingly, DEQ has determined that preparation of an Environmental Impact Statement is not required, and this EA constitutes DEQ's complete environmental review for purposes of the Phase 1 COSA and associated plan approvals.

PUBLIC INVOLVEMENT

The draft EA was available for public comment for 30 days from May 15, 2026, to June 15, 2026. Comments on the draft EA were accepted at deqengprogrammepa@mt.gov from 11:59 p.m. on June 15, 2026. For accessibility and to reach as many interested persons as possible, DEQ hosted a virtual, Zoom only public hearing to collect oral comments on the draft EA on June 4, 2026, from 5:00 p.m. to 7:00 p.m. The Zoom hearing was available on the link below.

Join from PC, Mac, iPad, or Android:

<https://mt-gov.zoom.us/j/86936604230?pwd=RQJhUSLisuikHhIGZk2ASYOTseRcOU.1>

Passcode:056803

Join via audio:

+1 206 337 9723 US (Seattle)

Webinar ID: 869 3660 4230

Passcode: 056803

A summary of comments received and DEQ's responses are included below.

REFERENCES

Flathead County Board of Commissioners, Approval of Preliminary Plat for Flathead Lake Club (August 21, 2025)

Flathead County Growth Policy (Updated May 21, 2024)

Flathead County Growth Policy Demographics,
https://flatheadcounty.gov/application/files/1816/7518/7184/Demographics_PP.pdf

Flathead Lake Club Subdivision, Preliminary Plat Application (2025)

Flathead Lake Club Subdivision – Phase 1, Lot Layout (March 27, 2026)

Flathead Lake Club Subdivision Dust Control Plan, 406 Engineering, Inc. (October 22, 2024)

Improve One, LLC, Lakeside Club Wildlife Assessment, POWER Engineers, (February 2024)

Kimley Horn and Associates, Inc., Construction Details (Swales and Culverts) (March 27, 2026)

Kimley Horn and Associates, Inc., Memorandum for Somers-Lakeside Fire Department, Fire Flow Requirements and Fire Hydrant Spacing (July 14, 2025)

Kimley Horn and Associates, Inc., Paving Plan Key Map (March 27, 2026)

Lakeside County Water and Sewer District Capacity Summary Memorandum (April 27, 2026)

Langan Engineering and Environmental Services, LLC, Geotechnical Engineering Letter Report for Detention Pond 4, Detention Pond 6, Detention Pond 7, and Retention Pond 1, Flathead Lake Club (October 13, 2025)

Langan Engineering and Environmental Services, LLC, Geotechnical Engineering Report, Water Tank and Booster Pump, Flathead Lake Club (October 2, 2025)

Langan Engineering and Environmental Services, LLC, Geologic Hazards and Geotechnical Engineering Report – Plat 1, for Territory 1889 (December 16, 2025)

Langan Engineering and Environmental Services, LLC, Geotechnical Engineering Report, Well House 1 (September 13, 2025)

Montana Department of Environmental Quality, Guidance for Greenhouse Gas Impact Assessments under the Montana Environmental Policy Act (January 2026)

Montana Department of Environmental Quality, Guidance for Greenhouse Gas Impact Assessments under the Montana Environmental Policy Act, Appendix 4: Cumulative Impacts from Greenhouse Gas Emissions (January 2026)

Montana Department of Environmental Quality Lakeside Wastewater Treatment System Capacity Analysis (March 28, 2025)

Montana Department of Environmental Quality Subdivision File 26-1579, 26-1590

Montana Department of Natural Resources and Conservation Groundwater Permit Technical Analysis Report Permit Application No 76LJ 30165067 (January 31, 2025)

Montana Department of Revenue, Property Assessment Division, Montana Forest Land Classification and Valuation Manual (effective 2025-2026)

Montana Natural Heritage Program Environmental Summary Report (retrieved November 13, 2023)

Montana State Historic Preservation Office email, Murdo (February 21, 2024)

Public Services Fiscal Impact Analysis, Lakeside Development Plan, Flathead County, Montana, RPI Consulting (October 2024)

United States Environmental Protection Agency, State Inventory and Projection Tool

Wastewater and Water Service Agreement, Lakeside County Water and Sewer District, Flathead Friends, LLC (March 21, 2025)

406 Engineering, Inc., Environmental Assessment, Prepared in Accordance with Flathead County Subdivision Regulations, Appendix C for Flathead Lake Club, (October 22, 2024)

406 Engineering, Inc., Flathead Lake Club – Phase 1, Lot Layout and Notes (March 27, 2026)

Harrison, J.E., A.B. Griggs, and J.D. Wells. 1986. Geologic and Structure Maps of the Wallace 1° x 2° Quadrangle, Montana and Idaho: A Digital Database. United States Geological Survey Miscellaneous Investigations Map I-1509-A, 232 p., 2 plates.

Johns, W.M. 1970. Geology and Mineral Deposits of Lincoln and Flathead Counties, Montana. Montana Bureau of Mines and Geology Bulletin 79, 192 p., 3 plates.

Lonn, J.D., R.F. Burmeister, R.S. Lewis, and M.D. McFadden. 2022. The Mesoproterozoic Belt Supergroup. Montana Bureau of Mines and Geology Special Publication 122: Geology of Montana, vol. 1: Geologic History, 38 p.

Morrison-Maierle, Inc. 2008. A Groundwater Permit Application for Eagle's Crest Subdivision East Water System. 49 p.

Rose, J. 2002. Three- Dimensional Hydrostratigraphic Model of the Subsurface Geology, Flathead Valley, Kalispell, Montana. Montana Bureau of Mines and Geology Open-File Report 703, 44 p.

Environmental Assessment and Significance Determination By:

Angela Pugh, PE, Montana Department of Environmental Quality Reviewer

Environmental Assessment Reviewed By:

Isabelle Nebel, Montana Department of Environmental Quality - Attorney

Steve Lipetzky, Montana Department of Environmental Quality - Environmental Engineer

Approved By:



Rachel Clark, Bureau Chief
DEQ Water Quality Division
Department of Environmental Quality



Date

TERRITORY 1889 - PHASE 1 (Formerly named FLATHEAD LAKE CLUB SUBDIVISION – PHASE 1)

Montana DEQ Environmental Assessment | Consolidated Public Comments & Responses

CONFIDENTIAL – ATTORNEY-CLIENT COMMUNICATION / ATTORNEY WORK PRODUCT

Public Comment Period Closed: June 15, 2026 | Public Hearing: June 4, 2026

The Department received written and oral public comments during the comment period and at the June 4, 2026, public hearing. The Department has reviewed and considered all comments submitted. This section organizes those comments by subject matter and provides the Department's response to each. Comments are presented using the commenter's own words to the greatest extent practicable. Where multiple commenters raised substantially similar concerns, those comments are addressed together.

Special Notes:

1. In this document, the term “Phase 1” refers to Phase 1 of the Flathead Lake Club development, not the Lakeside WSD Phase 1 discharge permit.
2. The developer asked that the name be changed to “Territory 1889” in the final approval documents. The terms Flathead Lake Club and Territory 1889 are used interchangeably in this document.
3. The initial application and EA described the development as having 80 lots. Subsequent developer changes to the plans resulted in one less lot, or 79 total lots.

COMMENTER ROSTER

[1] David Fetveit — Lakeside-Somers Chamber of Commerce; LCWSD Ratepayer Written Position: Support
[2] Seth Willyard — Private individual, Kalispell, MT Written Position: Opposition
[3] Mayre Flowers / Citizens for a Better Flathead — Citizens for a Better Flathead Written & Oral Position: Opposition
[4] Kate Droll — Private individual, Lakeside, MT Written & Oral Position: Opposition
[5] Coby Gierke / The Flathead Lakers — Environmental nonprofit, Polson, MT Written & Oral Position: Opposition
[6] Jack Venrick — Private individual, Rollins, MT Written (independent PDF submitted via URL within online petition) Position: Opposition (distinct policy basis)
[7] Jennifer Tipton / North Shore Water Alliance — North Shore Water Alliance, Somers, MT Written & Oral Position: Opposition
[8] Online Petition Signatories (~200+) — Private citizens (standardized petition) Written Position: Opposition
[9] Andrew "Bear" Baranowski — MomQuest Construction Oral only Position: Support
[10] Deirdre Coit — Private individual, Kalispell, MT Oral only Position: Opposition
[11] Ruthe Heimel (& Larry Heimel) — Private individual, Whitefish, MT Written Position: Opposition
[12] Elisa Rachel — Private individual Written Position: Opposition
[13] Mary Gardner — Private individual Written Position: Opposition

THEME 1: MEPA/EA SCOPE, ADEQUACY OF EA, MEPA CONSULTATION REQUIREMENTS

Commenters: Seth Willyard (2); Citizens for a Better Flathead / Mayre Flowers (3); Kate Droll (4); The Flathead Lakers / Coby Gierke (5); Online Petition Signatories (8); Ruthe Heimel (11); Elisa Rachel (12); Mary Gardner (13); Individual Petition Additions: Baker/Peterson/Johnson (8-B1, 8-B2, 8-B3)

Summary of Theme 1 comments: Commenters raised concerns about the scope and adequacy of the Department's environmental review under the Montana Environmental Policy Act (MEPA). Their comments share three core arguments: first, that by reviewing only the sanitary facilities for a 79-lot subdivision, when Flathead Lake Club has expressed intent to build an integrated 1,700-acre master-planned development, DEQ has improperly broken a single project into smaller pieces in order to avoid full environmental review — a practice the commenters characterize as "segmentation" or "piecemealing"; second, that the EA's scope is too narrow because it addresses only water supply, wastewater, and stormwater facilities and does not evaluate the broader environmental effects of the overall development; and third, that the significance of the proposed action requires preparation of a full Environmental Impact Statement (EIS) rather than an Environmental Assessment (EA). Representative excerpts from the comments are reproduced below. Three additional commenters — Ruthe Heimel, Elisa Rachel, and Mary Gardner — raise the same MEPA cumulative impacts and EIS demand in general terms, with two also drawing analogies to Lake Tahoe, Coeur d'Alene Lake, and the Gallatin watershed as examples of development-induced water quality decline and requesting documentation of any consultation with the Confederated Salish and Kootenai Tribes.

Comment 2-A

Commenter: Seth Willyard **Affiliation:** Private individual **Format:** Written (addressed to FWP; submitted into DEQ record)

I submit this correspondence as a formal notice to Montana Fish, Wildlife & Parks ('FWP') that the environmental review associated with the Flathead Lake Club development ... has been conducted in a materially deficient manner ... The deficiencies ... arise from the improper segmentation of a single integrated development into artificial components and from the failure to conduct any comprehensive environmental review of the cumulative impacts of the development as a whole.

Note: Comment was addressed to FWP but submitted into the DEQ public comment record.

Comment 2-B

Commenter: Seth Willyard **Affiliation:** Private individual **Format:** Written

The record now establishes that the development includes at least four interdependent components: a golf course, a marina, a boat dock with associated shoreline infrastructure, and the Lakeside WSD Phase 2 wastewater expansion ... There has been no comprehensive environmental assessment ... evaluating the combined effects of these components on Flathead Lake, the Flathead Basin, fish habitat, aquatic resources, water quality, shoreline use, nutrient loading, recreation, and growth-induced development pressure.

Comment 2-C

Commenter: Seth Willyard **Affiliation:** Private individual **Format:** Written

ARM 17.4.603 ... requires related future actions to be considered when those actions are under concurrent consideration through separate impact evaluation or permit processing procedures. The rule's structure is specifically designed to prevent agencies from ignoring the rest of a project simply because it appears in a different filing, a different permit, or a later application.

Comment 3-G

Commenter: Mayre Flowers **Affiliation:** Citizens for a Better Flathead **Format:** Written

A fatal flaw of this current environmental review is the DEQ's violation of the Montana Environmental Policy Act (MEPA) through the unlawful segmentation of the project into distinct phases. MEPA strictly prohibits agencies from breaking a single, large-scale project down into smaller component pieces to make the individual environmental impacts appear minor or localized, thereby circumventing a full Environmental Impact Statement (EIS). ... The Flathead Lake Club development is an integrated, 1,700-acre master-planned resort community. ... MEPA commands that the total, multi-phase project be evaluated as a single major state action. Piecemeal EAs cannot legally substitute for a comprehensive, holistic EIS when the overarching project is this massive.

Comment 3-H (Oral)

Commenter: Mayre Flowers **Affiliation:** Citizens for a Better Flathead **Format:** Oral — Public Hearing

We are asking that you halt further approval of Phase 1 of this subdivision, and that you conduct a comprehensive program-wide environmental impact statement. As established by the Montana 4th Judicial District ... and [Clearwater] versus DEQ in just 2026. The Montana Constitution guarantees citizens a fundamental right to a clean and healthful environment, and the right to meaningful public participation. Reviewing this massive, multi-phased project under a cursory Phase 1-only environmental assessment is a piecemeal review of a project that is a direct violation of these constitutional mandates and constitutes a reversible error in law ... Under the Montana Environmental Policy Act and established case law, a full EIS must be prepared because this project raises substantial questions regarding significant long-term environmental degradation ... An administrative agency cannot evaluate a single phase of a project in isolation — which is piecemealing — when a master plan for contiguous acreage is actively known and intended, as this is. It illegally evades micro-level regulatory thresholds ... this environmental assessment needs to look much more broadly at not only this subdivision, but the precedent it sets for further subdivisions.

Note: *Clearwater v. DEQ, 4th Judicial District, 2026 cited as precedent; does not appear in the written comments.*

Comment 4-E

Commenter: Kate Droll **Affiliation:** Private individual, Lakeside, MT **Format:** Written

The SWDAR ... contemplates two existing wells and up to six new public water supply wells for the full development. The EA's three-well Phase 1 description is a fragment of that pre-designed system. DEQ's EA does not disclose the full system or analyze how it will be permitted across the remaining phases ... Phase 1 is not a standalone project but one installment of an integrated water system already designed, drilled, and pre-funded for the full development. An EA scoped to Phase 1 cannot satisfy MEPA when the applicant has already designed and pre-funded full infrastructure for the entire 1,700-acre subdivision. DEQ must scope its environmental review to the full Flathead Lake Club development.

Comment 4-I

Commenter: Kate Droll **Affiliation:** Private individual, Lakeside, MT **Format:** Written

Under ARM 17.4.607 and the significance factors in ARM 17.4.608, an EIS is required. The significance factors are not marginal here: water rights whose contested case proceedings are judicially stayed pending review that may reach the Montana Supreme Court; a sewer system that the applicant's own service agreement acknowledges cannot serve the full project; discharge to a 303(d)-impaired lake with an existing TMDL; a federally threatened species in designated critical habitat in the receiving water; and a five-phase, 1,700-acre development for which no cumulative impacts analysis exists. An EIS must be scoped to the full Flathead Lake Club development.

Comment 5-A

Commenter: Coby Gierke **Affiliation:** The Flathead Lakers **Format:** Written

This piecemeal approach obscures the cumulative impacts of the full project on Flathead Lake water quality, local wildlife corridors, traffic, and the hydrological balance of the region ... DEQ cannot honor that obligation by evaluating a 1,700-acre luxury resort one small phase at a time.

Comment 5-B

Commenter: Coby Gierke **Affiliation:** The Flathead Lakers **Format:** Written

A recent court ruling against DEQ's permitting of gravel pits established that abbreviated processes which ignore site-specific threats and limit public participation are constitutionally vulnerable. That precedent applies directly here. Montanans have a constitutional right to a clean and healthful environment, and DEQ cannot honor that obligation by evaluating a 1,700-acre luxury resort one small phase at a time.

Comment 8

Commenter: Online Petition Signatories (~200+) **Affiliation:** Private citizens (standardized text) **Format:** Written

The current reliance on a phased Environmental Assessment is insufficient to protect my constitutional right to a clean and healthful environment, and fails to account for the cumulative, long-term impacts that this 1,700-acre development will have on traffic, stormwater, sewage capacity, fire and emergency services needs, local wildlife, and regional hydrology.

Note: Standardized petition text submitted by approximately 200+ individual signatories via online form. Individual additions beyond the standardized language are captured as sub-comments 8-B1 (Baker), 8-B2 (Peterson), and 8-B3 (Johnson) below.

Comment 8-B1

Commenter: Nancy Baker **Affiliation:** Private citizen, Lakeside, MT **Format:** Written (individual petition addition, June 15, 2026)

"At the public hearing when this subdivision came before the planning board, there was no discussion of water necessary to support golf course turf ... The only water planning that was mentioned was for household use. I am a working citizen and resident of Lakeside and depend on Lakeside's aquifers ... Golf courses take tremendous amounts of water. Algae is already growing on rocks in Flathead Lake at Volunteer park near the outfall of Stoner Creek."

Note: Golf course water demand is a future-phase matter outside Phase 1 sanitary scope.

Comment 8-B2

Commenter: Mark Peterson **Affiliation:** Private citizen, Polson, MT **Format:** Written (individual petition addition, June 9, 2026)

"The Gallatin River used to be primeval and a Blue Ribbon trout stream before Yellowstone Club, et al, turned the watershed into a rich man's playground. The cumulative devastation wreaked upon the Gallatin watershed ... The developers, a modern day extractive industry, need to be issued wastewater permits with a thought for the next two hundred, not two, years. Flathead Lake is the jewel in the crown of inhabitable mountain state lakes. The Lakeside County Water and Sewer District's water treatment plant expansion is ill advised and needs to be rethought."

Note: Raises Gallatin watershed analogy and LCWSD expansion concerns substantively similar to Comments 5-C and 5-G (Themes 3 and 8). Addressed in the Theme 3 and Theme 8 responses.

Comment 8-B3

Commenter: Dean Johnson **Affiliation:** Private citizen, Missoula, MT **Format:** Written (individual petition addition, June 15, 2026)

"DEQ's phased EA approach fails to satisfy MEPA's cumulative impacts requirement. A 1,700-acre resort development cannot be segmented into five separate phases for environmental review purposes when the entire project constitutes a single integrated major state action. The cumulative and synergistic effects on watershed function, groundwater recharge, and Flathead Lake water quality must be evaluated holistically before any phase receives approval. Montana's constitutional guarantee of a clean and healthful environment demands no less."

Note: Raises MEPA cumulative impacts and constitutional EIS demand substantively identical to Comments 2-A, 3-G, and 4-E. Addressed in the Theme 1 response.

Comment 8-B1

Commenter: Nancy Baker **Affiliation:** Private citizen, Lakeside, MT **Format:** Written (individual petition addition, June 15, 2026)

"At the public hearing when this subdivision came before the planning board, there was no discussion of water necessary to support golf course turf ... The only water planning that was mentioned was for household use... Golf courses take tremendous amounts of water. Algae is already growing on rocks in Flathead Lake at Volunteer park near the outfall of Stoner Creek."

Comment 11-A

Commenter: Ruthe Heimel (& Larry Heimel) **Affiliation:** Private individual, Whitefish, MT **Format:** Written

"While the current EA concludes that the Phase 1 facilities serving approximately 80 residential lots are not expected to result in significant environmental impacts, the overall project consists of approximately 359 residential units, a private golf course, marina facilities, roads, utility infrastructure, groundwater withdrawals, and future wastewater system expansions. The environmental consequences of the full buildout of the project deserve careful consideration ... MEPA requires agencies to evaluate cumulative impacts. Reviewing individual phases separately may underestimate the environmental consequences of the project as a whole ... [DEQ should] clearly explain: How cumulative impacts associated with full project buildout have been evaluated; how future water demand has been incorporated; how future wastewater capacity requirements have been assessed; how nutrient loading and water quality impacts will be monitored and prevented."

Comment 11-B

Commenter: Ruthe Heimel (& Larry Heimel) **Affiliation:** Private individual, Whitefish, MT **Format:** Written

"I respectfully request additional analysis regarding: Long-term groundwater availability during drought conditions; potential impacts to neighboring domestic and agricultural wells; groundwater recharge capacity under future climate conditions; the cumulative water demand associated with all planned residential units, recreational facilities, and golf course irrigation ... Long-term wastewater treatment capacity; potential impacts of future facility expansions; risks of groundwater contamination; nutrient loading associated with wastewater disposal ... Increased sediment delivery to nearby waterways; increased phosphorus and nitrogen loading; stormwater runoff carrying pollutants into groundwater and surface waters ... [DEQ should] evaluate the cumulative impacts associated with golf course operations and their potential effects on groundwater and surface water quality ... [and] whether the proposed development may affect Tribal interests, cultural resources, fisheries, water quality, wildlife habitat, and other resources important to the Confederated Salish and Kootenai Tribes."

Note: Comment 11-B raises requests regarding water supply, wastewater capacity, stormwater nutrients, golf course impacts, marina impacts, wildlife, tribal consultation, and climate conditions. Items relating to water supply (groundwater availability) and stormwater (nutrient loading) overlap with Themes 2 and 4.

Comment 12-A

Commenter: Elisa Rachel **Affiliation:** Private individual **Format:** Written

I am submitting these comments regarding the Draft Environmental Assessment (EA) for the proposed Phase 1 sanitary facilities ... I respectfully request that the Montana Department of Environmental Quality (DEQ) conduct a thorough evaluation of the cumulative environmental impacts associated with this development before issuing final approval ... [T]he overall project consists of approximately 359 residential units, a private golf course, marina facilities, roads, utility infrastructure, groundwater withdrawals, and future wastewater system expansions. The environmental consequences of the full buildout of the project deserve careful consideration."

Note: Comment 12-A is substantively identical to Comment 11-A (Heimel) and raises the same arguments. Moving forward, the comments were treated together, and references are made jointly to 11/12 A&B.

Comment 13-A

Commenter: Mary Gardner **Affiliation:** Private individual **Format:** Written

"DEQ must stop approvals for the Flathead Lake Club Subdivision Project Phase I, until a comprehensive Environmental Impact Statement (EIS) is completed."

RESPONSE:

1. Statutory Basis for This EA and the Scope of DEQ's Proposed Action. DEQ's proposed action in this EA is to issue, or decline to issue, a Certificate of Subdivision Approval (COSA) and associated plan approvals for the water supply, wastewater collection, and stormwater management facilities that would serve Phase 1 of the Flathead Lake Club Subdivision (EA Sections 1.1, 1.3). Accordingly, the proper scope of the EA is to evaluate those proposed water, wastewater and stormwater facilities. *Mont. Wilderness Assoc v. Bd. Of Health & Env't. Sciences*, 171 Mont 477 (1976) DEQ's substantive authority under the Sanitation in Subdivisions Act (Title 76, Chapter 4, MCA) and the Public Water Supply laws (Title 75, Chapter 6, MCA) is expressly limited to evaluating "whether there is enough water, whether it is clean, whether other waters' cleanliness will be affected, and whether the systems are adequately designed." *Upper Missouri Waterkeeper v. Broadwater County*, No. BDV-2022-38, Order at 50 (Mont. 1st Jud. Dist. Ct. Feb. 14, 2024). DEQ does not have authority over water rights, land-use planning, zoning, or other aspects of subdivision development that fall under local or federal jurisdiction, or under other state jurisdiction. The COSA does not approve the subdivision itself, which received Preliminary Plat approval from the Flathead County Board of Commissioners on August 21, 2025, under the county's separate authority. The broader components of the Flathead Lake Club development, beyond the COSA, are subject to the independent permitting authority of other agencies and therefore are not within DEQ's regulatory jurisdiction.

2. MEPA Scope Is Tied to DEQ's Legal Authority. Under MEPA, DEQ is required to take a "hard look" at the environmental impacts of its own actions. *Bitterrooters for Planning, Inc. v. DEQ*, 2017 MT 109. However, the Montana Supreme Court has consistently held that the scope of that analysis is tied to the agency's regulatory authority and discretion, and that

MEPA does not require an agency to analyze environmental impacts that it cannot avoid or mitigate through the lawful exercise of its authority. *Belk v. DEQ*, 2022 MT 38. In subdivision review, DEQ's authority and discretion are limited to approving or denying plans for a subdivision's sanitary facilities, which consist of facilities for water supply, wastewater collection, and stormwater management. DEQ's subdivision review expressly excludes impacts related to the subdivision as a whole, which fall under county jurisdiction. *Mont. Wilderness Assn v. Bd. of Health & Env'tl. Sciences*, 171 Mont. 477 (1976). Accordingly, DEQ's EA evaluates direct, secondary, and cumulative environmental impacts of the Phase 1 sanitary facilities within DEQ's regulatory authority and discretion but does not substitute for or expand upon the environmental review authority of other agencies (EA Section 1.2).

3. EA The EA is Properly Scoped to the Proposed Action. ARM 17.4.603(7) requires cumulative impacts of related future actions to be considered when those actions are "under concurrent consideration by any state agency through pre-impact statement studies, separate impact statement evaluation, or permit processing procedures." In this case, the only application pending before DEQ is the proposed 79-lot subdivision, and DEQ has not segmented any reviews. Any future phases, additions, or changes would require a separate DEQ application and independent review. However, neither DEQ nor any other state agency is currently reviewing any other action proposed by Flathead Lake Club, and the EA and DEQ's substantive review were properly scoped to the application under consideration by the agency.

4. An EIS Is Not Required Based on the ARM 17.4.608 Significance Criteria. DEQ has evaluated each of the seven significance criteria in ARM 17.4.608 and has determined that the Proposed Action does not require preparation of an EIS. That analysis is set out in the EA's "Significance of Potential Impacts and Need for Further Analysis" section, and DEQ incorporates it here by reference rather than repeating it in full. In summary, the potential impacts of the Phase 1 sanitary facilities, considered individually and cumulatively within DEQ's scope of authority, do not meet the threshold for a significant impact warranting an EIS. DEQ's approval of the Phase 1 COSA does not commit the Department to approval of any future phases; any future application will be evaluated independently on its own merits. The commenters raise a number of factors they contend establish EIS-level significance, including the contested water rights, LCWSD discharge permit litigation, TMDL and ESA concerns, and the overall scale of the development. Those substantive concerns are addressed in the Department's responses to Themes 2, 3, and 4. However, they do not, individually or collectively, establish that DEQ's current review of the Phase 1 sanitary facilities requires an EIS.

5. Broader Public Concerns About the Full Development. DEQ has considered comments regarding the broader Flathead Lake Club development, including concerns about the golf course, marina, boat dock, wildlife corridors, water quality, and nutrient loading to Flathead Lake. Those broader concerns fall outside DEQ's statutory jurisdiction for this proposed action, which is review of plans for sanitary facilities for a 79-lot subdivision. While DEQ has considered comments from the approximately 200+ petition signatories who expressed concern about the cumulative, long-term impacts of the full Flathead Lake Club

development on traffic, stormwater, sewage capacity, wildlife, and regional hydrology. , other entities with independent jurisdiction to consider some or all of those issues, including Flathead County and DNRC, will conduct their own review.

6. Consultation Requirements. With regard to questions about tribal consultation, DEQ accepted comments on the draft EA from all parties, including the CSTK. DEQ's consideration of those comments is included in these Responses to Comments.

THEME 2: WATER SUPPLY AND WATER RIGHTS

Commenters: Citizens for a Better Flathead / Mayre Flowers (3); Kate Droll (4); North Shore Water Alliance / Jennifer Tipton (7); Heimel/Rachel [x-ref] (11/12)

Summary of Theme 2 Comments: Commenters raise concerns about the adequacy and legal status of the Phase 1 water supply. Their comments advance four main arguments: (1) that no vested water right exists in the name of the Lakeside County Water and Sewer District (LCWSD) or the subdivision for the public water system, and that LCWSD cannot lawfully serve the subdivision under MCA 7-13-2226; (2) that DNRC Water Right Application No. 76LJ 30165067 is actively contested, has been stayed by district court order, and therefore cannot support DEQ's water adequacy finding; (3) that PWS-3 is not included in DNRC Application No. 76LJ 30165067 and has no water right application of its own, such that Phase 1 has no legally authorized water source; and (4) that DEQ's physical water availability analysis relies on pump tests from 2007 and does not provide adequate hydrogeologic support for the conclusion that pumping three wells 0.5–0.75 miles upgradient from Flathead Lake will not adversely affect the lake or connected shallow aquifers.

Comment 3-A

Commenter: Mayre Flowers **Affiliation:** Citizens for a Better Flathead **Format:** Written

Under newly enacted Montana law (MCA § 7-13-2226), a water and sewer district is strictly prohibited from providing water service to a subdivision without certifying that 'an appropriate water right exists for the connection.' ... No water right has been vested in the District's name for the Discovery (Flathead Lake Club) Subdivision. ... The District's DNRC water permit application (Application No. 76LJ 30163288) remains unresolved, is actively contested by the public, and a formal stay has been granted by the District Court. ... Because the entire multi-zone public water system lacks a valid, legally secured water right, any environmental review of the subdivision's utility infrastructure is speculative.

Note: CBF cites Application No. 76LJ 30163288 — this is the LCWSD annexation/water service application, distinct from the developer's groundwater appropriation application 76LJ 30165067 cited by Droll and Tipton.

Comment 4-A

Commenter: Kate Droll **Affiliation:** Private individual, Lakeside, MT **Format:** Written

The water supply finding fails outright: one well has no water right application, and the contested case proceedings for the other two were judicially stayed on June 12, 2026. DEQ cannot make the finding Section 76-4-104(2) requires on this record.

Comment 4-B

Commenter: Kate Droll **Affiliation:** Private individual, Lakeside, MT **Format:** Written

The DNRC Preliminary Determination for 76LJ 30165067 covers only two wells: PWS Well 1 (GWIC ID: 237308) and PWS Well 2 (GWIC ID: 237309), at 430 GPM combined. PWS-3 is not in that application. PWS-3 (GWIC 337457) was drilled in May 2025 by Flathead Friends LLC, 860 feet deep, pump-tested at 250 GPM, and registered in GWIC as a public water supply well. No water right application exists

for it anywhere in the state system. Without PWS-3, the Phase 1 water supply is limited to 430 GPM under a contested, non-final application that is currently stayed. There is no water permit for any Phase 1 well.

Comment 4-B (Oral)

Commenter: Kate Droll **Affiliation:** Private individual, Lakeside, MT **Format:** Oral — Public Hearing

The EA states that the DNRC is processing a water right [for] three Phase 1 wells, and that is not accurate. The DNRC application that's currently pending covers two wells. The third well, however, was drilled in May of 2025 after that application was submitted. That well is registered as a public water supply well, but there is no water right application anywhere in the state system. DEQ's adequacy finding is built on a 3-well system. That well needs to be removed. It has no legal right. And the finding needs to be rebuilt on what remains. The other two wells are covered by a preliminary determination by the DNRC. That's their intent to grant, but not the right itself. And that determination is currently being challenged. The DEQ cannot find adequate water based on a determination that has not been finalized and remained subject to [challenge].

Comment 4-C

Commenter: Kate Droll **Affiliation:** Private individual, Lakeside, MT **Format:** Written

By Order dated June 12, 2026, the Montana First Judicial District Court (BDV-2026-211, McMahon, J.) stayed the contested case administrative proceedings for Application No. 76LJ 30165067 ... The court found that petitioners made a strong showing of likely success on the merits. ... A COSA issued in reliance on a PD whose administrative proceedings are stayed for an indeterminate period has no adequate water foundation for PWS-1 and PWS-2.

Comment 4-D

Commenter: Kate Droll **Affiliation:** Private individual, Lakeside, MT **Format:** Written

Section 5.02(a) of the Flathead County Subdivision Regulations requires that each phase of a phased subdivision be 'fully capable of functioning with all the required improvements in place in the event the future phases are not completed.' Phase 1 cannot meet that standard without a legally authorized water supply. It does not have one.

Comment 7-C

Commenter: Jennifer Tipton **Affiliation:** North Shore Water Alliance **Format:** Written

The EA ... completely fails to disclose that water right Application No. 76LJ 30165067 is actively facing significant water rights objections. ... If the objections to water right 76LJ 30165067 succeed, the physical availability of the water becomes legally irrelevant, leaving the 80-lot development without a valid, permanent source of potable water.

Comment 7-C (Oral)

Commenter: Jennifer Tipton **Affiliation:** North Shore Water Alliance **Format:** Oral — Public Hearing

The EA treats long-term water security for this high-volume development as a done deal. In reality, the water right application number 76LJ 30165067 is subject to active substantive water rights objections. Furthermore, the hydraulic modeling used to justify physical water availability relies on an 18-year-old pump test from August 2007. The applicant could not even maintain constant pumping rates or properly monitor groundwater levels, requiring a highly problematic DNRC variance in December 2024. The DEQ should not base an environmental review on legally contested water rates and two-decade-old data.

Comment 7-D

Commenter: Jennifer Tipton **Affiliation:** North Shore Water Alliance **Format:** Written

Given the property's immediate proximity to Flathead Lake (0.5 to 0.75 miles upgradient), the conclusion that localized, heavy pumping of three public water supply wells will have zero impact on the lake or connected shallow aquifers lacks localized hydrogeological proof. The EA fails to reconcile how a northwestern regional gradient layout prevents localized cone-of-depression drawdowns from impacting nearby sensitive surface water.

Comment 11/12-B: (x-ref) Heimel/Rachel

Cross-Reference Note: Comment 11/12-B (Heimel/Rachel) also requests analysis of neighboring domestic and agricultural well impacts from Phase 1 groundwater pumping.

"I respectfully request additional analysis regarding: ... potential impacts to neighboring domestic and agricultural wells; groundwater recharge capacity under future climate conditions; the cumulative water demand associated with all planned residential units, recreational facilities, and golf course irrigation ... the long-term sustainable yield of the proposed water supply system."

RESPONSE:

1. DEQ's Determination of Physical Water Availability. Under the Sanitation in Subdivisions Act and § 76-4-104, MCA, DEQ's role is to determine whether a subdivision has an adequate, dependable water supply in terms of physical quantity and quality for the proposed use. This division of authority was recently confirmed in *Upper Missouri Waterkeeper v. Broadwater County*, Cause No. BDV-2022-38, Order at 50 (1st Jud. Dist. Feb. 14, 2024), which held that the Legislature did not authorize DEQ to promulgate rules under the Sanitation in Subdivisions Act related to the legal appropriability of water, but confined DEQ's rulemaking authority to regulations regarding the factual existence and properties of water. The 2025 Legislature subsequently amended §§ 76-4-104 (7)(b) and 76-4-129, MCA (House Bill 681(2025)), to expressly clarify that DEQ's authority is limited to considering the physical characteristics of water supply — adequate quantity, water quality, and system design — and does not extend to consideration of the legal availability of water or water rights, which remain within DNRC's exclusive jurisdiction under the Montana Water Use Act, Title 85, Chapter 2, MCA.

Thus, following the 2025 Legislature's enactment of HB 681 and related amendments, DEQ's subdivision review focuses on physical water availability and system design. Legal water rights are administered by DNRC under Title 85, Chapter 2, MCA, as explained in EA Section 1.2 and Section 2 (Water Quality, Quantity, and Distribution), DEQ's determination that adequate water is available for the proposed Phase 1 public water supply system is based on physical groundwater availability and compliance with Circular DEQ-1 design standards, not on the legal or other status of any particular water right or permit.

Instead, under the Water Use Act, DNRC maintains exclusive authority to determine whether water is legally available. DEQ's approval under the Sanitation in Subdivisions Act does not replace, supersede, or interfere with DNRC's independent review of water rights, nor does it authorize any water use that would otherwise require a DNRC permit. DEQ's physical water availability finding is based on well logs, aquifer data, pump-test results, and hydrogeologic analysis demonstrating that the aquifer can physically support the proposed demand and that interference with nearby wells is not expected.

Some commenters also cited § 7-13-2226, MCA, but that statute does not apply in this case. Montana subdivision regulations in ARM 17.36.123 provide certain situations in which connection to public water or wastewater facilities is mandatory. The statute cited by the commenters provides requirements for county water and sewer districts to provide connections when an applicant requests a connection that otherwise would not be mandatory. Here, adequate water and wastewater capacity were demonstrated according to the requirements of DEQ-1 and DEQ-2, as discussed in the EA and throughout these responses to comments.

DEQ has updated Section 1.5 of the final EA to clarify that LCWSD is responsible for any certifications required by MCA 76-4-130, including the existence of an appropriate water right for subdivision connections.

2. Basis for DEQ's Physical Water Availability Finding. The EA's water adequacy analysis relies on multiple lines of technical information, including DNRC Form 633 pump test data for PWS-1 and PWS-2, hydrogeologic information in the project record, and more recent pump test data for PWS-3. The pump test for PWS-3 was a 72-hour pump test starting on June 13, 2025, at 9:10 am and ending on June 16, 2025, at 9:10 am. During testing, discharge was monitored using both a Pulsar ultrasonic flow meter and a McCrometer propeller flow meter equipped with a totalizer. Drawdown was measured in PWS-3 and PWS-2 used as an observation well for the 72-hour pump test. PWS-3 has a static water level of 402.51' and the well pump was set at 700' with the well screened from 760'-860'. 20' of drawdown observed this yields approximately 297.5' of available drawdown, approximately 22.3' of that used in the 72 hour pump test. The pump test was completed at the design flow of 269 gpm for 72 hours the drawdown was $22.3' / 297.5 = 7.5\%$ of available drawdown on PWS-3. EA Section 2 (Water Quality, Quantity, and Distribution) presents DEQ's analysis of aquifer characteristics, well yields, and demand and concludes that physically adequate groundwater is available to serve the proposed 79- lot subdivision.

The 2007 aquifer pumping tests were conducted in accordance with accepted industry practices and in compliance with ARM 36.12.121 and applicable DEQ rules. The difference in aquifer conditions is a response to the nature of the fractured bedrock aquifer and does not indicate any inadequacy in the planning or execution of either test. The 2025 test of PWS-3 returned very similar results to the 2007 test of PWS-1. The differences between the tests of PWS-1 and PWS-2 are consistent with the conditions expected of a fractured bedrock aquifer. Morrison-Maerle, Inc. completed extensive numerical modeling in 2008 and concluded that the results were entirely consistent with the site conditions. For these reasons, and because the three Phase 1 wells are located in close proximity and completed in the same hydrogeologic unit, DEQ considers the 2025 PWS-3 pump test representative of current aquifer conditions for the well field as a whole.

3. Use of DNRC Technical Analyses and the Status of Application No. 76LJ 30165067. The EA describes DNRC Water Right Application No. 76LJ 30165067 and references DNRC's Groundwater Permit Technical Analysis Report (Parts A and B) for informational context regarding groundwater occurrence, aquifer characteristics, and modeled drawdown. DEQ's

physical water availability finding does not depend on the issuance of a final DNRC permit or on the outcome of any contested case or judicial review. The district court's stay of the 76LJ 30165067 contested case does not alter the underlying hydrogeologic data relied on in DEQ's EA. If DNRC ultimately modifies, conditions, or denies the requested water right, LCWSD and the applicant remain responsible for complying with DNRC's final decision and any applicable requirements of MCA 76-4-130 before providing service. DEQ's COSA does not authorize diversion or use of water in the absence of a valid water right.

DEQ also notes that commenters refer to two distinct DNRC applications. Application No. 76LJ 30165067 is the developer's groundwater appropriation application for PWS-1 and PWS-2, referenced in the EA. Application No. 76LJ 30163288, cited by Citizens for a Better Flathead, relates to LCWSD's own water right and service authority and is a separate proceeding from the Flathead Lake Club well appropriation application. DEQ's physical water availability finding for Phase 1 of Flathead Lake Club relies on the aquifer and well-yield data associated with the Phase 1 wells; it does not depend on the resolution of LCWSD's separate service-authority application.

4. PWS-3 and Separate Water Right Application. The EA identifies PWS-3 (GWIC 337457) as a Phase 1 public water supply well drilled in 2025 and describes its construction, depth, and pump test yield. Commenters correctly note that PWS-3 is not included in DNRC Application No. 76LJ 30165067 and that a separate water right application had not been filed for PWS-3 at the time of commenting. Because DEQ's subdivision review is limited to physical water availability and system design, the absence or pendency of a water right for PWS-3 does not preclude DEQ from finding that the Phase 1 wells, collectively, can physically supply the design demand. Any requirement that LCWSD or the applicant obtain and maintain an appropriate water right for PWS-3 before providing service is administered by DNRC and LCWSD under water right law, not through DEQ's COSA.

5. Effect of the DNRC Stay and County Subdivision Regulations on DEQ's Decision.

Commenters contend that the district court's June 12, 2026, stay of DNRC's contested case precludes DEQ from making a water adequacy finding under 76-4-104 and from satisfying Flathead County's subdivision regulation provision requiring each phase to be capable of functioning independently. As explained above, DEQ's adequacy determination is based on physical water availability within its statutory authority. County subdivision regulations are administered by Flathead County, not DEQ, and DEQ's COSA does not substitute for the County's independent findings under its regulations. DEQ's EA addresses the physical adequacy of the Phase 1 water system within DEQ's scope of review; legal water rights and county land-use determinations remain with DNRC and Flathead County, respectively.

6. Hydrogeologic Effects on Flathead Lake and Connected Aquifers. Comment 7-D questions the conclusion that pumping three wells 0.5–0.75 miles upgradient from Flathead Lake will not adversely affect the lake or connected shallow aquifers. EA Section 2 describes the site-specific hydrogeologic setting, including groundwater flow direction, aquifer properties, and the separation between the well field and surface waters, and evaluates

potential drawdown and depletions from Phase 1 pumping. Based on that analysis and the modeled pumping rates, the EA concludes that the Phase 1 wells are not expected to measurably affect Flathead Lake water levels or impair uses of nearby shallow groundwater within DEQ's scope of review.

The three supply wells are completed in the Helena Formation (known elsewhere as the Siyeh Formation), an interval of the Piegan Group of the Belt Supergroup (Harrison, et al., 1986). This group of Precambrian formations forms the bedrock of most of northwestern Montana and represents mainly fine-grained carbonates and shales. Over nearly 1.5 billion years since they were deposited (Lonn et al., 2022), the rocks of the Belt Supergroup have been faulted, folded, eroded, weathered, and glaciated many times. As a result, the bedrock has been fractured over many events and many millions of years (Johns, 1970).

PWS-1 was pumped at approximately 270 gallons per minute for 72 hours, with a total drawdown of approximately 46 feet. PWS-2 was pumped for 24 hours at approximately 160 gallons per minute, with a drawdown of approximately 221 feet. The two wells are 610 feet apart, and both were drilled in 2007 on an identified fault zone. The difference in response between the two wells is not unusual for a fractured bedrock aquifer. While the fault zone is densely fractured, not all the fractures are equally open or connected. PWS-3 was drilled along the same fault zone in 2025, northwest of PWS-2. Depth was similar to the other two wells, but PWS-3 was constructed with 100 feet of perforations, compared to 18 feet on PWS-1 and PWS-2. The aquifer pumping test performed on PWS-3 produced discharge and drawdown nearly identical to PWS-1.

The nearest surface waters to the wells are Flathead Lake (2.5 miles southeast) and Stoner Creek (2.6 miles northwest). Both are outside the maximum extent of the zone of influence of the wells. The maximum potential surface water depletion is calculated as 49.5 acre-feet per year. If the entire annual volume were removed instantaneously from Flathead Lake, the water surface could be lowered by 0.0005 inches, well beyond the precision of any available field measuring technology, and significantly less than DNRC's 0.01-foot required precision for reporting zone of influence impacts to senior water rights users.

THEME 3: WASTEWATER — LCWSD CAPACITY AND PERMIT VALIDITY

Commenters: Citizens for a Better Flathead / Mayre Flowers (3); Kate Droll (4); The Flathead Lakers / Coby Gierke (5); Jack Venrick (6); North Shore Water Alliance / Jennifer Tipton (7); Heimel/Rachel [x-ref] (11/12)

Summary of Theme 3 Comments: Multiple commenters raise concerns about LCWSD's treatment capacity and the validity of the district's discharge permit. Capacity-related comments assert that DEQ's capacity analysis understates LCWSD's actual committed obligations by failing to account for the full contractual reservation under the March 2025 Service Agreement and a March 2024 Interlocal Agreement with Flathead County for regional septage receiving, and that the April 2026 capacity summary lacks updated influent flow data. One commenter raises a procedural concern about access to the underlying capacity documents. Additional comments challenge the legal validity of LCWSD's groundwater discharge permit, cite ongoing litigation by CSKT and Citizens for a Better Flathead, and argue that routing Phase 1 wastewater through a district under legal challenge is imprudent. One commenter references a video

presentation regarding alleged groundwater discharge issues at the LCWSD facility. One commenter requests that DEQ require a feasibility study for an on-site alternative treatment system.

Comment 3-B

Commenter: Mayre Flowers **Affiliation:** Citizens for a Better Flathead **Format:** Written

The District contractually committed to reserve 92,000 gallons per day (gpd) for Flathead Friends, LLC. However, the District's April 2026 ledger only deducted 34,500 gpd (for 150 EDUs). When the remaining 57,500 gpd contractual obligation is properly accounted for, the District's claimed surplus of 15,393 gpd is completely eliminated. The District cannot legally classify capacity as 'surplus' under MCA § 7-13-2341(5) when it has already contractually committed that exact same capacity to the property it seeks to annex.

Comment 3-C

Commenter: Mayre Flowers **Affiliation:** Citizens for a Better Flathead **Format:** Written

Under a March 2024 Interlocal Agreement, the District accepted \$611,235.09 from Flathead County to reserve an additional 60,000 gpd for regional septage receiving. ... The District has contractually sold between 152,000 to 160,000 gpd in capacity rights against a DEQ-confirmed system headroom of only 87,703 gpd.

Comment 4-F

Commenter: Kate Droll **Affiliation:** Private individual, Lakeside, MT **Format:** Written

The March 2025 Service Agreement ... reserves the greater of 400 EDUs or 92,000 GPD for the full Flathead Lake Club development for a 10-year term. The April 2026 summary reflects only 150 EDUs (34,500 GPD). The remaining 250 EDUs / 57,500 GPD of the contractual reservation do not appear in the ledger. When the full 10-year obligation is properly accounted for, the claimed 15,393 GPD surplus is eliminated.

Comment 4-F (Oral)

Commenter: Kate Droll **Affiliation:** Private individual, Lakeside, MT **Format:** Oral — Public Hearing

The sewage capacity finding rests on documents that the public cannot see. DEQ's finding that the Lakeside Sewer District has sufficient capacity for Phase 1 [rests on] two documents. One is DEQ's own capacity analysis from March of 2025. And the other's a summary from the Sewer District from April of 2026, but neither is in the public file. The District has generally refused to release capacity information to the public, even in response to public record requests. Yet, that same information now is forming the basis for state approval, and it's not being made public ... without them, the public cannot verify the methodology, it cannot evaluate whether the existing treatment system can provide the capacity to Phase 1 ... and cannot meaningfully comment on a required finding that it's not permitted to examine.

Note: We responded to this request by providing the documents online.

Comment 4-G

Commenter: Kate Droll **Affiliation:** Private individual, Lakeside, MT **Format:** Written

The March 2024 Interlocal Agreement with Flathead County reserves 60,000 GPD for regional septage receiving ... Combined with the full Flathead Friends contractual reservation (92,000 GPD), LCWSD has committed 152,000 GPD against a DEQ-confirmed system headroom of 87,703 GPD. ... LCWSD's April 2026 response ... does not include updated active EDU counts or 2025–2026 influent data. Without current flow data, DEQ cannot confirm that actual winter inflows remain below the 228,797 GPD constraint.

Comment 5-C

Commenter: Coby Gierke **Affiliation:** The Flathead Lakers **Format:** Written

The LCWSD is already under financial strain, having proposed significant rate increases for local residents, and is the subject of an ongoing legal challenge from the Confederated Salish and Kootenai Tribes (CSKT) and Citizens for a Better Flathead over its planned expansion. Routing the wastewater from a development of this magnitude through a district already facing legal uncertainty and capacity constraints is not responsible planning.

Comment 5-D

Commenter: Coby Gierke **Affiliation:** The Flathead Lakers **Format:** Written

DEQ require the developer to prepare a feasibility analysis for an on-site advanced wastewater treatment system, such as a Membrane Bioreactor system of the kind successfully operated at the Flathead Lake Biological Station, with potential reuse of treated effluent for golf course irrigation.

Comment 6-B

Commenter: Jack Venrick **Affiliation:** Private individual, Rollins, MT **Format:** Written

Here is a 48-minute video presentation by Dr. Ric Hauer, a renowned river ecologist, speaking on the leeching problems of the latest Lakeside County Water and Sewer District expanded wastewater treatment plant and ground water discharge into Flathead Lake and surrounding water bodies. [YouTube link provided in original comment]

Note: *Comment references an external YouTube video regarding the Lakeside Discharge permit (out-of-scope).*

Comment 7-A

Commenter: Jennifer Tipton **Affiliation:** North Shore Water Alliance **Format:** Written

The DEQ has completely ignored the active litigation in the Montana Eleventh Judicial District (Citizens for a Better Flathead and the Confederated Salish & Kootenai Tribes v. Montana DEQ), which challenges the legal validity of LCWSD's groundwater discharge permit (No. MTX000307).

Comment 7-A (Oral)

Commenter: Jennifer Tipton **Affiliation:** North Shore Water Alliance **Format:** Oral — Public Hearing

The EA relies entirely on routing the project's massive sewage load to the Lakeside County Water and Sewer District. However, the district's underlying groundwater discharge permit is currently being litigated in the 11th Judicial District by Citizens for a Better Flathead and [the] CSKT tribe. Expert hydrogeological evidence in that case shows that effluent from this facility could and would rapidly migrate through fracture pathways into Flathead Lake and Ashley Creek, which is already officially listed by the DEQ as a 303(d) impaired waterway for nitrogen, phosphorus, and sediment.

Comment 7-B

Commenter: Jennifer Tipton **Affiliation:** North Shore Water Alliance **Format:** Written

LCWSD's permit to discharge up to 200,000 gpd ... is under active judicial review for arbitrary and capricious decision-making. The lawsuit demonstrates that the DEQ failed to conduct a mandatory Nondegradation Analysis under MCA § 75-5-303(2) ... Because LCWSD's discharge area sits a mere 1/4 mile upgradient of Lower Ashley Creek and a mile north of Flathead Lake, it represents the functional equivalent of a direct surface discharge. Under the U.S. Supreme Court precedent County of Maui v. Hawaii Wildlife Fund, this facility requires a federal NPDES/MPDES surface water permit.

Comment 11-B (x-ref): Ruthe Heimel (& Larry Heimel)

Cross-Reference Note: Comment 11-B raises concerns about long-term wastewater treatment capacity, potential impacts of future facility expansions, risks of groundwater contamination, nutrient loading, and monitoring requirements. These requests are framed as future-phases and cumulative concerns rather than as specific Phase 1 critiques.

"[I request additional evaluation regarding:] Long-term wastewater treatment capacity; potential impacts of future facility expansions; risks of groundwater contamination; nutrient loading associated with wastewater disposal; monitoring requirements to ensure protection of groundwater and surface water resources."

RESPONSE:

1. DEQ's Capacity Analysis Methodology. DEQ's evaluation of the existing LCWSD treatment capacity for Phase 1 is based on an engineering analysis as summarized in the department's capacity analysis in March 2025. That analysis assessed lagoon storage capacity, winter influent flows, and district commitments for future connections against the wastewater treatment plant capacity. That analysis identified 54,423 gpd of remaining capacity (approximately 228 additional EDUs at 230 gpd/EDU). An April 27, 2026, LCWSD capacity summary, submitted at DEQ's request, reflected changes to connection commitments issued by the district since March 2025 and showed approximately 15,393 gpd (approximately 67 EDUs) of remaining available capacity. Flathead Lake Club – Phase 1 was accounted in the April 27, 2026, LCWSD capacity summary. An EDU is defined as equivalent dwelling unit (EDU), 1 edu is equivalent to 1 residential dwelling. Phase 1's 79 lots, allocated at 230 gpd/EDU, require 18,400 gpd, a figure that falls within the capacity confirmed by the March 2025 analysis and is reflected in the April 2026 summary.

2. Contractual Commitments and the District's Capacity. Commenters assert that the April 2026 capacity summary understates the District's committed obligations by omitting the full 400-EDU / 92,000 gpd contractual reservation under the March 2025 Service Agreement and the 60,000 gpd Interlocal Agreement with Flathead County. How LCWSD accounts for and manages its contractual commitments, including how it classifies reserved versus allocated capacity, is a matter of District governance and state water district law, administered by the District and subject to oversight by the appropriate state authorities. DEQ's COSA capacity finding is based on the relationship between actual measured winter influent flows and the District's operational treatment and storage constraints, not on a reconciliation of the District's contractual obligations to third parties. The District's April 2026 summary, together with DEQ's March 2025 analysis, provides the basis for the EA's capacity finding.

3. Document Availability. With respect to the concern raised in comment about public access to the underlying capacity documents: DEQ timely responded to the written request and made all referenced documents, including the March 28, 2025, capacity analysis and the April 27, 2026, LCWSD capacity summary, available on DEQ's website on June 8, 2026.

4. LCWSD Discharge Permit. The case cited by commenters was a challenge of the LCWSD's MGWPCS groundwater discharge permit (No. MTX000307), which concerned the LCWSD's proposed discharge operations and permit conditions. Because the LCWSD has sufficient capacity for the application under consideration, as discussed in DEQ's Response to Theme 3, that lawsuit did not implicate or affect DEQ's separate authority to review the proposed subdivision under the Sanitation in Subdivisions Act and the Montana public water and wastewater laws. Regardless, on August 12, 2026, the District Court ruled in DEQ's favor on all issues in that case.

5. Request for Alternative Treatment Feasibility Study. DEQ's authority under the Sanitation in Subdivisions Act and Circular DEQ-2 is to evaluate whether the proposed sewage disposal system is adequately designed and sufficient to serve the subdivision. The proposed connection to the existing LCWSD WWTF satisfies applicable design and capacity standards. While MEPA requires an environmental review to include a discussion of alternatives to the proposed action, including a meaningful no-action alternative analysis, § 75-1-201(1)(a)(iv)(C) and (1)(a)(v), MCA, the statute also provides that the alternatives analysis "may not bind the project sponsor to take a recommended course of action" for projects that are not state-sponsored. For projects that are not state sponsored, such as the subdivision application here, an alternatives analysis does not include an alternative facility or an alternative to the proposed project itself. § 75-1-220(1), MCA. Consistent with these limitations, and with *Belk v. DEQ*, 2022 MT 38, and *Mont. Wilderness Ass'n v. Bd. of Health & Envtl. Sciences*, 171 Mont. 477 (1976), MEPA's alternatives requirement does not expand DEQ's substantive authority beyond what is granted by the Sanitation in Subdivisions Act and related water and wastewater statutes. Where, as here, proposed sanitary facilities meet all applicable requirements under DEQ's governing statutes and Circular DEQ-2, MEPA does not require DEQ to evaluate or compel alternative treatment technologies that DEQ has no statutory authority to require or implement.

THEME 4: STORMWATER AND WATER QUALITY

Commenters: Kate Droll (4); The Flathead Lakers / Coby Gierke (5); North Shore Water Alliance / Jennifer Tipton (7); Heimel/ Rachel [x-ref] (11/12)

Summary of Theme 4 Comments: Several commenters focus on stormwater design, receiving waters, and water quality. Their comments express concern that: (1) the EA does not clearly identify the receiving waters for Phase 1 stormwater and does not demonstrate consistency with existing nutrient TMDLs and Endangered Species Act (ESA) protections for bull trout; (2) detention and retention facilities designed to control peak flow rate do not address pollutant loading from sediment, nutrients, and potential golf-course chemicals across the larger 1,700-acre development; and (3) the Phase 1 stormwater network appears interconnected with future phases and, given steep slopes, shallow bedrock, and potential blasting, could create rapid preferential pathways that bypass the planned ponds and discharge more directly toward Flathead Lake.

Comment 4-H

Commenter: Kate Droll **Affiliation:** Private individual, Lakeside, MT **Format:** Written

The stormwater analysis does not identify the receiving water, does not apply DEQ's own TMDL for an already-impaired lake, and omits any ESA analysis for bull trout — a federally threatened species in designated critical habitat downstream.

Comment 4-H (Oral)

Commenter: Kate Droll **Affiliation:** Private individual, Lakeside, MT **Format:** Oral — Public Hearing

The stormwater plan never identifies the receiving water ... Phase 1 includes 12 detention ponds, retention ponds, and it is designed to DEQ-8 standard. The EA confirms flow rate compliance, however, it does not identify where the discharge is actually going. The Phase 1 area ... sits upward slope from Flathead Lake. It's approximately three-quarters of a mile to the east. We know that

surface water flows downhill to the west, which would flow into Taplan Creek and Stoner Creek, and ultimately into Flathead Lake. Flathead Lake has been listed as impaired for nutrients since 1996. That listing has triggered a federally required total maximum daily load ... It establishes limits on phosphorus and nitrogen that enter the lake from its tributaries, which would include Stoner Creek ... Flow rate compliance itself is not water quality protection, and runoff from 80 large plots with irrigated lawns will carry nutrients that will end up in the lake, and that loading needs to be measured against a standard that already exists.

Comment 5-E

Commenter: Coby Gierke **Affiliation:** The Flathead Lakers **Format:** Written

Rate control addresses the volume and velocity of runoff, but does not prevent the discharge of sediment, nutrients, pesticides from the golf course, and other pollutants that accumulate on impervious surfaces and disturbed soils. The full subdivision will dramatically increase impervious surfaces across 1,700 acres in a watershed that drains to one of the largest and cleanest freshwater lakes in the world.

Comment 7-E

Commenter: Jennifer Tipton **Affiliation:** North Shore Water Alliance **Format:** Written

The CBF lawsuit notes that the Flathead-Stillwater nutrient TMDL mandates a 91% reduction in Total Nitrogen to restore beneficial uses. The Phase 1 EA fails to reconcile how the water extracted for the subdivision, which will subsequently be discharged via LCWSD, is consistent with the assumptions and conditions underlying these established nutrient TMDLs. ... The Confederated Salish & Kootenai Tribes (CSKT) hold strict numeric and narrative water quality standards for the southern portion of Flathead Lake to protect treaty-reserved salmonid fisheries.

Comment 7-F

Commenter: Jennifer Tipton **Affiliation:** North Shore Water Alliance **Format:** Written

While Section 1.3 of the EA claims that 12 detention/retention basins are dedicated exclusively to Phase 1, the infrastructure blueprints include shared drainage networks designated for 'Future Phases' ... The EA explicitly states these future phases are unauthorized under the current [COSA], yet it completely fails to analyze whether the Phase 1 stormwater network can safely operate in isolation ... The EA notes that Phase 1 sits on steep mountainous slopes (25% to 40%) with shallow bedrock that will require mechanical breaking or blasting ... These newly created fractures can form rapid, unmonitored pathways, allowing stormwater runoff ... to bypass the 12 planned stormwater ponds and discharge directly into Flathead Lake.

Comment 7-F (Oral)

Commenter: Jennifer Tipton **Affiliation:** North Shore Water Alliance **Format:** Oral — Public Hearing

The stormwater layout map flatly contradicts the EA's own environmental disclosures. While Section 1.3 of the EA claims that 12 detention basins are dedicated exclusively to Phase 1, the infrastructure blueprints include shared drainage networks designed for future phases. [The] EA explicitly states these future phases are unauthorized under the current COSA, yet it completely fails to analyze whether the Phase 1 stormwater network can safely operate in isolation on this steep terrain if future development is halted ... The developer admits that Phase 1 sits on steep, mountainous slopes of up to 40% ... bedrock requiring extensive mechanical fracturing and blasting. The EA treats blasting purely as a construction hurdle. It completely fails to analyze how shattering this bedrock will create unmonitored underground fracture pathways. These pathways could allow chemical-heavy stormwater runoff from the development to bypass the 12 planned stormwater ponds draining into Flathead Lake.

Comment 11/12-B (x-ref): Heimel/ Rachel

Cross-Reference Note: Comment 11-B raises concerns about increased phosphorus and nitrogen loading, sediment delivery, and stormwater runoff carrying pollutants into groundwater and surface waters. This is substantively similar to Comments 4-H, 5-E, and 7-E in Theme 4. Heimel adds a specific request regarding golf course fertilizer, herbicide, and pesticide contributions to nutrient loading. The existing Theme 4 Response (TMDLs/ stormwater) does not directly address golf course chemical runoff.

"[Potential stormwater impacts include:] Increased sediment delivery to nearby waterways; increased phosphorus and nitrogen loading; stormwater runoff carrying pollutants into groundwater and surface waters; erosion during construction and long-term site maintenance; degradation of wetlands and aquatic habitats ... Golf courses often require significant irrigation withdrawals; fertilizer applications; herbicide and pesticide use; ongoing turf management activities. These activities can contribute to nutrient loading, groundwater contamination, and increased water consumption."

RESPONSE:

1. Scope of DEQ's Stormwater Review. Under the Sanitation in Subdivisions Act and Circular DEQ-8, DEQ's review of stormwater facilities is limited to whether the subdivision's storm drainage system is adequately designed to manage runoff and protect water quality. EA Section 2 (Water Quality, Quantity, and Distribution) describes the Phase 1 stormwater system and notes that the sanitary facilities and stormwater infrastructure are located on the eastern portion of the property, upgradient from Flathead Lake, as shown on Figure 4. of the environmental assessment. The Phase 1 facilities are located in the upper portion of a small valley above Peaceful Bay on Flathead Lake. Stormwater drains into this valley, which exhibited no evidence of surface water features on the Phase 1 property during an October 2023 site visit by Power Engineers. Although no waterbody was identified in the field, the USGS National Hydrography Dataset (NHD) maps an unnamed ephemeral stream in this drainage. The point at which a defined channel may begin is uncertain but appears to be north of the Phase 1 boundary. Nevertheless, there is likely an ephemeral state water downgradient of the Phase 1 stormwater facilities.

2. Detention and Retention Pond Function. Commenters note that DEQ-8 addresses stormwater flow rates but does not include water quality limitations, and that stormwater may collect and concentrate pollutants such as sediment, nutrients, and chemicals such as herbicides and pesticides, potentially contaminating groundwater or surface water. The Phase 1 stormwater design follows Circular DEQ-8, which requires subdivision stormwater systems to limit post-development peak discharge rates to at or below pre-development conditions for specified design storms. In the proposed project, detention facilities are sized for at least the 2-year, 24-hour storm event, meaning a storm of 24-hour duration with a statistical recurrence interval of approximately two years. Detention ponds temporarily store runoff and release it at a controlled rate of discharge such that peak outflows do not exceed pre-development peak flows, while retention facilities are designed to retain a minimum treatment volume on-site in accordance with DEQ-8. Together, these facilities are intended to reduce erosion, attenuate peak flows, and promote settling, and capture of suspended solids and floatables within the Phase 1 analysis area as described in EA Sections 1.3 and 2. Many pollutants found in stormwater are strongly associated with sediment

(such as phosphorus, which binds to soil) and are therefore mitigated by settling and vegetated surfaces and filter strips.

3. Phase 1 Stormwater Network and Future Phases. The EA states that only the Phase 1 stormwater facilities are part of the Proposed Action and that additional stormwater infrastructure shown on the Stormwater General Layout serving future phases is not authorized under this COSA. The Phase 1 ponds and conveyances are designed to operate as a stand-alone system for the Phase 1 disturbance area, using natural drainage ways, roadside swales, culverts, and basins sized to manage runoff from Phase 1 roads and utility corridors. Any future phases of the Flathead Lake Club development would require separate DEQ review and would need to demonstrate that their stormwater facilities meet DEQ-8 standards at that time. If subsequent applications are submitted, the DEQ will evaluate flows associated with proposed phases combined with Phase 1 flows to ascertain the total flows directed to each stormwater facility meets DEQ-8 requirements.

4. TMDLs, Nonpoint Stormwater, and ESA Concerns. Commenters raise concerns about consistency with the Nutrient Management Plan and TMDL for Flathead Lake, the Flathead-Stillwater nutrient TMDL, CSKT water quality standards, and Endangered Species Act (ESA) protections for bull trout. Phase 1 stormwater from the subdivision roads and utility corridors is managed through DEQ-8-designed facilities and leaves the Phase 1 system as diffuse, nonpoint runoff rather than as a permitted point-source discharge. Stormwater that leaves Phase 1 may eventually reach an unnamed ephemeral stream that is mapped on the NHD but was not observed in field inspections of the Phase 1 site. Ephemeral state waters are subject to the water quality standards provided in ARM 17.30.637. Due to the low concentration nature of any anticipated contaminants in residential stormwater flows, and the functions of DEQ-8 stormwater facilities (as discussed above in Theme 4, Response 2), as well as DEQ does not anticipate that stormwater flows from Phase 1 would violate any applicable water quality standards in this potential, unnamed ephemeral stream. Since no ephemeral stream channel was observed at the site, the potential to impact any downgradient waterbodies, including state and tribal reaches of Flathead Lake, is vanishingly small. Due to the lack of any evident channel morphology, ephemeral flows leaving the site likely infiltrate soils into the subsurface. Groundwater beneath Phase 1 was encountered at 340-400 feet below surface, and DEQ does not anticipate that stormwater would cause any measurable impact to the groundwater. ESA consultation and consistency with allocations for nutrient sources in the lower Ashley Creek watershed established in the Flathead-Stillwater TMDL are addressed through separate permitting actions such as LCWSD's MGWPCS permit, not through this subdivision COSA. The Nutrient Management Plan and TMDL for Flathead Lake did not set allocations for specific sources or source categories and instead called for a 25% basin-wide reduction in nutrients. More detailed allocations to specific sources and source categories were to be left to subbasin TMDLs (such as the Flathead-Stillwater). Outside of the core urban and agricultural areas north of Flathead Lake that were the initial focus of the TMDL, the document states that "land use planning, education, and implementing BMPs for all future development should also be a

primary focus of the water quality restoration efforts.” BMPs established in DEQ-8 are consistent with the recommendations of the TMDL.

5. Stormwater Regulation. Phase 1 construction activities are covered by a DEQ construction stormwater general permit and an associated Storm Water Pollution Prevention Plan (SWPPP), which require temporary erosion and sediment control BMPs during construction. After construction, Phase 1 stormwater facilities operate as subdivision storm drainage features under DEQ-8. DEQ did not find that additional storm water controls are needed to meet nutrient wasteload allocations, as none have been established for waterbodies in Phase 1. DEQ does not expect the stormwater runoff retained or detained in stormwater facilities to be significant contributors of pollutants to surface waters due to the functions of DEQ-8 stormwater facilities, which temporarily impound stormwater runoff, attenuate peak discharge rates, promote settling and capture of suspended solids (including phosphorus bound to soil) and floatables, and facilitate infiltration to subsurface soils.

6. Steep Slopes, Shallow Bedrock, and Blasting. Comment 7-F expresses concern that blasting in shallow bedrock areas could create preferential pathways that bypass the planned ponds. EA Sections 1 (Geology, Soil Quality, Stability, and Moisture) and 2 describe the site's geotechnical conditions, identify areas of shallow bedrock and steep slopes, and discuss construction-phase controls and stabilization measures. Within DEQ's sanitary review scope, the combination of DEQ-8-designed basins, roadside conveyance, natural drainageways, SWPPP requirements for construction, and long-term stormwater maintenance is expected to keep stormwater associated with the Phase 1 facilities within the designed drainage network and to limit erosion and uncontrolled runoff from the utility corridors and roads. To develop the stormwater model the applicant's licensed professional engineer used NRCS soils for initial assumptions, which were validated against site specific geotechnical data in the Langan Preliminary Geologic Hazards and Geotechnical Engineering Report.

THEME 5: SUPPORT FOR THE PROPOSED ACTION

Commenters: David Fetveit (1); Andrew 'Bear' Baranowski (9)

Summary of Theme 5 Comments: Several commenters expressed support for the Proposed Action. Comments in support addressed the project's use of centralized wastewater collection and treatment through LCWSD rather than individual on-site systems, the stormwater management design, the EA's scope and approach, and the economic and community benefits associated with the development, including tax revenue, local employment and subcontractor activity, and community amenities. Supporting commenters also expressed their opinions that the Flathead Lake Club developers have approached planning responsibly, and that the project represents sound stewardship of the site.

Comment 1-A

Commenter: David Fetveit **Affiliation:** Lakeside-Somers Chamber of Commerce; LCWSD Ratepayer **Format:** Written — June 3, 2026

I believe the document appropriately evaluates the sanitary infrastructure that falls within DEQ's jurisdiction and demonstrates that the proposed Phase 1 facilities can be constructed and operated while protecting public health and water quality.

Comment 1-B

Commenter: David Fetveit **Affiliation:** Lakeside-Somers Chamber of Commerce **Format:** Written

The project's connection to centralized wastewater collection and treatment through LCWSD ... reduces the potential for nutrient and pathogen migration to groundwater and ultimately to Flathead Lake when compared to dispersed septic systems.

Comment 1-C

Commenter: David Fetveit **Affiliation:** Lakeside-Somers Chamber of Commerce **Format:** Written

There are approximately 2,100 housing units in the combined Lakeside and Somers area, with roughly 800 to 900 septic systems still in service. Expanding the use of centralized wastewater treatment where capacity exists is one of the most effective long-term strategies available for protecting water quality in the Flathead Lake watershed.

Comment 1-D

Commenter: David Fetveit **Affiliation:** Lakeside-Somers Chamber of Commerce **Format:** Written

DEQ's capacity analysis and LCWSD's updated capacity summary demonstrate sufficient existing treatment capacity to accommodate Phase 1 flows without requiring immediate expansion of the treatment facility.

Comment 1-E

Commenter: David Fetveit **Affiliation:** Lakeside-Somers Chamber of Commerce **Format:** Written

The project incorporates DEQ-reviewed stormwater management infrastructure designed to maintain post-development runoff conditions and includes construction-phase erosion and sediment control measures intended to protect downstream water resources.

Comment 9-A

Commenter: Andrew Baranowski **Affiliation:** MomQuest Construction **Format:** Oral — Public Hearing

I think the greatest comparison ... is to Iron Horse. There was some public resistance early on ... I do see the benefit, the tax benefit that it's offered our town. The amenities and the services, it's helped property values. My son worked at the golf course ... They've taken care of their water problems, of their sewer problems, of the electrical ... I feel like what these guys are doing compared to ... even a Whitefish Hills, or a Grouse Mountain, or an Iron Mountain, it seems like they've spent a lot of time preparing, how to do things properly, how to do things appropriately, how to help the community ... I feel like it's sort of the paradigm of professionalism as providing services ... Being on-site there, I feel like it's done in the best stewardship model that I've seen.

RESPONSE:

The Department has reviewed all comments expressing support for the Proposed Action. These comments are part of the public record for this EA and have been considered in the Department's review.

THEME 6: WILDLIFE, HABITAT, AND RIPARIAN BUFFERS

Commenters: Citizens for a Better Flathead / Mayre Flowers (3); The Flathead Lakers / Coby Gierke (5); Heimel/ Rachel [x-ref] (11/12)

Summary of Theme 6 Comments: Commenters raise concerns about wildlife impacts and riparian buffer adequacy. One commenter, writing directly to Montana Fish, Wildlife & Parks, contends that no comprehensive environmental review has evaluated the cumulative effects of the full development on fish habitat, aquatic resources, and wildlife corridors. Two commenters raise concerns about the adequacy of riparian buffers near the State water and wetland features on the western portion of the property, citing FWP's own recommendations for larger setbacks, and assert that the proposed 30-foot vegetative buffer falls short of applicable DEQ and agency standards. A third sub-comment raises broader concerns about the development's effects on wildlife species including elk, deer, black bear, grizzly bear, and wolverine, winter range disruption, and the risk of human-wildlife conflicts.

Comment 3-D

Commenter: Mayre Flowers **Affiliation:** Citizens for a Better Flathead **Format:** Written

Montana Fish, Wildlife & Parks (FWP) explicitly stated that a 30-foot buffer is entirely insufficient to protect water quality and aquatic life from golf course chemical runoff. FWP has demanded a minimum 150-foot vegetative buffer plus a 50-foot building setback (200 feet total) for the perennial stream, and a 130-foot total setback for the wetlands.

Comment 3-E

Commenter: Mayre Flowers **Affiliation:** Citizens for a Better Flathead **Format:** Written

FWP confirmed that this massive development will severely disrupt the vital winter range for elk, mule deer, white-tailed deer, and black bears. ... While the developer boasts 864 acres of 'open space,' FWP explicitly noted that the wildlife value of these acres is low to non-existent ... Documented collared grizzly bears and a rare wolverine occupy this immediate area. Human-wildlife conflicts ... will turn this subdivision into a demographic 'population sink' for regional carnivores.

Comment 5-F

Commenter: Coby Gierke **Affiliation:** The Flathead Lakers **Format:** Written

The current application references a Riparian Resource Management Plan and a 30-foot vegetative buffer, but these commitments fall short of Montana DEQ specifications for vegetative buffer widths and do not address the full range of best management practices (BMPs) available for a development of this type and setting.

Comment 2-B

Commenter: Seth Willyard **Affiliation:** Private Individual **Format:** Written

The record now establishes that the development includes at least four interdependent components: a golf course, a marina, a boat dock with associated shoreline infrastructure, and the Lakeside WSD Phase 2 wastewater expansion ... There has been no comprehensive environmental assessment ... evaluating the combined effects of these components on Flathead Lake, the Flathead Basin, fish habitat, aquatic resources, water quality, shoreline use, nutrient loading, recreation, and growth-induced development pressure.

Comment 11/12-B: (x-ref) Heime/ Rachel

Cross-Reference Note: This is substantively similar to Comment 3-E already in Theme 6.

"The proposed development will increase residential density, traffic, recreation, lighting, and human activity within an area that supports important wildlife habitat. Potential impacts include habitat fragmentation; disruption of wildlife movement corridors; increased human-wildlife conflicts; effects on grizzly bears, black bears, mountain lions, elk, deer, birds, and other native species.

RESPONSE:

1. Willyard Letter to FWP -- Aquatic Resources and Fish Habitat. Mr. Willyard's letter, which was addressed to Montana Fish, Wildlife & Parks (FWP), raises concerns about the cumulative environmental effects of the broader Flathead Lake Club development, including the golf course, marina, and boat dock, on fish habitat, aquatic resources, Flathead Lake water quality, and wildlife corridors. As described in the Theme 1 response, those broader concerns fall outside DEQ's sanitary review jurisdiction and are subject to the independent permitting and regulatory authority of FWP and other agencies. Within DEQ's scope, EA Section 5 (Terrestrial and Aquatic Life and Habitats) evaluates the effects of the Phase 1 sanitary facilities on aquatic and terrestrial resources, relying on the Power Engineers Wildlife Assessment (Oct. 2023/Feb. 2024) and the Aquatic Resource Delineation. The State water feature WW-1 and wetland WL-1, located on the western portion of the property, are outside the Phase 1 sanitary infrastructure footprint, and no direct impacts to those features are anticipated from the Phase 1 sanitary facilities.

2. Riparian Buffers and FWP Setbacks. Commenters raise concerns about the adequacy of the 30-foot vegetative buffer near the State water and wetland on the western portion of the property. The State waters WW-1 and WL-1 are located on the western side of the property and are outside the Phase 1 sanitary infrastructure footprint; the Phase 1 sanitary facilities do not extend into or immediately adjacent to those features (See EA Section 2, Water Quality, Quantity, and Distribution and Section 5, Terrestrial and Aquatic Life and Habitats). Buffer widths and building setbacks adjacent to State waters and wetlands are conditions of Flathead County's preliminary plat approval, developed in coordination with FWP, and are administered through the county's final platting process. DEQ has no basis to conclude the county-adopted buffer is inconsistent with FWP's recommendation, as the final buffer width and any FWP-recommended increase would be resolved through the county's final plat process rather than through this COSA.

3. Wildlife Species, Winter Range, and Human-Wildlife Conflict. Commenters raise concerns about elk, deer, bear, grizzly bear, and wolverine winter range disruption, the wildlife value of the proposed open-space areas, and the risk of human-wildlife conflict. These concerns relate to the effects of residential lot development and human occupancy on wildlife movement and behavior. These matters are outside DEQ's jurisdiction for this Proposed Action and instead are governed by FWP and county land-use authority. Section 5 of the EA addresses wildlife within DEQ's scope, including the findings of the Power Engineers Wildlife Assessment regarding species presence, habitat characteristics, and MTNHP documented occurrences of Canada Lynx, Grizzly Bear, and Wolverine within the broader section, township, and range. The EA concludes that the Phase 1 sanitary facilities, consisting primarily of subsurface utilities and limited above-ground infrastructure, are not expected to significantly alter wildlife habitat beyond temporary construction-phase disturbance, and that the adjacency of the project area to the Flathead National Forest and State lands retains habitat connectivity.

THEME 7: GEOLOGY, SEISMIC HAZARDS, AND WILDFIRE

Commenters: Citizens for a Better Flathead / Mayre Flowers (3)

Summary of Theme 7 Comment: One commenter raises concerns about geotechnical hazards, seismic risk, and wildfire. The comment references a Langan Engineering geotechnical report to assert that the subdivision contains active fault lineaments, slope instability, and rockfall hazards intersecting proposed building pads, and that the site sits within the Intermountain Seismic Belt. The comment also raises the wildland-urban interface fire risk posed by dense timber cover, steep topography, and the influx of seasonal residents. These concerns are raised as grounds for requiring a full EIS.

Comment 3-F

Commenter: Mayre Flowers **Affiliation:** Citizens for a Better Flathead **Format:** Written

Geotechnical modeling by Langan Engineering identified four prominent lineaments (fault lines), severe slope instability, and active rockfall zones directly intersecting proposed building pads (e.g., lots HE 20, HE 21, and NE 21). ... The subdivision rests within the volatile Intermountain Seismic Belt ... The property is heavily timbered and sits in an 'Extreme' Countywide Priority Area for Wildland-Urban Interface (WUI). The influx of hundreds of seasonal residents into a high-susceptibility fire zone with complex, steep topography poses a severe risk to life and evacuation logistics.

RESPONSE:

1. Geotechnical Hazards and Seismic Risk. The geotechnical suitability of individual building pads, the investigation of lineaments at specific lot locations, and overall seismic risk management for the subdivision are matters within Flathead County's subdivision review jurisdiction, not DEQ's. Flathead County's August 21, 2025, preliminary plat conditions expressly require a fault investigation for the identified lineaments and further geotechnical review for building pads located on 25 to 40 percent slopes and in mapped rockfall areas prior to final plat approval. Those conditions are administered by the county under the Montana Subdivision and Platting Act. Within DEQ's sanitary review scope, EA Section 1 (Geology, Soil Quality, Stability, and Moisture) addresses the geotechnical conditions relevant to construction of the Phase 1 utility and stormwater infrastructure. The EA describes the presence of shallow bedrock, steep slopes, and the potential need for mechanical breaking or blasting during utility trench and basin excavation and identifies the Langan geotechnical recommendations within the sanitary infrastructure footprint. Incorporation of the Langan geotechnical recommendations into final construction plans is expected to reduce geotechnical risk during and after construction of the Phase 1 facilities.

2. Wildland-Urban Interface Fire Risk. Wildland-urban interface fire risk, evacuation logistics, and emergency access are land-use and public safety matters governed by Flathead County, DNRC, and local fire authorities — not by DEQ's subdivision review of proposed sanitary facilities. The Phase 1 water supply system includes fire-flow capacity coordinated with the Somers-Lakeside Fire Department, as described in EA Section 1.3, and fire hydrant locations and distribution main sizing are designed to meet fire-flow requirements under Circular DEQ-1. Beyond that coordination, wildfire hazard mitigation, vegetative management, and emergency response planning for the subdivision are outside the scope of DEQ's subdivision review.

THEME 8: DEVELOPER TRACK RECORD

Commenters: The Flathead Lakers / Coby Gierke (5)

Summary of Theme 8 Comment: One commenter cites past incidents at two other developments — the Yellowstone Club and Crazy Mountain Ranch — as grounds for heightened scrutiny of this applicant. The comment references a 2016 wastewater pond failure at the Yellowstone Club and unauthorized water use at Crazy Mountain Ranch as evidence that the developer cannot be trusted to comply with environmental requirements.

Comment 5-G

Commenter: Coby Gierke **Affiliation:** The Flathead Lakers **Format:** Written

At the Yellowstone Club in Big Sky, a mechanical failure at a wastewater storage pond in March 2016 resulted in the release of approximately 30 to 35 million gallons of treated effluent into Second Yellow Mule Creek ... CrossHarbor's Crazy Mountain Ranch development ... had irrigated its golf course with water from Rock Creek ... without obtaining required authorization ... The DNRC's own attorney cited CrossHarbor's 'persistent noncompliance and noncooperation.'

Comment 5-G (Oral)

Commenter: Coby Gierke **Affiliation:** The Flathead Lakers **Format:** Oral — Public Hearing

Massive failures with their sewage lagoons [at the Yellowstone Club] have led to long-term problems for nutrients in the Gallatin River ... because there's a big development and a golf course built up on the side of a mountain right on top of bedrock, which should sound pretty familiar to what we're talking about doing in Lakeside ... [At] Crazy Mountain Ranch ... a judge had to force this developer to stop purchasing water illegally to put on the golf course that they had developed without necessary water rights in place. When we see the same development company coming in, doing the same things in different places, and just paying the tax for doing it wrong, we need to hold them as accountable as the law allows us to do so. And in this case, DEQ, this is your mandate, and you have the opportunity to conduct a full environmental impact statement and make sure that this developer understands that there will be consequences for poor behavior.

RESPONSE:

DEQ's review is limited to whether the Phase 1 water supply, wastewater collection, and stormwater management facilities satisfy applicable design standards and legal requirements under the Sanitation in Subdivisions Act and Public Water Supply Act. DEQ does not have legal authority to consider the applicant's conduct at other projects. The Phase 1 sanitary facilities, if approved, must comply with all applicable state laws and the conditions of the COSA, and the applicant would be subject to DEQ's enforcement authority under the Sanitation in Subdivisions Act and related statutes should violations occur.

THEME 9: GENERAL INFRASTRUCTURE POLICY, GROWTH CONCERNS, AND PUBLIC PROCESS

Commenters: Jack Venrick (6); Online Petition Signatories (8); Deirdre Coit (10); see also Individual Petition Additions (8-B1, 8-B2, 8-B3 in Theme 1)

Commenters raise general concerns about the broader policy of centralized water and wastewater infrastructure and the pace and scale of growth in the Flathead Lake watershed. One commenter objects philosophically to centralized municipal water and sewer systems and advocates for distributed, self-contained infrastructure. Online petition signatories express general opposition to the development and concern about cumulative impacts on the watershed, traffic, fire and emergency services, and regional character.

Comment 6-A

Commenter: Jack Venrick **Affiliation:** Private individual, Rollins, MT **Format:** Written

New construction and new developments must adopt a more widely distributed and more self-contained infrastructure in water supply and sewage disposal. We can no longer absorb municipal distribution of their sewage, water and waste.

Comment 6-C

Commenter: Jack Venrick **Affiliation:** Private individual, Rollins, MT **Format:** Written

City municipal sewage systems can no longer continue to: 1) centralize waste or water municipal systems. 2) cram more people and developments especially around or near major natural water resources and 3) use budgeted technology to just get by for another few years.

Comment 8-B

Commenter: Online Petition Signatories (~200+) **Affiliation:** Private citizens **Format:** Written (general opposition statements)

Various signatories expressed general concern about the pace of development, growth impacts on the Flathead Lake watershed, and requests for greater environmental scrutiny.

Comment 10-A

Commenter: Deirdre Coit **Affiliation:** Private individual, Kalispell, MT **Format:** Oral — Public Hearing

We kind of dealt with this with the water bottling plant when that was happening ... it just wasn't deep, it wasn't looked at deeply enough. And I think this is such a big deal with the sewage and the chemicals and everything that's going to be happening there that I really don't understand why the DNRC and the DEQ ... just rubber stamp everything and let everything go through without really, really doing the research. So, I'm just asking you to please not approve this, and get more research done, because you're talking about the cleanest lake, supposedly, maybe in the country, but it's not gonna be that way forever.

RESPONSE:

These comments express views about general infrastructure policy, regional growth, and the broader effects of the overall Flathead Lake Club development. Those subjects are outside DEQ's jurisdiction in this proceeding. DEQ's subdivision review is confined to whether the Phase 1 water supply, wastewater collection, and stormwater management facilities satisfy applicable design standards and legal requirements. Questions about land use, growth management, traffic, emergency services, and regional development policy are governed by Flathead County and other authorities through separate processes. The petition signatories' concern the EA's scope is addressed in the Theme 1 response.