



STATE OF NEW HAMPSHIRE
DEPARTMENT of NATURAL and CULTURAL RESOURCES
OFFICE OF THE COMMISSIONER
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July 5, 2022

Peter Disch, General Manager
Mount Sunapee Resort
PO Box 2021
Newbury, NH 03255

RE: Mount Sunapee Resort Annual Operating Plan 2022-2023

Dear Mr. Disch,

This letter is a revision from my letter to you, dated June 30, 2022. It provides one additional condition, added to the list below as item #8. All other conditions for approval of the Mount Sunapee Resort (MSR) Annual Operating Plan 2022-2023 (AOP), dated May 15, 2022, found in my original letter to you dated June 30, 2022, shall remain in effect.

The Lease and Operating Agreement of 1998 (Lease 1998) enables the Operator, d/b/a Mount Sunapee Resort (MSR), “to manage and operate the Leased Premises as a public ski area and summer recreational facility to provide year-round outdoor recreational opportunities for the general public” and “shall entitle the Operator to the right to operate a commercial recreational (*sic*) facility (including all of its support activities) on Mount Sunapee in the Towns of Newbury and Goshen” (Lease 1998, Part 4, Ski Area Operations, p. 4).

The Annual Operating Plan. Pursuant to the Lease 1998, Part 5, Annual Operating Plan, p. 4 “[o]n or before the 15th day of May during each year of this Agreement, the Operator shall submit to the Department of Natural and Cultural Resources (DNCR) an annual operating plan, including a schedule of the proposed days and hours of operation for the ski area, and a description of the types of recreational activities available to the public. The proposed schedule of operation shall be reviewed by DNCR and either approved as proposed, or revised for resubmission. The DNCR shall notify the Operator in writing of a final schedule of operations no later than June 30th of each year.” The AOP 2022-2023 was delivered to the DNCR on May 13, 2022. The DNCR distributed the AOP to the Mount Sunapee Advisory Commission (MSAC) and posted a copy on the MSAC webpage.

The Mount Sunapee Advisory Commission (MSAC). The MSAC operates under the Public Involvement and Oversight Policy for Mt. Sunapee Ski Area (PIOP), dated August 31, 1998, and revised on December 3, 2018. The Lease Amendment approved by the Governor and Executive Council on December 19, 2018, codified the requirement that the Operator meet with the MSAC at the call of the Commissioner.

I called a meeting of the MSAC held on June 14, 2022. MSR presented its AOP and comments on the AOP were received from the MSAC and the public. We invited additional public comment to be submitted via email through June 21st.

At the public meeting, I was pleased to hear MSR acknowledge several challenges it faced during the last ski season. With weather not cooperating at the beginning of the season, staffing shortages, and traffic congestion – there were complaints made to both your office and mine. Your commitment to collaborating

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with local safety officials mid-season, to make adjustments with parking and traffic, as well as honing your communications with prospective guests (both online and with electronic signs) made improvements as the season went on. With these strategies implemented at the start of the 2022-2023 ski season, I trust the traffic logistics will run smoothly.

I am glad to learn that MSR will offer a significant increase in pay – going from a base rate of \$13.00 per hour to \$20.00 per hour. It is my understanding from what was presented on June 14th, that due to a staff shortage last season, not all indoor lodge space and concession space was available to guests and that if you have adequate staff in the 2022-2023 season, there will be more room inside for guests to spread out.

Many members of the public have expressed their concerns about capacity at MSR. Some of the conditions listed below provide you with the opportunity to address this concern.

Conditional approval of the AOP. We have completed our review of Mount Sunapee Resort's Annual Operating Plan 2022-2023 (AOP), dated May 15, 2022. The activities in the AOP are consistent with the 1998 Lease and Lease Amendments, and the Master Development Plan and Environmental Management Plan 2020-2025 (MDP and EMP, respectively) that was approved by the DNCR on June 1, 2021. Comments received from the public, the MSAC whose members include the DES and the NHB, and the DNCR staff were considered. I am providing the MSR with written approval of the AOP 2022-2023, on the following basis and subject to the conditions herein:

- 1) The proposed schedule of operations for the ski area and the types of recreational activities available to the public are approved as proposed. I acknowledge that the MSR may not open certain areas and facilities or implement certain programs for the general public in response to health and safety reasons, compliance with government order, or for circumstances beyond the MSR's control, such as weather conditions.
- 2) The DNCR acknowledges that the MSR's summer and skier visitation data are a part of its accounting and financial reporting that is provided to the DNCR each year. In accordance with State law RSA 91-A:5, such confidential, commercial, and financial information is exempt from public release.
- 3) By August 1, 2022, the MSR will submit to DNCR details on its process used to determine ski ticket sales in context of its current "Comfortable Carrying Capacity," as defined in the 2020-2025 Master Development Plan (MDP, p. 16) and sales of season passes.
- 4) The DNCR issues a Special Use Permit for the MSR's use of the Sun Bowl access road (AOP, p. 23). Last year, I asked MSR and the Division of Parks and Recreation (DPR) to collaborate on solutions for the repair of the road. I wish to acknowledge and thank MSR for refurbishing the Bowl Road at its own expense of nearly \$17,000. MSR is granted approval to complete its work on the remaining 2,515-ft. of road this summer season, using all environmental BMPs and ensuring camper, hiker, and emergency access to the state park campground.
- 5) The MSR will comply with the terms of the Lease, including LWCF requirements, as it pertains to Item 4, Resort Real Estate Sales (AOP, p. 23).
- 6) The DNCR recognizes the MSR's commitment to expand its Best Management Practices to mitigate storm water runoff and reduce salt usage. We congratulate MSR's Base Operations Manager for receiving his certification from UNH T2's Green SnowPro program (AOP, p. 26).

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- 7) The DNCR acknowledges MSR's responsive and collaborative action to address the vehicle traffic challenges of last winter. We support MSR's traffic congestion mitigation measures outlined in the AOP on pp. 26-29 and pp. 41-44.
- 8) The MSR will update its reference to the 2020 NH Fish and Game Department Wildlife Action Plan (WAP) mapping in the AOP (p. 29). References to the updated 2020 WAP and a copy of the 2020 WAP report will be included in MSR's revised EMP 2020-2025, as stipulated in my conditional approval letter of the MDP & EMP 2020-2025, dated June 1, 2021.
- 9) The MSR will continue to collaborate with the NHB on a mowing schedule to protect both the greater fringed-gentian population and the Loesel's wide-lipped orchid population (AOP, p. 30).
- 10) The DNCR appreciates the partnership between the MSR and the Lake Sunapee Protective Association (LSPA), and acknowledge the DES Watershed Assistance Grant project that they will undertake in mid-August 2022, to address erosion issues along parking lot #1 and Beck Brook (AOP, p. 31).
- 11) The MSR will continue to emphasize its relationship with NH State Parks in its signage. Any strategic partnerships with other businesses that incorporate onsite displays or signage shall require advance review by the DNCR to ensure compliance with the federal LWCF program (AOP, p. 35).
- 12) The DNCR acknowledges MSR's efforts to reduce its solid waste materials by collecting food scraps and using EcoProducts that can be placed into a compost dumpster (AOP, p. 34).
- 13) The maintenance and improvement projects planned under the AOP 2022-2023 timeframe (AOP, p. 38) meet the Lease requirements that the "Operator shall maintain the Leased Premises in first class condition... shall undertake all maintenance of the facilities, lifts, trails, slopes, ponds, water courses, buildings, structures, roadways and other appurtenances, and housekeeping in all areas of the Leased Premises" (see 1998 Lease, Part 16 Maintenance, p. 8).
 - a) MSR provided DNCR with site plans for the ski school locker room, met onsite with DNCR staff, and obtained DNCR approvals for design and NHB datachecks. MSR will provide DNCR with the Public Facilities Request form to submit to the National Park Service in compliance with the LWCF program.
 - b) MSR will provide site plans for Parking Lot #4 for DNCR's review and approval, including compliance with the LWCF program. Parking Lot #4 was proposed in MSR's 2000-2004 MDP and approved by Commissioner George Bald on September 19, 2000.
 - c) Concurrent with its submission of Parking Lot #4 site plans, MSR will document its primary goals of establishing Parking Lot #4 and how this lot impacts the traffic and parking logistics, overall visitor experience while maintaining the current "Comfortable Carrying Capacity," as stated in the 2020-2025 MDP.
- 11) The MSR will obtain any and all required federal, state and local permitting and approvals as may be required for its projects.
- 12) The DNCR acknowledges that projects that were approved by the DNCR in previous AOP's and listed on page 39, will not be undertaken by the MSR the 2022-2023 AOP.

- 13) The conditions for approval of projects proposed in previous AOPs, MDPs and EMPs shall remain in effect.
- 14) The approval of this AOP does not supersede any conditions of the 1998 Lease, the Lease Amendments (approved by Governor and Executive Council on December 19, 2018, Items #A, #B, and #C), and/or the MDP, all of which shall prevail.

Please make the following technical corrections for the next Annual Operating Plan, and one housekeeping item:

- a. Drone Policy (p. 7) – Although MSR can prohibit the launching and landing of drones within the leasehold, only the FAA has jurisdiction of the air space and MSR cannot prohibit drones launched from outside the lease boundaries from entering the air space within the leasehold. FAA requires that the drone pilot retain sight control of the drone at all times and, therefore, a drone launched from offsite is unlikely to enter into the lease boundary air space.
- b. Change “NH Park Service” to “NH State Parks” in Sec. K, p. 35.
- c. Change “Department of Resources and Economic Development” to “Department of Natural and Cultural Resources (formerly, the Department of Resources and Economic Development)” on p. 39.
- d. Send an updated copy of the Emergency Action Plan to DNCR and to DES, p. 22.

As required under the 1998 Lease, the DNCR will conduct its annual inspection of the leased premises (Lease 1998, Part 16, Maintenance, p. 8).

As of December 2021, the State has received \$4,546,767 in cumulative base fee payments and \$7,650,910 in cumulative commission payments in accordance with the 1998 Lease, Part 3, Rent, p. 3. As provided in the 1998 Lease, Part 19, Inspection of Operator’s Records, p. 9, the State requested and audited the accounting records of Mount Sunapee Resort in 2012, 2014, 2017, 2019, 2020, and 2021, and determined that MSR complies with the terms and conditions of the Lease agreement.

Thank you for the time and attention that Mount Sunapee Resort has given to the AOP 2022-2023. On behalf of the State of New Hampshire, I look forward to our continued partnership with the Mount Sunapee Resort as an important part of Mount Sunapee State Park: providing a premier year-round recreational venue to the citizens and visitors of New Hampshire.

Sincerely,



Sarah L. Stewart
Commissioner

cc: Mount Sunapee Advisory Commission

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