

STATE OF NEW HAMPSHIRE
DEPARTMENT of RESOURCES and ECONOMIC DEVELOPMENT
OFFICE of the COMMISSIONER
172 Pembroke Road P.O. Box 1856 Concord, New Hampshire 03302-1856

GEORGE M. BALD
Commissioner

603-271-2411
FAX: 603-271-2629
E-MAIL: gbald@dred.state.nh.us

March 16, 2012

Tim Mueller, President
Mount Sunapee Resort
PO Box 2021
Newbury, NH 03255

RE: Mount Sunapee Resort Annual Operating Plan 2012-2013

Dear Mr. Mueller,

Pursuant to the authority granted to me under the Lease and Operating Agreement, I have completed my review of Mount Sunapee Resort's Annual Operation Plan (AOP) 2012-2013. I am providing you with conditional approval of your Annual Operating Plan (AOP) 2012-2013.

As the annual contract and lease agreement with an outside company to provide real estate marketing, sales or rental service at Mount Sunapee Resort during the winter ski season requires annual approval from this office, I am granting this use for the 2012-2013 winter ski season.

I have received comments from my staff and the Mount Sunapee Advisory Committee, including the NH Department of Environmental Services (NHDES), dated March 2, 2012 (copy enclosed). Mount Sunapee Resort's summer programs, as summarized in the AOP, Section A, and conceptualized in the "*Summer Recreational Program Proposal*," dated November 3, 2011, were received favorably, particularly pertaining to your intent to design the recreational programs "to be consistent with the natural setting and essential character of Mount Sunapee" (AOP, pg. 29).

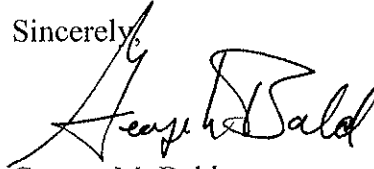
I appreciate the ongoing working relationship that Mount Sunapee Resort has with NHDES, and acknowledge that the Resort is in compliance in its environmental permitting. I note that NHDES requests detailed plans pertaining to the proposed non-skiing activities so as to determine the need for proper permitting (see NHDES Comments, pg. 1). Additionally, NHDES requests that steps be taken to avoid "any negative impacts to area surface waters by erosion or storm water runoff" that may occur from the planned Mountain Muckers Endurance Challenge scheduled for this summer.

In my letter to Jay Gamble, dated January 5, 2012 (see enclosed), I provided preliminary consent for the proposed summer recreational programs and attractions with certain requisites, that:

1. Mount Sunapee Resort obtains local review and approval of its summer attractions from the Towns of Newbury and Goshen; and
2. Mount Sunapee Resort obtains any other required State or local permits, including building permits and inspections as may be required by the local building authority; and
3. This department receives, reviews, and approves the preliminary design plans for the specified attractions; and
4. Prior to construction commencing onsite, this department reviews and approves construction documents, including plans and specifications.

I understand that much of this is in progress, and therefore, I provide conditional approval of the AOP and the projects and activities described therein, provided that Mount Sunapee Resort fulfills the above listed requirements, and meets NHDES requirements and permitting.

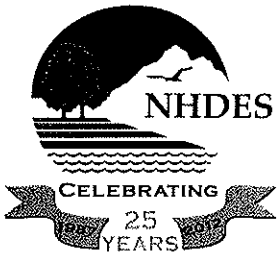
Thank you for your continued commitment to Mount Sunapee Ski Area and providing a premier attraction to the citizens and visitors of New Hampshire.

Sincerely,

George M. Bald
Commissioner

Enclosures

cc: Jay Gamble, Vice President, Mount Sunapee Resort
Stephen K. Rice, CNL Lifestyle Company, LLC
Mount Sunapee Advisory Committee

GMB/ttl



The State of New Hampshire
Department of Environmental Services

Thomas S. Burack, Commissioner

*Celebrating 25 Years of Protecting
New Hampshire's Environment*



March 2, 2012

George M. Bald
Commissioner
NH Department of Resources &
Economic Development
P.O. Box 1856
172 Pembroke Road
Concord, NH 03302-1856

RE: MT. SUNAPEE ANNUAL OPERATING PLAN (2012-2013)

Dear Commissioner Bald:

The New Hampshire Department of Environmental Services (DES) is pleased to provide its comments relative to the 2012-2013 Mt. Sunapee Annual Operating Plan (AOP). Comments offered by DES through this letter are submitted in accordance with its role as a member of the Mt. Sunapee Ski Area Advisory Committee and in compliance with the *Public Involvement and Oversight Policy for Mt. Sunapee Ski Area*.

DES comments have been structured to correlate with each section (A through M, including the Emergency Action Plan) of the 2012-2013 AOP. A review was also conducted on the "Summer Recreational Program Proposal."

If there are questions or concerns regarding the attached review, please feel free to contact me by telephone at (603) 271-3306 or by email at timothy.drew@des.nh.gov.

Sincerely

Timothy W. Drew
Administrator
Public Information & Permitting
Office of the Commissioner

Enc.
Cc: Thomas S. Burack, Commissioner, DES



Mount Sunapee Annual Operating Plan (2012-2013)

NHDES COMMENTS

March 2, 2012

INTRODUCTION

No comments.

SECTION A: RECREATIONAL ACTIVITIES AVAILABLE TO THE PUBLIC

Non-Skiing Activities

Although no plans for the proposed attractions have yet been submitted to DES, it appears likely that land development types of permits may be needed for the interpretive and mountain bike trail network. These may include a wetlands permit and an Alteration of Terrain Permit at a minimum.

For the planned "Mountain Muckers Endurance Challenge," slated for May 19-20, 2012, DES is most interested in avoiding any negative impacts to area surface waters by erosion or storm water runoff from the challenge course.

Winter Activities

No comments.

SECTION B: SKI LIFT OPERATIONS

No comments.

SECTION C: SNOWMAKING AND GROOMING OPERATIONS

No comments.

SECTION D: SKI SUPPORT SERVICES

No new comments.

SECTION E: MAINTENANCE PROCEDURES

- Air Permitting: Mount Sunapee holds air permit #SP-0034. This permit was issued May 8, 2009 and expires May 31, 2014. The permit covers nine internal combustion engines, five of which are used to power emergency generators and four of which are used to power snowmaking compressors. Mount Sunapee has submitted all reports required pursuant to this permit. The next report due will be an annual emissions report and fee due April 15, 2012.
- Hazardous Waste Generator Status: Mt. Sunapee notified DES as a Conditionally Exempt Small Quantity Hazardous Waste Generator. The facility is up to date with notifying DES of its current activities.
- Water User Registration and Reporting Status: Compliant with program requirements.
- Aboveground / Underground Petroleum Storage Tank Status: Mt. Sunapee Resort, Newbury - DES Site #198704058.
 - UST Facility (#0111060): DES was most recently at the facility on 12/1/2011 for construction inspection of a new underground petroleum storage tank (UST) system to replace a non-compliant system. The new system has since been authorized for use and the non-compliant tanks were permanently closed. The UST facility currently has no outstanding compliance issues.
 - AST Facility (#0000801): During the same visit, DES performed an inspection of the aboveground petroleum storage tank (AST) system at the site and a non-compliance letter was issued for a number of items. Those items have since been addressed and nothing remains outstanding regarding the AST facility.
- Groundwater Discharge Permit (GWP-198704058-N-004)
 - The current wastewater collection, treatment and disposal system is comprised of three, unlined wastewater lagoons and an adjacent spray field that utilizes slow-rate spray irrigation for tertiary treatment (“polishing”).
 - The facility’s wastewater system includes collection, unlined aerated lagoons, and slow-rate spray irrigation. The facility is permitted to dispose of treated wastewater between May 1st and October 31st of each year using spray irrigation on-site under the Groundwater Discharge Permit and Registration Rules (Env-Wq 402, <http://des.nh.gov/organization/commissioner/legal/rules/documents/env-wq402.pdf>). The facility must store all wastewater during other times of the year.
 - The wastewater disposal system is permitted and is currently in compliance. The expiration date of the current permit is June 12, 2012. Renewal application for this permit renewal is due in March 2012. It is expected that the renewal of this permit will propose additional spray irrigation areas.
 - Permitted discharge volume of treated wastewater is two inches per week (including rainfall). This allows the facility to discharge up to 54,308 gallons per acre per week to the spray irrigation areas, provided there is no rainfall. The facility permit also has conditions specific to summer spraying and the use of adjacent parking areas.
 - Owner of record is Mount Sunapee Resort, PO box 2021, Newbury, NH (Attn: Jay Gamble)
- Wastewater Lagoon Dam Status: Dam #168.17 is the only actively-regulated dam on that property and it was inspected within the last three years and found to be in very good condition. This dam is classified as a “significant hazard dam,” is inspected by DES every four years and is usually found to be in fine shape at its inspections with just

minor maintenance needs. Dam #168.20 is a non-menace (*i.e.*, not routinely inspected) detention pond for parking area runoff and DES.

- DES Drinking Water and Groundwater Bureau engineering approvals are required for Public Water System # 2277030 (Base Lodge) and # 2277040 (Summit Building), Newbury NH:
 - If or when changes are contemplated, submit water system expansion plans (if any) for DES approval, including proposed expansion in service connections or population. Current maximum population is 2,000 per day (winter season); two service connections for the Base Lodge and one connection for the Summit Building.
 - Next water system sanitary survey inspection will be in 2014, five years from the last visit in 2009, unless water system upgrades are approved / installed.
 - There has not been any sampling or water quality violations for either public water system since 2006.
 - Current sampling requirements are posted on the OneStop at
 - 2277030 Mt Sunapee Ski Base Lodge Master Sampling
 - 2277040 Mt Sunapee Ski Summit Bldg Master Sampling
- Mt. Sunapee officials have adopted numerous Best Management Practices (*e.g.*, sand/salt mixture, paints, stored under cover, *etc.*) at the maintenance area to prevent inadvertent spillage of liquids and other contaminants from being released to Beck Brook and the surrounding environment.
- It should be noted that a few Mt. Sunapee staff members attended the August 2011 "Green Slopes" conference held in Lebanon, NH. This effort by management to keep its staff members current with new techniques and practices is to be commended.

SECTION F: SECURITY PROCEDURES

No comments.

SECTION G: EMERGENCY OPERATING PLAN

Please be sure that DES receives any periodic updates to this plan.

SECTION H: STATUS OF SPECIAL USE PERMITS AND LEASES

No comments.

SECTION I: MARKETING AND ADVERTISING

No comments.

SECTION J: ENVIRONMENTAL MANAGEMENT PROGRAM

- Sprayfield expansion: According to Jay Gamble, General Manager of Mt. Sunapee, plans for this expansion of the spray field have been completed but won't be submitted to DES until 2013 accompanying the Groundwater Discharge Permit application renewal request.
 - Term/Renewal
The permit term is five years.

- A permit renewal application must be submitted with the fee prior to the permit term.
- The renewal application must include an update of all information submitted for the expiring permit and information regarding any future modifications according to Env-Wq 402.28 (See Rules link, cited above).
- Mt. Sunapee should continue to reference the following: ***NH Stormwater Manual*** (December 2008) with a link:
- <http://des.nh.gov/organization/divisions/water/stormwater/manual.htm>
- DES supports the selection by Mt. Sunapee management to add new summer activities to be consistent with the theme of the “natural setting and essential character of Mount Sunapee” (pg 29, AOP).
- Energy Conservation and Management (See Section E, Maintenance Procedures, above, regarding petroleum storage tank replacement and closure)

SECTION K: SIGNAGE

No comments.

SECTION L: UTILITIES AND ROADS

No new comments.

SECTION M: IMPLEMENTATION OF THE MASTER DEVELOPMENT PLAN (MDP)

No new comments, since all items listed will not be undertaken during the summer of 2012 and have been previously approved by DES. However, as noted above, some of the proposed summer (non-skiing) activities (e.g., trail development) may need a review by DES before proceeding.

EMERGENCY ACTION PLAN (EAP)

No comments.

SUMMER RECREATIONAL PROGRAM PROPOSAL

See comments above.



STATE OF NEW HAMPSHIRE
DEPARTMENT of RESOURCES and ECONOMIC DEVELOPMENT
OFFICE of the COMMISSIONER
172 Pembroke Road P.O. Box 1856 Concord, New Hampshire 03302-1856

GEORGE M. BALD
Commissioner

603-271-2411
FAX: 603-271-2629
E-MAIL: gbald@dred.state.nh.us

January 5, 2012

Jay Gamble, Vice-President & General Manager
Mount Sunapee Resort
1398 Route 103, PO Box 2021
Newbury NH 03255

RE: Site Plan Review of Mount Sunapee Resort's Summer Recreational Plan
by the Town of Newbury and the Town of Goshen

Dear Mr. Gamble,

Thank you for meeting with me in November to discuss Mount Sunapee Resort's "*Summer Recreational Program Proposal*, dated November 3, 2011." At that meeting, I provided Mount Sunapee Resort with my preliminary consent to proceed with certain specific proposed summer recreational attractions outlined in Section II of the *Proposal*, which include:

- 1) Canopy Tour / Zip Line
- 2) Treetop Adventure Park
- 3) Mountain Bike Trails
- 4) Disc Golf
- 5) Interpretive Hiking Trails
- 6) Segway Tours
- 7) Miniature Golf

At our meeting, I requested that the Resort obtain local review and approval of these attractions from the planning boards of the Town of Newbury and the Town of Goshen, and State review from the Mount Sunapee Advisory Committee, as well as any other required State or local permits, including building permits and inspections as may be required by the local building authority. I understand that you are now initiating the local review and approval processes of the Resort's "*Summer Recreational Program Proposal*, dated November 3, 2011," for the specific summer attractions we discussed in our November meeting, as set forth above. Please be advised that I will call a meeting of the Mount Sunapee Advisory Committee in February in order to review the Resort's plans.

Additionally, while I am happy to provide my preliminary consent for the above attractions based on the *Proposal*, it will be necessary for DRED to receive, review, and approve the preliminary design plans for the specified attractions, and prior to construction commencing on site, review and approval of construction documents,

January 5, 2012
Jay Gamble, Mount Sunapee Resort
Page 2

including plans and specifications. Kindly provide copies of such documents at your earliest convenience so that our review can proceed expeditiously.

I look forward to receipt of the plans and to the continued collaboration between the State and Mount Sunapee Resort at the Mount Sunapee Ski Area.

Sincerely,

A handwritten signature in black ink, appearing to read "George M. Bald". The signature is stylized with a large, looped "G" and "B".

George M. Bald
Commissioner

cc: Stephen K. Rice, Vice President, CNL Lifestyle Company, LLC
Philip A. Bryce, Director, Division of Parks and Recreation
Mount Sunapee Advisory Committee

GMB/AB/ttl.010512