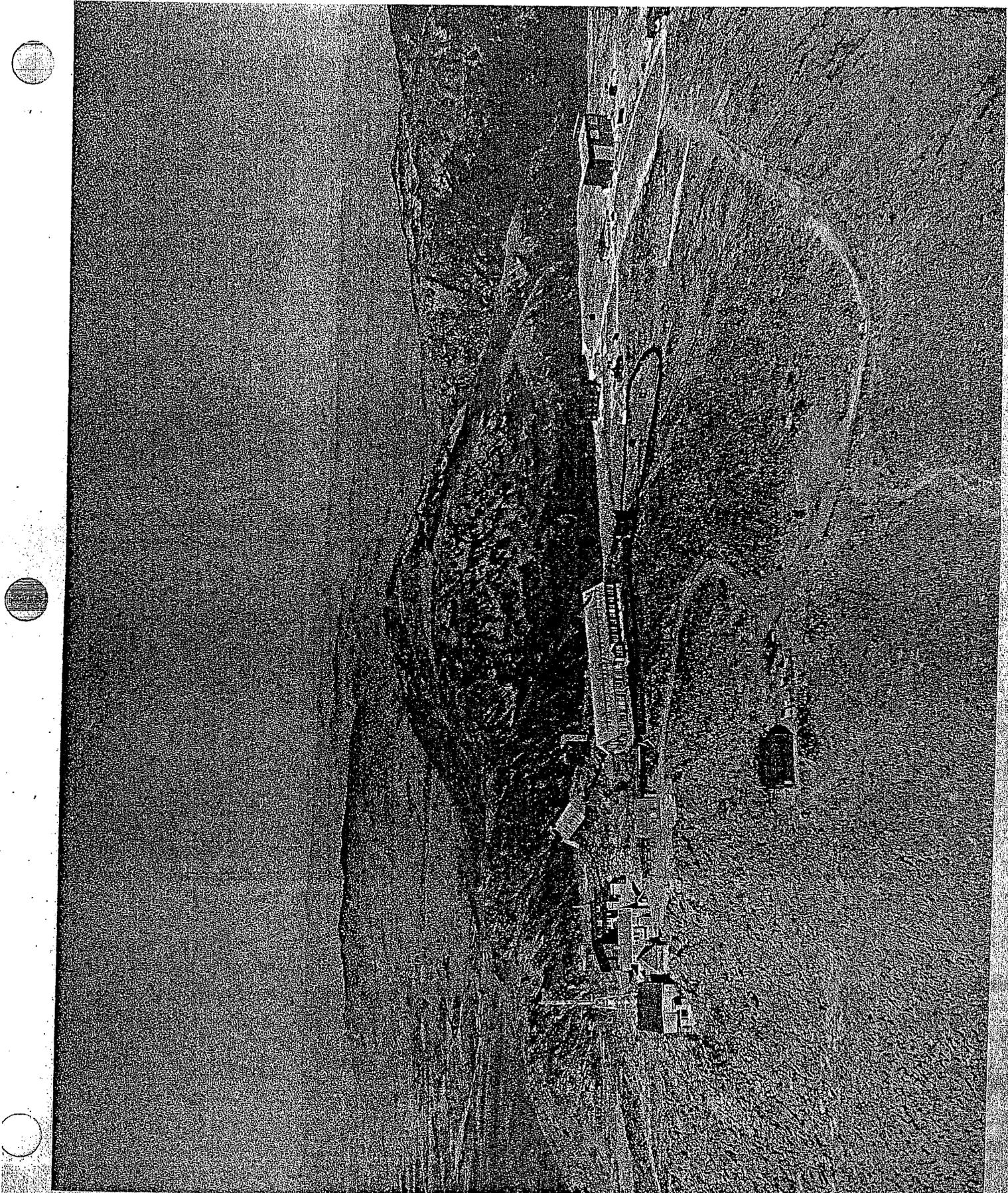


Report of the
Governor's
MOUNT WASHINGTON STUDY
Committee
October, 1958



THE GOVERNOR'S
MOUNT WASHINGTON STUDY COMMITTEE

ACKNOWLEDGMENTS

The Committee expresses its gratitude to those individuals who, at their own expense, contributed so generously of their time and energy. The Committee also extends its thanks to those who provided lodgings, meals, transportation, and granted other courtesies in the course of its deliberations.

Judge Peter Woodbury, Chairman

John Blackwood

John Boothman

J. Willcox Brown

Reginald Colby

John Fairbanks

Edward J. Gallagher

Herbert E. Kimball

Mrs. Halfdan Lee

Hon. Parker M. Merrow
(Member of Governor's Council 1955-56)

Benjamin L. Orcutt

Hon. Charles H. Whittier
(Member of Governor's Council 1957-58)

Russell B. Tobey, Secretary

INTRODUCTION

The Mount Washington Study Committee, organized by Governor Dwinell late in 1955, held its first meeting in Concord on February 27, 1956, at which time the Governor gave the Committee his views with respect to the scope and nature of the work he wished the Committee to undertake. Since then the Committee as a whole and its sub-committees have held sixteen meetings at various places at which different aspects of the broad problem committed to its consideration have been discussed, and interviews held with many persons who, from various backgrounds and experiences contributed valuable advice and suggestions concerning the particular uses to which the Mountain is peculiarly adapted.

LETTER OF TRANSMITTAL

October 16, 1958

The Honorable Lane Dwinell
Governor of the State of New Hampshire
Concord, New Hampshire

Dear Governor Dwinell:

We have the honor to transmit to you herewith the report of the Mount Washington Study Committee.

This report has been carefully prepared pursuant to instructions in "Joint Resolution Relative to Mount Washington," which appears in Chapter 363 of the Laws of 1957. Text of the Joint Resolution is on Page 6.

For convenience, we have divided our report into several parts, viz:

	<u>Page No.</u>
1. Early history of Mount Washington	1
2. Legal history (The summit has been involved in extensive litigation in the past century)	2
3. Recent happenings on the summit	2
4. Uses for which the mountain is peculiarly adapted	3
5. Scientific and educational uses to which the summit lends itself, making expensive trips for such purposes to the Arctic entirely unnecessary	4
6. Visibility--Seven-year average, 1949-1955, the occasions when visibility from the summit was 15 miles or greater, revealing a somewhat larger percentage of "good" weather than may be generally known	5
7. Joint Resolution of the General Court authorizing this study	6
8. List of formal meetings held by the Study Committee, with dates thereof and brief mention of subjects considered	7
9. Recommendations	8

10. Report of sub-committee on finance, projecting possible revenue to State should it acquire summit property that may be available, the cog railway and carriage road 11
11. Maps of the properties under consideration (after) 12
12. A six-page condensation of a report (See #16 which describes it) made by Bureau of Business Research of the Boston University College of Business Administration, which it is hoped you may find sufficiently acceptable to be worth distribution in areas of our State vitally interested in travel promotion. 13
13. The College Offers to sell or lease 19
14. Text of letter from Commissioner of Public Works, John Morton, as to condition of carriage road 30
15. Statement of Committee expenditures 32
16. Supplementary - Some 80 pages of text and illustrations, presenting the conclusions of the Bureau of Business Research of Boston University College of Business Administration, who, at our request, studied the potential of Mount Washington as a tourist and recreational attraction.

As will be seen, we unanimously recommend acquisition by the State of the summit, the carriage road and the cog railway. We base this recommendation on information obtained by us over a period of years. We believe that the summit is an invaluable asset to the people of the State. Furthermore, we believe that the revenue potential is sufficient to justify an investment by the State with due consideration given to such additional funds as would subsequently be required for needed improvements and changes to the end that even greater beneficial results would accrue to the immediate area and the State as a whole. Terms of the offer by Dartmouth College to lease or sell are on Page 19. No offer has been received from the owners of the carriage road but we have been informed by the owners that they are willing to sell to the State.

Respectfully submitted,

Peter Woodbury, Chairman

EARLY HISTORY

Mt. Washington was first seen by white men from the sea in 1605, although it may have been observed by Giovanni da Verrazano, a navigator who sailed along the New England coast in 1524 and reported "high mountains within the land." Certainly its presence was well known to the first Europeans to settle in New England for it was climbed for the first time by a white man, Darby Field, an Irish settler in Portsmouth, in either 1632 or 1642; historians differ as to the date. Hostilities with the Indians stopped further exploration, except for brief visits to the Mountain by two parties of armed rangers in 1728 and 1746, until 1784 when Jeremy Belknap and Manaseh Cutler and four others climbed the mountain with instruments to determine its height but were baffled by the difficulty of the terrain and by clouds and rain. It is believed that it was named in honor of George Washington at that time.

Ethan Allen Crawford and his father, Abel, early permanent settlers in the region, opened the first path to the summit in 1819, and two years later they opened another path over a course nearly the same as that of the present cog railway. In 1823 they built the first stone shelters on the Mountain. These activities may be said to have been the first development of the Mountain as a tourist attraction.

In 1840 a bridle path to the summit was constructed by Thomas Crawford and the first Tip Top house was built. The first hotel on the top, the Summit House, was opened in 1852 and its rival, the Tip Top House, in 1853. In the same year the Mt. Washington Road Company was incorporated to build a carriage road up from Pinkham Notch to replace a bridle path originally worked out by J. M. Thompson, the proprietor of the first Glen House. Construction of this road began in 1855 and it was completed in 1861.

In the meantime, in 1852, Sylvester Marsh, a retired businessman who had left New Hampshire as a poor boy, found work in Boston and later gone west and originated meat packing in Chicago, conceived the idea of building a railway to the summit. He invented the cog mechanism and in 1858 he showed a model of his invention to the legislature and obtained a charter to build a steam railroad up Mt. Washington, although many legislators and others thought the scheme fantastic and called him "Crazy Marsh."

For years no one would invest in Marsh's scheme, but in 1866 a company was formed, for the most part by railroad men, and work on the project began in 1867. Tests proved that Marsh's invention actually worked, construction was pushed and the road was completed and put in operation in July, 1869. Thus, through Sylvester Marsh's inventive genius and perseverance in spite of almost insurmountable obstacles, was born the first railroad of its kind in the world. On the newest cog railway in Switzerland today is a mechanism invented by Sylvester Marsh, first used on Mt. Washington, and operating in the Alps without change in design.

LEGAL HISTORY

Mt. Washington, and the area surrounding it, was originally part of the public lands of the State. In 1832, pursuant to a resolve of the New Hampshire Legislature, James Willey, as Land Commissioner, gave a deed to Jacob Sargent and others of an ill defined tract of 25,000 acres of land including Mt. Washington, which later came to be known as Sargent's Purchase. This conveyance triggered a long series of events which resulted in prolonged litigation over the title to the summit properties. For present purposes it is enough to say that through various purchases a large area on Mt. Washington came into the hands of the trustees of the estate of one David Pingree of Salem, Massachusetts, and that his son, David, in 1894 deeded to the Mount Washington Railway Company a 49 acre circular tract having a radius of 825 feet from an iron pin set in a rock near the northeast corner of the Stage Office, plus a 99 foot right of way centering on the railway from summit to base. By the same document the Mount Washington Summit Road Company was given the right to maintain its highway and to use certain buildings on the summit.

In March, 1910, the Mt. Washington Railway Company acquired a 10 acre almost rectangular tract on the flat area just below and northeast of the summit adjoining its circular tract. Subsequent to this the United States under the Weeks Act, so-called, acquired all the surrounding area, except that occupied by the automobile road, as part of the National Forest. Thus since the Summit Road Company owns no land on the summit, the property on the summit and the railway right of way, now owned by Dartmouth College under the will of the late Henry Teague, stands as a privately owned area in the midst of the National Forest.

RECENT DEVELOPMENTS ON THE SUMMIT

Until the early 1930's, except for the year-round maintenance by the Army Signal Corps for a short time during the early 1870's of a weather observatory, the summit was used exclusively as a tourist attraction during the summer months. In 1932, a weather observatory was established on the summit for the collection of weather data the year around and with some interruptions it has been in operation ever since. In 1937, Col. Henry Teague, then the owner of the summit properties, built the present structure occupied by the Mount Washington Observatory and gave that organization a twenty-year lease from November 3 of that year. Other uses for the Mountain soon developed.

In 1937, a 10-year lease was given to the Yankee Network, Inc., the terms of which are not of record, but on June 7, 1944, the Mount Washington Club, then the holder of legal title to the land on the summit, leased to the Yankee Network, Inc. an area of about 8 acres roughly rectangular in shape, including the Yankee Network transmitter building, the land surrounding the observatory building, the diesel power house and the land on the steep southern slope of the Mountain down to the boundary of the 49-acre circular tract. The term of this lease was for 6 years, but it provided for four successive extensions of 15 years each. It was agreed that the premises should be used for broadcasting purposes and that the lessor was not to use any of its remaining land on the summit for that purpose.

During the 1940's the United States became active in research on the summit, continuing to the present time. The Navy entered into an agreement with the road

company for the use of part of its parking area to erect a so-called hangar, for use in testing airplane engines, including jets, and this led to litigation, subsequently settled by stipulation between the Mount Washington Club and the road company, in view of which the Navy by condemnation took the property it wanted for a term of years. The Army and Air Forces have also used the summit for the most part for the testing of Arctic clothing and de-icing airplane wings, but those activities, now somewhat curtailed, are now carried on in buildings erected off the summit on land of the National Forest. Furthermore, the television antenna of Station WMTW which has its broadcasting studio at Poland Springs, Maine, is now located on the Mountain top.

USES FOR WHICH THE MOUNTAIN IS PECULIARLY ADAPTED

Its importance as a weather station is amply proved by time and does not need to be emphasized. Its importance commercially, aside from its value as a tourist attraction, is, relatively speaking, in its infancy. That it has value now for broadcasting purposes cannot be doubted for a moment. What the value may be in the future is not wholly certain, but it is safe to predict that its dominating position over a wide area will increase its importance for the sending of radio signals in the years to come, unless technical developments in the field obviate the use of antennae on major elevations.

Perhaps the Mountain's recreational use is of the most immediate and direct interest to the people of New Hampshire. It has been so used now for a century and a half and is visited yearly by thousands, some climbing on skis during the spring and early summer months or on foot during the summer and fall, over the network of paths maintained by the Appalachian Mountain Club and the Forest Service, others in motor stages, and still others by the cog railway. These visitors come from all over this country and from foreign countries as well and there can be no doubt that they have an impact upon the economy of the state, particularly in the White Mountain area.

To determine that impact your Committee, in conjunction with the Governor and the Forestry and Recreation Commission, employed the Bureau of Business Research of Boston University College of Business Administration to conduct a survey primarily, a) to indicate the role and importance of Mount Washington in the vacation economy of New Hampshire and the Mount Washington area, b) to analyze the effects of such conditions as exist upon the Mountain on the vacation economy of the State and the area, and c) to make recommendations based upon the findings as to restoration, development, improvements or other action. This survey was ably conducted during the summer of 1956 by Prof. John P. Alevizos and a staff which he recruited and organized, and a full report was made in December of that year. A copy of that report is submitted herewith. Also submitted herewith is a condensation of that report prepared at your direction by Mr. L. Franklin Heald of the University of New Hampshire which, we respectfully suggest, be printed for general distribution throughout New Hampshire and particularly in the White Mountain area where it would seem the value of Mount Washington as a tourist attraction is not fully appreciated.

We shall not undertake herein to analyze the Boston University survey once more. It will suffice to say that it provides a factual basis for the conviction that Mount Washington, even in its present state, is a primary, perhaps the primary tourist attraction which the State has to offer, and that its potential is by no means yet fully developed.

This brings us to the present state of the Mountain and its means of access, other than on foot.

P. T. Barnum is reputed to have characterized the view from the summit of Mount Washington at sunrise as "The Second Greatest Show on Earth." Yet the summit today lacks many things that would make it exceedingly attractive. The overall layout of the parking area, roads, railway and buildings has grown in haphazard fashion. Sanitary conditions are inadequate. Two artesian wells are said to have been polluted with kerosene. This general condition developed long before Dartmouth College became the owner.

These comments are not to belittle the work of your Advisory Committee on Mount Washington and the Presidential Range. That committee over the years has done yeoman's service in improving conditions on the summit. But it has and can have no authority to command, and while it has had highly commendable cooperation from the various interests on the summit, it can do no more than suggest and advise. Also, the present management has been doing what it could with the small means available to make the surroundings more acceptable. The past summer Col. Arthur Teague has made benches on which visitors may sit at the summit, and has begun construction of a path around the top for what he describes as a "15-minute guided tour, with explanations of what may be seen."

The situation up there is admittedly not all that it should be. It's a situation which, like Topsy in Uncle Tom's Cabin, "just grew up."

SCIENTIFIC AND EDUCATIONAL USES

Dartmouth College has had offers for the cog railway and presumably the summit, and has given the State first opportunity to buy or lease. The College wishes to retain space available for laboratory use, either for itself alone or with other colleges or scientific institutions. Mount Washington, in the opinion of Dartmouth faculty members and others, is the best place in eastern North America for some branches of research. Educational institutions, it is believed, may combine projects, sending students to stay a month or two on polar studies or others for which Mount Washington's atmosphere is especially good. University of New Hampshire has conducted experiments in the observatory the past few years. Antioch College has been regularly represented by students on six months furlough to work in the observatory. Other colleges have shown great interest.

Dr. Vincent Schaefer met with the Study Committee on September 25, 1956, and told of research work for the War Department at the summit in which he participated in 1943. Success of the project influenced the Army and the Air Force to establish testing programs. The now accepted method of seeding clouds was one of the fruits of the studies carried on by Dr. Schaefer, the late Irving Langmuir and other noted scientists on this Mountain. A new scientific organization, SIPRE, is being established on college land at Hanover. It will carry out experiments in the study of snow, ice and permafrost. Mount Washington may become their nearest natural laboratory.

DATA RECEIVED FROM RUDOLF HONKALA,
MT. WASHINGTON OBSERVATORY
RELATING TO SUMMIT VISIBILITY

Mean percentage of daylight hours in which visibility
from the summit of Mount Washington is 15 miles or
greater--seven year average, 1949-1955.

May	46.5%
June	38.0%
July	39.5%
August	38.0%
September	37.3%
October	44.2%

SEASON--May - October 40.6%

CHAPTER 363 - 1957 SESSION

JOINT RESOLUTION RELATIVE TO MOUNT WASHINGTON

WHEREAS, Mount Washington, the highest landmark in the White Mountains, and the highest mountain in northeastern United States is one of our state's most valuable natural resources and,

WHEREAS, its present use for recreational, scientific and commercial purposes is important to our state and our nation's welfare, and,

WHEREAS, there are greater potential public benefits that can be derived from this mountain than are now possible in its present state of condition and use and,

WHEREAS, it is in the public interest to determine the larger public benefits that can be derived from this natural resource and the most practicable means of its development and uses, now therefore be it

RESOLVED BY THE SENATE AND HOUSE OF REPRESENTATIVES IN GENERAL COURT CONVENED:

THAT studies and investigations of Mount Washington be continued under the direction of the governor, in order to ascertain and discern the long range problems, adjustments and opportunities in connection therewith so that the people of New Hampshire may be assured of the greatest benefit from Mount Washington, from the recreational, scientific, commercial, scenic and sentimental standpoint.

A report and recommendations relating thereto shall be submitted for the consideration of the 1959 session of the general court. For the purposes of this resolution any balance of the appropriation made by 1955, 337:3 par II, shall not lapse but shall be available for the continuation of survey work on Mount Washington. In addition to said balance, there is hereby appropriated the sum of two thousand dollars (\$2,000) which shall be expended by the governor for the same purposes. Said appropriation shall be a continuing appropriation and shall not lapse. The governor is authorized to draw his warrants for the sum hereby appropriated out of any money in the treasury not otherwise appropriated.

LIST OF COMMITTEE MEETINGS

- #1 - Feb. 27, 1956 at Concord with Governor Dwinell, who outlined his views on the study and charged the committee staff. Messrs. Monahan, Dodge, Bowen and Wheeler of the Mt. Washington Advisory Committee provided background information about the mountain and present operations there.
- #2 - April 28, 1956 at Concord. General meeting, after which Dr. Bradford Washburn, Director, Museum of Science, Boston, discussed potentials he could foresee in the uses of the mountain, recreationally and scientifically.
- #3 - June 9, 1956 with a tour of facilities on the summit and conference in the evening at the Pinkham Notch AMC Camp.
- #3 A - June 10, 1956 at the Mount Washington Cog Railway Base operations. An inspection of facilities and explanation by Col. Arthur Teague.
- #3 B - June 20, 1956 a sub-committee met in Concord during the evening with Professors Kelley and Alevizos of Boston University College of Business Administration regarding a proposed study.
- #4 - July 23, 1956 at the summit via railway and inspecting and conferring with Col. Teague, and on to the Mt. Crescent House for a meeting with G. S. Wheeler, Supervisor, White Mountain National Forest.
- #5 - July 24, 1956 at the Mt. Crescent House, Randolph, with Professor Alevizos on details of the study.
- #6 - August 10, 1956 at Concord, with representatives of Dartmouth College - Messrs. Meck and McLane regarding college properties, operations and plans.
- #7 - Sept. 25, 1956 on summit to confer with Dr. Vincent Schaefer, Director Municipal Foundation, Schenectady, on the history and program of the Mount Washington Observatory and the meteorological aspects of the mountain, both popular and professional. Toured the facilities of WMTW-TV and on to the Mt. Crescent House to hold meeting with Mr. John Guider, President, Mount Washington Broadcasting, Inc.
- #8 - Sept. 26, 1956 - Mt. Crescent House, Randolph, general meeting of the Committee.
- #9 - Dec. 10, 1956 meeting at Concord - general committee meeting to receive the Boston University report of its studies and recommendations.
- #10 - April 16, 1958 at Concord, with Governor Dwinell, who interpreted a joint legislative resolution providing for further study of the mountain under the Governor's direction and requested the committee to continue its investigation for a report to him in the fall.
- #10 A - August 14, 1958 at Concord - the fiscal sub-committee, Mrs. Lee and Mr. Orcutt and Mr. Kimball, with Governor Dwinell and representatives of the Glen House-Carriage Road companies.
- #11 - Sept. 12, 1958 at Laconia - General meeting on plans and conclusions for a report.
- #12 - Oct. 1, 1958 at Concord - Rough editing of Committee's report to Governor Dwinell.
- #13 - Oct. 16, 1958 at Concord - Final editing of report.

RECOMMENDATIONS

The solution to the problem, and we believe the only solution, lies in State control of the summit by lease or purchase; we strongly recommend purchase of the summit on the terms offered by Dartmouth College and set forth herein.

It is our considered opinion that only by State control can conditions be made entirely pleasing on the top of the highest peak in the northeast and the only one easily accessible to the public generally by highway and railway. We believe that by State control the various uses to which the summit is now put, which today to some extent interfere with one another, can be co-ordinated and each made to supplement the others with advantage to all, and with benefit to the economy of the State by vastly improving the Mountain as a tourist attraction.

At present five interests representing a reported investment of \$15,000,000 have the use of the top of Mount Washington: Recreation, Education, Military, Scientific and Research, Commercial (TV).

At one time, a few years ago, 17 different agencies were located at or near the summit. Only by public ownership can a recurrence of the confusion that then existed be avoided.

We have not, of course, made an exhaustive study to determine in detail a precise plan for development of the summit to achieve maximum use. Any such plan would be premature in advance of State ownership. More space, modern and attractive, is required for accommodation of over-night guests and visitors. One of the buildings should contain an attractive exhibit and should be designed to show visually by a large glass-covered relief map the surrounding terrain. Also, exhibits could be arranged to illustrate the geology and fauna and flora of the area, both of which have unique features. And an historical exhibit could be arranged, illustrated by photographs, drawings, etc. Guides also should be available to describe the exhibits and comment on the folk-lore of the region. More paths should be provided, and telescopes provided for use on clear days. Outside guides should be available in good weather.

(It has been suggested a railroad museum, in keeping with the period of the steam engines, would be an attraction to thousands of visitors at the Base Station.)

This is but an outline of a plan of development. Details must await a study of the area by competent architects and engineers which this Committee has not had the funds to employ. Such experts, working in conjunction with Dr. Bradford Washburn, the world renowned mountaineer and now the director of the Museum of Science in Boston, who not only gave this Committee his views but also indicated his enthusiasm for the project of developing the Mountain top and his willingness to give generously of his time and skill and experience in the project, could, we feel, certainly develop a plan which would make the Mountain a tourist attraction of national stature.

But development of the summit by the State along the general lines engaged would be futile without State control of at least one means of general public access. This brings us to consideration of the railway and the highway.

The railway, now owned by Dartmouth College, has been offered by the College to the State, either as a separate unit or as part of a package with the summit for a price and subject to conditions to be discussed presently. While it is an antiquated facility, it has great historical interest and no little value as a tourist attraction as an antique. Col. Arthur Teague estimates that for an expenditure of \$50,000 to \$60,000 the rails could be double-tracked between Waumbek station and the Half Way House. This would eliminate delays now caused by putting trains on sidings, to permit other trains to pass. The time consumed by the trip up the mountain would be substantially shortened, and trains could return from the summit to the Base station without a 20-minute or half-hour wait that is now necessary in order not to meet other trains on the way up, on the same track. Perhaps any radical improvement of the present facility is impractical, and the attraction of the public to steam engines is undeniable. Col. Arthur Teague has advised the Committee, after conferences with Monorail, Inc. that it would cost three million dollars to install a single rail device, and he would advise continuing with steam engines, provided the double-tracking he has suggested is undertaken.

The highway, some eight miles long, ascends from Pinkham Notch and is owned not by Dartmouth College but by the same interests that own the Glen House and a substantial acreage in the valley at the foot of the Mountain on its easterly side. This highway is not now paved and in places is narrow. It is operated as a toll road and the owners also operate motor stages up the Mountain for the carriage of passengers for hire.

At your request, Mr. John O. Morton, Commissioner of Public Works and Highways, after study, submitted a figure of \$850,000 as being in his best judgment the cost of replacing the road in its present condition. He also estimated that: "To pave existing road, add paved turnouts, strengthen some outside guard walls, and replace broken drainage culverts would cost in the vicinity of \$250,000 to \$300,000." We have been given to understand that the owner of the highway is willing to sell, but we have been given no asking price, nor have we as a result of a study of operating figures submitted in confidence to a sub-committee of our Committee ventured to suggest an offering price. It is our conclusion, however, that if the summit is purchased by the State, either with or without the railway, the highway ought also to be purchased, provided, of course, that purchase of that facility can be accomplished at a reasonable price.

In summary, we feel warranted in believing that if the Dartmouth College properties on Mount Washington can be acquired at a reasonable price and under satisfactory conditions, those properties can be operated by the State at a reasonable profit, and that such operation through stimulation of the tourist business would indirectly result in great benefit to the economy of the State as a whole and to the White Mountain area in particular. Our conclusion is that at present the potential of the properties is not by any means being realized, and that anything approaching full realization of its potential, commercially, scientifically and as a tourist attraction, cannot be attained without State ownership of the Mountain top and at least one of the existing means of access open to the general public. In short, we believe that Mount Washington, as the highest peak in the White Mountains and the highest mountain

in the northeastern part of the United States, is one of this State's most valuable natural resources, and that only by State ownership can the greatest benefits, from the recreational, scientific, commercial, scenic and sentimental points of view, be realized by the people of New Hampshire and the Nation.

We therefore recommend:

1. That the State acquire the Dartmouth College properties (including Summit and Railway) and the highway, if those facilities can be purchased at reasonable figures, and by an issue of bonds finance the purchase and the development of the properties along the lines suggested.
2. That in the event other negotiations in which Dartmouth College is, or may be involved, develop to the point at which the College withdraws its offer of the railway, the State acquire the summit and the highway, provided those facilities can be purchased at a reasonable price.

REPORT OF SUB-COMMITTEE ON FINANCE

Following is the report made by the Sub-Committee on Finance:

The Committee has undertaken to determine the revenue potential in connection with our recommendation that the State acquire the Mount Washington properties - the Cog Railway, the Auto Roadway, and the Summit House.

To do this, request was made of present owners and operators for operating figures on at least a five-year basis. Such figures were furnished and are made a part of this report. They are in condensed form, but give the significant facts which will be needed by all those concerned with the decisions facing the State as to desirability or wisdom of State ownership and operation of these projects. Also, we show estimates of what the operations might have been during the same five-year period under State ownership. We have defined State and Local Tax items which, under State ownership, would be eliminated as an element of cost. This report indicates an estimated dollar profit under State ownership and operation.

One other fact in our consideration of this matter which probably should be briefly noted: It is our opinion that under State ownership and operation total revenues may be possible of considerable increase if lower basic charges and better public relations are put into effect.

REPORT OF SUB-COMMITTEE ON FINANCE

(Cont.)

The following are based on figures made available to the Committee by the present management, showing operating experience for five years (1953-1957, Inc.).

	<u>Road</u>	<u>Cog Railway</u>	<u>Summit House</u>	<u>Total</u>
Income	\$390,790	\$705,400	\$712,800	\$1,808,990
Expenses	<u>*186,397</u>	<u>640,200</u>	<u>704,900</u>	<u>1,531,497</u>
Operating Profit	<u>*\$204,393</u>	<u>\$ 65,200</u>	<u>\$ 7,900</u>	<u>\$ 277,493</u>

*Before charges for Administration Cost.

ASSUMED OPERATION OF MT. WASHINGTON

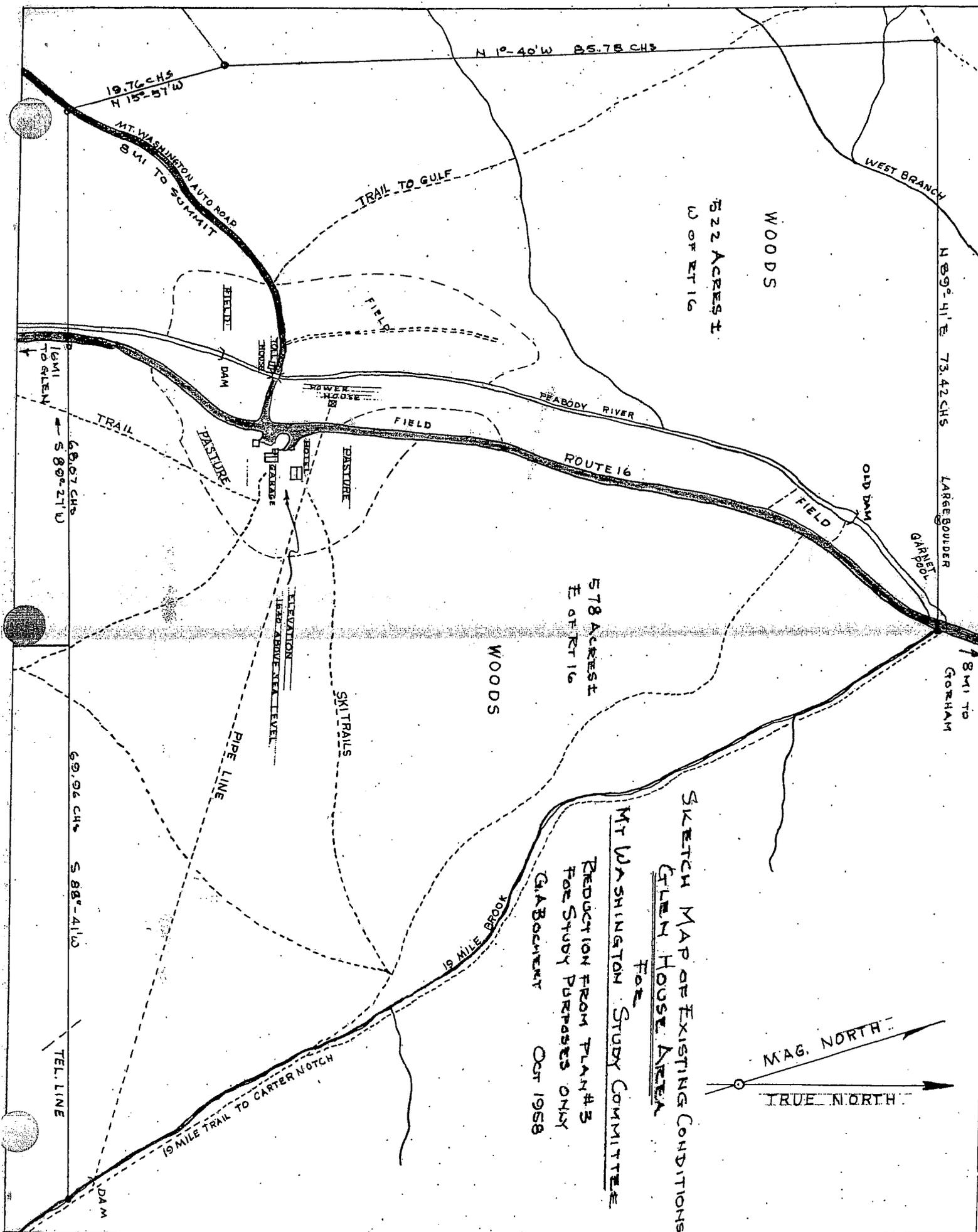
SUMMIT ROAD, RAILWAY, AND SUMMIT HOUSE

UNDER STATE OWNERSHIP FOR A FIVE-YEAR PERIOD

BASED ON THE ABOVE

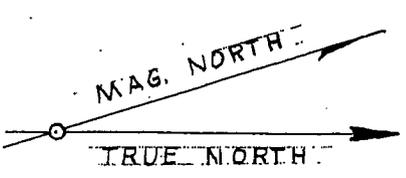
	<u>Summit Road</u>	<u>Railway</u>	<u>Summit House</u>	<u>Total</u>
Income	\$363,808	\$783,776	\$712,800	\$1,860,384
*Expenses	<u>167,761</u>	<u>756,200</u>	<u>656,200</u>	<u>1,580,161</u>
*Operating Profit	<u>\$196,047</u>	<u>\$ 27,576</u>	<u>\$ 56,600</u>	<u>\$ 280,223</u>

*Before charges for Administrative and Merchandising Overhead.



SKETCH MAP OF EXISTING CONDITIONS
GLEN HOUSE AREA
 FOR
 MT WASHINGTON STUDY COMMITTEE

REDUCTION FROM PLAN # 3
 FOR STUDY PURPOSES ONLY
 G.A. BOCKWELL OCT 1958



19.76 CHS
 N 15° 57' W

N 1° 49' W 85.78 CHS

MT WASHINGTON AUTO ROAD
 8 MI TO SUMMIT

TRAIL TO GULF

522 ACRES
 E OF RT 16

WEST BRANCH

N 89° 41' E 73.42 CHS

LARREBOUNDER

8 MI TO
 GORHAM

FIELD

FIELD

POWER
 LINE

PEABODY RIVER

FIELD

ROUTE 16

OLD DAM

FIELD

GARRET
 POST

1 MI
 TO GLEN

TRAIL

PASTURE

GARAGE

PASTURE

SKITRAILS

PIPE LINE

ELEVATION
 100' ABOVE SEA LEVEL

578 ACRES
 E OF RT 16

WOODS

69.96 CHS
 S 88° 41' W

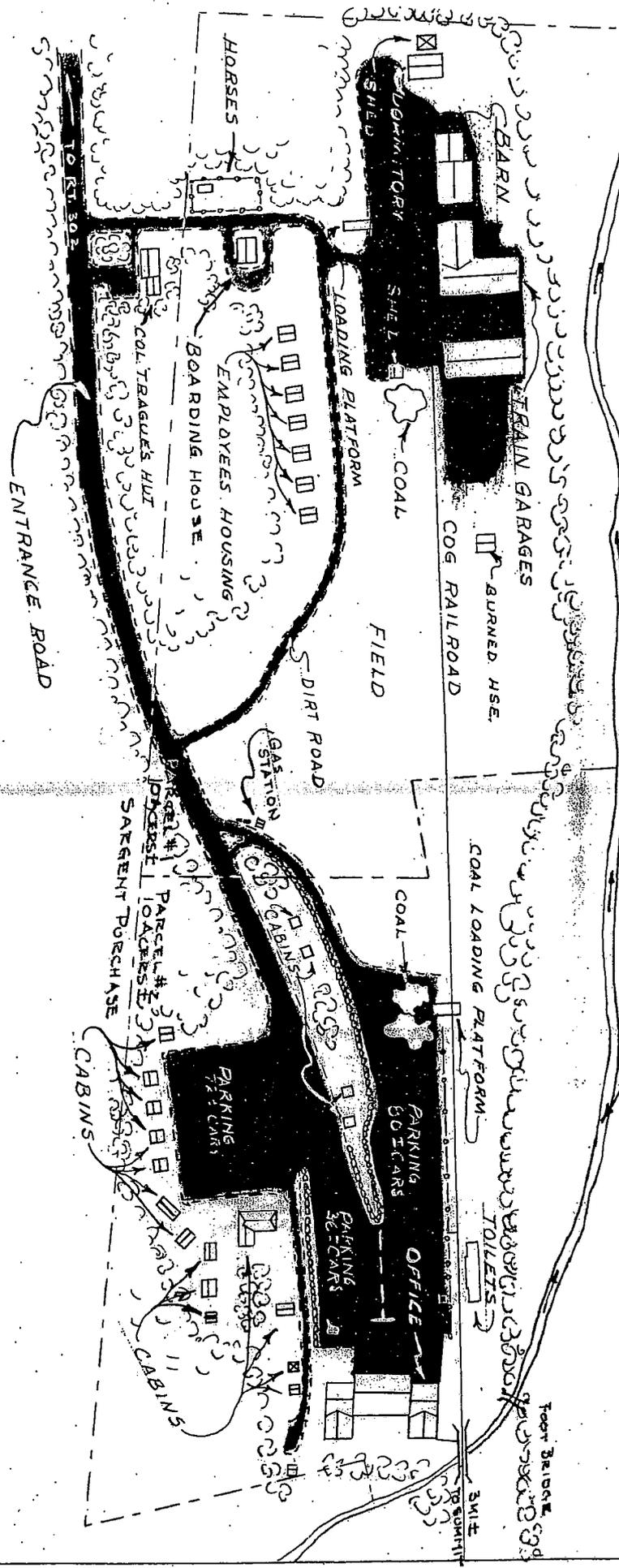
TEL. LINE

19 MILE TRAIL TO CARTER NOTCH

DAM

THOMPSON & MESEUR PURCHASE

AMMONOOSUC RIVER



SKETCH MAP OF EXISTING CONDITIONS

BASE STATION COG R.R.

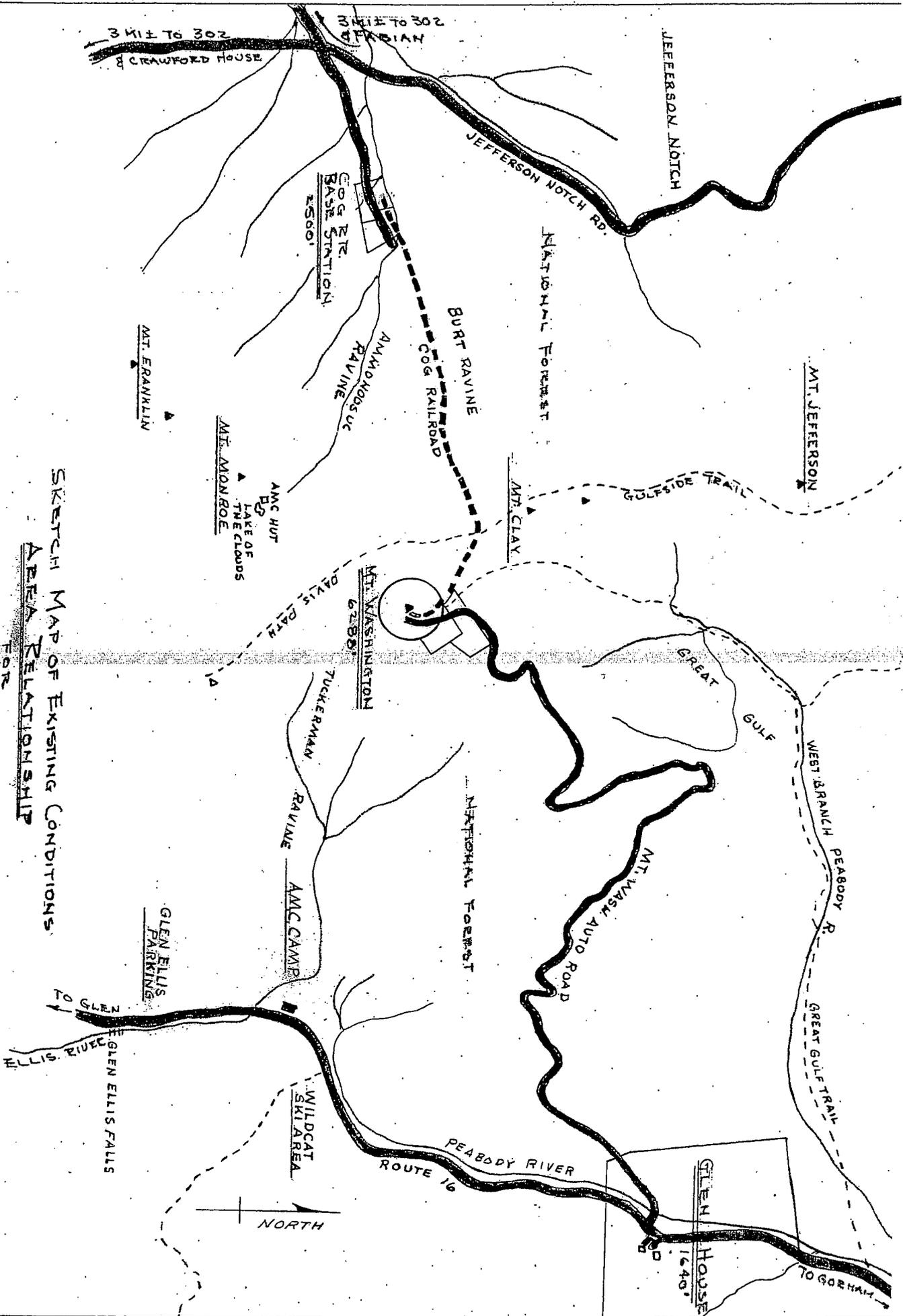
For

MT. WASHINGTON STUDY COMMITTEE

REDUCTION FROM PLANNING
FOR STUDY PURPOSES ONLY

G. A. BOCHNER

Oct 1958



SKETCH MAP OF EXISTING CONDITIONS
 AREA RELATIONSHIP

Mt. Washington Study Committee

REDUCTION FROM PLAN #4
 FOR STUDY PURPOSES ONLY

GIA BOCHMET

OCT 1958

CONDENSATION OF THE BOSTON UNIVERSITY REPORT

The Potential of Mount Washington

This report is a digest of a study made in 1956 to determine the importance of Mount Washington to the vacation economy of New Hampshire. The study was conducted by the Bureau of Business Research of the Boston University College of Business Administration. The findings and recommendations in this report are those of the research team.

Mount Washington is New Hampshire's best known and most important tourist attraction. The majestic peak, in a range of mountains which honor the memories of several Presidents of the United States, is the highest in the Northeast. It is famous as the central point in a range known the world over as the White Mountains of New Hampshire.

Mount Washington has been a tourist attraction since about 1825. The carriage road to the summit from the East was built about one hundred years ago. On the West side the cog railroad climbs some three miles to the summit and has been in operation for nearly a century. Foot trails which extend throughout the White Mountain National Forest converge on the summit of Mount Washington. These methods of reaching the summit attract some 150,000 visitors every year.

Who Are the Mount Washington Visitors?

Interviews by mail and by personal contact with approximately 6,000 of the 150,000 visitors in 1956 produced some interesting statistics about those who travel to the summit. Here are some of them.

- # There are three persons in the average party. They come from 31 states and 3 foreign countries.
- # The average party has visited three New Hampshire attractions before Mount Washington and plans to visit at least two more.
- # Nearly 15 percent are on a return visit.
- # The average visitor spends eight days away from home; 93 percent stay at least one night in New Hampshire; 75 percent stay two and more nights in New Hampshire.
- # About 84 percent stay overnight at places within approximately 35 miles of Mount Washington: 60 percent on the western side, 33 percent on the eastern side, and 5 percent on the summit.
- # By roadways: 42 percent stay on Route 302, 31 percent on Route 16, 16 percent on Route 3, and 4 percent on Route 2.

Of the 16 percent who remain overnight outside the Mount Washington area, 7 percent stay in the Ossipee to Lake Winnepesaukee area, 5 percent in the Lake Winnepesaukee to Lebanon area, 3 percent in the southern counties, and slightly less than 1 percent in Coos County.

Motor courts and motels attract 69 percent of those who stay overnight; hotels are patronized by 19 percent.

Mount Washington is the "most impressive" attraction in New Hampshire to 44 percent; the Flume, to 18 percent; Lost River, to 13 percent; the Aerial Tramway, to 12 percent, and Lake Winnepesaukee, to 10 percent.

What About Those Who Do Not Go to the Summit?

The previous statistics are based on those who visited the summit of Mount Washington. Yet the survey showed that out of every 100 parties visiting the base station of the mountain, 75 do not go to the summit. Based on a projection of the sample, it is estimated that 68,000 weekday tourists and 42,000 on weekends visit the base station, but do not go to the summit. Of these 110,000 non-riders, 60,500 are from New England and 49,500 are from beyond. Why don't they ride to the summit?

Time is a factor to 28 percent.

Price is a factor to 26 percent.

Sightseers "just looking" make up 18 percent.

Fear of the railroad or the height of the summit deter 9 percent.

These reasons lead to the conclusion that if the trip on the railroad were speeded up and the price lowered, the volume of traffic to the summit would easily be doubled. The price and time factors prevent 54 percent or 59,290 visitors annually from going to the summit. If these factors were eliminated, the increase in the number of summit visitors would represent an important contribution to the vacation business of the Mount Washington area. The survey, of course, could not measure the thousands of persons who never arrive at the base station because of advance knowledge of the time and price factors, among other things.

If traffic to the summit could be doubled and possibly even tripled, such an increase in traffic would justify a price reduction and the initial investment necessary to speed up service.

There should be little fear that the increased traffic to Mount Washington would result at the expense of other New Hampshire attractions, such as the Aerial Tramway and the Skimobile. The improved Mount Washington would mean a greater influx of New Hampshire visitors. It is a time-proven fact of the American economy that the more intense the competition for the vacation dollar, the greater the return for all the "competitors."

What is the Reaction of Those Who Go to the Summit?

Despite the fact that 44 percent of the summit visitors considered it the "most impressive" feature of their New Hampshire trip, 54 percent of them were

critical of the summit, 27 percent complained about the cog railroad, and 13 percent said they were "completely dissatisfied."

Translating percentages into people, the 54 percent represents 20,500 of those who visited the summit in 1956. The 27 percent represents 10,000 persons. In all, about 23,000 Mount Washington visitors were critical, since some criticized both the railroad and the summit. The 13 percent "completely dissatisfied" adds another 5,000 to this total. This means that an estimated 28,000 out of the 38,000 summit visitors in 1956 made some criticism of their Mount Washington trip.

What are the complaints? Typical of the responses are these:

- # Of the cog railroad: too slow, uncomfortable, dirty, noisy, too costly, inadequate guides, unkempt personnel.
- # Of the refreshment stand and dining room at the summit: inadequate space, limited selection of food, poor service, cold food, poor atmosphere.
- # Of the summit hotel: too expensive for value received, rooms old and dirty, blaring television until late hours, nothing to do after sunset but watch television, too dismal.
- # Of the summit surroundings: poor observation facilities and walking facilities, no telescopes to view from, no wind shelters for photographers, no guides.

On the other hand, there were many glowing comments from those summit visitors who were satisfied. Samples:

- # . . . an unusual adventure which cannot be duplicated anywhere else.
- # The food was excellent . . . the rooms nice and clean . . . we enjoyed the cozy fireplace and TV.
- # The sunrise is a sight I don't think you would ever want to miss.
- # It is one place you can escape commercialized spots that are famous.
- # The meals were above our expectations.

Obviously those who were pleased with their visit to the summit of Mount Washington will sing its praises to their friends, and perhaps they will return again. But those who were critical certainly will not return again, and by word of mouth they will discourage their friends from visiting the Mount Washington area.

What Can Be Done to Increase the Potential of Mount Washington?

Basing their conclusions on the complaints and on the suggestions from these they questioned, the research team made these recommendations:

Cog Railroad

If the railroad is to be made more attractive, the following improvements should be made:

1. Lower passenger rates
2. Increased passenger capacity.
3. Reduction in elapsed time of trip.
4. Cleaner, quieter, and more comfortable ride.
5. Better facilities for observation; better description of landmarks and scenery.

Because the cog railroad has been in operation for many years and has grown to be almost an historical landmark, modernization may be difficult to accomplish. But the facts are quite clear. To quote some of the complaints, the railroad is "uncomfortable", "dirty", "overpriced", and can be classed as a novelty rather than an efficient facility for carrying passengers to the summit. Considerable unfavorable comment about the Mount Washington area is generated by the railroad itself and whatever attraction Mount Washington has is often seriously affected after an "experience" on the railroad. How many thousands of people are dissuaded from coming even to the base station by adverse word of mouth publicity can only be conjectured.

To contend that the cog railroad is the only steam engine in the country, that it is one of the few cog railroads left in the world, that it is evidence of past engineering genius, or that it is a trademark of the White Mountains does not mean that more people will want to ride it. Rather it may mean that they want to see it, in which case the engine and cars could be preserved perhaps in a base station museum. But the plain facts are that persons who come to see the railroad, rather than ride it, are more inclined to move in and out of the area more quickly than those who are attracted to the summit. And those who go to the summit spend more days and more money in the Mount Washington area; and it follows, spend more time in New Hampshire. If at least one half of those persons who do not go to the summit could be attracted to spend one more day in the White Mountains area, at an expenditure of only \$10 per day, \$360,000 additional income could be received by business establishments, motels, restaurants, and others. Thus it seems fairly clear that the bold step of replacing the cog railroad with a faster, more modern device that offers comfort and lower cost could increase the potential of the White Mountains area and the whole of New Hampshire as well.

The Summit

Before discussing the summit facilities one fact must be made clear. The development of a modern and adequate transportation facility would be of little use if the visitor is greeted by inadequate facilities at the summit. And it follows that to develop the top of the mountain there must be assurance of an adequate volume of visitors reaching the top. Therefore, the recommendations regarding the cog railroad and those which follow for the summit are not mutually exclusive; rather they are strongly dependent one upon the other. The following is a general outline for possible development of the summit.

1. A staff of alpine-uniformed escorts should be trained to conduct guided tours or to be stationed at strategic points about the summit to describe the various landmarks, history, geology, etc., of the White Mountains area.
2. The summit house should be renovated and enlarged to provide:
 - A. Larger, more efficient, and complete dining room and refreshment facilities.

- B. 100 modern hotel rooms.
- C. A combination exhibition-foyer hall large enough to comfortably accommodate 150 to 200 persons.
- D. A boardwalk-observatory should be constructed to completely encircle the "new" summit house so that visitors may comfortably promenade and enjoy the view.
- E. Windbreakers or stands should be placed at appropriate points so that photographers and sightseers may enjoy themselves. Identification devices, including telescopes, should be made available at appropriate spots for use with or without guides.
- F. An observatory-pavilion could also be constructed on the roof of the summit house.
- G. Ample seating should be provided inside and outside the summit house and along the proposed boardwalk-observatory.
- H. An evening program of events should be developed for overnight guests, including such things as movies, dances, games, and lectures and fireside chats on the White Mountains.
- I. Establishment of a brief ritual initiating every summit visitor into the Mount Washington "Summiteers".
- J. Establishment of a hotel-motel-recreation information service booth.

3. The government buildings should be opened to the public, where possible, with guided tours to describe the activities being carried on. Where classified research is being conducted, exhibits of unclassified work could be set up in the exhibition-foyer.

Administration

The business management responsibilities of the cog railroad, the base station, and summit facilities are varied in scope under the present operating conditions. With the broadened activities embodied in these recommendations, it is suggested that a business manager should be engaged to coordinate the operation of recreational activities, public relations, and promotional responsibilities for the whole mountain program. Where certain private rights may be involved, such as with the carriage road, liaison could be established to effect coordination.

General Comments

The foregoing recommendations should serve at least two purposes. First, they should provide a starting point for further developmental planning. Second, in a specific way they state improvements which, if accomplished, would provide the kinds of things the market seems to want. Beyond this the path is not clear.

Certainly if the development idea is accepted, it will take money in sizable amounts to carry out a plan. It will take money to tell the tourist about the new

facilities and to attract the customer. The average American must be shown how and why he can get enjoyment; thus, promotion becomes important.

Recently the legislature of one of New Hampshire's border states was asked to act on a bill appropriating \$400,000 for advertising the state's facilities. The reasoning went this way. If the tourists who now visited the state on their way to some major vacation spot could be persuaded to spend only one more day, the total revenue for business and service establishments would amount to more than \$4,000,000 annually. Thus the \$400,000 was regarded as an investment designed to bring a tenfold return.

This study may not be discussing a project of the magnitude of \$4,000,000-- or maybe it is, but it does follow that to develop and promote an attraction like Mount Washington has the prospect of helping the vacation economy of the Mount Washington area as well as the whole of New Hampshire.

* * * *

DARTMOUTH COLLEGE OFFERS

Governor Dwinell requested of Dartmouth College, terms under which the state could acquire their property on Mount Washington. In order that the state could consider alternate courses, it was requested that the college provide offers in the following manner:

- (1) To Sell All - The Cog Railway and The Summit Property.
- (2) To Sell The Summit Only.
- (3) To Lease All - The Cog Railway and The Summit Property.
- (4) To Lease The Summit Only.

The offers which the college made are presented in the following pages and were to expire with adjournment of the 1957 Legislative Session or June 30, 1957, whichever date came first.

The trustees of Dartmouth College have since taken action to renew these offers until June 30, 1959, but with the provision that the offer to sell or lease the Cog Railway Property is subject to cancellation by the college at anytime prior to June 30, 1959, on fifteen days written advance notice to the Governor of New Hampshire.

Dartmouth College Offer

Enclosure A (Sell - All)

Tentative Offer to SELL to the State of New Hampshire ALL the Dartmouth College Mount Washington properties (Summit, Base and Railway - with exceptions noted), subject to approval and confirmation by the Trustees of Dartmouth College.

1. Properties to be conveyed:

a. All Current Assets of Mount Washington Summit House Inc. and Mount Washington Railway Co. EXCEPT:

- (1) Cash
- (2) Marketable Securities
- (3) Accounts Receivable
- (4) Prepaid Insurance

b. All land and other fixed assets of Mount Washington Summit House Inc. and Mount Washington Railway Co. EXCEPT:

- (1) Parcel of land approximately 8.2 acres in area, and structures thereon, presently under lease to The Yankee Network, Incorporated, together with a right of access thereto both from the Mount Washington Railway Co. right of way and from the Mount Washington Carriage Road.
- (2) The Observatory building, located on the aforesaid 8.2 acre parcel under lease to The Yankee Network Incorporated, but specifically excluded from said lease, together with a right of access thereto both from the Mount Washington Railway Co. right of way and from the Mount Washington Carriage Road.
- (3) Parcel of land approximately 10,000 square feet in area (the exact shape and location of which is to be determined later), located on the Summit northwest of the Tip-Top House and adjacent to the northeasterly side of the aforesaid 8.2 acre parcel, together with a right of access thereto both from the Mount Washington Railway Co. right of way and from the Mount Washington Carriage Road.

2. Reservations to Dartmouth College:

- a. Right to receive rentals and other proceeds payable under the existing lease to The Yankee Network, Incorporated, and subsequent renewals thereof.
- b. Right to receive rentals and other proceeds payable under the existing lease of the Observatory building to Mount Washington Observatory and subsequent renewals thereof.

Enclosure A
(Continued)

- c. Right to receive accrued rentals on the area on the Summit involved in the so-called "Navy Taking" up to the closing date of a sale of said property to the State of New Hampshire and the right to receive whatever settlement may be payable as a result of pending litigation respecting ownership of this area on a portion of which the Navy hangar now stands.
- d. Exclusive rights for aural and visual broadcasting and receiving on the summit of Mount Washington, upon expiration of aforesaid lease to The Yankee Network, Incorporated, on January 1, 2010 or earlier.
- e. Right for officers and employees of Dartmouth College while on official College business to transportation up and down the Mountain on the Cog Railway, free of charge, at any time said Cog Railway is operating.

3. Other Conditions:

- a. Subject to the terms of the above-mentioned existing lease and renewals thereof in favor of The Yankee Network, Incorporated, copy of which is attached hereto as Exhibit 1.
- b. Subject to an existing management contract with Mr. Arthur S. Teague of Philadelphia, Pennsylvania, expiring December 31, 1960, under which Mr. Teague's compensation is fixed as follows:
 - (1) A salary payable at the rate of \$10,000 per annum.
 - (2) An annual bonus equal to 15% of consolidated net income of the Mount Washington Summit House Inc. and Mount Washington Railway Co. before application of the corporate federal income tax.
 - (3) A contingent bonus payable in the year 1961 of up to an additional \$10,000. This bonus is payable only if Mr. Teague completes the contract and furthermore the bonus is only payable, up to the maximum \$10,000, to the extent of net earnings remaining, for the five years ending December 31, 1960, after his salary, annual bonus, and corporate federal income taxes have been deducted.

4. Price and Title:

- a. The price at which these properties are offered to the State of New Hampshire on the basis outlined above is \$275,000, payable in cash to Dartmouth College on or before delivery of a satisfactory deed to same.

Enclosure A
(Continued)

b. Title to said properties is to be delivered free and clear of all encumbrances upon delivery of deed, except as set forth above. It is understood that the College may use a portion of the proceeds of the sale to pay the balance due to discharge the existing mortgage to Trustees of Dartmouth College.

5. Time Limitation on Offer:

In making the above offer to the State of New Hampshire, Dartmouth College reserves the right to withdraw such offer, in whole or in part, and/or to modify the same at any time on or after the final adjournment date of the present New Hampshire State Legislative session or June 30, 1957, whichever date is the earlier.

Dartmouth College Offer

Enclosure B (Sell - Summit Only)

Tentative offer to SELL to the State of New Hampshire the Dartmouth College Mount Washington Properties on the SUMMIT ONLY (with exceptions noted), subject to approval and confirmation by the Trustees of Dartmouth College.

1. Properties to be conveyed:

a. All land, buildings, equipment, merchandise and supplies located on the summit of Mount Washington and forming part of the assets of Mount Washington Summit House, Inc. EXCEPT:

- (1) Parcel of land approximately 8.2 acres in area, and structures thereon, presently under lease to The Yankee Network, Incorporated, together with a right of access thereto both from the Mount Washington Railway Co. right of way and from the Mount Washington Carriage Road.
- (2) The Observatory building, located on the aforesaid 8.2 acre parcel under lease to The Yankee Network Incorporated, but specifically excluded from said lease, together with a right of access thereto both from the Mount Washington Railway Co. right of way and from the Mount Washington Carriage Road.
- (3) Parcel of land approximately 10,000 square feet in area (the exact shape and location of which is to be determined later), located on the Summit northwest of the Tip-Top House and adjacent to the northeasterly side of the aforesaid 8.2 acre parcel, together with a right of access thereto both from the Mount Washington Railway Co. right of way and from the Mount Washington Carriage Road.
- (4) The water storage tank and the parcel of land on which it stands, approximately 5,000 square feet in area (the exact shape and location of which is to be determined later), located on the Summit adjacent to the Railway right of way and northeast of the Summit House, together with a right of access thereto from the Mount Washington Carriage Road.

2. Reservations to Dartmouth College:

- a. Right to receive rentals and other proceeds payable under the existing lease to The Yankee Network, Incorporated, and subsequent renewals thereof.
- b. Right to receive rentals and other proceeds payable under the existing lease of the Observatory building to Mount Washington Observatory and subsequent renewals thereof.
- c. Right to receive accrued rentals on the area on the Summit involved in the so-called "Navy Taking" up to the closing date of a sale of said property to the State of New Hampshire and the right to receive whatever settlement may be payable as a result of pending litigation respecting ownership of this area on a portion of which the Navy hangar now stands.

Enclosure B
(Continued)

- d. Exclusive rights for aural and visual broadcasting and receiving on the summit of Mount Washington, upon expiration of aforesaid lease to The Yankee Network, Incorporated, on January 1, 2010 or earlier.
- e. Right of way for a station to discharge railway passengers on the Summit.

3. Other Conditions:

- a. Subject to the terms of the above-mentioned existing lease and renewals thereof in favor of The Yankee Network, Incorporated, copy of which is attached hereto as Exhibit 1.
- b. Subject to an existing management contract with Mr. Arthur S. Teague of Philadelphia, Pennsylvania, expiring December 31, 1960, under which Mr. Teague's compensation is fixed as follows:
 - (1) A salary payable at the rate of \$10,000 per annum.
 - (2) An annual bonus equal to 15% of consolidated net income of the Mount Washington Summit House, Inc. and Mount Washington Railway Co. before application of the corporate federal income tax.
 - (3) A contingent bonus payable in the year 1961 of up to an additional \$10,000. This bonus is payable only if Mr. Teague completes the contract and furthermore the bonus is only payable, up to the maximum \$10,000, to the extent of net earnings remaining, for the five years ending December 31, 1960, after his salary, annual bonus, and corporate federal income taxes have been deducted.
- c. Agreement on the part of the State of New Hampshire to provide railway passengers with shelter and rest room facilities on the summit, either by permitting such passengers to have access to the facilities in the existing Summit House or by permitting them access to whatever structures may later be erected to supplement or replace said Summit House.
- d. Agreement on the part of the State of New Hampshire to the effect that if the State of New Hampshire acquires ownership or operation of the Mount Washington Carriage Road, the toll charges for the use of said Road will be maintained for at least 20 years at not less than 75% of the rates currently in effect.

4. Price and Title:

- a. The price at which these properties are offered to the State of New Hampshire on the basis outlined above is \$150,000, payable in cash to Dartmouth College on or before delivery of a satisfactory deed to same.

Enclosure B
(Continued)

- b. Title to said properties is to be delivered free and clear of all encumbrances upon delivery of deed, except as set forth above. It is understood that the College may use a portion of the proceeds of the sale to pay the balance due to discharge the existing mortgage to Trustees of Dartmouth College.

5. Time Limitation on Offer:

In making the above offer to the State of New Hampshire, Dartmouth College reserves the right to withdraw such offer, in whole or in part, and/or to modify the same at any time on or after the final adjournment date of the present New Hampshire State Legislative session or June 30, 1957, whichever date is the earlier.

Dartmouth College Offer

Enclosure C (Lease -All)

Tentative Offer to LEASE to the State of New Hampshire

All the Dartmouth College Mount Washington Properties (Summit, Base and Railway - with exceptions noted), subject to approval and confirmation by the Trustees of Dartmouth College.

1. Properties to be leased:

- a. All current assets of Mount Washington Summit House Inc. and Mount Washington Railway Co. EXCEPT:
 - (1) Cash
 - (2) Marketable Securities
 - (3) Accounts Receivable
 - (4) Prepaid Insurance
- b. All land and other fixed assets of Mount Washington Summit House Inc. and Mount Washington Railway Co. EXCEPT:
 - (1) Parcel of land approximately 8.2 acres in area, and structures thereon, presently under lease to The Yankee Network, Incorporated, together with a right of access thereto both from the Mount Washington Railway Co. right of way and from the Mount Washington Carriage Road.
 - (2) The Observatory building, located on the aforesaid 8.2 acre parcel under lease to The Yankee Network, Incorporated, but specifically excluded from said lease, together with a right of access thereto both from the Mount Washington Railway Co. right of way and from the Mount Washington Carriage Road.

Enclosure C
(Continued)

- (3) Parcel of land approximately 10,000 square feet in area (the exact shape and location of which is to be determined later), located on the Summit northwest of the Tip-Top House and adjacent to the northeasterly side of the aforesaid 8.2 acre parcel, together with a right of access thereto both from the Mount Washington Railway Co. right of way and from the Mount Washington Carriage Road.

2. Reservations to Dartmouth College:

- a. Right to receive rentals and other proceeds payable under the existing lease to The Yankee Network, Incorporated, and subsequent renewals thereof.
- b. Right to receive rentals and other proceeds payable under the existing lease of the Observatory building to Mount Washington Observatory and subsequent renewals thereof.
- c. Right to receive accrued rentals on the area on the Summit involved in the so-called "Navy Taking" up to the effective date of a lease of said property to the State of New Hampshire and the right to receive whatever settlement may be payable as a result of pending litigation respecting ownership of this area on a portion of which the Navy hangar now stands.
- d. Exclusive rights for aural and visual broadcasting and receiving on the summit of Mount Washington, upon expiration of aforesaid lease to The Yankee Network, Incorporated, on January 1, 2010 or earlier.
- e. Right for officers and employees of Dartmouth College while on official College business to transportation up and down the Mountain on the Cog Railway, free of charge, at any time said Cog Railway is operating.

3. Other Conditions:

- a. Subject to the terms of the above-mentioned existing lease and renewals thereof in favor of The Yankee Network, Incorporated, copy of which is attached hereto as Exhibit 1.
- b. Subject to an existing management contract with Mr. Arthur S. Teague of Philadelphia, Pennsylvania, expiring December 31, 1960, under which Mr. Teague's compensation is fixed as follows:
 - (1) A salary payable at the rate of \$10,000 per annum.
 - (2) An annual bonus equal to 15% of consolidated net income of the Mount Washington Summit House Inc. and Mount Washington Railway Co. before application of the corporate federal income tax.

Enclosure C
(Continued)

- (3) A contingent bonus payable in the year 1961 of up to an additional \$10,000. This bonus is payable only if Mr. Teague completes the contract and furthermore the bonus is only payable, up to the maximum \$10,000, to the extent of net earnings remaining, for the five years ending December 31, 1960, after his salary, annual bonus, and corporate federal income taxes have been deducted.

4. Term and Rental:

- a. The term of this lease would expire at noon on January 1, 2010.
- b. These properties are offered to the State of New Hampshire on a net lease basis on the terms set forth above with the annual rental therefor calculated as follows:

(1) Summit Properties:

- (a) Fixed rent of \$2,500 per annum free and clear after payment or reimbursement by the State of New Hampshire for all real estate taxes, state income tax (if any), insurance and all operating expenses.
- (b) Additional annual rental equal to 3% of gross revenues on the operations of the Summit properties.

(2) Railway and Base Properties:

- (a) Fixed rent of \$6,000 per annum free and clear after payment or reimbursement by the State of New Hampshire for all real estate taxes, state income tax (if any), insurance and all operating expenses.
- (b) State of New Hampshire to furnish necessary working capital.

5. Time Limitation on Offer:

In making the above offer to the State of New Hampshire, Dartmouth College reserves the right to withdraw such offer, in whole or in part, and/or to modify the same at any time on or after the final adjournment date of the present New Hampshire State Legislative session on June 30, 1957, whichever date is the earlier.

Dartmouth College Offer

Enclosure D (Lease-Summit Only)

Tentative Offer to LEASE to the State of New Hampshire

The Dartmouth College Mount Washington Properties on the SUMMIT ONLY (with exceptions noted), subject to approval and confirmation by the Trustees of Dartmouth College.

Enclosure D
(Continued)

1. Properties to be leased:

a. All land, buildings, equipment, merchandise and supplies located on the summit of Mount Washington and forming part of the assets of Mount Washington Summit House, Inc. EXCEPT:

- (1) Parcel of land approximately 8.2 acres in area, and structures thereon, presently under lease to The Yankee Network, Incorporated, together with a right of access thereto both from the Mount Washington Railway Co. right of way and from the Mount Washington Carriage Road.
- (2) The Observatory building, located on the aforesaid 8.2 acre parcel under lease to The Yankee Network Incorporated, but specifically excluded from said lease, together with a right of access thereto both from the Mount Washington Railway Co. right of way and from the Mount Washington Carriage Road.
- (3) Parcel of land approximately 10,000 square feet in area (the exact shape and location of which is to be determined later), located on the Summit northwest of the Tip-Top House and adjacent to the northeasterly side of the aforesaid 8.2 acre parcel, together with a right of access thereto both from the Mount Washington Railway Co. right of way and from the Mount Washington Carriage Road.
- (4) The water storage tank and the parcel of land on which it stands, approximately 5,000 square feet in area (the exact shape and location of which is to be determined later), located on the Summit adjacent to the Railway right of way and northeast of the Summit House, together with a right of access thereto from the Mount Washington Carriage Road.

2. Reservations to Dartmouth College:

- a. Right to receive rentals and other proceeds payable under the existing lease to The Yankee Network, Incorporated, and subsequent renewals thereof.
- b. Right to receive rentals and other proceeds payable under the existing lease of the Observatory building to Mount Washington Observatory and subsequent renewals thereof.
- c. Right to receive accrued rentals on the area on the Summit involved in the so-called "Navy Taking" up to the effective date of a lease of said property to the State of New Hampshire and the right to receive whatever settlement may be payable as a result of pending litigation respecting ownership of this area on a portion of which the Navy hangar now stands.

Enclosure D
(Continued)

- d. Exclusive rights for aural and visual broadcasting and receiving on the summit of Mount Washington, upon expiration of aforesaid lease to The Yankee Network, Incorporated, on January 1, 2010 or earlier.
- e. Right of way for a station to discharge railway passengers on the Summit.

3. Other Conditions:

- a. Subject to the terms of the above-mentioned existing lease and renewals thereof in favor of The Yankee Network, Incorporated.
- b. Subject to an existing management contract with Mr. Arthur S. Teague of Philadelphia, Pennsylvania, expiring December 31, 1960, under which Mr. Teague's compensation is fixed as follows:
 - (1) A salary payable at the rate of \$10,000 per annum.
 - (2) An annual bonus equal to 15% of consolidated net income of the Mount Washington Summit House, Inc. and Mount Washington Railway Co. before application of the corporate federal income tax.
 - (3) A contingent bonus payable in the year 1961 of up to an additional \$10,000. This bonus is payable only if Mr. Teague completes the contract and furthermore the bonus is only payable, up to the maximum \$10,000, to the extent of net earnings remaining, for the five years ending December 31, 1960, after his salary, annual bonus, and corporate federal income taxes have been deducted.
- c. Agreement on the part of the State of New Hampshire to provide railway passengers with shelter and rest room facilities on the Summit, either by permitting such passengers to have access to the facilities in the existing Summit House or by permitting them access to whatever structures may later be erected to supplement or replace said Summit House.
- d. Agreement on the part of the State of New Hampshire to the effect that if the State of New Hampshire acquires ownership or operation of the Mount Washington Carriage Road, the toll charges for the use of said Road will be maintained for at least 20 years at not less than 75% of the rates currently in effect.

4. Term and Rental:

- a. The term of this lease would expire at noon on January 1, 2010.

Enclosure D
(Continued)

b. These properties are offered to the State of New Hampshire on a net lease basis on the terms set forth above with the annual rental therefor calculated as follows:

- (1) Fixed rent of \$2,500 per annum free and clear after payment or reimbursement by the State of New Hampshire for all real estate taxes, state income tax (if any), insurance and all operating expenses.
- (2) Additional annual rental equal to 3% of gross revenues on the operations of the Summit properties.

5. Time limitation on offer:

In making the above offer to the State of New Hampshire, Dartmouth College reserves the right to withdraw such offer, in whole or in part, and/or to modify the same at any time on or after the final adjournment date of the present New Hampshire State Legislative session or June 30, 1957, whichever date is the earlier.

TEXT OF MR. MORTON'S LETTER

FROM John O. Morton

DATE September 9, 1958

SUBJECT Mt. Washington Summit Road

AT (OFFICE) Public Works & Highways

TO Mr. Russell B. Tobey
Director of Recreation
Forestry and Recreation Commission
State House Annex

Dear Sir:

At the request of Governor Dwinell I have developed estimates of reproduction costs for the Mt. Washington Summit Road. Based on two sets of figures arrived at independently, I submit a figure of \$850,000 as being, in my best judgment, a realistic estimate of cost to replace this road in its present condition under unit costs of work prevailing at this time.

The following information is submitted with the intention of developing background to this highway that may be helpful to the Committee:

1. Road was laid out and constructed approximately one hundred years ago.

2. The name of the engineer who made the original layout of this highway is not known; however, I would comment that his work represents a great engineering feat. It takes advantage of the mountain terrain to the greatest extent possible. His ingenuity in layout contributed to low construction costs initially. It would be impossible to improve on alignment and grade of the road without introducing major increases in construction costs.

3. Any attempt to maintain road into the winter would be futile. Road lacks what might be considered adequate drainage facilities; however, fact that snow is not removed from road in winter contributes to successful operation of present drainage system.

4. In estimating construction costs the weather element was taken into consideration. Above half-way house the number of working days in the summer season is extremely limited. Transportation of help to the job is time consuming and costly.

5. Present owners have added to improvement of road in recent years by adding a number of turnouts. This is a most desirable feature.

6. If road were to be taken over by State it would be my recommendation that highway be paved for entire length and a number of turnouts be added. Additional turnouts could be incorporated at a low cost. It would also be possible to gain some additional width in a few locations at

low cost Present road is 16'-18" in width; however, to gain any material increase in width would be expensive and, in my opinion, not justified.

7. At time road was originally constructed, little blasting was performed. Horse drawn equipment and hand labor were employed to take advantage of the placement of mountain stone and native materials to excellent advantage. Modern machinery would not be able to place mountain stone to best advantage.

8. To pave existing road, add paved turnouts, strengthen some outside guard walls, and replace broken drainage culverts would cost in the vicinity of \$250,000 - \$300,000.

Very truly yours,

S/John O. Morton

Commissioner.

Statement of Funds Appropriated,
Expenditures and Remaining Balance
For
Mt. Washington Study

Chapter 337, Laws of 1955	\$5,000.00	
Chapter 363, Laws of 1957	<u>2,000.00</u>	
Total Funds Appropriated		\$7,000.00
Total Expenditures 10/31/58		<u>2,230.92</u>
*Available Balance 11/1/58		\$4,769.08

*Prior to expenses of this report.

Peter Woodbury
John B. Blackwood

John H. Boathman

John Willcox Brown

Reginald M. Colby

John C. Fairbanks

Edward Gallagher

Herbert E. Kimball

Walterus Jackson Lee

Benjamin A. Orutt

Charles H. Whittier