



STATE OF NEW HAMPSHIRE
DEPARTMENT of NATURAL and CULTURAL RESOURCES
OFFICE OF THE COMMISSIONER
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June 28, 2021

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

RE: Mount Sunapee Resort Annual Operating Plan 2021-2022

Dear Mr. Disch,

This letter provides you with conditional approval of the Mount Sunapee Resort (MSR) Annual Operating Plan 2021-2022 (AOP), dated May 15, 2021.

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 2021-2022 was delivered to the DNCR on May 14, 2021. 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.

The Commissioner called a meeting of the MSAC held on June 8, 2021. MSR presented its AOP and comments from the MSAC and the public on the AOP were provided in response.

Conditional approval of the AOP. We have completed our review of Mount Sunapee Resort’s Annual Operating Plan 2021-2022 (AOP), dated May 15, 2021. The activities in the AOP are consistent with the 1998 Lease and Lease Amendments, and the Master Development Plan and

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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 2020-2021, on the following basis and subject to the conditions herein:

- 1) The proposed schedule of operations for the ski area and description of 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.
- 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) The DNCR issued a Special Use Permit for the MSR's use of the Sun Bowl access road, expiring on December 31, 2021. The MSR and the DNCR will collaborate on solutions for the repair of the Sun Bowl Road and will update the Special Use Permit for the Sun Bowl access road (AOP, p. 22).
- 4) Since 2008, it is standard practice by this office to annually review Item 4, Resort Real Estate Sales (AOP, p. 22). This item is approved as proposed during this annual schedule of operation.
- 5) The DNCR recognizes the MSR's commitment to expand its Best Management Practices to mitigate storm water runoff and reduce salt usage, including the certification of its lead snowplow driver/ salt applicator through the DES Green SnowPro program, who will then train other MSR drivers (AOP, p. 25).
- 6) The MSR will incorporate the minor corrections requested by the NHB to the "Rare Plant Resources" section of the AOP, and will continue to work with the NHB on a mowing schedule to protect the greater fringed gentian population (AOP, p. 26).
- 7) The MSR will continue to highlight its collaborative efforts with the Lake Sunapee Protective Association (LSPA) and provide updates on its activities related to the new Lake Sunapee Watershed Management Plan and any grant work in the AOP (AOP, p. 27).
- 8) The MSR will continue to emphasize its relationship with NH State Parks in its signage (AOP, p. 31).
- 9) The planned maintenance and improvement projects (AOP, p. 34) 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).

- 10) The DNCR acknowledges that projects that were approved by the DNCR in previous AOP's and listed on page 35, will not be undertaken by the MSR during the timeframe of this AOP.
- 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 conditions for approval of projects proposed in previous AOPs, MDPs and EMPs shall remain in effect.
- 13) 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.

New Hampshire Parks and Recreation Director Phil Bryce will continue discussions with you regarding a collaborative solution for the use and maintenance of Mount Sunapee State Park's Campground Road.

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

Mount Sunapee Resort has invested over \$22.5 million in capital improvements to Mount Sunapee State Park Ski Area since the 1998 lease. As of December 2020, the State has received \$4,303,501 in cumulative base fee payments and \$7,146,370 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 and 2020, and determined that MSR complies with the terms and conditions of the Lease agreement.

Thank you for the attention Mount Sunapee Resort has given to the AOP 2021-2022, dated May 15, 2021. 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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