

STATE OF NEW HAMPSHIRE DEPARTMENT of NATURAL and CULTURAL RESOURCES OFFICE OF THE COMMISSIONER

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June 1, 2021

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

RE: Mount Sunapee Resort's Master Development Plan & Environmental Management Plan 2020-2025, dated June 2020

Dear Mr. Disch,

This letter provides you with conditional approval of the Mount Sunapee Resort Master Development Plan & Environmental Management Plan 2020-2025 (MDP&EMP), dated June 2020, and submitted to the Department of Natural and Cultural Resources (DNCR) on May 29, 2020.

The Lease and Operating Agreement of 1998 (Lease) 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 recreational (*sic*) facility (including all of its support activities) on Mount Sunapee in the Towns of Newbury and Goshen" (Lease, Part 4, Ski Area Operations, p. 4).

The Master Development Plan. Pursuant to the Lease, Part 6, Master Development Plan, p. 5, "[t]he Operator shall prepare a Master Development Plan ("MDP") covering operations, facilities, site improvements and strategic plans for the ski area by June 1, 2000. The Operator's proposed MDP shall be submitted to [DNCR] and shall be either approved as proposed or revised for resubmission. The MDP shall embody both the Operator's and the State's long term goals for the ski area and shall include all major elements of the Operator's "Proposal for the Operation of the Mount Sunapee Ski Area" submitted on April 1, 1998. The MDP shall include, but not be limited to, plans for expanding the ski trail network, construction of new lifts, construction or renovation of lodges or other facilities, additional water withdrawals from Lake Sunapee to expand snow-making capacity, upgrading or modifying infrastructure, including power, water and sewage disposal systems and stich other improvements or modifications that are appropriate for the recreational use of the Leased Premises. The MDP shall be revised and updated every five (5) years."

The Environmental Management Plan. Pursuant to the Lease, Part 15, Environmental Management Plan (EMP), p. 8, "[t]he Operator shall develop and submit for approval to [DNCR] an Environmental Management Plan adopting recognized Best Management Practices to preserve and protect the Leased Premises, which shall include but not be limited to: a. Water usage and conservation; b. Septage disposal/treatment; c. Drainage, erosion and water quality issues; d. Solid waste disposal; e. Air quality and traffic congestion mitigation; f. Forestry management; g. Wetlands impacts; h. Wildlife habitat preservation; and i. Scenic and aesthetic qualities.

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In accordance with the Public Involvement and Oversight Policy for Mount Sunapee Ski Area (PIOP), as amended, the "EMP shall be developed and submitted for approval to DNCR in conjunction with the MDP" (PIOP, pg. 6). The MDP&EMP 2020-2025 were delivered by MSR to DNCR on May 29, 2020. As required by the PIOP, the DNCR distributed copies of the MDP-EMP to the Mount Sunapee Advisory Commission (MSAC), whose members include the regional planning commission and the Department of Environmental Services, and MSR distributed copies to the Towns of Goshen and Newbury. MSR also provided copies of the MDP&EMP to the towns of New London, Sunapee, Newport, Bradford and Sutton. DNCR posted the MDP&EMP on the MSAC website and published a public notice that the MDP&EMP were available for public review and comment in the *Union Leader* and the *InterTown Record*.

Public Involvement. The DNCR held a joint public hearing with the Upper Valley Lake Sunapee Regional Planning Commission (UVLSRPC) in accordance with the PIOP, to solicit comment on the MDP&EMP from the MSAC and the general public. The hearing was held by videoconference on November 5, 2020, so as to comply with the State of Emergency Executive Order 2020-04, as extended, called by Governor Chris T. Sununu in response to the COVID-19 pandemic. DNCR solicited written public comments on the MDP&EMP through November 12, 2020.

After consideration of the substantive public comments and in consultation with the technical staff and other state agencies as needed, the Commissioner may approve the MDP&EMP as submitted, or request revisions to the MDP&EMP (PIOP, pg. 3).

Lease Amendments and Previous MDP & EMPs. The State's lease of the Mount Sunapee Ski Area is governed by RSA 12-A:29-a. The Lease was amended and approved by the Governor and Executive Council on April 6, 2016, to incorporate additional terms related to the development of the ski area, and to renew and extend the lease for an additional ten years. The amended lease included provisions for the West Bowl proposal that was approved by the Commissioner of DRED (now, DNCR), following a 21-month public involvement process and revisions to the MDP and EMP 2016-2020, requested by the Commissioner.

On December 19, 2018, the Governor and Executive Council approved amendments to the Lease to name Vail Holdings, Inc. as the new lessee; to incorporate additional terms related to the development of the ski area; and to codify the role of the Mount Sunapee Advisory Commission.

When the Commissioner approves an MDP and EMP, there is no provision of RSA 12-A:29-a, the Lease, or any amendments thereto, that allows the Commissioner to rescind that approval. Previous MDP's and EMP's include such projects as the Cataract Chairlift and Cataract Run trail located in the East Bowl that were proposed in the MDP 2000-2004, and conditionally approved by Commissioner George Bald on September 19, 2000. Moreover, the provisions of the MDP 2016–2020 pertaining to the West Bowl development were incorporated into the 2018 lease amendment, which was approved by the Governor and Council on December 19, 2018. No provision of RSA 12-A:29-a, the Lease, or any amendment thereto allows the State to unilaterally withdraw approval of the lease amendment that incorporated the West Bowl development project.

Through the Annual Operating Plan (AOP), DNCR will review MSR's implementation of the approved MDP and EMP projects, including the review of design plans and site plans. DNCR will solicit comments on the AOP from the MSAC and the public, pursuant to the PIOP. Projects may

require site plan review by the local planning board and state and local permitting. In this manner, DNCR continues to welcome comments about the environmental impact of the projects that were approved in the 2016-2020 MDP. We are committed to preserving our state's natural resources and to working with Vail to mitigate any potential negative environmental effects of those projects. DNCR is not, however, able to withdraw approval for the 2016-2020 MDP projects, nor to terminate the lease provision that adopted those projects.

Conditional approval of the MDP&EMP 2020-2025. We have completed our review of Mount Sunapee Resort's Master Development Plan & Environmental Management Plan 2020-2025 (MDP&EMP), dated June 2020. The proposal of major projects contained in the MDP are consistent with RSA 12-A:29-a, the Lease and amendments. Comments received from the public, the MSAC whose members include the Department of Environmental Services (DES) and the Natural Heritage Bureau (NHB), and the DNCR technical staff were considered. I am providing MSR with conditional approval of the MDP&EMP 2020-2025, on the following basis and subject to the conditions herein:

- 1) The Sunapee Express Quad chairlift upgrade to an Express 6-person lift, with possible gondola cabins, is approved with no additional groundwork needed.
- 2) The rope-tow surface lift (telecord) from parking lot #3 to Spruce Lodge is conditionally approved, following a site survey by the NHB to determine final location.
- 3) The regrading of the South Peak carpet conveyor areas is approved.
- 4) The trail grading of Beck Brook, Portage, Lower Ridge, and base of Lynx/Lower Flying Goose is approved with no expansion of the trails.
- 5) The installation of a warming hut at the base of South Peak is conditionally approved, following a site survey by the NHB to determine final location.
- 6) The renovation of Ray's House/Warming Hut is approved with no expansion of the existing footprint.
- 7) The addition of a grip maintenance and storage barn to Sunbowl lift is conditionally approved, following a site survey by NHB to determine final location.
- 8) The routing of the water supply to the Summit Lodge is conditionally approved with any excavation, if needed, confined to along the existing ski run.
- 9) The installation of a mountain coaster between Lynx and Hansen-Chase trails is pending approval based upon review of a site design proposal.
- 10) The construction of additional archery lanes to the Summer Adventure Park is conditionally approved, following a site survey by the NHB to determine final location.
- 11) The construction of additional mountain bike trails on South Peak is conditionally approved, following a site survey by the NHB to determine final location.

- 12) The construction of summer tubing lanes at South Peak is conditionally approved, following a site survey by the NHB to determine final location.
- 13) The base area grading around Sunapee Lodge to improve wedding & special event access is conditionally approved, following a site survey by the NHB to determine final location.
- 14) The landscaping and fire pit installations around the Summit Lodge are conditionally approved, following a Data Check by the NHB.
- 15) MSR will revise its EMP 2020-2025 to include reports from the NHB and updated references to the NH Fish and Game Department's Wildlife Action Plan.
- 16) MSR will obtain any and all required federal, state and local permitting and approvals as may be required for its projects.
- 17) The conditions for approval of projects proposed in previous MDPs and EMPs remain in effect.
- 18) The approval of this MDP&EMP 2020-2025 does not supersede any conditions of the Lease, the Lease Amendments (approved by Governor and Executive Council on December 19, 2018, Items #A, #B, and #C), all of which shall prevail.

Thank you for the attention Mount Sunapee Resort has given to our review of the MDP&EMP 2020-2025. I look forward to our continued partnership with Mount Sunapee Resort as an important part of Mount Sunapee State Park for the enjoyment and benefit of the citizens and visitors.

Sincerely,

Sarah L. Stewart Commissioner

cc: Mount Sunapee Advisory Commission

Jacah Stewart

SLS/ttl-20210204