TOWN OF GOSHEN
ALL-BOARDS MEETING
APPROVED MINUTES
JULY 6, 2004

Members of Town Boards and Town Officials who were present included: Planning Board members: Acting Chairman John Scranton, Chairman John Wirkkala, Richard Bennett, Judith Filkins, and Rich Moen; Zoning Board of Adjustment members: Chairman James Leland, Jean Barrett, Kate Phelan, John Herr, and Richard Ambler; Select Board members: Chairman James Carrick, Herb Bennett, and Melanie Bell-Harrington; Conservation Commission members: Chairman Bea Jillette, Gary Dennis, and Dick Hamilton; Town Moderator Arthur Jillette; Librarian Ethel Nilsen; Library Trustees Lilyan Wright and Sherri Moen; Budget Committee members Linda Janicke and Ed Anderson, Sr.; Cemetery Commissioner Lars Nelson; NH/VT Solid Waste Representative Paul Barrett; Trust Fund Trustee Peta Brennan; Building Inspector Harry Warburton; Fire Chief Rick Shepard; Forest Fire Warden Dan Peterson; Volunteer Fire Fighter Clark Wamsley, Police Chief Ed Anderson; Planning Board and Zoning Board secretary Marilyn Priest

Others who were present included: Jay Gamble and Tim Mueller of Mount Sunapee Resort, Phil O'Brien of Lake Sunapee Protective Association, Alan Hanscom of NH Department of Transportation, State Senator Robert Odell, numerous Goshen residents, residents of neighboring communities, and members of the press

As attendees arrived at the meeting, they received a meeting agenda [Please Refer to Attachment I].

Acting Chair John Scranton opened the hearing at 7:00 PM and introduced the first speaker, James Carrick.

Presentation by James Carrick, Select Board Chairman

Select Board Chairman James Carrick presented information regarding progress that has been made in developing a Capital Improvement Plan (CIP) for the Town of Goshen. He announced that a public notice had been posted at the Post Office and the Goshen Store inviting public input for suggestions of what items should be included as part of the CIP.

Mr. Carrick stated that he had received information from the Fire Department and Police Department about some equipment needs.

Mr. Carrick announced that the Planning Board had initiated review of the Goshen Master Plan, which guides the development for items to be part of the CIP. He informed the attendees that Bardon Flanders had attended the last Planning Board meeting and had provided information about developing a Growth Management Ordinance. Mr. Carrick further explained that the implementation of a Growth Management Ordinance would allow for assessing impact fees. It would provide that in the event that projects come before the Town that impact the Town significantly in terms of finances, housing units, or Town services, then an impact fee could be charged to the applicant.

Mr. Carrick further stated that the most recent thing that has happened is that earlier this evening he had met with the Goshen-Lempster School Board. At this meeting it was agreed that in September there will be a joint meeting of the Goshen-Lempster School Board, the Goshen Planning Board, and the Lempster Planning Board for the purpose of discussing needs of the school district that should be included in Goshen's CIP.

Mr. Carrick stated he will begin focusing on the fiscal analysis for the CIP. This will be done by looking at what the past tax revenues and capital expenditures have been, and then a projection will be made of future tax revenues and capital expenditures. The Planning Board will then review the Town's Master Plan and invite the Department Heads and Chairmen of the Departments to prioritize the capital projects submitted. Mr. Carrick stated that the CIP Committee will develop a 6-year timeline, meet with the Select Board, prepare a draft CIP document, hold public hearings, revise the document, and then vote on it. The target completion date for the CIP is March 2005, prior to the Annual Town Meeting.

A member of the audience asked where the impact fee goes.

Mr. Carrick replied the impact fees would go to the Town.

Acting Chair John Scranton announced that Mr. O'Kane, the new Commissioner of DRED (Department of Resources and Economic Development), was unfortunately unable to attend the meeting tonight, but he does want to know what happens at tonight's meeting. Mr. Scranton added that the conversation with the Commissioner was very positive. Mr. Scranton then introduced Jay Gamble, General Manager of the Mount Sunapee Resort.

Presentation by Jay Gamble of Mount Sunapee Resort

Jay Gamble introduced Tim Mueller, President of Mt. Sunapee, who was also in attendance to help answer questions. Mr. Gamble began his presentation by explaining that the purpose of their new Master Development Plan is to present to the State, in accordance with their lease, the plans for the next five years. Mr. Gamble outlined the topics of his presentation as follows:

1. The RFP, when Mt. Sunapee was leased in 1998
2. The Master Development plan
3. The Environmental Management Plan
4. The Impact Studies included in the Plan and how they might affect Goshen

Mr. Gamble briefly reviewed the history of the Mt. Sunapee ski area, beginning in 1941 when the legislature appropriated the funds to create the ski area, and continuing through the establishment as a State Park. Mr. Gamble then outlined the sequence in which lodges, lifts, and ski trails were built, with a major development taking place in 1961. He stated that after the 1961 expansion, Mt. Sunapee was one of the six most modern ski areas in New England.

Mr. Gamble continued, stating that in the 1980s other ski areas introduced snowmaking but that snowmaking was not explored or developed at either Mt. Sunapee or Cannon Mountain. Therefore, Mt. Sunapee and Cannon Mountain had a difficult time staying competitive. Consequently, the State formed committees to seek a solution. Insufficient Capital investments were made by the State, so the committee finally turned to the last option, which was the possible leasing of Cannon and Mt. Sunapee.

Mr. Gamble stated that on January 15, 1998 the State of New Hampshire issued their Request for Proposals (RFP) for leasing the state ski areas. Mr. Gamble highlighted the first sentence of the State's RFP, which stated that candidates must respond by offering proposals for the development and expansion of Mt. Sunapee ski area.

Mr. Gamble reported that the Okemo proposal submitted by the Muellers as "Mount Sunapee Resort" included the following points:

1. Mount Sunapee Resort would make immediate improvements to the lifts and lodges (that was done with the Summit and Sun Bowl Chairlifts, as well as the Sunapee Lodge, within the first 3 years)

2. Mount Sunapee Resort would perform future improvements of the existing areas of lifts and trails

3. Mount Sunapee Resort would make improvements in the peripheral and surrounding areas of the current lifts and trails.

Mr. Gamble elaborated on the final point, saying that Mount Sunapee Resort offered plans to develop the Sun Bowl area with a new lift and new ski trails. He stated that the Resort was using the exact plans as proposed by the State in 1963. Using a map, Mr. Gamble showed the area of "old growth" forests identified in 1997 and 1998. Mt. Sunapee Resort suggested to the State that they would be willing to drop any improvement to the East so as to not disturb the old growth forests and would concentrate instead on the development of the West side of Mt. Sunapee.

Mr. Gamble stated that the Master Development Plan is a large document that describes the projects and provides environmental impact analyses in the areas of air quality, water quality, and solid waste. Mr. Gamble added that the company had hired consultants to conduct seven major impact studies.

Mr. Gamble noted that the Master Plan is a guiding document to be used by DRED and the local towns. Mr. Gamble stated that the document contains information requested by Commissioner Bald (former Commission of DRED), such as the real estate component and impact of the development of resort-owned private land in Goshen.

Mr. Gamble described the time frame of the plan as follows:

1. The ski area expansion would take place within the next 5 years. This would include a new lift, night skiing on the lower slopes, and one ski trail in the Province area. The major expansion would be in the West Bowl area.

2. The real estate development of 175 to 200 units would be phased in over 5 to 10 years. The real estate development would be limited by: the size of the property owned by the Muellers; the on-site capacity for wastewater disposal; and the on-site availability of drinking water.

Mr. Gamble stated that Mount Sunapee Resort had requested DRED to permit them to lease another 175 acres to facilitate the building of the West Bowl Quad. Mr. Gamble used a map to describe the proposed ski area development in the West Bowl, which would include:

1. High-speed quad chairlift
2. Moving carpet for novices
3. 75 acres of ski trails
4. A small base lodge.
5. Parking area for up to 200 vehicles

Mr. Gamble stated that Mount Sunapee Resort would be responsible for the infrastructure, such as roads, water, waste disposal, and electrical facilities.

Mr. Gamble mentioned the Environmental Management Plan, which researched a wide range of environmental factors. He then highlighted the seven impact studies that were conducted by consultants on behalf of Mount Sunapee:

1. Water Quality analysis performed by Pioneer
2. Waste Water facilities evaluation
3. Wetlands Survey by Pioneer
4. West Bowl Drainage and Runoff
5. Traffic Impact
6. Wildlife and Wildlife Habitat
7. Economic Impact and Fiscal Analysis

Mr. Gamble stated that the drainage study had been expanded at the request of Goshen resident, Herb Bennett.

Mr. Gamble gave specifics on four of the seven studies.

Drainage Study
The major storm event runoff from the ski area is expected to be minimal because the soil has the same perk ability as the woodlands. The spring melt from the ski area would be about ½ of 1% of the Spring flow and is unlikely to create a noticeable impact. The consultants checked every Gunnison Brook bridge and every culvert on Brook Road to ensure the existing bridges and culverts could handle the runoff. Rand Pond and Gunnison Lake were both studied and the consultants found that neither lake will be affected. Mr. Gamble mentioned that the South face of the mountain was observed from the picnic area at Gunnison Lake, and the consultants felt that this view would be unchanged.

Mr. Gamble then digressed to discuss the Conservation Easement which is about to be finalized on a large tract of land on the South side. He stated that the lands of the conservation easement had previously been offered to Mount Sunapee Resort for sale. However, Mount Sunapee Resort refused to purchase these lands because they have no plans for any expansion in this area. He added that the Resort has no objection to the conservation easement.

Continuing with his discussion of the drainage study, Mr. Gamble spoke of the unnamed tributary coming off the West Bowl, which merges with Gunnison Brook near Merrigan's Corner on Brook

Road. The consultants examined all of the bridges and culverts for the entire length of Gunnison Brook. Mr. Gamble explained all the culverts were capable of handling any additional runoff drainage, with the possible exception of one culvert, in the flood plain. This will need to be determined in the future.

Traffic Impact
Mount Sunapee Resort hired Stephen G. Pernaw & Company to conduct the traffic study. Mr. Gamble provided Mr. Pernaw with ski ticket sales from the five previous years. These ticket sales demonstrated that the Sunday of Martin Luther King, Jr. Day weekend was typically the busiest single traffic day of the ski season.

Mr. Gamble stated that the afternoon traffic peak count was generally heavier than the morning. Although there is a typical peak from 8:30 a.m. – 9:30 a.m. of people arriving, the heaviest, most condensed traffic flow happens in the afternoon when people are leaving. The study counted 119 cars on Brook Road and projected 273 cars in 2010, which represents the largest percentage increase of traffic, but which Mr. Pernaw says is also a relatively small number. Mr. Gamble noted that the day that Mr. Pernaw conducted his traffic count was much colder than normal and therefore was under-representative of typical traffic. In conclusion, Mr. Gamble stated that typically there are 6-8 days of heavy traffic and 1-3 peak days of very heavy traffic.

Wildlife Study
William D. Countryman performed the wildlife study for the Mountain. After two days on the mountain, he determined that there were no old growth characteristics on the West side, either on state or private land. These findings were consistent with the findings of the 1998 New Hampshire National Heritage Study. The study further indicated that no endangered species or critical wildlife habitat were evident. This was consistent with information received from the New Hampshire Fish and Game Department.

Economic Study
RKG & Associates conducted this study. The purpose of the study was to determine the municipal costs the Town of Goshen might incur due to increased municipal services required by expansion of the Mt. Sunapee ski area and associated real estate development. Based on the current taxation rates, revenue from property tax receipts from an expansion of the ski area itself could yield the Town of Goshen approximately $41,000 to $59,000 a year. If the development of 200 real estate units occurred, the yield to the Town of Goshen could be $944,000 to $1,900,000.

RKG estimated that the Town of Goshen might incur municipal expenses of $295,000 to $422,000 per year after the full build-out of real estate. By dividing the municipal budget by the number of households in Goshen it was calculated that each household in Goshen pays approximately $1,600 toward the cost of the Town's municipal services. This baseline number was multiplied by the number of the units being proposed to determine the estimated cost of municipal expenses. Mr. Gamble stated that these figures were conservatively high.

RKG concluded that upon completion of the real estate build-out, the net, after expenses, would be about $60,000 to $1,000,000, which could reduce the property taxes for Goshen residents by approximately 33.3% to 40%.

Mr. Gamble stated that the real estate units will be used by seasonal visitors and will not impact the school system. He stated that Mount Sunapee Resort wants to have beds for rent for people coming to ski at Mt. Sunapee and does not expect to sell to people seeking permanent residence.

RKG also studied job creation as a result of the proposed expansion. Currently, there are 25 to 38 full-time jobs equaling $1,000,000 to $1,600,000 in wages. If the real estate were developed, then over the next 5 to 10 years 45 to 93 full-time jobs would be created. Most employment needs would be met by surrounding communities.

Additionally, $1,000,000 would be expended off the mountain by retail sales.

Mr. Gamble concluded his presentation.

Questions from Goshen Residents

John Scranton opened the meeting up to questions from Goshen residents.

Goshen Police Chief Ed Anderson asked what the traffic impact would be in the summer as well as the ski season if the real estate project on Brook Road were completed, including impact from additional employees as well as from the occupants of condos.

Mr. Gamble responded that he would determine this number by taking the number of units and multiplying that by the number of cars. He believed this number would be under 500, whereas the daily traffic count on Route 103 in the summer is over 5,000.

Mr. Mueller added that you need to look at peak times.

Goshen resident Sherri Moen asked what would happen to the highway system during the weekend if there were a snowstorm. She asked how the snowplows could get past the traffic waiting to get into Mt. Sunapee, and how the State could fulfill its black road policy.

Mr. Gamble responded that he did not know if the amount of traffic headed to Mt. Sunapee would be any different than traffic during a snowstorm anywhere else.

Mr. Mueller added that, typically, if there is a snowstorm on the weekend the number of skiers at Mt. Sunapee is never at peak.

Ms. Moen stated that she believed that cars leading to the mountain were parked on both sides of the road.

Mr. Gamble replied that this was incorrect, cars park on only one side of the road.

A Goshen resident from Nutting Road asked if the traffic study included the impact on Nutting Road or Old Province Road and whether the short cut on Messer Road had been studied.

Mr. Gamble replied that these routes had not been studied.

Goshen resident Peta Brennan asked about the real estate being converted to year-round use, asking if the study had taken into consideration that Lake Sunapee was a summer recreation destination.

Mr. Gamble responded that at Lake Tahoe and Vail the real estate is seasonal and that only 5% to 10% have been converted to full-time.

Goshen resident Richard Ambler stated his concern that the Town would not receive the tax revenues as quoted by Mr. Gamble because the State and County each get a portion. He added that, in Ludlow, residents' property taxes were greatly increased because of the real estate development at Okemo Mountain.

Jay Gamble agreed that a portion of the taxes do go back to the State.

Mr. Ambler asked what the impact would be on an individual's tax bill in Goshen and further asked about the impact of the education taxes. He noted that he understood that Mr. Gamble could only talk about development on his own property, even though other real estate development might occur as a result of an expansion of the ski area.

Mr. Mueller responded that the education taxes in Ludlow were dynamically affected by a change in the State's tax structure. Also, 75% to 80% of the taxes in Ludlow, Vermont are paid by out-of-staters. Mr. Mueller added that if there were a tax increase, the Town would realize more services.

Mr. Ambler pressed his point that based on the Ludlow experience, Goshen property owners could expect an increase in their taxes.

Goshen resident Linda Janicke expressed concern about an increase in property valuations. She commented that it may be true that out-of-staters are paying the taxes, but we want to stay in our community.

Goshen resident Lilyan Wright questioned the part of the study that reflected a possible increase in retail sales, stating that she did not believe that people would come to Goshen to buy "stuff" because Goshen doesn't have much "stuff" to sell.

Mr. Gamble agreed that other communities offer more goods and services and stated that the retail sales figure that he had quoted represented regional sales, not sales in Goshen. He further added that Mount Sunapee Resort purchases supplies from Dennis Lumber and that there are many highly skilled tradespeople in Goshen.

Goshen resident Bea Jillette asked whether Mt. Sunapee would expect to hire foreign nationals for housekeeping and ski instructor jobs, as is done at Okemo.

Mr. Gamble responded that to date Mount Sunapee employs no foreign nationals. At Okemo, they employ 5% to 10% foreign nationals, including ski professionals. He added that some foreign nationals perform housekeeping duties, which is different.

Goshen resident Ed Anderson, Sr., asked, with regard to the traffic impact, whether there would be a separate entrance off of Brook Road.

Mr. Gambled answered yes.

Mr. Anderson asked what percent of the traffic using the entrance off of Brook Road would be going to the real estate project as opposed to the day skiers who would be parking in the parking lot.

Mr. Gamble answered that there would be 750 vehicles total, and non-resident vehicles would be about 400. He explained that he did not believe there would be an impact on Brook Road because the majority of services and parking will be on the other side of the Mt. Sunapee, where there are 2,250 parking spaces.

Goshen resident Ellen Winkler expressed her concern about families buying the condominiums, which would make a dramatic impact on the school system. She said that if 10% of the 200 condos are converted to year-round use, as mentioned by Mr. Gamble, then this would mean 20 year-round families. In our community this would represent a massive impact.

Mr. Gamble replied he felt it was a shame that government policy has children being the enemy. However, based on Mount Sunapee's marketing to prospective buyers, it is most likely the buyers will be an "empty nester" who move to the area and contribute.

Mr. Mueller stated that 5% to 10% of the condominiums could be expected to be converted to year-round residences; however this conversion was expected to take place over 30 years.

Ms. Winkler stated that based on local growth trends, people *do* move in with children.

Mr. Mueller stated that there is a background growth in the area, but the real estate development at Mount Sunapee would not be a full-time living area.

Fire Chief Rick Shepard expressed his concern about the demands on the fire department regarding the needs of the condominiums. He noted that places still burn even when they are empty.

Mr. Gamble replied that the condominiums would be sold as quarter-share ownership, so there may not be that much vacancy. He added that they would probably hire a property management service, which would require someone living onsite.

Goshen resident Judith Filkins expressed her concern about erosion along Gunnison Brook. She stated that impact study in the Master Development Plan had focused on bridges and culverts, but she is concerned about the banks of the river, where there is already significant erosion (particularly behind the Pike property). She asked where she could get information about this.

Mr. Gamble responded that Master Development Plan is in the Goshen Town Office. He added that the study had looked at snow melt and had created a hypothetical situation considering what would happen if all the winter snow fall were to melt in 7 days. This would create the maximum amount of runoff in the shortest amount of time. This would increase runoff by only 3% or 5%. However, if you consider a typical melt over 30 days, then the ski trails and snowmaking would cause an increase in runoff of only ½ of 1%.

Ms. Filkins asked if Mount Sunapee Resort would be required to get a permit through the Department of Environmental Services, and she also asked about possible impact from ice jams.

Mr. Gamble responded that the Department of Environmental Services requires a site-specific permit for a disturbance of 50,000 square feet and the main part of that is an erosion control plan.

Goshen resident Fred Smith asked if the condominiums would be fire protected with sprinkler systems.

Mr. Gamble responded that this depends on the design, which is incomplete, but the units will meet all codes.

Goshen resident Gigi Schendler expressed her concern about whether Goshen residents would be able to meet their taxes. She noted that the Goshen Research Team had found that in Ludlow, people couldn't afford to stay in town when they retired, and young people couldn't afford to live there. She asked why this could not happen in Goshen.

Mr. Mueller responded that Mount Sunapee Resort is in the resort business, but their primary focus is to make Mount Sunapee a resort experience and a successful ski area. For this, a commercial bedbase is needed. It was therefore decided to pursue the real estate expansion.

Mr. Gamble added that the closer a community is to a resort, the more impact there is on taxes in the community. He stated that, in his opinion, he did not believe that Goshen would be close enough to the resort to experience a major impact on taxes. He added that at one point in his life he himself had lived 15 miles from a ski resort and had found that at that distance it was affordable.

Goshen resident Kate Phelan said she understood that expansion of the ski area was dependent on the lease expansion. She asked, however, about possible future real estate development. She also asked whether the company believes, philosophically, that the function of Mt. Sunapee State Park is to make money for a private corporation by the marketing of real estate.

Mr. Gamble responded no to both questions. With regard to expansion, he gave information about different areas of land that had been offered to Mount Sunapee Resort, which they declined to buy. He said the company's focus is the opposite of sprawl and that they will stay in the one area where they are. Mr. Gamble answered the philosophical question by stating that he would have to share a different view because he has been in the ski industry for many years, so he looks at it from the perspective of skiing. He said he is aware of Cannon Mountain and Mount Sunapee being ski areas with long histories. He added as an example that it's not said in our Master Plan that we have any ideas for a casino, but he has read it in the newspaper.

Ms. Phelan asked if Mount Sunapee Resort would <u>guarantee</u> no further real estate expansion. She stated that five years ago the company said there would be <u>no</u> real estate and now you're saying your plans have changed; she said she is worried about what might happen five years from now.

Mr. Gamble responded by stating again that the company had declined to purchase adjoining lands, hotels, and so on. He said that his crystal ball is not 100% certain about what will happen five years from now, but that the company now sees no other area of interest.

A Goshen resident stated his opinion that some real estate units will inevitably be full time and that national statistics about conversion to permanent residences do not apply to Goshen.

Mr. Gamble responded that the national statistics do show that some units – perhaps 5%, 10%, or 15% – will be occupied by year-rounders early on, but that he believes these will be "empty-nesters" because of the price of the real estate.

Goshen resident John Herr said he believed that in the 1930s and 1940s neighboring people raised money to buy the land at Mt. Sunapee so that their children and grandchildren could enjoy the natural beauty of the mountain. He asked how Mount Sunapee Resort could reconcile selling property to out-of-staters with the wishes of the people who gave Mt. Sunapee to the State.

Mr. Gamble responded that he had researched every deed for every Mount Sunapee land transaction in the 1940s, and there were no "takings." A dollar value was put on every property which was taken by eminent domain, and the language within the deeds states that the land was to be used for the establishment of a commercial recreation facility.

Goshen resident Gary Dennis asked how much land Mount Sunapee Resort owns in Goshen and how much the resort has under contract.

Mr. Gamble answered that there are about 660 total acres of interest. Some of this is in Newbury and some is in Goshen. Some of the land in Goshen will be given to the State. He estimated that 435 to 460 acres out of the 660 are in Goshen. He added that Mount Sunapee Resort owns about 135 acres with another 55 to close soon. There are another 250 acres with options to purchase additional acreage in Goshen.

Goshen resident Steve Hill remarked about a Chronicle Television show that did a report on Mt. Sunapee when Mount Sunapee Resort first became involved with the mountain. During that show Mount Sunapee Resort stated that the company was not in the real estate business and that there would be no real estate development on the mountain. Mr. Hill asked for an explanation of how the company can now propose a real estate development.

Mr. Mueller responded that he had said the company is in the <u>resort</u> business, which includes selling lift tickets and also real estate. He asserted that the company's primary focus is to make Mt. Sunapee a resort experience, and to make it a successful ski area a commercial bed base is needed, so it was decided to pursue this.

Mr. Scranton closed the question and answer portion of the meeting and introduced Phil O'Brien, Executive Director of the Lake Sunapee Protective Association.

Presentation by Phil O'Brien of the Lake Sunapee Protective Association

Mr. Phil O'Brien informed the attendees that his appearance tonight is as a spokesman for the Lake Sunapee Protective Association (LSPA), and that if he makes any comments that are personal in nature, he will identify them as such.

Mr. O'Brien described a letter dated June 7, 2004 which the LSPA had sent to Commissioner O'Kane of DRED [Please refer to Attachment II]. He said that the letter stated a regret that there are no State requirements for reviewing a proposal such as the lease expansion at Mount Sunapee and hence there is no prescribed decision-making process. He stated that LSPA asked DRED to task an environmental study about the project. He emphasized that LSPA is not suggesting starting over with a new study, but that there should be an a review that independently verifies the findings of the studies conducted on behalf of Mount Sunapee Resort.

Mr. O'Brien said that LSPA also supports the recommendations contained in the Upper Valley's June 15, 2004 letter to Commissioner O'Kane [Please refer to Attachment III]. In addition, the LSPA supports the letter which the Town of Goshen wrote to Governor Benson.

Mr. O'Brien commented that to date LSPA has had a very productive and useful relationship with Mount Sunapee Resort. The Resort has been very responsive to issues that LSPA has raised about the protection of Lake Sunapee. He commented, however, that there is a ground cover policy issue that has been raised by the Society for the Protection of New Hampshire Forests.

In closing, Mr. O'Brien stated that, in the final analysis, it is Goshen that will be most impacted by this development and that Goshen should play a primary part in the decision making process.

Questions from the Audience

Mr. Scranton stated that there was still time and opened the meeting to Goshen residents for additional questions for the presenters.

Goshen resident Mrs. Cutter asked if anyone had researched the view from Rand Pond.

Mr. Gamble responded that residents of Rand Pond would see ski trails, but was unsure if they would be able to see the condominiums.

Goshen resident Marianne Dennis expressed her concern about how the real estate development would affect Lempster as well as Goshen. She pointed out that if rising real estate values push families out of Goshen and into Lempster, then this will affect the Goshen-Lempster School.

Mr. Gamble replied that the questioner had brought up a very valid point and there are documented housing shortages in surrounding areas, both toward Concord and toward Dartmouth. He asserted that even if Mt. Sunapee did no expansion, there would still be a change in real estate due to housing demands, and the quality of life in Goshen will face pressures. He said that on average, families have 1.7 kids. He further stated that if the State approves the lease expansion, the plans for Resort real estate expansion in Goshen would need to be presented to and approved by the Goshen Planning Board. He said that he wants growth opportunities to be available at Mount Sunapee Resort just like anywhere else.

Goshen resident Clark Wamsley commented that his kids have worked at Mt. Sunapee and that the Resort has his support.

A Goshen resident expressed her concern that Mount Sunapee Resort would be taking business away from others.

Mr. Gamble responded that that was not true, that people choose the type of places where they want to stay. He stated that there are 250 beds in a 20-mile radius of Mount Sunapee and that five or six years ago the company didn't realize how limited the bed base was. He added that the Resort does not want to discourage entrepreneurialism.

Goshen resident Fred Smith commented that Mrs. Cutter, the resident at Rand Pond, would not see the ski trails. He commented that no one will be impacted by the ski trails more than he and his wife will be. However, he said, no one will see a roof line.

Mr. Gamble thanked Fred, but said that he could not say that you will not see a roof line.

Goshen resident Peta Brennan asked for clarification of taxes to be received by the Town, adding that she believed that Mount Sunapee Resort had appealed to the Town of Newbury for a tax reduction and won. She asked if Mount Sunapee Resort would be making a similar appeal to the Town of Goshen.

Mr. Gamble responded that when he came to Goshen in 1999, Sherri Moen and Herb Bennett were on the Board of Selectmen at that time. In its first year of operation Mount Sunapee Resort asked the Goshen Tax Assessor to review the resort's taxes because of inaccuracies on the tax card. The Tax Assessor did review the information and agreed there should be revisions. Mr. Gamble stated that Mount Sunapee has never appealed to the Town of Goshen.

Mr. Gamble further added that in the Town of Newbury they did the same thing, asking the Town to review the tax records. For fifty years before Okemo took over at Mt. Sunapee Resort, the ski area had never had to pay taxes. So no one had the motivation to read the tax cards. We found buildings that were 40 years old and only had 5% or 10% depreciation, so they were presenting to the assessor that this assessment could not be correct and the Town of Newbury did not agree. Consequently, Mt. Sunapee Resort did appeal to the Town of Newbury. There was a single issue, that the tax cards were way out of date for depreciations. Mr. Gamble stated that in arbitration the resort got all they asked for, and there have been no further issues.

Goshen resident Dick Ambler stated that he would be able to see the proposed ski slopes from his home, and he likes the view as it is. He then observed that Mount Sunapee Resort seems to market to existing skiers. He asked whether the resort had studied how many skiers would be attracted away from other New Hampshire ski areas.

Goshen resident Linda Janicke commented that she had hiked the trail on the mountain that had been constructed by volunteers. This trail goes through the area where the proposed ski development would take place. She asked what will happen to this beautiful trail.

Mr. Gamble responded that there would be four crossings of 125 feet each. This could be very bad or very good depending on how you feel.

Ms. Janicke stated that at the summit there is unsightly rubble from previous blasting. She asked why blasting was done up there and whether more blasting was planned.

Mr. Gamble responded that there would be more blasting.

A Goshen resident asked how far back from Brook Road the condominiums would be located. She said that she lives right across from the proposed entrance.

Mr. Gamble said that he didn't know how far back the condos would be, but he estimated something over 1,000 feet or ¼ mile. He said that the entrance will have a setback.

Goshen resident Bea Jillette asked what would happen if the lease expansion is not approved. She asked whether the company would still consider building the condominiums and would they consider selling the land in Goshen?

Mr. Gamble responded that the first 100 acres that the resort purchased was not planned, but when the property was put on the market Mount Sunapee Resort had to decide whether they would buy it or let someone else buy it. The Real Estate Agent told them that there were two out-of-state developers who were flying in to look at the land.

When pressed for an answer to the question that had been asked, Mr. Gamble said that they could put the land on the market or develop it as is. We have numerous options, he said.

Mr. Mueller added that Mount Sunapee Resort does not have a second option.

Mr. Scranton asked Mr. Gamble if he would be willing to come back in the fall to talk to Goshen residents, and Mr. Gamble responded that he would be.

Tim Mueller announced that the next public hearing on the proposal is scheduled for the evening of August 26, 2004.

Mr. Scranton closed the meeting at 9:03 PM.

These Minutes Respectfully Submitted By:

Marilyn C. Priest
July 20, 2004

Attachment I
Goshen Planning Board
Minutes - July 6, 2004

AGENDA
GOSHEN OFFICIALS / RESIDENTS MEETING
JULY 6 2004

PRESENTATION

7:00 pm — Topic: Current Status of Goshen's (CIP) Capital Improvement Plan
Speaker: Jim Carrick, Selectman

PRESENTATION

7:20 pm — Topic: Mt. Sunapee Expansion Plan and Goshen
Speaker: Jay Gamble, General Manager, Mt. Sunapee

7:50 pm — Topic: Question and Answer Session with Goshen Residents

PRESENTATION

8:20 pm — Topic: Lake Sunapee Protective Association and the Expansion Plan at Mt. Sunapee
Speakers: Phil O'Brien, Executive Director of Lake Sunapee Association

NEXT STEP

8:50 pm — Topic: Planning For Our Next Session

* Future meeting date
* Additional research needed on these topics

9:00 pm — Adjournment

NOTE: This meeting is intended for the input of Goshen officials / residents ONLY. Any individuals who are not Goshen residents are requested to please refrain from comments.
This meeting will be held at Goshen - Lempster School.

Attachment II
Goshen Planning Board
Minutes - July 6, 2004

Hand Delivered

June 7, 2004

Commissioner Sean O'Kane
Department of Resources & Economic Development
P.O. Box 1856
Concord, NH 03302-1856

Subject: Comments on the Proposed Lease Expansion at Mt. Sunapee State Park

Dear Commissioner O'Kane:

Walter Goddard, President of the Lake Sunapee Protective Association (LSPA) Board of Directors and I appreciate the opportunity to meet with you on two important topics, access to Lake Sunapee and the proposed lease expansion at Mount Sunapee. By way of introduction, Walter is Chairman Emeritus of Oliver Wight International, a world wide company specializing in education and counseling for executives of manufacturing companies. I worked for many years for Arthur D. Little, Inc. on international energy issues, previously for Shell Oil Company in exploration and production and most recently for the NH Department of Environmental Services.

We understand and appreciate the fullness of your schedule and the many demands upon you. We are also pleasantly impressed with your recent public statements in which you reference listening to people, asking questions, taking time to understand the issues and then making decisions which will be "...beneficial to the state of New Hampshire." We look forward to working with you to achieve these worthy goals.

The focus of our discussion today will be on access to Lake Sunapee and the implications of access at the State Beach and the Wild Goose site, both in Newbury. A second topic is the subject shown above, the lease expansion at Mt. Sunapee State Park. In that time is limited, we will address this subject only briefly and leave this letter for your consideration. It will be particularly timely to do so since the Mt. Sunapee lease holders will present their second Five Year Development Plan tomorrow at the Mountain.

For 100 years, LSPA has had a deep interest in and played a key role in the environmental well-being of the Lake Sunapee area. LSPA takes pride in basing its decisions on environmental issues upon sound scientific principles and knowledge. As you know, the state of New Hampshire has no specific, overarching or codified environmental requirements for evaluating major projects such as the Mount Sunapee Resort (MSR) Expansion. Other states as well as the federal government do have such requirement; however, they obviously do not apply in this case. This creates two major problems which can be remedied. First, there is little or no structure for decision making nor is there for public participation; and second, an inadequately evaluated project, such as at Mt. Sunapee, could very likely establish a negative precedent as you decide both this issue and others than may come before you from across the state in the future.

May we suggest the following. LSPA's remedy to both issues mentioned above is to suggest that you require MSR to prepare an Environmental Impact Study/Report so that the effects of lease expansion and any related elements of the 5 year Master Development Plan will be thoroughly and independently examined. Decisions could then be confidently made based upon sound scientific evaluations and full consideration of the direct and indirect impacts of expansion and development.

Further, LSPA recommends that an independent consultant, paid for by MSR and reporting to DRED, prepare the Environmental Impact Report/Study in order to insure that MSR (through its consultants) has thoroughly described and assessed both the negative and positive potential environmental impacts of the proposed expansion and its alternatives (including the alternative of not undertaking the expansion). At a minimum, the seven topics contained in the Attachment to this letter should be considered. The assessment (in quantitative terms, to the maximum extent practicable) should be of the direct and indirect potential environmental impacts from all aspects of the expansion on the subject areas listed in the Attachment.

Such assessment should include both short-term and long-term impacts for all phases of the expansion (e.g., acquisition, development, and operation) and cumulative impacts of the expansion in the immediate surroundings and region, as well as a description and assessment of physical, biological and chemical measures and management techniques designed to limit negative environmental impacts or to cause positive environmental impacts during development and operation of the expansion.

We understand that MSR has had a number of studies undertaken, the details of which are currently unknown. An independent assessment of such reports should be undertaken by the consultant referred to above. We do not suggest that a completely new start on evaluation be made but rather that a thorough consideration of all existing or recently commissioned studies by the lessor be made. This review could (a) endorse various aspects of the work to date; (b) require additional work to make presently available evaluations both adequate and complete; and/or (c) require new investigations of topics not contemplated heretofore by MSR.

The LSPA believes that this recommendation would be helpful to the Advisory Committee and DRED by insuring that the members are fully aware of the consequences of their vote and that MSR must research and implement (if approved) the best choices which make the least environmental impact to the area. The Sunapee area, and Mt. Sunapee, are sensitive and important resources to many "stake-holders" and we feel deserve this degree of thoroughness and review.

Finally, LSPA is familiar with filings made by MSR in the State of Vermont which appear to be thorough and in the spirit of what we intend in our recommendations. Since, MSR has apparently successfully completed work of a similar nature, we expect that they would not have difficulty in providing New Hampshire citizens and government with a comparable level of investigation and analysis.

We will be glad to respond to your questions at any time. Walter and I can be reached at 763-2210.

Sincerely,

Philip J. O'Brien, Ph.D., P.G.
Executive Director

Attachment

Cc: Walter Goddard, President, LSPA Board of Directors

ATTACHMENT

Based upon a review of the National Environmental Policy Act (NEPA) and a variety of state regulations, LSPA recommends that the Mount Sunapee assessment include but not be limited to the following:

Air Pollution – environmental impact of expansion on air quality and measures taken to control or minimize impacts by, for example, heating sources (i.e. EPA approved), noise sources (i.e. snow making equipment), dust, vehicles, and equipment both during and after construction (i.e. diesel compressors).

Water- environmental impact and proposed mitigation on water quality and quantity from headwater areas, including steep slopes and shallow soils; environmental impacts on ground water, i.e. iron seep risks; storm water runoff plans and floodways considerations, including the "10 year" storm; storage of oils, chemicals, etc; expansion's effect on streams, including high-elevation streams, wetlands, lakes, ponds, including additional spring runoff from new pod area; hydrologic and independent wetlands biological studies' data. Include water conservation efforts employed to minimize the expansion's water quality and quantity impact, including technologies employed and policies and procedures.

Traffic - determination of the expected added traffic, both consumer and commercial, due to the expansion, and assessment of environmental impact of the additional traffic, including peak hours' traffic, and discussion of mitigation methods planned if there is substantial additional traffic.

Illumination- environmental impact and/or mitigation of lighting on surrounding area at night; use of conservation techniques and technologies to minimize effects.

Wildlife – environmental impact and or mitigation on wildlife and threatened species' habitats; including deer wintering areas, bear feeding areas, travel corridors, rivers, streams, wetlands; Include environmental effect of additional snow runoff from the expansion on streams (temperature, velocities and flow), ponds, and associated wildlife.

Impact of Growth – 1. the environmental impact of the expected added number of people living and employed in the area due to the expansion over and above current growth estimates, including mitigation such as conservation methods and technologies. - 2. the environmental impact of and/or mitigation on open and wooded areas; impact of the expansion's buildings on terrain, surrounding vegetation, and scenic vistas, including details such as cascading streams. 3. whether the expansion is consistent with local municipalities' (Newbury and Goshen) land planning such as Master Plans; as the expansion is to be in a rural area, include the expansion's design techniques to minimize density effects to the rural environment.

Forest and Soils - Environmental impact and/or mitigation on the soils and forested areas affected by the expansion. Are there particularly sensitive areas in the construction site, such as old growth forest.

UVLSRPC

Upper Valley Lake Sunapee
Regional Planning Commission

Attachment III
Goshen Planning Board
Minutes - July 6, 2004

Sean O'Kane, Commissioner
NH Department of Resources and Economic Development
172 Pembroke Street
P.O. Box 1856
Concord, NH 03302-1856

June 15, 2004

Re: Mount Sunapee Master Plan

Commissioner O'Kane:

Congratulations on your appointment to the office of Commissioner of DRED. I am looking forward to working with you on the Mt. Sunapee Advisory Committee. The Mt. Sunapee State Park is an important asset and resource of the Upper Valley Lake Sunapee Region and so the decisions that affect its future are of great concern to the Upper Valley Lake Sunapee Regional Planning Commission (UVLSRPC). The consensus of those I hear from on the issue is that the operation and rejuvenation of the Resort by the current leaseholder has so far been a positive experience for the surrounding communities.

Thoughtful, carefully planned management of the park and the ski area lease can ensure that it continues to contribute to the well-being of nearby communities. On the other hand, decisions made without careful study of the potential impacts, including those harder to define long term secondary impacts, have the potential for substantial undesired changes to communities and costly burdens on public resources such as the state highway system.

The UVLS Commission continues to hold the position that no expansion of the lease area or substantial expansions of activities or facilities should be approved until or unless the questions regarding all of these impacts are answered to the satisfaction of our member communities. The attached list represents those questions that we have identified in preparation for receipt of the Master Plan. The material submitted may answer many, and may also lead to a few others.

I have had several discussions with Mount Sunapee Resort manager Jay Gamble over the past few months and one option we discussed was for UVLSRPC to provide an independent review of the Master Plan and associated impact studies. Where the expertise is not available in-house, we could contract with appropriate consultants with reimbursement from the Resort or DRED. We offer the benefit of objectivity in the

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sense that we have not taken a position either for or against the expansion, but instead, for decisions affecting growth to be based on a thoughtful careful planning process in which local officials and residents are involved in a meaningful way.

The two public meetings the Resort held in recent months to gain a better understanding of the questions the Plan should address were in my opinion reflective of the Resort's positive attitude and understanding of what it means to be a "good neighbor" and I appreciated the opportunity they gave me to have some input into planning those sessions. As DRED and UVLSRPC plan the public hearing on the Master Plan submission together as required by the Oversight Policy, I suggest that we think in terms of two hearings - one to identify what further study may be needed, in late July or early August, and a second once the results are available.

We understand that some aspects of planning for the Resort are business decisions to be made by the operator, and others pertain more to the public good and so may be more appropriately considered policy decisions to be made by the state. We look forward to continuing to work with the Resort and DRED to ensure that the concerns of the surrounding communities are heard and addressed as the planning process continues in the future. I will look forward to speaking with you about how we can best be of assistance to you now that we all have the Plan in hand and can start to evaluate what review and/or further studies will be needed.

Sincerely,

Tara E. Bamford
Executive Director

cc: Terence Dancy, Mount Sunapee Advisory Committee - UVLSRPC
Melanie Bell-Harrington, UVLSRPC-Goshen
James Carrick, Chair, Goshen Selectboard
John Wirkkala, Chair, Goshen Planning Board
Albert Bachelder, UVLSRPC-Newbury
Sheila Barry, UVLSRPC - Newbury
James Powell, Chair, Newbury Selectboard
Barbara Freeman, Chair, Newbury Planning Board
Jay Gamble, Mount Sunapee Resort
Tom Elliot, Friends of Mount Sunapee

Questions regarding potential impacts associated with expansion of Mount Sunapee Resort

EFFECTS ON GROWTH RATE, REGIONAL ECONOMY, HOUSING SUPPLY

How much of the growth in the area, residential and nonresidential, is estimated to have been associated with the plans that have been implemented at the Resort? How much is projected to result from plans already approved? What is the type of growth, amount of growth and rate of growth anticipated to be generated in area communities as a result of the proposed expansion of the ski area?

Is this projected growth consistent with the local master plans of area communities?

What are the projected fiscal impacts of this growth for area communities?

What growth-related changes in local culture/rural character are likely with and without further expansion of the ski area?

Is the proposed expansion of the ski area facilities and residential development consistent with the Master Plan and regulations of the Town of Goshen?

What are typical wages of additional resort jobs vs. housing costs in area?

Are any impacts on historic resources expected?

Have the improvements to the resort affected the conversion of summer to year-round housing? Will the resort's expansion plans affect the rate of conversion? What are the potential water quality impacts associated with the conversion of inadequate onsite wastewater disposal systems to year-round use? Are existing enforcement mechanisms, including available funding, adequate to prevent these impacts?

What is the value of any displaced economic activity - i.e forestry?

TRAFFIC

What are the current average daily and peak hour, and peak ski weekend traffic flows on area roads serving the resort and what increases are projected to be generated by the proposed expansion (including ski area staff, patrons and proposed residential units), including:

Brook Rd in Goshen - ski area staff & patrons & residential
Route 103 (from east & west)
Route 103B
Route 11
Route 10 from Keene

What improvements or transportation management measures are planned now that may change the flows or trouble spots?

What improvements are needed? Cost?

Projected traffic impacts from secondary growth, including traffic flows from residential development in Goshen to commercial/services in other communities?

Are there safety improvements that could be made on 103 and 103B without widening?

Is the plan for accessing the new area from Brook Rd with no changes to Province Rd final?

What alternatives have been evaluated for bringing traffic from I-89 to mitigate peak weekend traffic on 103 - i.e. shuttles or lift ticket discounts for multiple occupant vehicles?

MUNICIPAL SERVICES

What will the demand be for the municipal services listed below for the proposed expansion of the ski area and the proposed residential development? For each, are the current facilities and services adequate? If the current facilities or level of service is not adequate, what is the projected cost to provide these services? What are the projected revenues to the community generated by the development?

* fire
* police
* emergency/medical - What has been the demand from the facility under current conditions? vs. future need with and without the expansion?
* highway maintenance - summer maintenance and winter snowplowing
* solid waste - (local agreements with Wheelabrator ending)
* postal service
* schools - Is there any potential for residential units to become used year-round given the type, cost and location? Also, what are the anticipated school impacts from residential growth in surrounding communities related to this economic engine as is?
* planning & zoning staff, including enforcement ability
* town administration, including selectboard and town clerk

NATURAL & CULTURAL RESOURCES

What are the anticipated visual impacts associated with the proposed ski area expansion and residential development, including lighting (for potential night skiing in the future, night snow-making, parking areas, residential lighting) and the view from public lands, public trails, and public roads.

What are the projected impacts on both water quality and quantity from the proposed ski area expansion and residential development, including the impacts on:

- Chandler Brook
- Rand Pond
- South Branch of Sugar River
- Gunnison Lake
- Lake Sunapee

What are the anticipated impacts on fish and wildlife from the proposed ski area expansion and residential development including:

- important habitat areas
- wildlife corridors
- aquatic habitat,
    - incl. Chandler, Gunnison, South Branch Sugar, Rands Pond, Lake Sunapee

Will the planned operating procedures be adequate to prevent the transfer of invasive species between subwatersheds?

How will stormwater runoff from new parking areas, access ways, buildings and cleared trails be managed to minimize impacts on water quality?

OTHER RECREATION

Will the expansion affect winter use of greenway trail?

Are there any plans for restoration of view from summit?

What is the value of any displaced recreation opportunities, such as hiking, hunting, snowmobiling, back country skiing, snow shoeing?

MANAGEMENT OF PUBLIC LANDS

What is the current usage of the facility vs. carrying capacity? What will the carrying capacity of the expanded ski area be?

Is the ski area financially viable at its present size?

Will the 3% of gross annual revenues paid to the state include those generated from the expanded facilities on the privately owned land?

Will the operator and the state develop an arrangement aimed at creating a recreation area that is seamless regarding the public and private land? The goal would be to ensure that the situation can not occur that has the lease in different hands than the ownership of the expanded skiing facilities on adjoining private lands without that being a deliberate decision of the state to ensure that undue control over the publicly owned facilities by the owner of the adjoining lands would be avoided.

Will the lease conditions and oversight process currently used by DRED apply to the expanded facilities if these facilities remain on private land?

Will the operator bond the recreational facility improvements on the adjoining land?

Has the demand for the expanded ski area facilities without the possible residential development been documented?

Has the demand for seasonal residential units been documented? What will the impacts be on local lodging facilities? Any direct competition or different market?

LIMITED GROWTH OPTIONS

Will this plan be the full build-out scenario for the Resort?

Are there any plans for summer recreation facilities and/or activities on adjoining or other lands owned by the operator, as mentioned in the lease?

Would a permanent buffer zone be provided for between the expanded facility and surrounding lands?