

Handwritten initials



State of New Hampshire
DEPARTMENT OF NATURAL & CULTURAL RESOURCES
OFFICE OF THE COMMISSIONER

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MAR 04 2026

February 11, 2026

Her Excellency, Governor Kelly A. Ayotte
and the Honorable Executive Council
State House
Concord, New Hampshire 03301

REQUESTED ACTION

In accordance with RSA 12-A:29-b, the Department of Natural and Cultural Resources (DNCR) respectfully requests approval of the recommendation of the Cannon Mountain Advisory Commission to implement the Cannon Mountain Aerial Tramway & Ski Area capital improvement project listed in the attached outline, to be funded in the amount of up to \$893,000 by the Cannon Mountain Capital Improvement Fund, effective upon Governor and Executive Council approval. No general funds will be used. The projects for which funding is being requested are major repairs to our lodges and facilities, water pipe and hydrant replacements, various lift-related component replacements and additions, major repairs to our primary mountain work road, and fleet-related equipment as outlined in the attached proposal as recommended by the Cannon Mountain Advisory Commission.

The Capital Project Overview Committee approved this item on January 12, 2026, (#CAP 26-003). 100% Capital Funds.

Funds are to be budgeted in account 03-35-35-350030-31320000 RSA 12-A:29-B CANNON CAP IMP as follows:

Class-Account- RG	Class Description	FY26 Current Adjusted Authorized	Requested Action	Revised FY26 Adjusted Authorized
00S-000030	Capital Funds	\$1,424,509	\$893,000	\$2,317,509
	Total Revenue	\$1,424,509	\$893,000	\$2,317,509
034-500134	Capital Projects	\$1,424,509	\$893,000	\$2,317,509
	Total Expenses	\$1,424,509	\$893,000	\$2,317,509

EXPLANATION

Chapter 134:13, Laws of 1998, authorized the State Treasurer "[t]o provide funds for the Cannon Mountain Capital Improvement Fund (CMCIF) ... to borrow from time to time upon the credit of the State such amounts so that the total State obligation shall at no time exceed the sum of \$6,000,000, and for said purpose may issue bonds and notes at such time in the name of and on behalf of the State of New Hampshire in accordance with RSA 6-A."

The projected fiscal year 2026 balance available to borrow, opened the year with an amount of \$943,564. This request, while reducing the available balance, still maintains a "not to exceed" total bonding of \$6 million as required by Chapter 134:13, Laws of 1998. The Mount Sunapee lease payment revenues provide payment of the debt service for the Cannon Mountain Capital improvement Fund (CMCIF). Projected growth of base revenue payments to DNCR under Vail Resorts'

ownership is estimated to increase consistently going forward, thus maintaining regular minimum bond payments and consistently exceeding the minimum amount due which has helped accelerate payoff. Attached you'll find an updated bonding capacity and debt payment schedule as provided by the NH Treasury Department.

Also attached for your information are the draft minutes from the November 7, 2025 Cannon Mountain Advisory Commission meeting, at which the attending commission members unanimously recommended this tranche of capital projects utilizing said \$893,000 in CMCIF funds as a not-to-exceed. These infrastructure and equipment projects will help to continue our strong push to high-quality experiences while also addressing the significant deferred maintenance needs in the mountain's assets.

Respectfully submitted,

A handwritten signature in black ink, appearing to read "Adam W. [unclear]", written over a horizontal line.

Interim Commissioner
Department of Natural & Cultural Resources

Approved by the Capital Project Overview Committee
January 12, 2026

CAP 26-003



State of New Hampshire
DEPARTMENT OF NATURAL & CULTURAL RESOURCES
DIVISION OF PARKS & RECREATION

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December 12, 2025

The Honorable David Milz, Chairman
Capital Project Overview Committee
State House
Concord, New Hampshire 03301

REQUESTED ACTION

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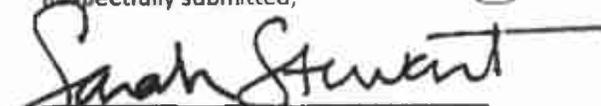
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Respectfully submitted,


Sarah L. Stewart, Commissioner

Department of Natural & Cultural Resources

State of New Hampshire Department of Natural and Cultural Resources Cannon Mountain Aerial Tramway & Ski Area Fiscal Year 2026 Cannon Mountain Capital Improvement Fund (CMCIF) Request per RSA 12-A:29-b		
Project	Estimate	Explanation
INFRASTRUCTURE IMPROVEMENTS		
General facilities major repairs, including renovations/replacements to bathrooms, flooring, doors, decks, etc.; Removal of underground storage tank in Tram Base terminal motor room and replacement with above ground storage tank; work road repairs	\$220,000	Critically needed replacements and repairs to Peabody, Notchview, and Brookside lodges, primarily focused on guest-facing areas, with a focus on those items that are broken, corroded, and/or in disrepair; critically needed replacement of legacy tank system; critically needed regrading, reestablishment, and material fill of the mountain's primary work road which has been subject to several years of major washouts.
Sub-Total Infrastructure Improvements	\$220,000	
LIFT MAINTENANCE/REPAIRS		
Peabody Express lift outer fixed jaw replacements; Peabody Express lift foot passenger ramp design, supply, and install	\$240,000	20% of outer fixed jaws were placed prior to winter 2025/26 and we are proactively replacing the remaining 80% of fixed jaws; per our plan to utilized the flit for scenic chair rides in the summer, we require foot passenger ramps to safely load/unload.
Sub-Total Lift Maintenance/ Repairs	\$240,000	
SNOWMAKING IMPROVEMENTS		
Water pipe replacement – Upper Ravine - 6" replace. Install/tie-ins, excavation, various materials, valving, etc; Water pipe addition – Eagle Cliff spur line - 6" replace. Install/tie-ins, excavation, various materials, valving, etc; Fischer valve addition to mainline; Pump 100 full rebuild	\$370,000	Pipe on Upper Ravine requires replacement due to corrosion issues; pipe addition on Eagle Cliff will allow faster completion of Lower Cannon trail near the lift, given new mainline pipe alignment (50/50 LWCF split); Fischer valve addition to the mainline (50/50 LWCF split) for efficiency; pump 100 requires rebuild (50/50 LWCF split).
Sub-Total Snowmaking Improvements	\$370,000	
MAJOR FLEET-RELATED EQUIPMENT		
Commercial shop compressor replacement; Plow truck replacement	\$63,000	Replacement of soon-to-be red-tagged primary shop compressor; replacement of high-mileage plow truck.
Sub-Total Major Fleet-Related Equipment	\$63,000	
GRAND TOTAL CAPITAL PLAN	\$893,000	Upgrades and replacements of various infrastructure-related items and critical equipment.

DRAFT Cannon Mountain Advisory Commission Meeting Minutes

Date: November 7, 2025

Time: 10:00 AM

Location: Franconia Notch State Park Headquarters

Attendance

Members present included Monica Mezzapelle, Frank MacConnell, Susan Ford, Thad Presby, Gil Talbot, Representative Suzanne Vail, and Brennan Ward. Others present were Jace Wirth, David Webster (Scribe), Interim Director Colin Capelle, and Commissioner Sarah Stewart.

Call to Order and Approval of Minutes

Frank MacConnell called the meeting to order at 10:00 AM, and a quorum was confirmed. Introductions were made by all members and attendees. Frank reviewed the governing statute and invited questions; none were raised. He then moved to approve the February 28th meeting minutes, which were reviewed. A motion to approve was made by Susan Ford and seconded by Representative Vail. All were in favor. Frank also noted that the August 8th informal tour did not require approval because no quorum had been present.

Season Pass Sales and Market Trends

Jace reported that season pass sales are pacing approximately four percent ahead of prior year. Growth in the young adult and teen pass categories remains solid. Commissioner Stewart asked about trends among New Hampshire resident pass holders and whether overall interest by NH residents has increased or decreased. Jace explained that NH resident pass sales had increased from prior year but hadn't grown substantially in several years and offered to research the overall health of the NH resident ski and ride market. Jace reported the three-tiered season pass rate structure has performed very well, shifting approximately \$800,000 in sales from the tier 2 (summer/fall) window into the tier 1 (spring) window, indicative of stronger advanced commitment, which was a core reason for the implementation.

Pass Refunds and Public Response

Jace stated that roughly \$26,000 in pass refunds have been requested to date, but only one refund was made due to the tram retirement. The majority of the remainder were a result of internal processing of pass upgrades. He reported that overall passholder reaction to the tram retirement has been neutral to positive. The committee held additional discussion regarding payment plans, multi-mountain pass structures, and how operations may evolve between the first and second years following the tram shutdown.

Employee Orientation, Training, and Retention

Jace reviewed this year's staff orientation and training efforts. New training initiatives include comprehensive changes to field training and the implementation of e-learning for all staff, with a focus on lift operations and frontline departments. Investments into grooming training have been made, with all grooming staff enrolled in workshops and a manufacturer-specific training program.

Jace noted these programs reflect Cannon's continued investment in employee development, performance, and guest experience.

Representative Vail asked about general wage competitiveness. Jace responded that Cannon's wages are generally not competitive with the broader industry in most departments. Sarah asked about non-pay strategies to attract and retain staff. Jace described the general perks and benefits available to staff, while noting that a mitigating factor with regards to Cannon's wage disparities is the strong retention rate of seasonal staff (approximately 70 percent), which he attributed to family connections, a strengthened workplace environment, and the lure of the mountain's history and heritage. Jace noted that new this year, the resort is also welcoming up to fourteen J-1 visa employees for lift operations, to solve some of the staffing issues experienced in that department in recent years. Generally, and given wages and employee origin and commute, housing availability and affordability in the local area remains a major obstacle to attracting and retaining both full-time and seasonal staff. Jace noted Cannon is exploring the potential for dormitory-style employee lodging using existing facilities.

Tram Structural Analysis and Retirement Event

Jace reported that SCJ Alliance and other consulting teams are ahead of schedule in their work, with field testing to be completed within the next two months and load analysis already occurring. Because the structural analysis is nearing completion, the Tram project team is beginning to outline resources necessary for a Request for Bids. He noted he will provide an update to the Capital Project Overview Committee with more information within the next two months. Jace also noted that the tram retirement event and associated social media communications received overwhelmingly positive feedback. Representative Vail praised the execution of the event despite the short planning window.

Facilities and Renovation Planning

Jace provided an update on facility renovation planning. Agency architects are currently working on plans for several buildings of concern. He invited the committee to participate in identifying and prioritizing renovation needs. Additionally, Cannon intends to supplement its internal review of all components and systems of the Cannonball, Zoomer, and Peabody lifts with a modernization study to be completed by a lift manufacturer, to verify investment plans and obtain more accurate cost estimates.

Budget Strategy and CMIF Planning

Jace discussed general budget strategy for the upcoming fiscal years. With the tram offline, Cannon will rely more heavily on alternative revenue-generating efforts, including expansion of catering and group programs, monetization of Artist Bluff, and scenic chairlift rides as alternatives. Jace also expressed an interest in establishing a formal mechanism to accept financial donations, which would align with long-term capital planning objectives and enable the resort to capture additional community support.

Capital Projects Review and Approval

Jace reviewed the list of active and proposed capital projects and provided an overview of the Cannon Mountain Improvement Fund (CMIF) statement, which reflected a projected balance of \$943,564 available for fiscal year 2026. Monica explained how bonding numbers and projections were developed and noted that Treasury concurs with the projected balance. Jace proposed funding all level one priority category projects in the detailed capital plan, numbered one through eleven, for a combined total of \$893,000 (not-to-exceed). Nine of the eleven projects are based on actual estimates, with an added fifteen percent contingency to account for items like unseen project costs and evolving tariff rates. Monica also commented on capital criteria such as the twenty-year replacement standard. It was also noted that total costs for projects three through five are expected to be split with already-awarded LWCF funds. Frank invited final questions on the proposed projects. Thad motioned to approve items one through eleven, and the motion was seconded by Susan Ford. All members voted in favor. Those projects as follows:

- \$150,000 General facilities major repairs, including bathrooms, flooring, doors, decks
- \$40,000 Tram Base terminal UST removal; above ground tank installation and piping
- \$75,000 Pipe addition (6") for new Eagle Cliff spur line, split 50/50 with LWCF funds
- \$50,000 Fischer valve addition (supply/install), split 50/50 with LWCF funds
- \$30,000 Pump 100 rebuild, split 50/50 with LWCF funds
- \$215,000 Pipe replacement (6") for Upper Ravine
- \$200,000 Peabody Express outer fixed jaw replacements
- \$40,000 Peabody Express foot passenger ramp planning and supplies
- \$30,000 Work road repairs to regrade and reestablish sections and water bars
- \$8,000 Vehicle maintenance commercial shop compressor replacement
- \$55,000 F350 plow truck replacement

New Business and Adjournment

Frank proposed organizing an informal CMAC ski gathering for members. The next meeting is scheduled for March 13, 2026. Frank then motioned to adjourn the meeting at 11:37 AM, and the motion was seconded by Representative Vail.

State of New Hampshire - Department of Natural and Cultural Resources (DNCR)
 Cannon Mountain Capital Improvement Fund (CMCIF) RSA 12-A:29-c
 Consolidated Financial Statements

12/19/2025

I. Fund Borrowing Capacity Statement - (Limit \$6,000,000 Bonded per RSA 12-A:29-c)

Fiscal Year =>	Actuals						Projected	
	2020	2021	2022	2023	2024	2025	2026	2027
Beginning Balance - Available Principle to Borrow	\$ 3,525,874	\$ 3,062,372	\$ 2,189,372	\$ 2,190,242	\$ 2,215,555	\$ 1,573,304	\$ 544,159	\$ 50,564
Principle Increase from Debt Service Payment	\$ 290,495	\$ 317,785	\$ 400,870	\$ 425,313	\$ 406,240	\$ 434,365	\$ 399,405	\$ 367,077
Total Fiscal Year Borrowing Capacity (before Est Expenses or New Draw)	\$ 3,816,369	\$ 3,380,157	\$ 2,590,242	\$ 2,615,555	\$ 2,621,794	\$ 2,007,659	\$ 943,564	\$ 417,641
Bonding Issuance Amounts (Based on actual expenses incurred)	\$ (753,997)	\$ (1,220,763)	\$ (400,000)	\$ (400,000)	\$ (1,048,490)	\$ -	\$ -	\$ -
Draw Requests Approved but not yet bonded:								
FY 2025 #CAP 24-010, 10/2/2024						\$ (709,500)		
FY 2025 #CAP 25-008, 8/30/2025						\$ (754,000)		
Forecasted Draw requests							\$ (893,000)	
Estimated Bonding Issuance Amounts per Fiscal Year						\$ -	\$ -	\$ -
Ending Balance - Available Principle to Borrow	\$ 3,062,372	\$ 2,159,394	\$ 2,190,242	\$ 2,215,555	\$ 1,573,304	\$ 544,159	\$ 50,564	\$ 417,641

II. Debt Service Payment Reconciliation Statement - SNH General Ledger 03-35-35-351510-37050000 CMCIF Debt Service

Fiscal Year =>	Actuals						Projected	
	2020	2021	2022	2023	2024	2025	2026	2027
Beginning Debt Service Fund Balance - 03-35-35-351510-37050000	\$ (199,292)	\$ (241,549)	\$ (64,004)	\$ 98,825	\$ 301,702	\$ 605,374	\$ 884,868	\$ 1,173,550
Revenue from Sunapee lease payment	\$ 356,426	\$ 586,118	\$ 747,806	\$ 812,734	\$ 895,546	\$ 893,785	\$ 918,000	\$ 944,000
Debt Service Issues:								
A Debt service issued as of 6/30/2009 but prior to 2014	\$ 163,769	\$ 120,188	\$ 106,362	\$ 73,368	\$ 70,822	\$ 68,680	\$ 52,380	\$ 50,652
B Actual for bonding in FY 2014 \$489,125 Issue #N219S	\$ 36,461	\$ 43,741	\$ 42,111	\$ 40,481	\$ 6,257	\$ 6,257	\$ 25,847	\$ 25,063
C Actual for bonding in FY 2015 \$260,325 Issue #N222S	\$ 25,119	\$ 24,338	\$ 23,557	\$ 22,776	\$ 21,995	\$ 18,612	\$ -	\$ -
D Re-Funding Bond Issue Adjustment FY 2017 #N226 on Pre 2009 Issues	\$ 4,760	\$ 4,554	\$ 235	\$ 1,854	\$ 2,330	\$ 825	\$ -	\$ -
E Actual bonding for FY 2017 \$1,215,210.00 Issue #N227S	\$ 127,322	\$ 123,270	\$ 119,218	\$ 115,166	\$ 111,114	\$ 97,062	\$ 103,010	\$ 66,580
F Actual for bonding in FY 2019 \$356,510 Issue # 232	\$ 41,252	\$ 36,250	\$ 35,162	\$ 34,082	\$ 33,013	\$ 31,943	\$ 30,873	\$ 29,804
G Actual for bonding in FY 2020 \$753,997 Issue # 235	\$ -	\$ 81,850	\$ 79,586	\$ 77,322	\$ 75,058	\$ 77,794	\$ 70,484	\$ 68,222
H Actual for bonding in FY 2021 \$1,220,763 Issue # 237	\$ -	\$ (25,617)	\$ 129,566	\$ 125,902	\$ 122,237	\$ 108,573	\$ 114,908	\$ 111,243
I Refunding Bond Issue Adjustment FY 2021 #238 on pre-2009 issues	\$ -	\$ -	\$ 2,528	\$ 1,754	\$ 6,742	\$ 12,583	\$ 3,847	\$ 3,745
J Refunding Bond Issue Adjustment FY 2021 #239 on pre-2009 issues	\$ -	\$ -	\$ 46,661	\$ 74,857	\$ 59,185	\$ -	\$ -	\$ -
K Actual for bonding in FY 2022 \$400,000 Issue # 240	\$ -	\$ -	\$ -	\$ 42,295	\$ 42,341	\$ 50,280	\$ 39,939	\$ 38,738
L Actual for bonding in FY 2023 \$400,000 Issue #243	\$ -	\$ -	\$ -	\$ -	\$ 40,780	\$ 42,835	\$ 41,633	\$ 40,431
M Actual bonding in FY 2024 - \$1,048,490 Issue #246	\$ -	\$ -	\$ -	\$ -	\$ -	\$ 98,852	\$ 112,188	\$ 109,043
N Actual bonding in FY 2025 - \$28,294 Issue #247	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	\$ 3,030	\$ 3,027
O Actual bonding in FY 2025 - \$134,246 Issue #248	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	\$ 31,180	\$ 26,523
P FCST bonding in FY 2026 - \$600,000	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	\$ 66,000
Total Debt Service Expense (Combined Int & Principle)	\$ 398,683	\$ 408,574	\$ 584,977	\$ 609,857	\$ 591,874	\$ 614,294	\$ 629,318	\$ 639,072
Annual Revenue Over (Under) Debt Service	(42,257)	177,544	162,829	202,877	303,671	279,491	288,682	304,928
Ending Debt Service Fund Balance- Fiscal Year End of June 30**	\$ (241,549)	\$ (64,004)	\$ 98,825	\$ 301,702	\$ 605,374	\$ 884,868	\$ 1,173,550	\$ 1,478,478

**Debt Service Fund balance represents accrued revenue in excess of debt payments

Notes:

- 1 Revenue projection estimates based on estimate of 3% growth each year.
- 2 Actual Revenue in FY 2020 of \$356k reflects change in contract terms for timing of posting of revenue.
- 3 Future Bond Issues projected @ 5% Interest Rate.
- 4 Projected Debt Service is based on future timing of issuance of treasury bonding of approved capital spending. Projections may shift to later fiscal years depending on date of bond issues.
- 5 Debt Service figures for projected fiscal years are forecasted/estimated per Treasury as reported