

Gunstock Area Commission
Special Meeting Minutes
Tuesday, March 1, 2022

Notice of the meeting was posted at the Belknap County Facility, Gunstock Mountain Resort Administration Office, and online at GUNSTOCK.COM.

Commissioners Present: Gary Kiedasch (Vice Chair), Rusty McLear (Secretary), Peter Ness, David Strang, Jade Wood

The meeting began at app. 1:05 pm

Call to Order:

Peter Spanos (Belknap County Commissioner) asked that the meeting be recorded. There were no objections. G. Kiedaisch stated his belief that the meeting was not legal as he felt D. Strang had not been sworn in per the Bylaws and felt this cannot happen until the next regularly scheduled meeting of the GAC (Gunstock Area Commission). He stated his opinion that D. Strang was therefore a “Commissioner-elect” and thus could not be one of the 3 Commissioners needed to call a special meeting. He then stated that he had sought a legal opinion from “Gunstock counsel” and that this opinion agreed with his. J. Wood then asked who authorized him to engage an attorney for this matter. G. Kiedaisch only replied that he had “spoken with counsel.” P. Ness then stated that at a prior meeting, when he advocated for having an attorney on retainer, it was stated that the Commission did not have a large enough need for legal counsel to have a law firm on retainer. He asked when this opinion had changed, but did not receive an answer.

Much discussion ensued. P. Ness stated that the County Delegation was in control of the process of electing and seating Gunstock Commissioners and State RSA did not prohibit the Delegation from administering the oath to Cmr. Strang the night he was elected (Feb. 22nd). He stated that is a frequent practice, not only elsewhere in the State of NH, but in many other venues where the swearing in at the next meeting was largely ceremonial. G. Kiedaisch disputed this. J. Wood asked G. Kiedaisch to stop his opposition to the proper calling of the meeting and allow the Commission to get to work on its business. G. Kiedaisch refused.

D. Strang then stated that the Gunstock enabling statute clearly implied that members would serve until a successor was named to the Commission, hence the language of being sworn in at the next regularly scheduled GAC meeting. But that assumed all five seats were filled which was not the case now. He stated that as there is a vacancy, it would be customary to swear in a newly elected Commissioner right away as P. Ness described. He informed those present that G. Kiedaisch (as GAC Chair) had R. McLear sworn in the day after he was elected in June 2020 and not at the next regularly scheduled meeting of the GAC on June 24, 2020. He stated to G. Kiedaisch that he “couldn’t have it both ways.” G. Kiedaisch still refused to recognize the validity of D. Strang’s already being sworn in and thus the validity of the meeting and still refused to call it to order. D. Strang stated that he agreed with the interpretation of State RSAs by P. Ness. When G. Kiedaisch kept referencing the GAC Bylaws, D. Strang stated “Bylaws don’t trump RSA,” to which G. Kiedaisch replied, “yes, they do.”

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G, Kiedasch then proposed that the meeting be turned into a Workshop Meeting as per the GAC Bylaws. D. Strang stated that the only difference between a Workshop Meeting and a Special Meeting was that the Special Meeting include the public which today's meeting had and that it be properly noticed, which it had. Thus the only remaining difference between what Cmr. Wood, Ness and Strang were calling for and what Cmr. Kiedaisch was proposing was the ability to vote on matters. D. Strang asked G. Kiedaisch why he was afraid of voting. G. Kiedaisch then performed a roll call of the Commissioners and only he and R. McLear agreed to a Workshop Meeting. G. Kiedaisch announced his belief that the meeting was therefore over and he and R. McLear left the table.

P. Ness then declared that the meeting was indeed legally called and duly noticed to the public and would proceed. He called the meeting to order at approximately 1:50 pm. D. Strang motioned to name P. Ness the Chairman Pro-tem for this meeting. J. Wood seconded this motion and the meeting proceeded. J. Wood asked that the first order of business be the pledge of allegiance and led the room in reciting it.

Item #1: Discussion of the Master Plan

Item one on the agenda was a discussion of the Master Plan (MP). P. Ness indicated there were several aspects of the Plan that were unclear. He made specific note of requests for information that were not fulfilled and the apparent lack of awareness to land use restrictions. The challenge by the Lakes Region Conservation Trust and the Society for The Protection of New Hampshire Forests was noted in their joint letter written to the Commissioners on Feb. 11th. The letter signed by both of their Presidents and the two conservation easements that they reference in this letter are attached to these minutes. D. Strang stated he thought this letter was very thorough and quite cordial and concluded with an offer to meet with the Commissioners to discuss their concerns. He stated he thought it would be foolish to turn down this offer and that to proceed with the MP without discussing their concerns would clearly invite litigation. He suggested we contact both groups and invite them to the next regular meeting. P. Ness and J. Wood agreed.

P. Ness suggested that until aspects of the MP are clearer, as well as objections to it were discussed in public, a pause of the MP was in order. He therefore made the following motions:

First Motion: Based on these significant encumbrances, restrictions, critical limitations and prohibitions on the use of land upon which the ski area currently operates and proposed element of the so-called "Master Plan" outside of the ski area's current boundaries, *this commission shall cease and desist from all current efforts by members of this commission, ski area management, its employees and agents with respect to the master plan until management provide all members of this commission with all material information, plans, documents, legal analysis, advice and opinions, financial projections and other analysis made by management, commission members, the SE group, and any other agents or employees with respect to this so called "Master Plan" project.*

Second motion: This cessation of master plan activities and undertakings shall remain in place and *no resumption of any Master Plan activities or undertakings shall resume until after all members of this commission: (a) have received this information requested regarding the Master Plan; (b) are permitted reasonable time to review that information; (c) a public forum is provided*

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for commissioners and the public to ask questions; (d) those questions are answered to the commissioner's own satisfaction; and (e) this commission by affirmative vote in the presence of a quorum at a duly convened meeting approves any further action on this Master Plan.

Second: J. Wood seconded both motions.

Discussion: Public comment was taken for over 30 minutes and a robust discussion ensued. During this, D. Strang asked G. Kiedaisch (who after excusing himself from participation as a Commissioner, had decided to sit in the public gallery) what authority Gunstock had to propose harvesting timber on the Weeks property and plan the construction of ski runs and a lift, when it was not owned by Gunstock and was outside of the boundaries of the facility. G. Kiedaisch replied that to be a developer, one had to be "forward thinking" and be able to dream. Again, D. Strang asked what gave Gunstock the right to develop property that it did not own. Again, G. Kiedaisch did not answer. Andrew Olney stated he did not want to pause the MP.

Vote: Cmr. Ness, Strang and Wood all voted "yea." **MOTION PASSED**

Item #2: Current Capital Expenditures in Process FY 2022

P. Ness stated he had several concerns over a lack of transparency when it came to certain aspects of development at Gunstock, specifically, the plan to turn the Stockade Lodge into a restaurant. He made the following observations:

During the commission meeting of April 28, 2021 there was a brief display on an overhead screen of four categories of proposed capital expenditures for the ski area totaling \$2.4 million.

- On June 21, 2021, a request was made by Commissioner Ness for written detail of these capital expenditures which was denied.
- During the summer of 2021, portions of this \$2.4 million expenditure were alluded to at meetings.
 - *In particular, one such project which was not discussed in any detail in the April 2021 meeting was a \$400,000 expenditure to transform the existing Stockade Ski Lodge into a full-service restaurant.*
 - Nothing in commission minutes reflect any substantive or material discussion of this project or its impact on overall guest services for the ski area.
 - Witnesses at the 4/28/21 meeting (Members of the Belknap County Delegation) will confirm that they were present at the April 28, 2021 meeting and that no details on this \$2.4M capital expenditure program were provided.
- At the February 16, 2022 meeting, members of the commission were informed of a current delay in the purchase of capital equipment for the stockade lodge expansion due to supply chain interruptions.

In light of these concerns, P. Ness made the following motion:

Motion: The record is clear that there are significant planned capital expenditures for the ski area which members of the commission have not been provided with material financial information, appropriate analysis, and the ability to question and discuss these significant expenses. Accordingly, the commission hereby demands that all current capital expenditures in process, and

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with particularity the Stockade Lodge conversion, immediately cease AND any efforts by members of the commission, gunstock management, and employees with respect to these capital expenditures are hereby prohibited until all material details, costs, analysis and explanation of the purpose and benefits of said capital expenditures are provided to all members of this commission, they are afforded the appropriate time to review this information and ask questions which are then satisfied to their own particular judgment.

Second: J. Wood

Discussion: A brief discussion ensued during which the public was invited to participate.

Vote: P. Ness and J. Wood both voted “yea.” D. Strang abstained as the motion makes reference to actions and demands for information that pre-date his joining the Commission. He stated that although he was abstaining from this vote, he did support the practice that the Commissioners be provided with full information before being asked to approve any measure. **MOTION PASSED**

Item #3: Legal Matters & Pending Legal Proceedings With The Belknap County Delegation

This item was scheduled for the non-public portion of this meeting, but for the benefit of the public and to allow their comment, P. Ness chose to discuss it in the public portion of the meeting. He outlined his concerns over this ongoing litigation and suggested that it be terminated. As this litigation began before he joined the Commission, D. Strang asked why the Commission was suing the Delegation. G. Kiedaisch stated it was because the Chair of the Delegation, Michael Sylvia, was not allowing public comment to his satisfaction and was conducting meetings in an authoritarian manner. D. Strang replied “so we’re suing the Delegation because you don’t like the way Mike Sylvia runs his meetings?” D. Strang stated he did not find this a valid reason to sue the Delegation. P. Ness then made the following motion:

Motion: This commission hereby votes to immediately cease, withdraw and terminate with prejudice all current legal proceedings against the Belknap County Delegation which are before the Belknap Superior Court forthwith. Notice will be given to the commission’s legal counsel at Devine, Millimet & Branch to immediately cease this action.

Second: J. Wood

Discussion: A brief discussion ensued, during which Ruth Larson (Alton) indicated she wanted the lawsuit to continue.

Vote: Cmr. Ness, Strang and Wood all voted “yea.” **MOTION PASSED**

Before the meeting concluded, Peter Spanos from the Belknap County Commission asked for the Gunstock Commissioners support to pave the Gunstock parking lot and also to install air conditioning in the main lodge. He asked that these two requests be placed on the agenda for the March 23rd regularly scheduled GAC meeting. He asked that the Commissioners take a vote at that meeting to support the concept only, not to appropriate any money just yet. D. Strang thanked him for this and stated that he would support both measures if they could be done for a reasonable expenditure.

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Adjournment:

With all agenda items having been discussed, D. Strang motioned to adjourn the meeting at 2:59 pm. P. Ness and J. Wood agreed.

Respectfully submitted by Cmr. D. Strang