By Committee on Institutions,

Joint resolution authorizing the Commissioner of Forests, Parks and Recreation to amend the Department's lease with the Stowe Mountain Resort and to amend a conservation easement in the Town of Plymouth.

Whereas, in 1972, the Stowe Mountain Resort entered into a lease with the State of Vermont for 1,400 acres of the Mount Mansfield State Forest to be used as a ski resort, and

Whereas, in accordance with the terms of the lease, in 2017, the State of Vermont consented to a reassignment of the Mount Mansfield Company Inc.'s (MMC) lease to Vail Resorts, and

Whereas, at the request of the Department of Forests, Parks and Recreation, the parties to the lease entered into a separate agreement to amend certain provisions of the lease, and

Whereas, on July 30, 2001, the trustees of the David A. Cederlund Living Trust granted a conservation easement to the State of Vermont, encumbering approximately 230.5 acres of land (the "conservation easement area") located in the Town of Plymouth, but excepting 10 acres designated as a development parcel (the "development parcel"), and

Whereas, a shed was constructed unintentionally within the conservation easement area, and consequently, the boundaries between the development parcel and the conservation area need to be reconfigured, *now therefore be it*

Resolved by the Senate and House of Representatives:

First: That the Commissioner of Forests, Parks and Recreation is authorized to amend the Stowe Mountain Resort ski lease ("the Lease") as follows:

(1) Article 6 of the Lease requires the MMC to pay a rental fee equal to five percent of gross receipts from ski lifts located on the leasehold area. As shown on page 5 of the "Mt. Mansfield Company Report of Procedures and Findings For the 2015-2016 Ski Season," the company also paid a five percent rental fee on revenues from lifts, the Zip Tour, and the Tree Top Adventure activities, recently located within the leasehold area and designated as additional activities. Consistent with this approach, the State and Vail Resorts now agree to apply the five percent rental fee to the additional activities and any new commercial recreational activities occurring on the leasehold.

(2) Notwithstanding language in Article 14 of the Lease, Vail Resorts shall indemnify and hold harmless the State and shall provide a general liability insurance policy as follows:

(a) Except in the event of the State's gross negligence or willful misconduct, Vail Resorts shall defend, indemnify, and hold harmless the State and the additional parties referred to in Article 14 of the Lease from any damages and any claim arising out of or related to the use, maintenance, or operation of lifts or premises.

(b) Vail Resorts shall carry general liability insurance in a policy or policies at all times with minimum coverage of at least $10 million per occurrence and $20 million in aggregate, naming the State and additional parties as stated in Article 14 of the Lease as additional insureds under such coverage. Not more than once every five years, the State may review required insurance amounts and may increase these amounts so they are reasonably representative of the current market for insurance amounts for similar operations as the State may reasonably determine.

(3) Vail Resorts shall provide access to the public to the leasehold area, including for uphill travel on the ski area ski trails, subject to Vail Resorts' right to impose reasonable restrictions on the public's access for uphill travel for safety, operational, or business purposes. Vail Resorts shall coordinate with the State to take all reasonable efforts to designate specific trails, times, and parking locations that may be used by the public for uphill travel in the leasehold area, subject to the above restrictions. Vail Resorts shall establish a written policy, consistent with these terms, and shall provide a copy to the State and make the policy publicly available.

(4) Other than a permitted transfer, Vail Resorts, or following a permitted transfer, any permitted transferees shall not assign the lease or engage in a transaction by way of merger, consolidation, or sale, singly or in combination, involving the transfer of equity securities constituting more than one-half of

the total voting securities or interests of Vail Resorts, or if applicable, its permitted transferees, without the prior written consent of the State. Notwithstanding the foregoing, Vail Resorts' assignment of the Lease, or any transaction involving the transfer of equity securities of Vail Resorts, to any direct or indirect wholly owned subsidiary of Vail Holdings, Inc. shall be a permitted transfer, provided that the guaranty remains in full force and effect.

(5) There is added an approximately 10-acre section of State land to the Lease that the General Assembly approved in 1998 Acts and Resolves No. 148, Sec. 35. This land is located between the two "S" turns on Vail Resorts' Toll Road.

(6) Paragraph 3(d) of the Lease, which is now obsolete due to the relocation of the State campground and the development of a separate independent water source that is not located within the leasehold area, is deleted.

Second: That the Commissioner of Forests, Parks and Recreation is authorized to amend the Easement and Grant of Development Rights and Conservation Restrictions, dated July 30, 2001, encumbering approximately 230.5 acres of land in the Town of Plymouth, designated the conservation easement on the map entitled "David A. & Maureen E. Cederlund, Trustees of the David A. Cederlund Living Trust" and dated March 13, 1999, in order to reconfigure the 10-acre development parcel to include the footprint of a shed

that was constructed over the boundary of the existing development parcel footprint and the easement area. The landowners, David A. Cederlund and Maureen E. Cederlund, trustees of the David A. Cederlund Living Trust, shall prepare and cover the costs of a new survey of the reconfigured 10-acre development parcel and shall record the survey and easement amendment document in the Town of Plymouth's land records after the Department reviews and approves the survey and easement document. The reconfigured development parcel shall not exceed 10 acres and shall be configured to prevent any negative impact to the conservation values of the portion of the property subject to the conservation easement, and be it further

Resolved: That the Secretary of State be directed to send a copy of this resolution to the Commissioner of Forests, Parks and Recreation.