

**STATE OF VERMONT**

**ENVIRONMENTAL COURT  
Docket No.**

Land Use Panel of the  
Natural Resources Board,  
Petitioner

**ASSURANCE OF DISCONTINUANCE**

v.

The Woodstock Resort Corporation,  
Respondent

**VIOLATION**

*Failure to comply with Permit Conditions 18, 19, 22 of Land Use Permit #3W0568-3.*

**ASSURANCE OF DISCONTINUANCE**

Pursuant to the provisions of 10 V.S.A. § 8007, the Land Use Panel of the Natural Resources Board (Panel) and The Woodstock Resort Corporation (Respondent) hereby enter into this Assurance of Discontinuance (Assurance), and stipulate and agree as follows:

**STATEMENT OF FACTS AND DESCRIPTION OF VIOLATIONS**

1. On April 14, 2009 the District Environmental Commission #3 (Commission) issued Land Use Permit Amendment #3W0568-3 (Permit) to The Woodstock Resort Corporation (Permittee and, here, Respondent).
2. This Permit applies to the lands identified in Book 59, pages 448-449; Book 112, pages 416-417; and Book 138, pages 320-321, of the land records of the Town of Woodstock, Vermont, as the subject of deeds to the Woodstock Resort Corporation, the permittee as grantee.
3. Condition #18 of the Permit states:

Prior to demolition, the Paul House shall be documented following the Division for Historic Preservation's *Photographic Documentation Requirements for Historic Structures*. Photographic documentation shall be completed and submitted for review and approval from the Division for Historic Preservation and the District Environmental Commission prior to demolition of the Paul House.

4. Although Respondent properly submitted photographic documentation under condition #18 to the Division of Historic Preservation (Division), Respondent failed to submit the required documentation to the District Environmental Commission (Commission).

5. Condition #19 of the Permit states:

The permittee shall maintain for future use the buildings at 16 South Street and the Beach House. In addition to current maintenance work, the permittee shall:

- a. Routinely inspect, at least annually, the interior, including attics and basements, and exterior of the buildings, to identify any deteriorations or damage to the structures;
  - b. Address and repair in a timely and appropriate manner, any deterioration or damage identified during the routine inspections;
  - c. Submit future plans for demolition, relocation, or rehabilitation of either building to the Division and the Commission for review, comment, and approval; and
  - d. Submit a copy of the routine inspection report to the Division and the Commission by May 1<sup>st</sup> of each year, starting in 2010.
6. Respondent failed to submit the documentation required under Permit condition #19(d) to the Commission and the Division.

7. Condition # 22 of the Permit states:

The Permittee shall file a certificate of actual construction costs, on forms available from the Natural Resources Board, pursuant to 10 V.S.A. §6083a(g) within one month after construction has been substantially completed or two years from the date of the permit, whichever shall occur first. Application for extension of time for good cause shown may be made to the District Environmental Commission. If actual construction costs exceed the original estimate, a supplemental fee based on actual construction costs must be paid at the time of certification in accordance with the fee schedule in effect at the time of application. Upon request, the permittee shall provide all documents or other information necessary to substantiate the certification. Pursuant to existing law, failure to file the certification or pay any supplemental fee due constitutes grounds for permit revocation. The certificate of actual construction costs and any supplemental fee (by check payable to the "State of Vermont") shall be mailed to: Natural Resources Board, National Life Records Center Building,

National Life Drive, Montpelier, VT 05620-3201; Attention: Certification.

8. The Respondent failed to submit a certificate of actual construction costs, an application for an extension of time, and any applicable supplemental fee to the Natural Resources Board as required by Permit condition 22.
9. Respondent is in violation of the Permit.

### AGREEMENT

Based on the aforementioned Statement of Facts and Description of Violations, the parties hereby agree as follows:

- A. Respondent shall comply with Permit series #3W0568-3.
- B. Respondent shall submit the photographic documentation required under condition #18 of the Permit to the Commission by **July 15, 2012**. The District #3 Commission office is located at *100 Mineral Street, Suite 305, Springfield, VT 05156*.
- C. Respondent shall complete a routine inspection as required by Permit condition #19(a) by **July 15, 2012** if such required inspection has not already been completed for this calendar year. See E. below.
- D. Respondent shall submit a corresponding copy of the routine inspection report for this calendar year by **July 30, 2012** to both the Division and Commission.
- E. Prior to the submission of the report in (C) above, Respondent shall address and repair any deterioration or damage identified during the routine inspection completed in accordance with (B) above. Respondent shall make repairs in accordance with the *Secretary of the Interior's Standards for Rehabilitation*. Copy attached.
- F. Respondent shall submit a certificate of actual construction costs and any resulting fee to the Natural Resources Board as required by Permit condition 22 by **July 15, 2012**.
- G. No later than 30 days following the entry of this Assurance as an Order by the Superior Court, Environmental Division, the Respondents shall pay the following:
  1. Pursuant to 10 V.S.A. Ch. 201, a civil penalty in the amount of

**Nine Hundred Ninety dollars and Zero cents (\$990.00) (U.S.),** for the violations noted herein in accordance with the following:

- a. The Respondents shall pay **Two Hundred Forty Seven Dollars and Fifty Cents (\$247.50) (U.S.)** by good check made payable to the "Treasurer, State of Vermont".
  - b. The Respondents shall pay **Seven Hundred Forty Two Dollars and Fifty Cents (\$742.50) (U.S.)** by good check made payable to "The Woodstock Associates" for a supplemental Environmental Project (SEP), pursuant to 10 V.S.A. §8007(b)(2), which will enhance the historic resources of the area affected by the violations. A description of the SEP is attached to this Assurance as **Attachment A**; SEP funds from this Assurance shall be used by the Woodstock Associates, Inc. specifically for the Little Theatre described in Attachment A. The SEP shall be funded by the Respondents no later than 30 calendar days following the date this Assurance is entered as an Order by the Environmental Court.
  - c. If, at the close of the 30 day period following the entry of this Assurance as an Order by the Environmental Court, any of the monies allocated for SEP that has not been expended or committed by the Respondents, that amount shall be converted to a civil penalty and shall be immediately due and payable to the State of Vermont.
  - d. In the event that this Assurance allows the Respondent to fund a Supplemental Environmental Project (SEP) in lieu of the payment of a civil penalty, if the Respondent publishes by any means, directly or indirectly, the identity or result of an SEP that Respondent has funded, the Respondent shall also include in that publication a statement that the SEP is a product of the settlement of an environmental enforcement action brought by the Natural Resources Board.
2. Pursuant to 10 V.S.A. §8010(e)(2), the amount of **Twenty Six Dollars and Eighty Seven cents (\$26.87) (U.S.)**, to reimburse the Natural Resources Board for the costs of this enforcement action by good check made payable to the "State of Vermont Natural Resources Board".
  3. The amount of **Ten (\$10.00) Dollars (U.S.)**, for the purpose of

paying the recording fee for the filing of a notice of this Assurance in the Woodstock land records, by good check made payable to the "Town of Woodstock, Vermont."

- H. All payments required by this Assurance shall be sent to:
- Denise Wheeler, Business Manager  
Land Use Panel of the Natural Resources Board  
National Life Records Center Building  
National Life Drive  
Montpelier, Vermont 05620-3201
- I. Respondent shall not deduct, nor attempt to deduct, any payment made to the State pursuant to this Assurance from Respondent's reported income for tax purposes or attempt to obtain any other tax benefit from such payment.
- J. The State of Vermont and the Land Use Panel reserve continuing jurisdiction to ensure compliance with all statutes, rules, and regulations applicable to the facts and violations set forth herein.
- K. Nothing in this Assurance shall be construed as having relieved, modified, waived or otherwise affected the Respondent's continuing obligation to comply with applicable state or local statutes, regulations or directives.
- L. This Assurance shall become effective only after it is signed by all parties and entered as an order of the Superior Court, Environmental Division. When so entered by the Superior Court, Environmental Division, this Assurance shall become a judicial order pursuant to 10 V.S.A. § 8007(c). In the event that such order is vacated, the Assurance shall be null and void.
- M. Pursuant to 10 V.S.A. § 8007(d), the Respondent shall not be liable for additional civil or criminal penalties with respect to the specific facts set forth herein, provided that the Respondent fully complies with this Assurance.
- N. This Assurance sets forth the complete agreement of the parties, and it may be altered, amended, or otherwise modified only by subsequent written agreements signed by the parties hereto or their legal representatives and incorporated in an order issued by the Superior Court, Environmental Division. Alleged representations not set forth in this Assurance, whether written or oral, shall not be binding upon any party hereto, and such alleged representations shall have no legal force or effect.
- O. When this Assurance is entered as a judicial order, violation of any provision of this Assurance shall be deemed to be a violation of a judicial order and

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may result in the imposition of injunctive relief and/or penalties, including penalties under 10 V.S.A. chapters 201 and/or 211.

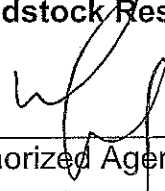
**P.** This Assurance is subject to the provisions of 10 V.S.A. § 8007.

**SIGNATURES**

The provisions set forth in this Assurance of Discontinuance are hereby agreed to and accepted.

Dated at Woodstock, Vermont, this 28<sup>th</sup> day of June, 2012.


**The Woodstock Resort Corporation**

By   
Duly Authorized Agent

STATE OF VERMONT  
COUNTY OF Windsor, ss.

BE IT REMEMBERED that on the 28<sup>th</sup> day of June, 2012 personally appeared Werner Graef, as the duly authorized agent of **The Woodstock Resort Corporation** signer and sealer of the foregoing instrument who is known to me or who satisfactorily established his identity to me and acknowledged the same to be his free act and deed and the free act and deed of **The Woodstock Resort Corporation** and that he has the authority to contract on behalf of **The Woodstock Resort Corporation** and that he has been duly authorized to enter into the foregoing Assurance on behalf of that entity.

Before me,

  
Notary Public  
My Commission Expires:  
2/10/15

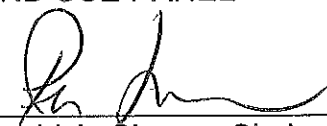
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The provisions set forth in this Assurance of Discontinuance are hereby agreed to and accepted.

Dated in Montpelier, Vermont, this 29<sup>th</sup> day of July, 2012

LAND USE PANEL

By:

  
Ronald A. Shems, Chair





## **ATTACHMENT A**

The Paul House, the subject of the AOD, was listed on the State Register of Historic Structures Places in 1972 and updated in 1984 and constitutes a "historic site" for purposes of Act 250. It is also located within the Woodstock Village Historic District which was established in 1973.

What is now known as The Little Theater Building in Woodstock, VT was built 1847 and was used as a gristmill, sawmill and woolen factory until 1877. It was entrusted to the Woodstock Associates by Marianne Faulkner, to be used as a community theater and meeting place.

In August of 2011, the water, mud, silt and debris from Tropical Storm Irene completely destroyed the inside of the lower level of The Little Theater Building. It has been thoroughly cleaned up and gutted, and is now being renovated back to its original state, so that the community can once again use this lovely old stone building.

The Woodstock Associates, as Recipient, will use the funds provided by this Supplemental Environmental Project (SEP) to help cover the cost of getting the fire sprinkler system for the building back up and running. This system will ensure the continued preservation of this historic building.

All work funded with the SEP funds shall meet the Division for Historic Preservation standards, and photographic documentation of the project shall be submitted to the District 3 Environmental Commission and the Department of Historic Preservation.

The Recipient may retain up to 10% of the SEP funds to cover any administrative costs of administering this project.

