

## *Silverado Lodge* *Homeowners' Association Executive Meeting*

---

The meeting opened at 11:37am by Adam Loser, Treasurer, in the Bearclaw meeting room at the Silverado Lodge on September 25, 2007.

The following executive board members were present: Robert (Bob) Davis, President; Robert Whyte, Vice President; Tom Kealey, Assistant Treasurer; Marlynda Matthews, Secretary.

The Canyons attendees included: Jeff Zogg, Vice President of Lodging; Tim Vetter, Vice President of Community Affairs; Gary Weaver, Lodging Controller; Nicole Snyder, Director of Owner Services; Summer Parker, Lodging Administrative Assistant; Leah Turner, Owner Services Coordinator.

Additional attendees included: Allen Wright, Managing Partner with Daedalus USA; Alan Rebchook, owner of unit 322, and Jim Blakesley, Attorney at Law

---

### **Developer's Final Completion Plan:**

Adam Loser and Marlynda Matthews representing Silverado Development, Inc. outlined several projects that are currently underway. These projects are scheduled to be completed by Thanksgiving 2007.

A landscaping subcontractor is currently finishing the irrigation system and other finishing touches. Unit decks are being replaced with a superior material. More than half of the decks have been completed, and the remainder will be completed within three weeks. Lighting around the exterior and the pool area is currently being installed. A waterproofing application is under completion for the North, West and South Plaza decks. The handrails along the West and South Plaza decks are under construction. The purchase of the carpet in the corridor is on hold until the grade of carpet is determined, either commercial or residential. The driveway will be under construction to install snow melt and water drain systems.

One Silverado board member will be appointed to review monthly maintenance reports. The list of management action items will be available for anyone who requests a copy. There will be a report from the developer for a review of the items that need completion.

### **Resort Village Management Association Update:**

Each hotel in the Resort Village Management Association (RVMA) contributes funds to the RVMA in return for services. One service is the regulation of new developments to ensure that there is little impact to current owners and guests during the construction process. There are a number of projects currently in progress that include snowmakers for the mountain and patching the roads to ensure that they are up to standard.

The RVMA is overseeing several projects for future completion. The Iron Mountain lift will expand the resort to the east. The Frostwood lift will be installed near The Miner's Club. There will also be expansion to the lower-level skiing by the Frostwood Circle.

The city bus no longer provides service to Canyons Resort Drive. Instead, a temporary transit center will be built near the 7-11 store at the junction of Canyons Resort Drive and Highway 224. There will also be a small circulator bus that will take guests to and from the hotel in the resort. The bus will run fifteen-minute loops to the assigned stops.

The parcel developments to the north and south of Silverado are under control of The Canyons. The parcel to the north is the location for the mid-station of the cabriolet.

The entryway will become a focal point to enhance the arrival for all owners and guests. The approved landscaping plan will be implemented throughout the resort.

The golf course has been approved and is an amenity requirement for the RVMA. The owners in the RVMA are each required to transfer land for use in the golf course. One land owner has refused to complete the land transfer process. The financing for the golf course is in place through Zion's Bank and the RVMA has been in frequent contact to finalize the paperwork. The financing contacts should be in place by late October or November 2007. The golf course will be a two-year development project that is scheduled to open in the fall of the second year if construction begins in the spring of 2008.

### **Marketing Report:**

Jeff Zogg described the process for marketing and renting the Silverado Lodge units. Despite the delay in opening the hotel, the conference sales team was especially enthusiastic about the Silverado Lodge. There were 2,500 group room nights booked from May 2007 to September 2007.

The Canyons' meeting space draws large volumes of business to Park City. The Canyons hosts free concerts and the Park City Wine and Food Festival. The Canyons leads Park City in group sales and turns away meeting business due to the need for more meeting space. The Canyons group conference sales department is the key to success during the summer months in Park City. There is available space in the Silverado Lodge that The Canyons is proposing to turn into additional meeting space. Bearclaw could be converted into a retail, light grocery, sundry items, grab-and-go and ski rental space. There is a potential restaurant space that overlooks the pool area, which could be a breakfast and dinner restaurant in the winter with a bar and lounge for an après ski concept.

The Canyons has substantial marketing leverage and more funds than a stand-alone property management company. The Canyons is featured in magazines and participates with the Park City Chamber of Commerce. The RSVIP program targets repeat guests. The Canyons participates in partnerships with American Express with 15,000 of their members receiving double points to stay at The Canyons lodges. The Canyons website also brings publicity. The Canyons frequently works with Ski Utah magazine. The Canyons is five percent ahead of pace for goals set to book the upcoming ski season.

Seventy-nine percent of owners are in the rental program compared with the industry standard of seventy-five percent. There is an advantage for everyone in having the highest rental program participation as possible.

### **Treasurer's Report:**

Gary Weaver reviewed the financials for August 2007 and year-to-date financials for fiscal year 2008.

Action Item: Gary Weaver will provide an aging report for the next meeting on October 24, 2007.

Silverado Lodge Homeowners' Association dues are billed & collected on a quarterly basis. Invoices are paid and prioritized based on available funds. The financials are reviewed quarterly.

There was a discussion regarding the fiscal year dates. Consideration was given to change the year-end date. Tom Kealey made a motion to follow the current procedures for the fiscal year to end December 31<sup>st</sup>. Adam Loser seconded the motion. All present were in favor.

Nicole Snyder provided a quote from Sandman Studios to the Silverado board members for consideration. Sandman Studios has provided a proposal to build a website for owners to log into and check the availability of their own units. The Canyons will pay one-half of the cost if the proposal is approved. The total cost for the Silverado Homeowners' Association of the project is \$3,750. The Silverado board members would like a demonstration of the product and requested more information for the next meeting on October 24, 2007.

Marlynda Matthews made a motion to cap the executive board travel expenses at \$500 per meeting per board member including a subcategory for food not to exceed \$50. Bob Davis seconded the motion. All present were in favor.

Each Silverado board member will send in receipts for their travel and food to Nicole Snyder. Nicole will submit the request for reimbursement to accounting for check issuance.

### **New Business:**

Jim Blakesley was present to answer any questions for the new Silverado executive board. Jim attended on behalf of the developer and pledged a few hours of service in legal advice. According to Jim, the Silverado Lodge Homeowners' Association ought to be incorporated or become a limited liability corporation. These details will be decided upon at the next meeting on October 24, 2007.

Adam Loser made a motion for The Canyons to file incorporated papers. Bob Davis seconded the motion. All present were in favor. Leah Turner mentioned that Nicole Snyder and Jeff Zogg will need to be consulted regarding this request.

Robert Whyte made a motion that the documentation for establishing the incorporation will be reviewed by an attorney. Adam Loser seconded the motion. All present were in favor.

Tim Vetter provided an update on American Skiing Company (ASC), Talisker and The Canyons. Tim Vetter described the role of ASC which is a holding company that once held nine resorts and recently sold all except The Canyons. Oak Hill Financial holds the majority of the ASC stock. The Canyons will continue operations regardless of ownership. The Canyons will open for the ski season on November 17, 2007.

The recommended directors and officers' insurance level is one to two million dollars. The executive board will review coverage level recommendations from the chosen insurance agent. Tom Kealey made a motion to confirm that directors and officers' insurance either already exists or to obtain said insurance. Bob Davis seconded the motion. All present were in favor.

### **Results of Silverado Homeowners' Association Board Member Assignments:**

Robert Davis, President  
Robert Whyte, Vice President  
Adam Loser, Treasurer  
Tom Kealey, Assistant Treasurer  
Marlynda Matthews, Secretary

The Silverado Homeowners' Meeting ended at 4:47pm. Adam loser motioned to adjourn. Robert Davis seconded the motion. All present in favor.