

**SSAI SPECIAL MEETING
MINUTES
Saturday, March 21, 2015
Searchmont Resort
2:00 p.m.**

1. **Registration of Members**
2. **Meeting called to order**
 - Quorum – 50 members present
3. **Welcome and Introductions – Justus Veldman**
 - i) **Board Members in Attendance**
 - Greg Peres, Justus Veldman, Frank Shunock, David Hornstein
 - Not present – James Horbatuk
 - ii) **Nominating Committee**
4. **Acceptance of the Annual General Meeting Minutes dated January 18, 2014**
 - concerns raised regarding January 18, 2014, minutes not posted on the website in a timely fashion for review by the members
 - suggestion made to defer approval of the minutes to the AGM

MOTION: To accept the AGM Minutes dated January 18, 2014.

Deferred

5. **Reports**
 - i) **Board of Directors – Justus Veldman**
 - The SSAI board met 18 times in 2014
 - Would like to shed some light on the past four or five months – there have been a tremendous amount of rumours and would like to clarify what has been going on
 - Fall of 2014 Justus Veldman was asked to join the Board by the current Board of Directors
 - Have been working on tourism in the heart of Sault Ste. Marie – thought this could be tied into Searchmont and would assist in getting the hill open and to add operational efficiencies
 - Many fast and difficult decisions had to be made in October for the 14/15 ski season
 - This Board has worked very hard to have this hill open for this year
 - One of the challenge/opportunities that the Board had been facing was the outstanding mortgage – the Jack McDermott mortgage made it difficult to operate – he offered a reduced buyout package if the mortgage would be paid out by December 2014
 - At this time Justus reached out to the city of Sault Ste. Marie – support from the city has been difficult in the past due to the resort being outside of city limits

Our Mission: With quality service, we will promote a healthy, active lifestyle by providing year-round adventure.

Our Vision: Searchmont Resort is a premiere-ranked, regional training & recreation facility with high quality mountain terrain, amenities, events & entertainment as well as open, intimate, down-to-earth people & Canadian hospitality. Searchmont service will reflect cornerstones of excellence, knowledge, respect & fun.

**SSAI SPECIAL MEETING
MINUTES
Saturday, March 21, 2015
Searchmont Resort
2:00 p.m.**

- Long-term vision is for Searchmont to be a four season attraction with more things to do here and for bookkeeping, for example, and other services to be centralized with other tourist attractions within city limits
- This now brings tourism within the borders of Sault Ste. Marie, therefore the city should want to support the hill as one of the attractions under this tourism umbrella
- EDC committed in mid October to take out the first mortgage of Jack McDermott, to purchase the hill and inject working capital into a bank account to pay outstanding debts and to do the repair roof etc.
- Destination marketing funding/hotels have committed to \$100,000 – this will be presented in more detail at the AGM – they have stepped up to the plate with this additional capital
- The focus of the Board then turned to finding management to open the hill – after losing the resort manager for personal reasons, the challenge was who is going to pull the pieces together, and with the financial situation it wasn't easy to recruit
- Paul Suda came recommended and he was retained and he put together the management team – we thank him for coming on and helping to get the resort open for the season – he resigned in January and Chris Greensted took over for balance of season
- A thank you to the contractors – we were able to negotiate quite a few of the bills down, and with long-term vendors there were significant sacrifices made
- Thank you to S&T for their work on snow making and lift repairs, and the roofing company for roof repairs
- For 2015/16 – the goal will be during spring, summer, fall to do hill remediation with Sault College and Ontario Works
- snow making gear and in ground piping is in disrepair – it was difficult to get by making snow this year
- Rebranding and imaging will include Searchmont Resort is in the backyard of Sault Ste. Marie – it is a great attraction to recruit professionals and youth to our city, therefore are hoping for long-term support from City hall
- Question from the Floor: Regarding contracting – who are you referring to? More than ten?
- Answer: Retained KPMG as felt it was needed to have a third party to present this to the members, but it was a significant amount of money – many years of retained losses
- Question from the Floor: Who will be in charge of hill remediation and who makes decisions to what happens to runs and position of lifts, and is there going to be a committee of long-time members who can assist with these decisions? Also a concern re wind turbines as Justus sits on a wind farm liaison committee. Hoping for input of people who have been around for many years.

Our Mission: *With quality service, we will promote a healthy, active lifestyle by providing year-round adventure.*

Our Vision: *Searchmont Resort is a premiere-ranked, regional training & recreation facility with high quality mountain terrain, amenities, events & entertainment as well as open, intimate, down-to-earth people & Canadian hospitality. Searchmont service will reflect cornerstones of excellence, knowledge, respect & fun.*

**SSAI SPECIAL MEETING
MINUTES
Saturday, March 21, 2015
Searchmont Resort
2:00 p.m.**

- Answer: The intent is to re-identify the priorities of what needs to be done – when FedNor and NOHFC grants were applied for there was a list made and there was input of a priorities list – they have said they will be flexible on adjusting the list – important to create a working committee in April for the 15/16 year – would like to do an intense amount of planning in the spring as opposed to the fall – there is some funding for planning and remediation work – so planning will be with members and long-term supporters of the hill. To answer the Wind Turbine question – joined committee because the wind turbines are a concern – the liaison committee is there to have input from the local community – as an advocate of nature, believes there is a right and wrong place to have wind farms and somebody’s backyard is not necessarily the right place

F. Shunock/A. Reibmayr **MOTION:** To accept the Board of Directors’ report.

Carried

6. New Business

- i) Proposed Amendment to Bylaw has been circulated to change the number of board members from eleven to seven
The amended Bylaw article 4.01 will read as follows:
4.01 Board Size
The affairs of the Corporation shall be managed by the Board of Directors. The number of directors shall be **7**, until changed by the Board of Directors by special resolution and by bylaw.

C. Lee/M. Sundstrom **MOTION:** To approve a change to the corporation’s bylaw to reduce the size of the Board from eleven to seven directors.

Carried

- ii) **Greg Peres: Chair – nominating committee**
- Nominating committee has presented a slate of directors – report was handed out to membership
 - This slate includes: Aaron Gordon, Rita Mannarino, Andrea Reibmayr, Frank Shunock, Jill Thatcher, Leo Tiberi, Justus Veldman
 - pursuant to the bylaw, there are seven positions vacant and the nominating committee is recommending the above-noted seven individuals for the Board
 - Question from the floor regarding why these people are being recommended
 - In the process to seek nominations, vacancies were posted on the website

Our Mission: *With quality service, we will promote a healthy, active lifestyle by providing year-round adventure.*

Our Vision: *Searchmont Resort is a premiere-ranked, regional training & recreation facility with high quality mountain terrain, amenities, events & entertainment as well as open, intimate, down-to-earth people & Canadian hospitality. Searchmont service will reflect cornerstones of excellence, knowledge, respect & fun.*

**SSAI SPECIAL MEETING
MINUTES
Saturday, March 21, 2015
Searchmont Resort
2:00 p.m.**

- Received nominations from the public and we were looking for skill sets of financial background, public relations, board experience or governance experience, tourism experience and environmental – all important skill sets required for the board
- In reviewing the applications that we received this is the slate of seven we are recommending to the membership
- Each nominee will present a personal overview to the membership
- There is an opportunity for nominations to come from the floor
- Nominations from the floor, repeated three times
- Please come forward if you would like to put your name forward or if you would like to nominate someone from the floor – a mover and a seconder is required
- Question from the Floor: Are current members staying on the board?
- Answer: Current board members are Justus Veldman, Greg Peres, David Hornstein, Frank Shunock, and Jamie Horbatuk. Justus Veldman and Frank Shunock are putting their names forward to remain on the board, and Greg Peres, David Hornstein, and Jamie Horbatuk are stepping down
- Question from the Floor: Will there be committees and is input going to be allowed?
- Answer: That is an operational question – the new board will determine the level of involvement of the community - cannot speak on behalf of the new board but Justus has stated this will be an inclusive board
- Craig Lee would like to nominate Brian Mealey – Sam Rooney seconds this motion
- Frank Shunock has indicated he will withdraw his name from the slate, but will continue to support Searchmont by being on a committee, therefore a vote will not be required

C. Lee/S. Rooney **MOTION:** To accept the nomination from the floor of Brian Mealey.

Carried

M. Sundstrom/A. Pooldma **MOTION:** To approve the new SSAI Board of Directors, Aaron Gordon, Rita Mannarino, Brian Mealey, Andrea Reibmayr, Jill Thatcher, Leo Tiberi, Justus Veldman.

Carried

- Call upon the new Board of Directors to provide a personal overview

Our Mission: With quality service, we will promote a healthy, active lifestyle by providing year-round adventure.

Our Vision: Searchmont Resort is a premiere-ranked, regional training & recreation facility with high quality mountain terrain, amenities, events & entertainment as well as open, intimate, down-to-earth people & Canadian hospitality. Searchmont service will reflect cornerstones of excellence, knowledge, respect & fun.

SSAI SPECIAL MEETING
MINUTES
Saturday, March 21, 2015
Searchmont Resort
2:00 p.m.

Aaron Gordon: From Sault Ste. Marie, wife and children are skiers, daughter in U8 with SSR – have been living here for a few years – experience living and working in BC, Alberta, Saskatchewan – interested in working in a governance capacity – passionate about Algoma – love the family focus of Searchmont and want to see that be preserved – sustainability, have been drawn to the idea of having Searchmont as a four season destination - areas of strengths to bring are MBA and project management - teach business at Algoma University – data management and project management – what are the needs to make this a sustainable resort

Rita Mannarino: Rita and family have always been winter sport lovers – two years ago fell in love with skiing – they spend all of their time off at the hill – love the community of Searchmont – born and raised in Sault Ste. Marie and has always looked at Searchmont as a treasurer in our community – Nurse Practitioner by trade – sit on numerous steering committees – most recently sit on advisory board to LIN – looking at evoking positive health care change in our community – would like to spend 12 months of the year here and looking to evoke that positive change

Brian Mealey: Have coached ski racing here for 46 years - was born in a corner bedroom in White River and had canoe outfitting business and travelled North Shore – worked as technician for 34 years in communications – interested in art, carving with chainsaws, likes working in the bush – loved coaching kids – Searchmont can be turned into what it was – we need to have Landslide as a feeder hill – need to get ski culture back to Sault Ste. Marie – it was a ski and hockey culture and would like to see that again, where 250 kids would converge on Landslide – feel that ticket pricing is an issue

Andrea Reibmayr: Served on previous board and was approached to come back – husband Dr. Graham Elder, daughter Emily teaches here with the snow school, Charlie is SSR racer – have been on SSR board and six years on SSAI board. Asked to come back due to governance, chair of governance for many years and secretary – educational background, masters in leadership and certified executive coach – passionate about working as a team and together as a board

Jill Thatcher: Eager to contribute to the development of Searchmont – love to ski and snowboard – started at age five at Alpine Ski club, taught for over ten years – passion for skiing has been passed on to family and daughters – Sadie is a U8 with SSR – marketing background, sports marketing at George Brown – since moving to SSM in 2009 worked in brand management and OLG and most recently worked at Searchmont in marketing – developed programs and partnerships, Polar Express, YMCA ski school, Muddy Moose Charge – What Searchmont means to me? 1. community, special gathering place; 2. Gem, thankful to the founders and dedicated staff and volunteers that have helped to build this treasure to where it is today; 3. Monty the Moose – newest mascot at

Our Mission: *With quality service, we will promote a healthy, active lifestyle by providing year-round adventure.*

Our Vision: *Searchmont Resort is a premiere-ranked, regional training & recreation facility with high quality mountain terrain, amenities, events & entertainment as well as open, intimate, down-to-earth people & Canadian hospitality. Searchmont service will reflect cornerstones of excellence, knowledge, respect & fun.*

**SSAI SPECIAL MEETING
MINUTES
Saturday, March 21, 2015
Searchmont Resort
2:00 p.m.**

Searchmont and brings the brand to life in a fun and engaging way. Confident in year round sustainability of this resort.

Leo Tiberi: Vice president academic and research at Sault College – born and raised in Welland and not a skier – it is a delight to live in this region – have fallen in love with this community – bring to the table, in capacity at Sault College look after 70 programs, involved in partnerships, strategic planning – for Sault College to grow need this hill to be successful – we want to reach out to the skiers to recruit students – goal is to work together to succeed

Justus Veldman: interest in the tourist attraction known as Searchmont – developers of St. Mary’s Paper property – centred around extra curricular activities for the people of SSM and tourism - can contribute to reduction of overhead and efficiencies of operation – also look at real estate development – goal of long term real estate

F. Shunock/S. Rooney **MOTION:** To approve KPMG Services to do review of financials from 2010 forward and to engage for 15/16 and help to finalize this current year.
Prepare income tax for SSAI for a period of two years.

Carried

Question Period

- Q. Real Estate development – are you referring to the lots?
A. Update – meeting had with Sault North – application needs to be filed with draft plan of sub division – being done by Urso – when survey is complete – can go back to Sault North planning at which point they could be sold – but was referring to chalets at the bottom of the hill - Frank has had a meeting with Urso and he is surveying - a major portion was completed, but still need draft plan completed to move ahead
- Q. Sent in list of questions two weeks ago, can we go through those?
A. Financial questions will have to wait
- Q. Justus, What are your qualifications for managing a resort?
A. No management qualifications – I am a board member, not a manager.
- Q. Previous board members resigned, why?
A. Ability to move through overbearing stress – ex board members went through tremendous amount of stress due to financial – they wanted to resign and were able to move forward – it was there choice
- Q. Any previous board member who may want to answer that?

Our Mission: With quality service, we will promote a healthy, active lifestyle by providing year-round adventure.

Our Vision: Searchmont Resort is a premiere-ranked, regional training & recreation facility with high quality mountain terrain, amenities, events & entertainment as well as open, intimate, down-to-earth people & Canadian hospitality. Searchmont service will reflect cornerstones of excellence, knowledge, respect & fun.

SSAI SPECIAL MEETING
MINUTES
Saturday, March 21, 2015
Searchmont Resort
2:00 p.m.

A. It was a strategic move. The hill had to open and we made the board size smaller and six resigned of our own will - in order to move forward quicker, made board smaller in order for the hill to open

Q. Mr. Suda resigned, but we heard he was fired? Why was he let go?

A. One of the previous owners of the hill recommended Paul. Paul was an expense and also Chris – we had extensive talks on how to open the hill, but then agreed it was in the best interest of the resort that Paul resign and that we had within our own base of staff, Chris and outside management could be handled by that group – cost saving decision and saved the hill a significant amount of money

Q. Given the amount of managers that were hired and now gone, will that be difficult to retain people in future?

A. I don't think so. We need to look at other tourist operations in the Sault that are slow in the winter and would like to have one very strong GM to pay a good wage to.

Q. Would like to join the Environmental Committee - Matthew Beaumont
matthewbeaumont.7@gmail.com

A. The Board would like some committees, because this is a community hill

Q. Is there an end result with purchase of the hill?

A. At this point EDC does not have hill up for sale. Why SSAI was incorporated was to find a long term private sector operator and as interim have it run by SSAI. Capital requirements, such as hill upgrades, snowmaking, etc, if we can raise it in public sector by all means, hope that by fall we have clear direction and lines as to where the hill will be in 17/18. Currently not for sale.

Q. It was on CTV – that the hill is for sale?

A. Not sure what the EDC has said, but the hill is not for sale. Long term goals have to be thought through by the fall of this year

Q. It appears that the end result would be Destination North buy the hill from EDC. Is that the goal?

A. Destination North is a not for profit, it is there to run Entomica, farmers market, borealis component, first nations, for 12 years SSM has strived to have something like Sudbury. Operational efficiencies by using Destination North and reaching out to Bushplane and other tourist attraction – that's the concept behind Destination North. So who owns the hill is part of a plan that needs to be developed

Q. Ultimately your vision could be thrown out the window if somebody else bought the hill? Is the exit strategy to go to one of your/Justus corporations?

A. Currently difficult to find a developer. Is Riversedge interested, currently no. The hill is going to lose money again this year.

Q. Understand the FedNor, NOHFC deadline has been extended. Didn't we need a donation?

A. Legally it is the owner of the asset that has to make the application. Document has been signed by EDC. Some capital put in by EDC has been used to claim money for immediate repairs to roof and lifts. Now it is time again to plan and figure out what should we do with the quad or the double. What further work needs to be done. It is a percentage of money spent, so money will have to be injected to capitalize on the funding.

Our Mission: *With quality service, we will promote a healthy, active lifestyle by providing year-round adventure.*

Our Vision: *Searchmont Resort is a premiere-ranked, regional training & recreation facility with high quality mountain terrain, amenities, events & entertainment as well as open, intimate, down-to-earth people & Canadian hospitality. Searchmont service will reflect cornerstones of excellence, knowledge, respect & fun.*

SSAI SPECIAL MEETING
MINUTES
Saturday, March 21, 2015
Searchmont Resort
2:00 p.m.

Q. Pricing? Who sets the season prices, mountain member, etc., who sets the prices and changes them so often? Sending very mixed messages.

A. Would suggest if a two year membership has been bought then it should be honoured. Chris G. presented to the board pricing of nine similar hills with similar attributes and suggested pricing that would put us at a competitive price as other hills and add to the revenue. We need more revenue so to continue to charge \$25 is not reasonable. Chris Greensted: Consulted with staff and have price comparisons with other resorts.

A. To answer the college question: In return, the college has an operation machinist program and together with DSAP, hope to do a training program here in April, May, June, so we get equipment for free from the college to use, we get a tremendous amount of value, \$200,000 worth of free hill remediation and so the benefit of that, plus the benefit of having a young, vibrant ski community, plus retaining and attracting people coming to our community, overall benefit of getting students to come to Sault College is worth the investment of the difference. Sold 680 passes to Sault College students and I don't think we had that many students here.

Q. Will we see the benefit by next season?

A. Yes. Leo: Signed a ten year agreement.

Q. Will this be extended to Algoma University or Lake State?

A. A different arrangement was made with Algoma University, will look at Lake State

Q. Why did the pricing change for kids under ten? Have heard that people are going to go to Boyne because they have more to offer and kids 12 and under ski for free.

A. Boyne five and under are free, Nubbs 8 and under are free. Pricing was based on other resorts

Q. If you're trying to encourage the sport, we need Landslide and pricing needs to be lower across the board but everyone pays.

A. Board members are open to any and all suggestions on how to increase revenue at the hill.

Q. Congratulations for letting your names stand. You have a very large task ahead of you. We now need to make the visit to all skiers much more memorable. In the short term what can we do? We need to celebrate that education tourism is the way. Need to celebrate the history of Searchmont. Need to see the bare walls covered celebrating the history of Searchmont, timber industry, ACR, skiers, tell their stories and celebrate them and that makes the place more memorable experience.

A. Thank you, Frank O'Connor.

Q. The hill came close to not opening this season. What would have happened to ski pass sales?

A. We now have a trust account set up and all of those dollars are put in that account and a refund would be available if necessary.

Q. Bobby T. The rates are reasonable – get a grip people.

Q. What's happening with the Quad?

A. To move the quad is cost prohibitive. To fix it is \$250,000. That is discussion for this spring.

Q. Regarding ten and under lift ticket – condition was with a full paying adult – this has been an administrative nightmare to keep track of and kids have been skiing for free without a paying adult.

Our Mission: *With quality service, we will promote a healthy, active lifestyle by providing year-round adventure.*

Our Vision: *Searchmont Resort is a premiere-ranked, regional training & recreation facility with high quality mountain terrain, amenities, events & entertainment as well as open, intimate, down-to-earth people & Canadian hospitality. Searchmont service will reflect cornerstones of excellence, knowledge, respect & fun.*

**SSAI SPECIAL MEETING
MINUTES
Saturday, March 21, 2015
Searchmont Resort
2:00 p.m.**

Q. Can the pricing schedule for the early bird pricing be extended from March 31st, because it is a very short window to buy at the early bird price? And when asked about what the day pricing is for next year, the answer was “I don’t know.”

A. Please forward this concern and it will be looked at.

Q. When is last day of skiing?

A. Last day of skiing is March 29th, and if we think we should extend by a week or two due to conditions, will advise.

Q. Would like to congratulate the outgoing board and commend the incoming board.

Adjournment: 4:00 p.m.

MOTION TO ADJOURN

Carried

Our Mission: *With quality service, we will promote a healthy, active lifestyle by providing year-round adventure.*

Our Vision: *Searchmont Resort is a premiere-ranked, regional training & recreation facility with high quality mountain terrain, amenities, events & entertainment as well as open, intimate, down-to-earth people & Canadian hospitality. Searchmont service will reflect cornerstones of excellence, knowledge, respect & fun.*