



October 24, 2024

Via email: [sfowler@cityofarmstrong.bc.ca](mailto:sfowler@cityofarmstrong.bc.ca)

Ms. Shirley Fowler, RDNO Board Chair  
Regional District of North Okanagan  
9848 Aberdeen Road  
Coldstream, BC V1B 2K9

**RE: Silver Star Property Owners Association's Special General Meeting (SGM) to discuss the Silverhawk Purchase Proposal**

Dear Shirley,

Since the recent Silver Star Property Owners (SSPOA) SGM in September, it has been an exceptionally busy period for many of our Board directors and while we have been happy to provide a copy of the amended motion to Director Amanda Shatzko, I think it is important to set out the SSPOA Board's position which is wholly consistent with the motion.

Firstly, we appreciate that both David Sewell and Amanda Shatzko attended the SGM and were able to speak directly with the audience to provide clarity and largely confirm that the information presented by the SSPOA was accurate.

To quote the opening comments at the SGM of Ross Foden (SSPOA VP):

"To be crystal clear and to remove any doubt, the SSPOA still supports the move of Silverhawk from an unregulated monopoly provider to being owned and operated by the RDNO."

That remains the SSPOA's position. However, we think it is appropriate to provide some broader guidance so that time and effort is focused on achieving a satisfactory outcome.

Firstly, the \$4 million deal that was presented at the RDNO by the SSPOA in July was a suggested way forward to break the apparent deadlock involving nonmonetary considerations that were an impediment to a deal. The RDNO have chosen not to pursue this opportunity, and we now consider that this line of negotiation has no further part to play.

It is clear that the RDNO sees no opportunity for any of the stakeholders in the community to contribute in any way to the 'buy side' of the deal (the purchase of Silverhawk) and the SSPOA will be guided accordingly. Should that view change, the SSPOA stands willing and able to contribute in any way that would provide momentum to getting an acceptable deal completed. While we can't speak on behalf of other stakeholders, we are sure that they are of the same view.

Secondly, our focus remains on the 'sell side' of the deal; primarily, how any purchase will be financed and what the impact will be on what rate payers' sewage bills may need to change by. It is paramount that costs to the community are made clear. It certainly provided clarity for our members to hear from David Sewell that the deal could not be completed on the basis outlined in the AAP documentation.

The motion that was passed at the SGM with 94% support was:

*"We move that the Regional District of North Okanagan is advised that no purchase of the Silverhawk sewage utility that serves the community should be entered into without full disclosure of the impact, as far as the deal confidentiality allows, that any such transaction may have on sewage charges levied on the community.*

*The community has relied on the public verbal statements made by the elected representative for Area C and the Chief Administration Officer at open community meetings where it was widely understood that no increase in charges, or a change in the way that the cost of sewage services is calculated, would be anticipated to complete any purchase and bring the utility into public ownership."*

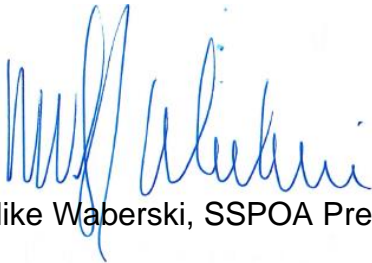
We have posted a full recording of the Special Genal Meeting on the SSPOA Website:

<https://sspoa.ca/sspoa-special-general-meeting-recording/>

There are many possibilities as to who and by how much any changes to fixed fees are likely to impact and as such, the SSPOA is unable to take a position as to how equitable or otherwise any changes may be until any such changes are disclosed by the RDNO.

We hope that you find the foregoing useful and as committed to by David at the SGM, we look forward to reviewing the revised funding requirement and any associated changes to sewage fees that this may entail prior to any final binding decisions being made by the RDNO Board.

On behalf of the SSPOA Board of Directors  
Yours sincerely



Mike Waberski, SSPOA President

Copy:

- Amanda Shatzko, RDNO Director [amanda.shatzko@rdno.ca](mailto:amanda.shatzko@rdno.ca)
- David Sewell RDNO CAO [david.sewell@rdno.ca](mailto:david.sewell@rdno.ca)
- Herwig Demschar - General Manager, Silver Star Mountain Resort
- Brad Baker - Director of Operations, Silver Star Mountain Resort
- Ken Derpak - Representative, JNC Ltd
- Board Directors - Silver Star Property Owners Association.