

**CLASSICO
STRATA PLAN BCS 460**

**STRATA COUNCIL MEETING MINUTES
TUESDAY, JUNE 26, 2018, 5:30 PM**

COUNCIL PRESENT: Roman Piechocki President/Treasurer
Peter van Diepen Vice-President
Ken Sopko
Mark Deppel
Lawrence Keenan
Irfaan Hafeez

COUNCIL REGRETS: Mike Jobani Commercial

MANAGEMENT PRESENT: None

1) **CALL TO ORDER**

The meeting was called to order at 5:35 p.m.

2) **COUNCIL HEARING**

An Owner attended the Council meeting and presented the Civil Resolution Tribunal Dispute Notice related to the insurance flood deductible assessed by the Strata Corporation against their unit. The Council will respond to the CRT's Notice within the prescribed 14 days deadline.

3) **ADOPTION OF PREVIOUS COUNCIL MEETING MINUTES**

It was:

MOVED/SECONDED

To approve the Minutes of the May 22, 2018 Council Meeting, as presented.

CARRIED

4) **FINANCE**

a) **Financial Statements**

The Treasurer reported on the Financial Statements for May 2018 before and at the meeting.

It was:

MOVED/SECONDED

To approve the Financial Statements for May 2018, as presented.

CARRIED

b) **Account Balances**

The current account balances for the appropriate funds are as follows:

Strata Corporation Total:

- Operating Cash balance as of May 31, 2018: **\$115,352.00**
- CRF balance as of May 31, 2018: **\$1,470,767.00**

c) **Arrears**

The list of accounts in arrears was not provided by Pacific Quorum. The Council will review it at the next Council meeting. Please note the following bylaws, which will be enforced by the Council for late Strata fee payments:

BYLAW REMINDER

R.2.2 *All Strata fees are due and payable no later than the first business day of each calendar month. Fees received later than the appointed time will be subject to a fine of \$50 per month for each and every month that payment is late, to be levied by the Strata Management Company.*

Please be cognizant of the following procedures for overdue Strata fee recovery:

PROCEDURES FOR OVERDUE STRATA FEES

1. Strata fees are due and payable on 1st of each month.
2. The Council directs the Property Manager to automatically mail a warning letter on the 3rd of the month if the Strata fees are not paid. The letter will include information regarding fines and interest charges, and will give the Owner the opportunity for a hearing.
3. At each Council Meeting, the Council directs the Property Manager to bring a current list of Account Receivables, with all collection action taken to date.
4. At the first month overdue, the Council directs the Property Manager to mail the “soft” lien letter, unless payment is received by the due date on the warning letter. The “soft” lien letter will also include information about fines and interest charges, and again give the Owner an opportunity for a hearing.
5. At the second month overdue, after the warning and “soft” lien letters have been mailed, the Council will direct the Property Manager to mail the “hard” lien letter if the account has not been paid by the due date. In addition, the Council will approve the fine and interest charges.
6. At the third month overdue, after the warning, “soft”, and “hard” lien letters have been sent, and fines and interest charges have been applied, the Council approves registering the lien and applying another fine and interest charges.
7. At the meeting after the lien has been filed, the Council approves starting legal proceedings, and applies another fine and additional interest charges.

d) CRA - Payroll Fine

Pacific Quorum Properties Ltd. (PQ) did not confirm remittance of the fine to CRA as requested by the Council. Neither did they confirm in writing that they would cover the costs of remittance if any of their actions contributed to the costs being assessed. PQ did not provide copies of their correspondence with CRA, as requested by the Council.

e) Invoices from Contractors and Service Providers

There is a delay in payment of some invoices by the Strata Corporation resulting from Pacific Quorum refusal to process them through the bank. The Council apologized to the contractors for these disturbing developments assuring payments as soon the new property management service is effectively established.

f) Contingency Reserve Fund (CRF) Projects

The Council reviewed potential major projects expected to be funded from the CRF. Their final list will be presented for the Owners approval at AGM in October 2018.

g) Financial Audit - Year Ending August 2018

The Council decided to audit financial statements as of August 31, 2018. The new property management company will be requested to contact Don Guthrie, CPA, CA to provide a quote. This company performed the Strata audits in 2012 and 2015.

h) Budgets 2018/2019

The treasurer reported development of the first draft of the next fiscal year budgets. Their final version will be presented for the Owners approval at AGM in October 2018.

5) BUSINESS ARISING

a) Flood Damage – Deductible Charge

Following the above mentioned hearing, the Council discussed an assessment of the deductible against the strata lot Owner and decided to respond to the Civil Resolution Tribunal Dispute Notice within the 14 day prescribed deadline. An administrative and or/legal assistance will be sought if required.

b) Change of Property Management Service

From about mid December 2017, Pacific Quorum's quality of property management services rapidly deteriorated. The Council made efforts to remedy it by addressing the deficiencies directly

with the Property Manager and by correspondence with PQ management. Regrettably, to no avail. Since the end of February 2018, our building was managed by three different property managers operating without a proper transfer of their duties between them. Consequently, overburdened by a number of issues required to be handled by the Council itself, on May 22, 2018, in line with the provision of the Agreement, the Council served Pacific Quorum Properties Ltd. with a two month service termination notice. As reported in the May 22, 2018 Council meeting minutes, the Council decided that Classico would be served more effectively by a smaller organization. Following the review of a number of potential service providers, the Council decided to engage KORECKI Real Estate Service Inc. in managing the Classico in the future. Also, the Council proposed to accelerate the termination of the Agreement with PQ by one month, ending it effectively on June 30, 2018. PQ accepted this proposal.

Unfortunately, on June 8, 2018, PQ decided to cease their services to Classico as of June 11, 2018.

The Council considered this PQ action as hostile and filed a complaint with the Real Estate Council of BC, a governing body of PQ. Their final response to it is still pending.

PQ abruptly stopped responding to Owners', Residents' and Council members' correspondence, and selectively stopped paying the Strata Corporation invoices.

The Council made every effort to minimize the negative impact of the PQ unprofessional action, including payments for some, long outstanding invoices from the Council's member personal account.

Finally, the Council decided to expedite property management services by KORECKI Real Estate Services as of June 26, 2018 and is looking forward for a better service to Classico in the days ahead. The Council will be meeting with the new Property Manager within about a week to address the most burning and immediate issues affecting Classico's operation.

c) **Tower Lobby – Renovation - Update**

The phase of substantial completion of the lobby renovation has been accomplished on June 8, 2018. The Council approved a payment of \$48,122 to RodRozen Designs for this part; in total, \$216,548 was paid to date. Unfortunately, the last invoice payment was held up by PQ withdrawal of service. There is still a \$24,061 holdback for 45 days. The Council is presently compiling a list of deficiencies to be presented to the designer.

d) **Lobby Glass Door - Damage and Repairs**

As reported in the last minutes, one side of the lobby glass door was totally shattered by a resident. The Council approved Accurate Glass quote in the amount of \$2,983 plus GST for the replacement of the door. The door delivery and installation is expected soon.

e) **Roof Anchors Inspection - Annual**

On May 29, 2018, SCS Material Engineering inspected the roof anchors and granted their operational certification.

f) **Building Exterior Painting**

The project started on June 4, 2018; it is still in progress and is expected to be completed within the next two weeks.

g) **Water leak - Level 38 - Common Area**

Following an extensive investigation, the origin of the leak has been determined to be in the water distribution shaft on the 38th floor. The leak from a common hot water line has been repaired by Malburg Pump & Boiler. The Council approved Glory Carpet quote for repairs of the damaged drywall in the amount of \$2,100.00 plus GST. Since the cost of damages were lower than the Strata water damage insurance deductible, the Owners of units affected by this leak have been advised of their responsibility to repair any damages in their suites.

- h) **Planters Repairs - Roof TH-1**
Craine Projects Ltd completed all repairs at this location.
- i) **Planter Drain and Irrigation Failures – Terrace Level 2**
The planter was excavated by Craine Projects Ltd. After review of two quotes for repairs of the irrigation lines in this location, the Council awarded a contract for the repairs to Cornel Berceanu in the amount of \$875.00 including GST. It has been completed on June 23rd; the irrigation at this level is back in service. The Craine Projects will attend rebuilding of the planter.
- j) **Planters - Roof TH 2 to 10**
There is ample evidence that nearly 15 years after commissioning the building, planter membranes begin to deteriorate, resulting in expensive repairs from water leaks. Following emergency repairs and renewal of membranes in TH-1 planters, the Council is soliciting quotations for preventative renewal of the remaining planters located in townhouses 2 to 10. This project will be presented for the Owners approval at the next AGM.
- k) **Washing Machine Drain Raiser Cleaning**
Following cleaning of the riser in four units on floors 15, 12, 7 and 6 by Montalbano Plumbing, the Council approved a quote from Glory Carpet in the amount of \$3,200.00 plus GST to repair drywall in these units.
- l) **Annual Fire Inspection – Second Round - Deficiency - Repairs**
The second round of the fire inspection in ten (10) missed out units was completed on Wednesday, April 25, 2018. One unit has not provided access. A letter was sent to the missing unit requesting to arrange the inspection at the Owner's cost and provide a proof of its completion by May 30, 2018. The Owner failed to provide a proof of the inspection; the Council approved to fine the Owner again in the amount of \$200.00.
- m) **Dryer Vents & Windows Cleaning – Pacific Heights**
This work has been scheduled for July 9 - 20, 2018. The advanced notice has been posted on the Classico website and in the building.
- n) **631 Jervis St. (TH-7) – Mould, Condensation, Potential Moisture Damage – Repairs**
All outstanding repairs were completed by Glory Carpet.
- o) **Strata Bylaws – Proposed Updates**
The Council advised that this was in progress.
- p) **Privacy Policy Revision**
The Council advised that the draft of the privacy policy revision is in progress.
- q) **CRF Study/Depreciation Report**
The Council solicited two proposals for this project. Morrison Hershfield Engineers quoted it at \$14,100 plus GST; BC Building Science quoted it at \$9,240 plus GST. This project will be presented for the Owners approval at AGM in October 2018.
- r) **Roofs and Patios Membranes - 2016 Roof Inspection Report**
Quotations are in progress for interim repairs as recommended in the inspection report.
- s) **Swimming Pool - Saline vs. Chlorine systems**
The Council continues reviewing the pros and cons of these systems. The cost of replacing the chlorine system with saline system is estimated at about \$20,000. The Council is committed to reach a decision by August 2018 on how to address the existing system deficiencies in the most effective way.
- p) **City of Vancouver - Back Lane Concerns**
Following complaints from the Owners and a directive from the Council, the PQ Property Manager reported in April that a letter had been sent to the City of Vancouver outlining concerns related to

the back lane traffic and parking. The Council determined that this letter had never been sent. The Council will draft a letter to the City immediately and direct the new Property Manager to forward it to the City.

q) **Window Repair**

The inner pane of one of the windows in a unit on the 33rd floor suddenly burst into small pieces. Accurate Glass was arranged to replace the window.

r) **Glass Patio Door Replacement**

Accurate Glass replaced the defective glass patio door in a unit on 37th floor.

s) **Commercial Section Drains Identification**

Malburg Pump & Boiler completed the project.

t) **Elevator Mechanical Room - Tower - Ventilation Upgrade**

Malburg Pump & Boiler completed modification of the exhaust fan resulting in its more efficient operation. The contractor was directed to install the air temperature recording device in this location.

u) **AGM 2017 - Outstanding Issues**

The Council reviewed and decided on two issues outstanding from AGM 2017:

1. **Council Size Increase - Bylaw Amendment**

The Council decided not to amend the strata bylaw to increase the Council size. The main reason cited is the difficulty in ascertaining the Council meetings quorum. The current bylaw remains in force:

S.6.1 The council must have at least 3 and not more than 7 members, and at least one of its members will be a representative of the Commercial Section and at least one of its members will be a representative of the Residential Section.

2. **Parkade Gates - Upgrade with Remote Control**

The Council decided not to upgrade the parkade gates opening system at this time citing limited demand for it and relatively high cost of required modifications.

v) **Air Conditioning (A/C) Equipment Maintenance - Units on Floors 33 - 38**

All strata lot units on floors 33 - 38 received a reminder notice advising about their responsibilities for maintenance and operation of their A/C equipment.

w) **Arrears in Fines**

Following failures of the unit Owner to respond and to appear at the Council meeting, the Council decided to seek assistance of the new Property Manager in filing the application to the Civil Resolution Tribunal to enforce payment of significant amount of fines for violation of bylaws and rules accumulated by this unit.

6) **BYLAWS AND RULES VIOLATIONS**

Strata Council has made the following decisions:

a) **Pets bylaw violation**

Two violation letters were mailed to one Owner and an aggregate fine of \$200.00 was levied to the Owner's account.

b) **Use of Property bylaw violation**

Violation letters were mailed to three Owners and a fine of \$200.00 each was levied to their strata lot accounts.

c) **Pool/hot tub rule violations**

The Council did not accept the Owner's claim and a fine of \$50.00 was levied to the Owner's account.

d) **Parking bylaw violation**

Violation letters were mailed to three Owners and a fine of \$200.00 each was levied to two strata lot accounts.

7) **CORRESPONDENCE FROM OWNERS**

- a) Correspondence has been received from an Owner regarding failure to provide Form K. The Council accepted their clarification.
- b) Correspondence has been received from an Owner regarding removal of trees from their planters. The Council member offered to contact the Owner personally and explain the rationale of the Council's decision.
- c) An application for renovating the kitchen has been received from an Owner. The Council approved it.
- d) Correspondence has been received from an Owner requesting Strata Corporation to confirm legitimacy of flooring replacement in 2011. Due to inconsistencies of the Owner's statements, the Council declined to provide it.
- e) Correspondence has been received from an Owner clarifying the circumstances of parking bylaw violation, including confirmation of immediate action once the violation was brought to their attention. The Council accepted their clarification.
- f) A written complaint has been received from an Owner against another unit claiming smoking bylaw violation. After verification of the claim, the Council decided to send a bylaw violation letter to the violating Owner.
- g) Correspondence has been received from a Commercial Section Owner requesting approval of amendments to the previously approved by the Council renovations. Although in fact, the original application was approved by the Council, but only in principle and subject to receiving additional clarifications related to installations affecting common areas. The Council did not approve any new renovation modifications and reiterated the request for providing required outstanding clarifications.
- h) Correspondence has been received from an Owner regarding Rule No. 3 - Pool/hot tub violation. The Council did not accept the Owner's claim.

Attention Owners

Owners are invited to write to the Council via the Management Company, Pacific Quorum Properties, regarding any Strata related matters.

8) **NEW BUSINESS**

a) **Hot Waterline Leak - Unit on 6th floor**

Following a report from an Owner, it was determined that a common hot waterline leaked. The leak was repaired by Malburg Pump & Boiler. The repairs to a cutout in drywall required to access the leaking line was quoted by Glory Carpet at \$800.00. The Council approved it.

b) **Carpets Cleaning - Common Areas**

The Council approved MAXIMA Cleaning quote for common areas carpets cleaning in the amount of \$1,480.00 plus GST. The cleaning was completed on June 23, 2018.

c) **City of Vancouver Recycling Policies - Enforcement and Fines**

The Owners and Residents are reminded about the City strict rules related to the disposal of recyclable materials. The Strata Corporation has been recently fined in the amount of \$77.00 for

contamination of regular garbage with organic materials. A reminder notice to residents about disposal of recyclable materials will be reposted in the building.

e) **Annual Emergency Generator Test**

The Property Manager will be directed to schedule the test with Finning for August 2018.

f) **Annual Parkade Gas Monitoring System Test**

The Property Manager will be directed to schedule the test with Global Gas Detection for August/September 2018.

g) **Gas Smell Reports - Back Lane Entrance**

The Council received several reports from residents about gas odour near proximity of the gas distribution enclosure at the back lane entrance to the building. The Council notified FORTIS BC about it. They responded confirming testing the area and advised that no gas leaks were detected.

h) **Visitors Parking Registration Desk**

During the lobby renovation, the Visitors Parking registration desk was temporarily relocated to the parkade. Considering the overall appearance of the renovated lobby, the Council decided to maintain the location of this desk in the parkade. The Owners, Residents and Occupants are reminded that visitors parking is not to be occupied by vehicles owned or operated by residents, occupants or commercial section tenants.

9) **ADJOURNMENT**

There being no further business to discuss, the meeting was adjourned at 8:40 p.m.

THE NEXT COUNCIL MEETING DATE IS TO BE DETERMINED

ONLINE ACCESS TO CLASSICO

www.theclassico.ca

Submitted by
Classico Strata Council

Please Note: The Real Estate Regulations may require that a vendor provide purchasers with copies of the Strata Corporation Minutes. Please retain these minutes for your records. Replacement copies will be subject to a cost per page and can be received upon a seven (7) day advance order from the KORECKI Real Estate Services Ltd.