

MINUTES OF COUNCIL MEETING

STRATA PLAN BCS-460

THE CLASSICO

HELD: On Wednesday, September 16, 2009 at 5:30 p.m. in the Library, 1328 West Pender Street, Vancouver, B.C.

PRESENT:

Roman Piechocki	President
Mark Belben	Vice President
Cornel Berceanu	Building Maintenance
Irfaan Hafeez	Website/Admin.
John Shayegan	

REGRETS: Amir Alavi

STRATA AGENT: Alex Korecki, Vancouver Condominium Services Ltd.

The meeting was called to order at 5:40 p.m.

MINUTES

It was moved, seconded and carried to adopt the minutes of the August 11, 2009 council meeting, as circulated.

FINANCIAL REPORT

1. **Monthly Statement:** Roman Piechocki reviewed the August 2009 financial statement with the strata council Mr. Piechocki confirmed that, in general, the financial statements are correct and it was moved, seconded and carried to approve the August 2009 financial statements as presented. Any owner wishing a copy of the strata corporation's financial statements should contact Vancouver Condominium Services Ltd. during regular business hours, 9:00 a.m. to 4:30 p.m., Monday to Friday.
2. **Arrears:** The council continues to be diligent in pursuing owners with outstanding fees and charges on their accounts.

A response was not received from 1368/1372 W. Pender Street (Irashai Restaurant). As owners may be aware from the previous meeting minutes, during the redevelopment of the unit the owner caused damage to the fire protection system which resulted in the strata corporation incurring significant expenses.

3. Audit: Council reviewed a draft audit of the strata corporation's financial statements for the fiscal year ending August 31, 2009 prepared by Felicity Webb. Based on the draft audit, the strata council adjusted the budget figures accordingly.
4. Draft AGM Notice: The council reviewed the draft AGM notice for the upcoming Annual General Meeting, scheduled for Wednesday, October 21, 2009. Council will be proposing a budget with no increase in strata fees, and two $\frac{3}{4}$ vote resolutions dealing with the building repainting and a bylaw amendment.

BUSINESS ARISING

1. Five Year Warranty Items: The developer, Mondial Developments, continues to deal with outstanding five-year warranty items. The council also discussed warranty issues pertaining to the commercial use areas of the building. As discussed in the previous meeting minutes, Travellers Guarantee Company of Canada has denied coverage for the commercial use areas stating that they are excluded from warranty coverage as per section D.1.1 (q) of the building insurance policy. Upon further review of the document this statement was found to be true.

The agent had requested additional information from Travellers Guarantee Company of Canada as to the need to obtain coverage for commercial use areas. Travellers Guarantee noted that, as per the *Homeowners Protection Act* developers are not required to provide warranty coverage for commercial use areas. Upon review of the disclosure statements it was noted that the section for which warranty coverage was denied for, the commercial area roof is classified as common area (area shared by the commercial and the residential section). In addition, the developer had stated that they will obtain insurance coverage for the building as per section 5.2 of the disclosure statements stating *"the developer will obtain coverage with respect to home warranty insurance for strata lots with warranty provided in accordance with the requirements of the Home Owner Protection Act (British Columbia) in respect of the following"* As the developer had made no exclusions the council is of the opinion that full warranty coverage should have been obtained by the developer and, as such, directed the agent to issue a letter to the developer informing them of their responsibilities.

2. Annual Fire Testing: The council is awaiting a response from the four units owners who failed to provide access for annual fire testing.
3. Irashai Sushi Code Compliance: Nikls "One Call" Services has completed the outstanding repairs to the electrical wiring improperly connected and damaged by the restaurant during the redevelopment process. The council received an invoice from Nikls in the amount of \$4,305 and authorized the agent to issue payment for the invoice and, charge back the full amount of the repair work to the sushi restaurant.

4. Booster Pump Replacement: Repairs to the booster pump are still outstanding. To date council has received four quotes:

- Milani \$2,852 plus GST
- Spears Sales & Service \$3,579 plus GST
- Inline Sales \$3,591 plus GST
- Pacific West Plumbing \$4,150 plus GST

Roman Piechocki informed the strata council that, despite numerous meetings with the contractors, a number of quotes had been mis-quoted or had missed areas essential for the repair of the booster pump. As of tonight's meeting the council was expecting a revised quote from Milani Plumbing and Heating which was to address all areas of concern. Once this quote is received a decision will be made.

The council then discussed an invoice from Spears Sales & Service Ltd in the amount of \$1,008.14. It was noted that this amount was invoiced to the strata corporation for the time spent by Spears quoting on the booster pump repairs. Spears had stated to the agent that they would retract this invoice should the strata corporation choose to proceed with their quoted repair. After discussion it was moved, seconded and carried to defer payment of the invoice until further notice.

5. Air Conditioner Leak: As discussed in the previous meeting minutes, there was a recent incident whereby an A/C unit froze in a tower suite due to improper maintenance by the owner. This resulted in extensive damage to the owner's strata lot. The council has taken a position that this damage was caused due to the owner neglecting to maintain their AC unit and all resulting costs of this incident should be borne solely by the owner. The council backed this position with a statement from the July 5, 2007 meeting minutes, which reads:

"..All A/C units are individual appliances each serving only one suite, and are the property of the owners of the suites. Therefore, their maintenance and repairs are also the responsibility of the owners. Consequently, all owners of the suites equipped with A/C units are hereby advised that they are responsible for the call-in service of their choice to repair the A/C unit, in the event of failure, to the owner's account, and that any associated damage (e.g. flooding of their suites) will also be their financial responsibility."

Since the last council meeting the owner of the unit approached the strata corporation's insurance company directly and filed a claim under the strata corporation's insurance policy. All issues pertaining to this incident are being dealt with between the unit owner and the strata corporation's insurance company. This incident is not expected to affect the strata corporation's overall financial situation as the insurance deductible will be recovered through the unit owner's home insurance policy.

5. Carbon Monoxide and Propane Sensor Testing: The sensor testing was completed by Global Gas Detection on August 28, 2009 at a price of \$1,092. Global Gas has been able to calibrate all sensors and did not require replacement of any units as recommended by Critical Environmental Technologies.

CORRESPONDENCE

Owners are invited to write council via the management company regarding any strata matters.

1. Council received a letter from a representative of the owner in the building who had suffered a spinal cord injury. The representative had requested from the council permission to install a door opening device on their unit's front door as well as permission for the owner to request assistance from the concierge staff to gain access to the building lobby and use the elevator. The council agreed with the request in principle noting that the concierge will be able to provide assistance to owners; however, the owner must be aware that the concierge has other duties and may not be available to provide immediate assistance. As for the door-opening device, the council agreed with the request in principle subject to the owner ensuring that the door is returned back to its original condition should the suite be sold.
2. Council reviewed the letter from an owner requesting approval to install porcelain tiles on their balcony. The council noted that installation of any tiles may compromise the balcony membrane. As such the request was denied.
3. Council received a letter from an owner expressing concerns over their neighbour's behaviour including loud yelling and throwing lit cigarette butts on to their balcony. The council directed the agent to issue a warning letter to the responsible party.

NEW BUSINESS

1. Emergency Generator Testing: The annual generator maintenance service was completed by Finning on August 9, 2009 at the price of \$1,611.47. No issues with the generator were reported.
2. Milani Repair Recommendations: Council reviewed the Milani repair recommendations dated August 27, 2009 recommending various repairs totalling \$4,148. Prior to the council meeting Roman Piechocki and Cornel Berceanu reviewed the recommendations in detail and noted that no action was required, stating that the building staff had already addressed the items.
3. Salt Water Pool Conversion: During the 2007 fiscal period the council had discussed converting the pool to a salt water system as some residents had complained that the chemicals in the pool (chlorine, etc.) are irritating their skin and eyes. The issue had been investigated; however, the council decided not to proceed with the project. Recently the issue was once again brought to the council's attention by a resident who had requested that a $\frac{3}{4}$ vote resolution be placed on the agenda for the upcoming Annual General Meeting. Due to the time constraints the council has rejected the request. A brief discussion may be held at the upcoming Annual General Meeting under New Business regarding the abovementioned

issue to get a general feel from the owners as to whether or not there is any interest in proceeding with this project.

4. Privacy Guidelines: Council reviewed the newly released privacy guidelines pertaining to strata corporations and will augment the existing building policies.
5. Gas Leak: Council received a letter from Terasen Gas dated Tuesday, September 1, 2009 regarding a small gas leak along the back alley of the complex. Terasen Gas had noted, "The size and nature of this leak is minor." Mr. Piechocki gave council a brief overview of previous discussions that took place relating to the gas leaks along the back alley section. It was noted that originally four gas leaks had been detected. Two of the leaks were repaired during the building boiler replacement and two are still outstanding as per the Terasen Report. As the logistics of shutting down the gas lines are very difficult, the plan is to have the minor leaks repaired when a shut down is required for other work within the building.
6. Front Lobby Upstands: Council reviewed and approved a quote from Glory Carpet in the amount of \$2,900 including taxes to tile the fountain retaining walls along the front building lobby. It was noted that paint on these walls is continuously scuffed and that the tiles would improve the overall appearance of the area. Glory Carpet will be approached to provide tile samples prior to proceeding with the work.
7. Building Appraisal: Suncorp Valuations has provided an update to their appraisal of the building. The building value has been reduced from \$80,650,200 to \$71,937,300. This information has been forwarded to the strata corporation's insurance company in order to update the insurance values.

There being no further business, the meeting was adjourned at 7:20 p.m. The next meeting will be an Annual General Meeting and has been scheduled for October 21, 2009 at 6:00 p.m.

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AK/md

ARE YOU RENTING YOUR STRATA LOT?

If so, here is a bulletin you should read. The following is a true story – you will find it interesting and valuable as a non-resident owner.

One Saturday morning, our office received a telephone call on our emergency line that there was a water leak in a building we manage so we dispatched a restoration contractor to mop up the water. The contractor had to access several strata lots to get the job done, and, at one unit, no one answered the door and a locksmith was called to “pick the lock”. Once open, the restoration contractor stepped inside and, to his horror – a fully equipped meth lab.

The police and fire departments were called and the building had to be evacuated. The fire department’s HAZMAT team gingerly dismantled the meth lab. The City then advised that the strata lot could no longer be occupied and, further, the entire strata lot has to now be “deconstructed” and rebuilt. The owner of the strata lot will be facing a cost estimated at about \$100,000 to reimburse the City and to reconstruct. On top of this will be fines from the strata corporation and other legal consequences.

The non-resident owner was in shock to learn all this. It turns out that little was known about the tenant other than he had paid cash for his monthly rent payments and security deposit.

No doubt the vast number of renters in strata corporations are properly screened by non-resident owners such as yourself, or their agents, and in reality there are likely only a few bad apples. Nevertheless, let this true episode serve as a huge heads-up to you (and your rental agent if applicable) that renting your apartment involves a lot more than merely collecting the monthly rent.

You ought to be aware also that most strata corporation insurance policies are now imposing huge deductibles (\$50,000 in some cases) for damages arising from illegal operations. In some policies, the coverage is denied altogether. You can be sure that your strata council is not going to step up to the plate and have the strata corporation pick up the tab if your strata lot is one of these bad apples. Also, be aware of a very significant court case recently heard in the Supreme Court of British Columbia involving insurance claims. The essence of this case is that if an occupant of a strata lot is responsible for the cause of an incident and the insurance of the strata corporation has a deductible, the owner is responsible for paying the deductible. That would be you if your tenant is the culprit for some incident.

Accordingly, we urge you to properly screen your tenants, obtain background and reference checks, and, make frequent inspections of your rental premises. Collecting the rent is the least of your worries given the above facts