

MINUTES OF COUNCIL MEETING

STRATA PLAN BCS-460

THE CLASSICO

HELD On Wednesday, May 26, 2010 at 5:30 p.m. in Unit 3601,
1328 West Pender Street, Vancouver, B.C.

PRESENT Roman Piechocki President/Treasurer
Peter Van Diepen
Mark Latham

REGRETS Mark Belben Vice President
Paul McGeachie

STRATA AGENT Alex Korecki, Vancouver Condominium Services Ltd.

The meeting was called to order at 5:30 p.m.

MINUTES

It was moved, seconded and carried to adopt the minutes of April 8, 2010 council meeting, as circulated.

FINANCIAL REPORT

1. **Monthly Statement:** It was moved, seconded and carried to adopt the March and April 2010 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. **Account Balances:** The current balances for the 8th month as at April 30, 2010 in the appropriate funds are as follows:
 - Total Cash Balance \$ 502,896 (including CRF Balance)
 - CRF Balance \$ 331,973 (Contingency Reserve Fund)
3. **Arrears:** The council and strata agent continue to be diligent in pursuing owners with outstanding fees and charge-backs against their accounts.

4. LIWP Investments Ltd.: Acting on behalf of the strata corporation, The Access Law Group has issued a demand letter to the owners as a result of their failure to pay outstanding chargebacks on their accounts totalling \$7,226.08 (\$6,995.32 for unit #1368 and \$230.76 for unit #1372).

LIWP Investments Ltd. were given until May 28, 2010 to submit a certified cheque, bank draft or money order in the amount of the demand letter. The agent was directed to commence legal proceedings should a payment not be received by the deadline.

5. Advance Claims Invoice: On November 30, 2007, the building suffered a flood, which was determined to have been caused by a pinched fridge water supply line, which is an in-suite issue. At the time of the loss, the council hired an independent adjuster, Terry McCarthy of Advance Claims Services Ltd. As of January 27, 2010, the claim was closed and the council authorized payment of the final invoice in the amount of \$535.74.
6. Air Conditioner Leak – Insurance Deductible: As discussed in the August 2009 council meeting minutes, "New Business item #2" and the September 2009 council meeting minutes, "Business Arising item #5", there was an incident in the building 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 took the position that this damage was caused due to the owner's negligence to maintain their A/C unit and all resulting costs of this incidence should have been borne solely by the owner. The council reconfirmed its position as stated in the July 5, 2007 meeting minutes, which read:

"..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."

At the time of the loss, the unit owner 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 were to be dealt between the unit owner and the strata's insurer. The incident was not expected to affect the strata corporation's overall financial situation as the insurance deductible was to be recovered through the unit owner's home insurance.

As of May 17, 2010, the council was in receipt of an invoice from Phoenix Restoration Ltd. in the amount of \$10,000 representing the insurance deductible portion of this loss. The council noted that none of the work in this unit had ever been approved by the strata corporation. The agent was directed to forward the invoice to the insurance adjuster responsible for this claim, Fern McCannell of Barnescraig & Associates who is to forward it to the home owner's insurance provider.

BUSINESS ARISING

1. Five Year Warranty Items: The agent forwarded a list of outstanding deficiencies to the developer who claimed they did not have a complete list of outstanding warranty items. No response has been received from the developer.

The agent submitted a claim through Travellers Guarantee Company of Canada advising them of the developer's failure to address the outstanding warranty items.

2. Treadmill Replacement: Life Fitness delivered and installed the new treadmill at the cost of \$4,987.91.
3. Fire Deficiencies/Disconnected Smoke Detectors: Levitt Safety Ltd. is in the process of conducting the six-year fire extinguisher maintenance service at the cost of \$2,404.92. The work is expected to be completed by Friday, May 28th.

The council reviewed an invoice from Mircom Fire & Safety in the amount of \$456 representing costs associated with common area fire equipment testing and reconnecting of five disconnected in-suite smoke detectors. The council agreed to pay this invoice from the strata corporation's account. Owners are reminded that future incidences where smoke alarms are found to be disconnected will result in the owners being charged back for the costs associated with reconnecting the alarms.

4. Dryer Vent Cleaning/Grill Replacement: National Air Technologies completed the interior and exterior dryer vent cleaning and grill replacements. In suite access was not provided to 43 units. Failure to clean dryer vents from the inside may cause fire, affect the efficiency of the dryer, strain the booster fan and increase the probability of booster fan failure. The council would like to bring to the owner's attention, that should leaks arise from the dryer vents and these leaks determined to be in units where interior access was not provided, the strata corporation will not take any responsibility for resulting ceiling repairs.
5. Window Washing: Window washing was completed by Pacific Heights on Friday, May 14th. Pacific Heights will be on site shortly to resolve the outstanding deficiencies.
6. Painting: Alumni Painters Ltd. are in the process of completing exterior building painting at the cost of \$22,755.60 (tax included). A number of omissions were noted in the scope of work, which are being addressed by Alumni.
7. Landscape Improvements: The front landscape improvements have been completed by Green Coast Ground Services at the cost of \$1,929 plus tax.
8. Roof Make-Up Air Unit: Ram Mechanical is in the process of examining the rooftop make-up air units at a cost of \$285 plus tax.

9. Vitodens Boilers: Service of the Vitodens boilers was completed by Ram Mechanical at a cost of \$2,485 plus tax.
10. Unidentified/Unclaimed Bicycles: The council received \$300 for the removal of all unclaimed/unidentified bicycles. The funds have been donated to the Canadian Cancer Society.
11. Gate Violations: On April 30th the council issued letters to approximately 60 units, entitled "Garage Gate Procedures", informing the occupants that between April 15th and 18th, the council randomly monitored vehicles exiting and entering the parkade. The owners were advised that should incidences of this nature arise in the future, fines would be levied.

As of tonight's meeting, the council received reports of one resident blatantly disregarding the garage gate procedures on a regular basis and directed the agent to issue a \$50 fine. Six additional owners were noted as violating garage gate procedures and the agent instructed to issue warning letters.

CORRESPONDENCE

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

1. The council reviewed a letter from an owner expressing concern over excessive noise emanating from the unit below them. The agent was directed to issue a warning letter to the offending party.
2. The council reviewed a letter from a resident expressing concern over inappropriate behaviour of a resident directly above them; more specifically, use of vulgar language and verbal threats. The agent was directed to issue a letter to the owner regarding inappropriate behaviour.
3. The council reviewed a letter from an owner regarding excessive white calcium deposits on their balcony safety glass. Upon further investigation, the calcium deposits were determined to be the result of an owner of the unit above having installed tiles on their balcony without obtaining approval from the strata council. A letter has since been issued to the offending party who has until Thursday, June 24th to remove the tiles.
4. The council reviewed a letter from an owner requesting the reversal of a \$100 fine as a result of failure to submit a Form K. The request was denied.
5. The council reviewed a letter from an owner expressing concern over the Painting Projects scope of work. The issue has since been addressed.

6. The council reviewed a letter from an owner requesting the reversal of a fire inspection late penalty due to a family emergency, replacement of a window with scratches and a log in and password to the strata corporation website.

The council agreed to reverse the fire testing fine; the council agreed to uphold their previous decision as per the July 15, 2009 and August 11, 2009 where the owner was advised that the windows would not be replaced and noted that there is no longer the need to use a log in and password for the website.

NEW BUSINESS

1. Spears Invoice: As discussed in the November 2009 meeting minutes, the council refused to pay two invoices received from Spears Sales & Service Ltd.

- Invoice #019989 \$1,008.14
- Invoice #019693 \$107.13

At the time, the agent issued a letter to Spears Sales & Service Ltd. advising them of council's unwillingness to pay as a result of their misdiagnosis of the equipment and failure to properly quote on the repairs.

The council was in receipt of a letter from Spears Sales & Service demanding payment of the outstanding amount. The agent has since contacted Spears Sales & Service in attempt to arrange a meeting between the council and a representative; however, no response has been received. The agent was directed to issue a letter to Spears requesting a meeting date with the council.

2. Power Raking Terrace Level 2: Green Coast Ground Services completed power raking of terrace level 2 at a cost of \$105.
3. Gate Improvements: Parkade gate improvements have been completed by Nikls One Call at a cost of \$1,470 plus tax. Additional upgrades will be completed by the building staff.
4. Unit #407 Backup: The prior mentioned unit recently experienced a minor sink backup affecting the kitchen and hallway off the unit. Milani Plumbing, Easy Care Restorations and Pacific West Plumbing were dispatched to conduct emergency repairs and close-up. Since the incident, the council has received correspondence from the agent of the unit advising that the carpets in the bedroom and hallway have not been adequately cleaned and that the dishwasher has been damaged by the flood.

The council noted that the dishwasher damage is an in-suite issue and is not the obligation of the strata corporation to repair and maintain. The council is prepared to replace the carpet in the storage room should Easy Care is not able to clean it; however, the stains on the carpet in the corridor leading to the bedroom were in no way caused by the flood and the council was not prepared to pay for the replacement costs.

In addition to the above, the council was forwarded a letter from the previous tenant of the unit who has since moved out. The letter noted that the council should have been aware of potential back-ups in this unit and that the tenant will hold the council responsible for moving costs and damaged supposedly incurred to their computer in the amount of \$5,000 as a result of the flood.

The council, once again, reiterated that moving expenses and damage to the individual contents are not the responsibility of the strata corporation to insure.

The council reviewed correspondence from the owner of the unit noting that he intends to hold the council and the strata corporation fully responsible for the loss of rental income as a result of this incident. The council noted that the strata corporation is not responsible for covering individual loss of rental income and that this is something that should be covered under the individual owner's home insurance policy.

5. Carpet Cleaning: Cleaning Connection completed the carpet cleaning of the building at a cost of \$860 plus GST.
6. TH #4 Damage: The council previously reviewed damage in TH #4 which was believed to be the result of excess moisture accumulation. The building manager was to re-paint and re-seal the areas above the stairwell and monitor them for future damage.

As the building manager was not able to arrange for this work, the agent was directed to contact Nikls One Call Services and arrange for the repairs.

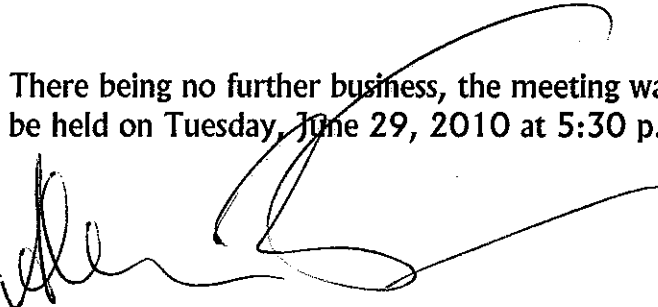
7. Pool Rooftop Gardening: The council expressed special thanks to the resident of unit #503 for volunteering their time to mow the lawn on the pool rooftop.
8. Move in Violations: The council previously issued letters to all owners in the building advising them of the need to pay a \$100 move in fee and submit a Form K every time a tenant moves in regardless whether it is a furnished or unfurnished suite.

Since the letter was issued, a number of units continue to blatantly disregard the need to pay move in fees. A list has been compiled and the agent directed to issue fines to all units that have failed to pay move in fees.

9. Budget Preparation: Council the strata agent have commenced preliminary budget preparations.

10. Bylaw Review: Council has commenced preliminary bylaw review in preparation for the upcoming Annual General Meeting.
11. A/C Refrigerant Line Insulation: Recently a PH unit experienced a leak from the rooftop as a result of deteriorating A/C refrigerant line insulation. The line insulation forms an essential seal on the rooftop and could affect the building envelope. The council agreed to make A/C refrigerant line insulation the responsibility of the strata corporation. A quote for the work has been requested from Pacific West Plumbing & Heating.
12. Pinnacle Parking Stalls: There are approximately 23 stalls, which belong to Pinnacle International. The council directed the agent to issue a letter advising Pinnacle that they could administer the rentals of the stalls on Pinnacle's behalf, subject to the strata corporation keeping 1/3 of all rental fees (approximately \$25 per rented out stall).
13. Condominium Home Owners Association (CHOA) Membership: As discussed previously, council member Roman Piechocki has registered as an associate member with CHOA on behalf of the building at a cost of \$75 per year. The council directed the agent to reimburse Mr. Piechocki \$75 for his expenses for the membership.
14. Building Manager: Having become aware of some work-impacting complications in the Building Manager's personal life, council was reviewing a number of options aimed at arriving at a resolution, which would satisfy all parties concerned. Eventually, acting in the best interests of the strata corporation, council accepted Building Manager's resignation notice from his position. The Building Manager will receive payment through June 15, 2010 plus outstanding vacation pay.

There being no further business, the meeting was adjourned at 8:00 p.m. The next meeting will be held on Tuesday, June 29, 2010 at 5:30 p.m.



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HST AND STRATA FEES

The HST legislation became law on April 30th, and becomes effective July 1st. Do you have to add HST to your monthly strata fee payments? The answer is "NO" if you own a residential strata lot. Continue to make your payments at the same amount as you have been doing in the past. However, note that most items in your strata corporation's budget are subject to HST. This means that your strata corporation's next budget will include an allowance for the additional HST expense which will result in an overall budget to pay for the HST. In other words, you do not have to add 7% to your payments. (The 5% GST is already in the budget). It will be "built into" your strata fees starting with your next strata corporation's budget. In some strata corporations, an allowance has already been factored in. If you own a commercial strata lot, the HST will be an additional payment to make starting July 1st.