

MINUTES OF COUNCIL MEETING
STRATA PLAN LMS-3432
THE PARK

HELD

On Tuesday, March 9 2010 at 6:00 p.m. in Amenities Room,
1723 Alberni Street, Vancouver, B.C.

PRESENT

Teri McEachern	(President)
Ingrid Northwood	(Vice-President)
Rob Gleeson	(Treasurer)
Liz Faulkner	
Shiro Ogawa	

REGRETS

Jon Wang
Mike Fong

GUEST

Nurez Damani Unit 901 (7:30 – 8:00 p.m.)

STRATA AGENT

Bunny Porteous, Vancouver Condominium Services Ltd.

The meeting was called to order at 6:00 p.m.

GUEST BUSINESS

Mr. Nurez Damani, Unit #901 attended the council meeting to outline concerns with the process to proceed with the Domestic Water Pipe System resolution to be presented to the owners at the Special General Meeting on March 11, 2010.

The council thanked Mr. Damani and he departed the meeting at 8:00 p.m.

MINUTES

It was moved, seconded and carried to adopt the minutes of the January 21, 2010 council meeting, as circulated.

FINANCIAL REPORT

1. **Monthly Statement:** Following discussion, the council approved the January and February 2010 financial statement, 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 5th month as at February 28, 2010 in the appropriate funds are as follows:
 - Total Cash Balance \$1,916,617.92 (including CRF Balance)
 - CRF Balance (Apartment) \$ 60,359.21 (Contingency Reserve Fund)
 - CRF Balance (Joint) \$ 129,959.09 (Contingency Reserve Fund)
 - Exterior Maintenance Fund \$2,230,009.30

3. **Arrears:** The agent advised council that liens have been filed against five (5) units for significant outstanding balances on their accounts. Legal proceedings will begin in 30 days if the outstanding balance is not paid in full. Demand letters requesting payment within twenty-one (21) days have been sent to eighteen (18) owners who have yet to submit payment for the special levy passed on November 25, 2009. If payment is not received within twenty-one (21) days a lien will be filed against the strata lot with \$165 lien charge charged to their account; thus, preventing conveyance of the strata lot.

IMPORTANT:

A special levy was passed on November 25, 2009 to complete the townhouse repairs. As a matter of financial convenience, owners may pay their special levy over a period of 12 months, such payments to be made in 12 equal amounts on the 1st of each month commencing on January 1, 2010 and ending on December 1, 2010.

This levy may be added to the PAC (Pre-authorized Chequing Plan) with a written authorization only if you are already on PAC with your strata fees. If you pay by monthly cheque, please issue post-dated cheques payable to "Strata Plan LMS-3432".

Owners may also pay by internet banking. Please visit the website www.vancondo.com and go to online banking to obtain further information. Any owner who fails to make any payments in accordance with this resolution shall be assessed a fine of \$100 on each such late payment. The strata corporation may further add interest charges on overdue payments at the rate of 10% per annum compounded annually.

BUSINESS ARISING

1. **Exterior Repair Project:** JLK Projects has installed shrink wrap around units 1727, 1733 and 1737 and is proceeding with remediation work.

The contractors were unable to obtain a permit from the City of Vancouver during the Olympics to install a crane on the street in order to remove the concrete planters #1727, #1733 and #1737. In order not to delay the project, the concrete planters were demolished. A permit from the City of Vancouver will be issued within the next two weeks to remove the concrete planters from the four other townhouses.

During the removal of the bricks and framing, extensive rot and water stains were observed on the wall sheathings, floor plates, studs and concrete wall on south and north elevation 3rd floor deck close to the concrete planter of unit #1727. The engineers noted that there was no vapour barrier between the drywall and the sheathing.

Decayed building components were observed on the north elevation 3rd level deck of unit 1733 and north elevation 3rd level, 2nd level deck of unit 1727.

The project is proceeding on schedule, although additional rot repairs are being completed in unit 1727.

Memos outlining the work to be completed and owner requirements have been distributed to all owners.

2. **Water Damage:** First On Site is 98% complete with the repairs to the 40 units who incurred water damages from the pipe bursts during a water shut down in October 2009. First On Site was unable to complete the damage repairs in unit #1702 as the selection of the floor type was not completed by the owner as required by December 2009 in order for First On Site to complete the repairs.

The owner has been informed by the strata corporation's insurer, BFL Canada, to complete the necessary repairs and claim the cost once the work is completed based on the lowest estimate for repairs secured by the adjuster to a total of \$4,502.00. The funds will be submitted to VCS for reimbursement to the owner once the invoice is submitted.

3. **Domestic Hot/Cold Water Re-piping:** The strata council contacted the strata corporation's insurance adjuster to obtain a copy of the report completed by the insurance underwriter on the condition of the domestic pipes and the cause of the pipe failures during the water shut down on October 29, 2009. The insurance adjuster requested \$4,500.00 (50% of the cost to complete the report) for which the council did not approve and were able to obtain a verbal opinion from the insurance adjuster. The adjuster advised that the failed pipes were tested from the four breaks showed signs of being brittle and would be easy to break.

Baker Material Engineer was also engaged by the strata corporation to evaluate the condition of the failed pipes (CPVC plastic piping). The engineer observed that the piping used for the hot water distribution had become embrittled and was intolerant to impact loading. If there are sudden shocks or impact loading, the piping could shatter. As most of the CPVC piping is behind the wall, there is little chance of impact loading caused by human intervention; however, shock loads would result from water pressure spikes resulting from water hammer or some GVRD supply or even a minor seismic event. Engineers concluded that the material properties of the piping have deteriorated to a degree necessitating the replacement of the plastic piping.

A proposal was received from Mr. Greg Lee (MMM Group Engineers) in the amount of \$65,000 for the design of the replacement of domestic hot and cold water piping for the branch piping within each suite. Engineering services include schematic design, design development, working drawings and specifications and tendering services, and services during construction. An estimated quote was received in the amount of \$7,000 - \$9,000 per unit to complete a domestic water system replacement was received from a highly reputable mechanical contractor.

A Special General Meeting has been scheduled for March 11, 2010 to present a $\frac{3}{4}$ vote resolution to the owners for a sum of money not exceeding \$1,875,000 to replace the domestic hot/cold water system. The estimated costs are comprised of construction costs, contingency allowance (20%) legal fees, engineering consulting fees, project manager's fees and taxes (GST and HST). The expenditure to be charged as a special levy upon the owners in proportion to the unit entitlement of the respective strata lots, to be paid over a period of eight (8) months commencing April 1, 2010 and ending on November 1, 2010. Mr. Greg Lee will be in attendance at the special general meeting to answer all owners' questions and concerns.

4. Insurance Renewal:

EXTREMELY IMPORTANT

A legal opinion was received from Dolden Wallace Follick on the duties and responsibilities of the strata corporation and strata council in respect of property insurance. Following a review of several insurance quotes received, the council approved the insurance renewal for Strata Plan LMS-3432 with BFL Canada who were the only insurance provider able to obtain a water damage deductible for the building; however, at a much higher rate than the previous year. Coverage has been secured with all risk water damage and sewer backup deductibles increased to \$500,000 which means that owners are not insured for the first \$500,000 of any water loss claim, sewer backup or all risk (fire etc.)

Owners are highly encouraged to purchase a unit owners insurance policy that includes adequate liability insurance and special coverage for strata corporation bylaw assessments.

In the event of a loss exceeding \$500,000, the strata corporation does not require a special resolution to collect the deductible by means of a special levy or as expenditure from the Contingency Reserve Fund, the assessment may be charged to the owners' account.

As a proactive measure the strata corporation will present a $\frac{3}{4}$ vote resolution at the special general meeting on March 11, 2010 to raise the deductible money of \$500,000 in advance of the loss to ensure there are funds available in the event of a serious loss.

Eric Dolden from Dolden Wallace Follick recommended the following $\frac{3}{4}$ Vote Resolution - Insurance and Indemnity be presented to the owners at the Special General Meeting.

Insurance and Indemnity

- (1) *An owner is deemed to be responsible for any loss or damage caused to the common property, limited common property, common assets or to any strata lot, and/or personal injury or death, where the cause of such loss or damage originated within the owner's strata lot and the loss or damage is not covered and paid by any insurance policy.*
- (2) *An owner is also deemed to be responsible for any loss or damage to the common property, limited common property, common assets or to any strata lot, and/or personal injury or death, where the cause of such loss or damage is the result of an act, omission, negligence or carelessness of the owner, and/or owner's tenants, co-occupants, family members, employees, agents, contractors, guests or invitees and the loss or damage is not covered and paid by any insurance policy.*
- (3) *If any loss or damage deemed to be the responsibility of an owners under subsection (1) and/or (2) of this bylaw results in a claim against any insurance policy held by the strata corporation, that owner shall save harmless and indemnify, and is strictly liable to reimburse the strata corporation, that owner shall save harmless and indemnify, and is strictly liable to reimburse the strata corporation for the full amount of any insurance deductible, any portion of insurance coverage declined and/or any amount by which the loss or damage exceeds the insurance coverage.*

- (4) *If any loss or damage deemed to be the responsibility of an owner under subsection (1) and/or (2) of this bylaw does not exceed the insurance deductible for an insurance policy held by the strata corporation, that owner is strictly liable and shall fully indemnify and save harmless the strata corporation for any resulting expense for maintenance, repair or replacement rendered necessary, including legal costs incurred in relation to defending any claim against the Strata Corporation, and/or prosecuting any claim made against the owner, such indemnity to be on a solicitor and client basis, including disbursements, expenses, taxes, filing and/or Court fees, all on a full indemnity basis.*
- (5) *The Strata Corporation, pursuant to the Strata Property Act, shall establish a contingency reserve fund representing the full amount of any insurance deductible which would be payable upon a claim under the Strata Corporation's policy of property insurance. The owners shall contribute to the contingency reserve fund as a common expense, by means of strata fees calculated in accordance with section 99(2) or 100(1) of the Strata Property Act.*

5. **Fire Inspection:** GE Security is scheduled to complete the outstanding deficiencies on March 29, 2009 from the annual fire inspection completed in December 2009. The following units were not available in December to complete the mandatory testing of the fire equipment as per the City of Vancouver fire codes. TH #1733, #1763, #1767, #1773, units #2404, #2202, #2107, #2003, #1905, #1605, #1503, #707, #606, #405 and #402.

The smoke detectors will be replaced in units: 2506, 2406, 2305, 2105, 2006, 1902, 1807 (x 2), 505, 408, 401.

If you are unable to be home, please leave a key with a neighbour or the building manager.

A locksmith will be on site to access units not available (as per the strata corporation bylaws) and the owners will be charged the cost for the locksmith along with the shared cost of the second visit.

6. **Window Washing:** Ace Window Cleaners are completing the washing of all inaccessible windows.

CORRESPONDENCE

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

1. A letter was sent to the owners of a unit on the 15th floor outlining concerns of illegal activities occurring in the unit as per a notice posted in the lobby. The owners were informed by the tenants that the notice was posted by a jealous ex-boyfriend and there was no illegal activity occurring in the unit.

2. The council directed the agent to assess a bylaw violation to the owners of unit #1805 for continuing to bring their bike through the building which has caused damage in the hallway on the 15th floor. The damage will be repaired and the cost of the repairs will be charged to the owner.

NEW BUSINESS

1. Annual Emergency Generator Testing: The annual emergency generator testing will be completed by Simson Maxwell in April.
2. Access Reminders:

IMPORTANT

Residents are highly encouraged to leave a key with the building manager to access their unit in case of emergency. Keys will be stored in a high security lock box. Delayed access to units could cause additional damages for the strata corporation and owners along with unnecessary extra plumbing costs. Owners may contact and leave a message for the building manager (604) 647-3999 or drop a key off at the office in the building in the amenity room.

3. Appraisal: The annual appraisal update for Strata Plan LMS-3432 was received from Suncorp Valuations. The cost of reproduction new as of January 15, 2010 is \$30,441,500.

There being no further business, the meeting was adjourned at 8:15 p.m. The next meeting will be a Special General Meeting to be held on Thursday, March 11, 2010 at 6:00 p.m. and the next council meeting will be held on Tuesday, April 13, 2010.

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BP/am

WHAT YOU NEED TO KNOW ABOUT AN EARTHQUAKE

We recognize that this is a sensitive topic due to the recent devastating earthquake in Haiti; however, it is imperative that we all understand the reality of dealing with the aftermath of a major earthquake ...

1. You are on your own. Do not count on your strata council or management company for assistance.
2. There is not a supply of food, water, blankets or other survival provisions stored anywhere on the property. You are on your own and need to prepare accordingly.
3. If there is natural gas service to your strata corporation there is no plan for shutting off the gas supply.
4. There are no arrangements for alternate living quarters if you are unable to return to your strata lot. You are on your own.
5. Depending on the severity of the earthquake, you may not be able to telephone the management company for assistance.
6. The contents of your strata lot, your automobile(s) and other personal property are not insured by the strata corporation. If you have made improvements to your strata lot, such improvements or betterments are not insured by the strata corporation either.
7. The strata corporation is insured for earthquake damage; HOWEVER, there is a deductible which means that there is no coverage for damages within that deductible. Generally the deductible is 10% of the value of the strata corporation although in some instances (i.e. Richmond) the deductible could be 15% or 20% of the value of the property. In most cases this will amount to millions of dollars. Your strata corporation does not have reserve funds available to meet such a huge deductible. Repairs will have to be funded by one or more special levies. These could be substantial.
8. There is NO government plan or fund to assist either you or your strata corporation. You are on your own.

While it would be nice to hear that there are plans and that there is a safety net, your strata council and VCS bring you the above information in an effort to alert you to the reality of an earthquake scenario. The Government of Canada advises you should be prepared to be self sufficient for at least 72 hours. Accordingly, you need to develop your own personal plans for survival. Like many people, you will not be adequately prepared and that is "human nature". Please remember, however, that "You are on your own" is the hard truth and the only rule that counts.

For further information, please visit the following websites:

Ministry of Public Safety & Solicitor General

http://www.pep.bc.ca/hazard_preparedness/earthquake_preparedness.html

City of Vancouver Earthquake Preparedness Tips

<http://vancouver.ca/emerg/prepyourself/earthquaketips.htm>

Public Safety Canada - What To Do during an Earthquake

<http://www.preparez-vous.ca/fl/earthquakes-what-to-do-eng.pdf>