



PACIFICA STRATA PLAN LMS 597

**STRATA COUNCIL MEETING MINUTES
TUESDAY, MAY 20, 2014 AT 7:00 PM**

COUNCIL MEMBERS PRESENT:

**Monica Drake, President
Con Verburg, Vice President
Philippe Arrata
Paolo Ciocca
Dr. Isabella Wang**

COUNCIL REGRETS:

**Seva Batkin
Martin Jonsson**

MANAGEMENT PRESENT:

**Bruce Adanac, Regional Manager
Pacific Quorum Properties Inc.
Direct line: 778-383-1164 / badanac@pacificquorum.com**

HELD IN THE AMENITY ROOM AT SOUTHGATE – 503 WEST 16TH AVENUE, VANCOUVER

1. CALL TO ORDER

The Strata Council President, Monica Drake, called the meeting to order at 7:00 p.m. and welcomed the Council Members. Two observers attended for part of the meeting. Also in attendance, assisting Council member Dr. Isabella Wang was Barry Hong.

2. ADOPTION OF AGENDA

The Chair asked the Council Members if there were any changes or additions to the agenda. There being none, the agenda was adopted.

3. ADOPTION OF PREVIOUS STRATA COUNCIL MEETING MINUTES

One Council member proposed that the last sentence in item 7 (b) (i) of the minutes, pertaining to roof-deck repairs in units 609C and 610C, be amended to read, “The engineer also noted that a portion of the exterior walls of those suites would have to be addressed in future years.”

After review and brief discussion, it was: **MOVED, SECONDED and CARRIED** to approve the April 15, 2014 minutes as amended.

4. COMMERCIAL SECTION MATTERS

a. Resignation of Commercial Section Representative

Dr. Isabella Wang informed the Strata Council that health issues are compelling her to step down as the representative of the Commercial Section. She is making contact with some of her neighbours to identify those who might be prepared to take on this role. So far, she has had a positive response from Wayne Ma (of the Praxis Legal office). She has also spoken, inconclusively, to Dr. Kvalheim (chiropractor). It was suggested that she follow up also with Michael Friedman who has expressed some willingness to get involved. She said she would be

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in contact with the Property Manager about this matter of representation, in due course.

b. Documentation Review re formalizing separate sections and replacing cooling tower and boiler

Materials prepared by the previous Property Manager, Michael Henson, outlining two issues of immediate relevance to the commercial owners, had apparently not been received when originally sent (in late March). To avoid further delay, the Strata President undertook to forward her copy of this document to the Commercial Representative so that she could familiarize herself with its contents. The document dealt with one aspect of formalizing separate sections and with quotes for replacing equipment servicing the commercial units.

Formalizing separate sections: The document contains a page showing what the strata's operating budget could look like once the existence of separate commercial and residential sections is formalized. This had been provided to help the Representative discuss this topic with her neighbours.

The current Property Manager, Bruce Adanac, reviewed the context in which this need for formalization is occurring. Property management firms, including Pacific Quorum (PQ), are being required by their regulatory body to put in place, by the end of 2014, separate management agreements with any sections within one Strata Corporation. Since Pacifica LMS597 was originally set up by the developer as a strata with separate residential and commercial sections, and since these sections were never repealed, PQ must comply with this requirement or be in breach of its legal obligations.

What this means in practical terms is that PQ will have to enter into separate management contracts with the residential section and with the commercial section as well as with the strata corporation. The 'pro-forma budget' drawn up -- for illustrative purposes only -- by Michael Henson shows the potential impact on monthly strata fees, which finance the management contracts.

Another implication of formalizing separate sections is that each section will have to create an 'executive' to deal with its affairs -- a mini-council for the section. These executives can set their own separate schedules for meetings. However, the yearly operating budget and capital plan will need to be endorsed by all owners at a general meeting of the strata corporation.

Bruce stressed that implementing separate sections here will require the collaboration and support of all owners at Pacifica. Monica noted that there is also an option for owners to repeal the sections entirely and replace them with 'types.' In such a set-up, all owners participate in all special levies, irrespective of whether they benefit directly from them. Such a major change from sections to types would require ratification by three separate votes (residential, commercial, and Strata Corporation) at a general meeting.

Replacing equipment servicing commercial units only: The document from Michael Henson forwards four separate quotes from suppliers/contractors for the replacement of the cooling tower and boiler serving only the commercial units, along with a schedule summarizing the quotes, all in the range of \$160,000. It was noted that Mr. Henson had recommended that the commercial owners retain the services of a mechanical engineer to review these quotes and provide recommendations.

In discussion, it was suggested that the Commercial Representative act promptly to engage an engineer. Bruce Adanac asked Dr. Wang to inform him in writing about which engineering firm she and her neighbours choose to advise them.

Mr. Adanac explained to Dr. Wang that a capital expenditure of this nature cannot be funded from the Operating Budget. Commercial owners must be asked whether they are willing to purchase the new equipment and how they are prepared to pay for it. A Special General Meeting of the commercial owners only should be convened so that they can consider and vote on a resolution to approve the expenditure and to fund it via a special levy.

Dr. Wang said she would contact Bruce in the near future to discuss what arrangements had to be made for an SGM to be convened as soon as possible.

c. **Heat Pump Boiler Assembly Repair**

The Strata Council was advised that a needed repair had recently been made to the heat pump boiler assembly which services the commercial units. The \$1,300 cost of this repair will be charged to the commercial owners.

The discussion of Commercial Section Matters concluded at 7:56 pm, at which time Dr. Wang and her associate Barry Hong left the meeting.

5. **FINANCE**

a. **Financial Statements**

The Treasurer had provided the Strata Council with brief comments on the April 2014 financial statements. He noted the strata was under budget for the month while revenues were above budget, mostly due to timing of invoices.

There was some discussion around gas usage which is up 12% over the previous year. The possibility of turning off the pilot lights in fire places for the summer months was mentioned. The Property Manager was asked to review with the contractor who recently conducted the fire place cleaning to see whether any changes he may have made to the pilot lights could have had an adverse effect on gas consumption. The Property Manager will also review with the Facilities Manager the reading and reporting on gas consumption in and around the property.

b. **Adoption of the April 2014 Financial Statements**

After review, it was: ***MOVED, SECONDED and CARRIED.***

c. **Arrears and Funds**

The Council and the Property Manager reviewed the schedule of arrears and the Council authorized the Property Manager to register liens against any strata lot for which arrears exceed \$1,000 and to restrict access to the Recreation Centre and the Amenity Room for Owners and residents of these units upon giving thirty (30) days written notice.

At this time, the total arrears owing to the Strata Corporation are just over \$77,814.10 and there are currently twenty-two (22) strata lots in arrears over \$1,000. The Property Manager confirmed that statements had been mailed to the Owners of all strata lots in arrears. The majority of Owners have paid their special assessments and collections are going well. The Property Manager confirmed that, to date, letters have been issued to all strata lots in arrears

over \$1,000.

d. **Fortis BC Gas Consumption**

The Property Manager provided details from Fortis BC on recent gas consumption at the Property.

6. **BUSINESS ARISING**

a. **Property Manager's Report**

i. **Pergola Quote**

The Council received a quote from Rockport Property Services for \$16,660 plus GST to rebuild the pergola structures at 802 C and 803C and for another \$1,650 to prime and repaint them. The Strata Council had originally approved this project as part of the 2012-2013 capital plan. However, because replacement had not been considered urgent at the time, the money originally set aside had been used for other capital expenditures which themselves had cost more than anticipated. On the Property Manager's recommendation, the Council now approved tapping the Contingency Reserve Fund for this project, because the severe deterioration in the wood structures had rendered them unsafe. This potential liability makes it a legitimate CRF expenditure.

ii. **Southgate Deck Replacements**

Two additional quotes for the deck replacement at unit 801B were received in January. The Property Manager was instructed to ask Allstar, the third bidder, if they could update their quote and offer more competitive pricing in order to expedite getting this work done. The Property Manager will follow up with the Strata Council before the next meeting and determine if there is support to proceed with Allstar.

iii. **Handicapped Access for Southgate**

The Property Manager presented the report and recommendation from CSA Building Sciences for implementation of handicapped access to the Southgate building. The quotation/summary report proposed three (3) distinct options for consideration, with costs estimated around \$24,000.00 before taxes or permit fees are factored in. The Strata Council will review and take these recommendations to the next general meeting to determine whether the Ownership is willing to fund this project.

iv. **Roof Systems and Report - Southgate**

CSA Building Sciences proposed to undertake a comprehensive review of roof and roof decks for \$8,000.00 plus applicable taxes. The Strata Council agreed unanimously to approve this quotation. Details of the roofing review would also be integrated into the 2013 Depreciation Report's findings on this topic.

v. **Facilities Managers Office Computer**

The computer in the Facilities Manager's office was in need of replacement. This had proved to be a rather complex project due to the interface requirements with the access control system for the building. After considerable interaction between the IT Manager at Pacific Quorum, Action Integrated Security the Facilities Manager and the Property Manager, all systems now appear to be functioning properly.

vi. **Trash Compactor Issues**

The Property Manager reported that Smithrite has made numerous return visits to the building to address operational deficiencies with the new trash compactor. Most of the bugs have now been worked out. The Property Manager reminded the Strata Council that payment to Smithrite is being withheld pending resolution of all outstanding items.

vii. **Sections for Pacifica per the Strata Property Act**

This topic was discussed as Item 4 b, in the Commercial Section Matters.

viii. **Window Cleaning**

As of this meeting, window cleaning of all residential buildings has been completed. Any Owners with deficiencies to report regarding window cleaning were previously notified by way of memo to report these in writing to the Property Manager, Bruce Adanac at badanac@pacificquorum.com. Deficiencies must be reported within five (5) days of completion of service for adequate follow up to take place with the contractor.

b. **FACILITIES MANAGER'S REPORT**

The Facilities Manager Ross Abercrombie had circulated a detailed list of upcoming projects and activities for the spring and summer 2014 season, including a final walk-through with Tercera, the general contractor for the interior renovation project. Also noted was the unexpected resignation of the Assistant Facilities Manager, Lance Carpenter. After working at Pacifica for eight years, Lance has decided to move his career in a new direction. His last day of service was Tuesday, May 20, 2014. The Strata Council expressed its appreciation to Lance for his service to Pacifica and noted that his presence around the property will be missed.

The Strata Council, Ross Abercrombie, and Bruce Adanac, are currently recruiting a replacement for Lance. In the interim, the Strata Council approved hiring an outside company, Eureka Security Services, to provide support to Ross while the search for a replacement is underway. Arrangements will be made as soon as possible to have Eureka Security Services onsite. (Note: Eureka Security Services provide concierge and building management assistance, not just security services.)

7. **NEW BUSINESS**

a. **Future Planning with New Property Manager**

Mr. Adanac noted that he wanted to look at new initiatives that the Strata Council may be interested in launching as part of his appointment as Property Manager at Pacifica. In the short term, timely budget planning for the next fiscal year and the integration of this year's capital plan with the Depreciation Report was discussed. Additionally, some general working matters pertaining to agenda preparation and follow-up were discussed. The Property Manager intends to reach out to all commercial owners and tenants of the Strata. He has already arranged to improve the IT infrastructure available to the Council for its meetings. For its part, the Strata Council is interested in reviving the security committee to work towards ongoing security enhancements at the property.

8. REPORT OF COMMITTEES

a. Committee to Implement Pacifica's Renovations

Monica Drake reported for the committee that the renovation project is nearing completion. A deficiency list has been established and there will be a subsequent walk-through of the property to ensure all remaining items have been addressed before the books are closed.

b. Landscaping/Gardening Committee

There was no report to present at this meeting.

c. Governance Committee

Monica Drake reported that there has been one meeting on the strata's governance pertaining to bylaws which need to be cleaned up. Details and documentation have been sent out to the Bylaw Review Group which will be providing feedback and meeting again.

9. OWNER CORRESPONDENCE & BUILDING REPRESENTATIVES' REPORTS

a. Owners' Correspondence

#709C: The owners have requested the Strata Corporation to replace seven sealed window units and one set of hinges in their unit. They have forwarded an estimate of \$1,095 plus taxes from Accurate Glass for this work. The Strata Council discussed the fact that such requests made in the past have been rejected on the basis that window units are an owner's expense. The property Manager was instructed to report this decision to the 709C owners but to indicate that an effort will be made to negotiate a bulk rate with Accurate Glass for such work in case there are other homeowners in the strata looking to have their windows replaced.

#204A: The owner has inquired whether changes were being considered to Pacifica's recycling procedures, now that new regulations were coming into effect citywide. These new regulations would allow the inclusion of milk cartons, among other newly acceptable materials, in the blue boxes. The Property Manager had responded that he would be looking into this and reporting back, in due course.

#20xC: The owner has requested that a survey be undertaken of owners' interest in having the video display from the enterphone cameras available inside suites. The Strata Council has responded directly to the owner that it will not stand in the way if he himself wishes to conduct such a survey. It has outlined what detailed information the survey would need to collect in order for its results to be actionable by the Council. (Subsequently, the owner demurred, saying the requirements were too onerous for him to take this on.)

c. Building Representatives' Reports

Nothing to report at this time.

11. NEXT MEETING

The next Strata Council Meeting is scheduled for Tuesday, June 17, 2014 at 7:00 p.m.

12. ADJOURNMENT

The meeting was adjourned at 10:27 p.m.

Submitted by:

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YOUR PACIFICA WEBSITE IS

www.pacifica597.org

Please Note: The Real Estate Regulations require a vendor to provide purchasers with copies of Strata Council and Corporation Meeting 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 *Pacific Quorum Properties Inc.*

To access *PQ ONLINE* for LMS 597 – Pacifica

- First, if you don't already have it, obtain the Pacifica login and password information from info@pacificquorum.com
- Next, go to the PQ website, www.pacificquorum.com
- Under ***PQ ONLINE LOGIN***, enter the Pacifica login and password

Once you have logged into ***PQ ONLINE*** for the first time, **please go to “MY INFO” and sign up for email notification** of important notices, meeting minutes, etc., and update your contact details. If you have any trouble accessing ***PQ ONLINE***, please contact info@pacificquorum.com

**Balance Sheet
LMS 597 Pacifica
April 30, 2014**

ASSETS

Bank - Operating Funds Account	31,623.93
Bank - Special Levy Funds Account	116,469.57
Bank - Holdback	125.34
Bank - Contingency Reserve Account	160,175.56
CRF - Scotia GIC (1.25%;Jan-2014)	81,402.00
Levy - OP Funds Due to CRF	67,417.65
CRF - Interfund Loan (Insurance)	99,126.30
Petty Cash	500
Accounts Receivable	55,991.99

Prepaid Expenses	3,078.99
Prepaid Insurance	94,406.00
Fixed Assets	
Caretaker's Suite	141,107.00
Membership Shares (VanCity)	108.79
TOTAL ASSETS	851,533.12

LIABILITIES & EQUITY

Liabilities

Accounts Payable	9,026.60
Interfund Loan Payable	99,126.30
Prepaid Maintenance Fees	15,322.37
Dryer Vent Reserve	3,083.11
Garden Reserve	2,766.75
Mortgage Payable	37,640.15
Accrued Liabilities	10,633.20
Interfund Loan	67,417.65

Total Liabilities	245,016.13
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Equity

Caretaker Suite Equity	103,575.64
Current - Surplus (Deficit)	-6,560.93
Prior Years Surplus(Deficit)	-12,753.43

Contingency Reserve Fund	204,665.74
Capital Projects Fund	200,995.06
	405,660.80

Special Levy Fund (2012F & 2012G)	116,594.91
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Total Equity	606,516.99
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TOTAL LIABILITIES & EQUITY **851,533.12**

Budget Comparison

Consolidated Statement

April 30, 2014

	MTD Actual	MTD Budget	\$ Var.	YTD Actual	YTD Budget	\$ Var.	Annual
INCOME							
3110 Strata Fees	86,987.99	86,938.50	49.49	608,571.84	608,569.50	2.34	1,043,262.00
3114 Amenity Income	275	875	-600	4,575.00	6,125.00	-1,550.00	10,500.00
3116 Parking Income	1,355.00	1,083.33	271.67	9,152.50	7,583.31	1,569.19	13,000.00
3117 Move-in/out Fees	0	250	-250	1,500.00	1,750.00	-250	3,000.00
3118 Storage Lockers Rental	0	500	-500	6,660.00	3,500.00	3,160.00	6,000.00
3119 Fines/Penalties	300	166.67	133.33	2,080.50	1,166.69	913.81	2,000.00
3120 Interest Income	65.49	50	15.49	382.94	350	32.94	600
3125 Miscellaneous	240	104.17	135.83	1,365.00	729.19	635.81	1,250.00
3126 Novus Income	19.46	5.83	13.63	57.15	40.81	16.34	70

3127 Bottle Recycling	0	16.67	-16.67	474.53	116.69	357.84	200
3130 Caretaker Suite Rental	630	630	0	4,410.00	4,410.00	0	7,560.00
TOTAL INCOME	89,872.94	90,620.17	-747.23	639,229.46	634,341.19	4,888.27	1,087,442.00
EXPENSE							
General Expenses							
4010 Bank Charges	98.75	116.67	17.92	906.91	816.69	-90.22	1,400.00
4014 Insurance	11,800.75	11,666.67	-134.08	80,239.28	81,666.69	1,427.41	140,000.00
4016 Legal/Audit Fees	0	83.33	83.33	709.5	583.31	-126.19	1,000.00
4018 Administration	1,075.43	416.67	-658.76	6,375.00	2,916.69	-3,458.31	5,000.00
4019 Duplicating	51.75	250	198.25	2,653.33	1,750.00	-903.33	3,000.00
4020 Management Fees	4,388.48	4,388.83	0.35	30,720.41	30,721.81	1.4	52,666.00
4045 Enterphone	-873.75	0	873.75	0	0	0	0
4050 Telephone	1,031.43	125	-906.43	1,031.43	875	-156.43	1,500.00
4110 Amenity Areas	343.38	1,041.67	698.29	7,135.57	7,291.69	156.12	12,500.00
4126 Security Maintenance	1,682.91	1,083.33	-599.58	8,766.97	7,583.31	-1,183.66	13,000.00
4128 Move Monitoring	122.85	200	77.15	1,576.58	1,400.00	-176.58	2,400.00
4129 Fire/Security Monitoring	2,794.16	2,083.33	-710.83	16,853.76	14,583.31	-2,270.45	25,000.00
Utilities							
4210 Electricity	8,155.66	7,083.33	-1,072.33	53,465.64	49,583.31	-3,882.33	85,000.00
4212 Gas	7,936.90	5,833.33	-2,103.57	59,122.21	40,833.31	-18,288.90	70,000.00
4214 Water & Sewer	0	5,500.00	5,500.00	29,230.79	38,500.00	9,269.21	66,000.00
4216 Waste Removal	249.71	2,950.00	2,700.29	20,006.55	20,650.00	643.45	35,400.00
Repairs & Maintenance							
4310 Elevator Maintenance	3,721.59	4,000.00	278.41	27,505.49	28,000.00	494.51	48,000.00
4318 R & M Building	7,676.79	8,750.00	1,073.21	62,188.70	61,250.00	-938.7	105,000.00
4319 Mechanical Maintenance	0	1,666.67	1,666.67	8,506.61	11,666.69	3,160.08	20,000.00
4330 Landscaping Maintenance	3,197.25	3,416.67	219.42	24,993.50	23,916.69	-1,076.81	41,000.00
4333 Tree Maintenance	0	333.33	333.33	2,987.25	2,333.31	-653.94	4,000.00
4335 Landscaping Improvements	0	83.33	83.33	0	583.31	583.31	1,000.00
4350 Supplies / Equipment	121.64	875	753.36	5,353.89	6,125.00	771.11	10,500.00
4352 Window Cleaning	0	816.67	816.67	0	5,716.69	5,716.69	9,800.00
4353 Dryer Vent Cleaning	333.33	500	166.67	3,273.06	3,500.00	226.94	6,000.00
Caretaker Expenses							
4410 Mortgage (S/L#141)	677.36	880.83	203.47	5,690.67	6,165.81	475.14	10,570.00
4420 Strata Fees - Suite	232.14	242.17	10.03	1,624.98	1,695.19	70.21	2,906.00
4425 Strata Suite - Expenses	0	41.67	41.67	371.55	291.69	-79.86	500
4440 Telephone / Pager	231.1	150	-81.1	1,072.31	1,050.00	-22.31	1,800.00
4450 Caretaking/Janitorial	12,756.60	13,125.00	368.4	93,011.76	91,875.00	-1,136.76	157,500.00
Other Expenses							
4590 Contingency Reserve Fund	12,916.67	12,916.67	0	90,416.69	90,416.69	0	155,000.00
TOTAL EXPENSE	80,722.88	90,620.17	9,897.29	645,790.39	634,341.19	-11,449.20	1,087,442.00
NET INCOME	9,150.06	0	9,150.06	-6,560.93	0	-6,560.93	0

**PACIFICA
STRATA LMS 597
INTERIOR RENOVATION
BUDGET/COST RECONCILIATION**
updated May 20, 2014

	BUDGET	PAID	HOLDBACK	TOTAL PAID	BUDGET REMAINING
CONSTRUCTION	742,750	638,616	71,236	709,852	32,898
ADMINISTRATION	57,699	19,023		19,023	38,676
CONTINGENCY	81,039	35,663		35,663	45,376
SUBTOTAL	881,488	693,302	71,236	764,538	116,950
INTEREST & BANK CHARGES	0	6,405		6,405	0
	881,488	686,867	71,236	758,133	116,950