



**PACIFICA
STRATA PLAN LMS 597**

**ANNUAL GENERAL MEETING MINUTES
TUESDAY, NOVEMBER 26, 2013 AT 7:00 PM**

MANAGEMENT PRESENT:

**Michael Henson, Vice President Operations
Pacific Quorum Properties Inc.
mhenson@pacificquorum.com / direct line: 604-638-1968**

1. CALL TO ORDER

The Strata Council President, Monica Drake, as the Chair, called the meeting to order at 7:12 p.m., welcomed the Owners and introduced the Strata Council members and the Property Manager. The Chair also welcomed newcomers to Pacifica as well as those commercial-lot representatives present at this meeting.

2. MEETING PROCEDURES

The Property Manager confirmed that the 206 eligible strata lots were represented by 81 Owners, 46 in person and 35 by proxy. As the 1/3 quorum requirement was achieved, the Property Manager advised that the meeting could proceed. There were 75 residential strata lots represented and 6 commercial strata lots represented.

The Chair confirmed that the proxies received were all dated and signed and available for inspection. The Chair confirmed that the Notice of Meeting was mailed to all Owners pursuant to the requirements of the *Strata Property Act*.

It was

MOVED by strata lot 47 **and SECONDED** by strata lot 105

To confirm the quorum report, confirm the Proof of Notice and to confirm the certification of the proxies.

CARRIED

3. ADOPTION OF PREVIOUS GENERAL MEETING MINUTES

It was

MOVED by strata lot 47 **and SECONDED** by strata lot 152

To adopt the minutes of the November 19, 2012 Annual General Meeting.

CARRIED

4. PRESIDENT'S REMARKS

The President stated that 2012/2013 had been a busy year for the Strata Council, Management and Staff. She thanked all council, committee and staff members for their hard work and dedication and expressed special appreciation to the Property Manager, Michael Henson for his help, patience and support throughout the year. She encouraged all owners to get more directly involved with the governance of the Pacifica community.

Noting that the AGM package contained an outline of the President's Report, Monica touched only briefly on the main matters which the Strata Council and Management had dealt with, although not necessarily resolved, notably (a) upgrades and improvements to internal and external building assets, (b) financial planning and budgeting, (c) governance including sections and bylaws, (d) property management issues, (e) fire safety and security issues, and (f) energy efficiency.

Monica then spoke about the Operating Budget and Special Levies proposed for consideration at this meeting. She noted that the proposed increase in the monthly strata fees for 2013/2014 is 5.25% and that the 15-year average increase in monthly strata fees has been 3.75%. She stressed that the proposed special levies are completely unrelated to the Interior Renovation Project and are for the recovery of the 2012/2013 operating deficit, replenishment of the CRF and continued implementation of projects in the annual Capital Plan.

Monica suggested that potential projects for the incoming Strata Council could include revising Bylaws to address, among other things, the Strata's operations as residential and commercial sections, the north courtyard pergola replacement, an energy retrofit if incentives become available and the development of an owners' handbook with guidelines for in-suite renovations.

Monica then introduced the various Committee Reports.

5. COMMITTEE REPORTS

A. Landscape Committee

Report included in the AGM package – no additional comments.

B. Security Committee

Report included in the AGM package – no additional comments.

C. Depreciation Report Committee

The Strata Treasurer, Philippe Arrata, reporting for the Depreciation Report Committee, noted that the report is not an engineer's building envelope report, but an inventory of assets to aid the owners and the Strata Council with financial planning and capital project budgeting. Owners are encouraged to view the Depreciation Report on PQ ONLINE for Pacifica at www.pacificquorum.com (if you are not registered with PQ ONLINE please sign up), or the Pacifica website at www.pacifica597.org. In conjunction with the Depreciation Report, Phil noted that the 2010 Engineer's Maintenance Report would be updated in 2014.

There were comments and discussion from the owners on the following topics:

- inclusion in the report of fireplace vent covers and building painting;
- planned update to the 2010 Maintenance Report;
- a suggestion that landscaping and plant materials should be included in the report;
- discussion of windows – differentiation between window frames (Strata's responsibility) and window panes (Owners' responsibility);
- discussion of condensation and potential remedies – increased air movement within the suite, including keeping a window partially open.

D. Interior Renovation Committee

The Interior Renovation Committee report was included in the AGM package. In her capacity as the Committee's Chair, Monica Drake briefly reported on its highlights, noting the following:

- the project has been underway since the first week of October; an updated construction schedule will be posted ASAP;
- as carpet delivery has been delayed by the manufacturer, the construction schedule will be revised such that carpet installation will be completed at the end of the project;
- elevator cabs – timing for refurbishment is dependent on the availability of provincial elevator-safety inspectors;
- paint colour specifications have been corrected;
- new lobby furniture will be installed once all lobby renovations have been completed;
- the project is proceeding entirely within its approved budget.

Monica then introduced, Rob Capar, the Strata Representative for the Project. Rob and the Strata Council responded to various questions and comments from the owners regarding the Project, including:

- discussion of installation of light sconces and door hardware – Rob will review with the contractors;
- discussion of carpet installation and baseboards – baseboards are just being primed at this time, final coat will be painted after carpet installation;
- a request to include a summary of the renovation costs in the monthly Strata Council minutes and regular financial statements – *the Council agreed with the request*;
- a request to improve communication so that owners in all buildings know what is happening in each building, as work in one building could easily impact owners in another building (*e.g.* access to the Recreation Centre, etc.) – *the Council agreed with the request*;
- a request to be directed to where the project's agreed scope has been summarized – the scope of work was included in the November 2012 AGM package which is currently posted on the Bulletin Board at PQ ONLINE;
- discussion of Cityhomes lighting.

E. Energy Efficiency Audit

As briefly noted in the President's Report in the AGM package, the audit conducted on Pacifica's energy efficiency in the summer of 2012 had reached the Council only in the spring of 2013, whereupon the (largely positive) results were reviewed with input from the audit sponsors. The Council's request to the Energy Efficiency Committee to produce an actionable proposal for a retrofit of Pacifica's equipment had not yet borne fruit.

The Chair of the Committee, Cole Rheaume, expressed his disappointment that the Strata Council had decided not to present the Committee's proposals to the owners at the AGM. Strata Council responded that they recognize that this is an important project, however, as it involves long-term debt and borrowing a substantial amount of money, the Strata Council did not believe that the proposal was sufficiently developed to warrant the Owners' consideration at this time.

6. INSURANCE REPORT

The Property Manager provided an overview of the Corporation's insurance coverage, explaining areas covered, limits of coverage, and deductibles. The Property Manager noted that the increase in annual premium was due to the increase in the insurance appraisal for replacement value of Pacifica's buildings (3.1%) and a small (3.3%) increase in premium rates. All owners were provided a copy of the current insurance certificate in AGM package. The Property Manager encouraged owners to have this document in hand when they seek their own insurance coverage. He also advised that Coastal/Hub Insurance Services, which provides the master policy for the Strata Corporation, is able to provide personal insurance coverage to strata homeowners on very competitive terms.

NOTICE

Owners may be responsible for the Strata's insurance deductible in the event of a claim which emanates from within the owner's unit (e.g. a leaking appliance that damages common property). The amount of water damage deductible is currently \$15,000 – be certain that you have personal coverage for this amount together with personal coverage for your contents and belongings, liability, and any improvements to your suite compared to its original construction (e.g. installation of hardwood floors).

The Property Manager responded to a few questions regarding insurance coverage. One owner suggested that the building staff review water shut-off procedures with new residents as part of the registration/orientation procedure.

7. 3/4 VOTE RESOLUTION # 2013A – OPERATING DEFICIT AND REPLENISHMENT OF CRF

RATIONALE:

As with all budgets some expense allocations were over budget and some were under budget – the net result was a \$25,803 deficit. In addition, the Strata Corporation was required to

repair/replace three roof top decks at a cost of \$133,475 – these funds were withdrawn from the Contingency Reserve Fund.

WHEREAS:

- A. *the Strata Corporation experienced a deficit of \$25,803 for the fiscal year ending September 30, 2013.*
- B. *the Strata Corporation withdrew \$133,475 from the Contingency Reserve Fund for repairs and maintenance*
- C. *the Strata Corporation wishes to fund the cost of the deficit and the CRF withdrawal by way of a special levy in the maximum amount of \$159,278 to be approved herein (the “Operating/CRF Special Levy”); and*
- D. *pursuant to section 108 of the Strata Property Act (the “SPA”), a Strata Corporation requires the approval of the owners by way of a 3/4 vote resolution to impose a special levy on the strata lots.*

BE IT RESOLVED by a 3/4 vote resolution of the Strata Corporation that:

- (a) *pursuant to Section 108 of the SPA, the Strata Corporation be and is hereby authorized to impose the Operating/CRF Special Levy (being the aggregate sum of \$159,278) on the strata lots comprising the Strata Corporation in proportion to unit entitlement of each strata lot and in amounts shown opposite each strata lot in Schedule 1A (attached hereto and forming part of this resolution),*
- (b) *each strata lot’s share of the Operating/CRF Special Levy is due and payable immediately on the passage of this resolution. For the convenience of owners, owners may pay their strata lot’s share of the Operating/CRF Special Levy by two equal installments on February 1, 2014 and May 1, 2014 in accordance with Schedule 1A.*
- (c) *The special levy funds in the amount of \$25,803 shall be contributed to the Operating Fund as repayment of the 2012/2013 Operating Deficit and special levy funds in the amount of \$133,475 shall be contributed to the Contingency Reserve Fund as repayment for the CRF withdrawal*

Note: *In the event that an owner fails to pay the special levy by the due date, the Strata Council may proceed to take any available steps to collect the arrears, including the filing of a lien against the property and commencing proceedings in BC Supreme Court to sell the strata lot under sections 116 and 117 of the Strata Property Act.*

It was:

MOVED by strata lot 105 **and SECONDED** by strata lot 4
To approve resolution #2013A.

There was a brief discussion of the resolution including an explanation of the work and costs related to the roof deck repairs and the involvement of the strata’s engineer. At the conclusion of the discussion, the Owners voted on the original motion to approve the resolution.

CARRIED

8. 2013/2014 OPERATING BUDGET

The Property Manager and the Treasurer presented the 2013 / 2014 Operating Budget to the Owners. Various income and expense allocations were explained and reviewed. The Chair, the Property Manager and the Treasurer responded to the following comments from the Owners:

- a suggestion for a carpet cleaning allowance for the Amenity Room;
- one owner noted that BC Hydro has increased their rates and that the electricity budget may need to be increased;
- a suggestion that energy costs could be reduced through an Energy Retrofit Program;
- a suggestion to increase legal fees allocation;
- a suggestion for the staff to clean the townhouse gutters;
- a suggestion to instruct the staff not to use pressure washing equipment;
- one owner urged all residents to support the United We Can bottle recycling program – United We Can bins are located with the recycling bins and revenue from their collection is shared with the strata;
- Discussion of Contingency Reserve Fund contribution increasing from \$ 135,000 to \$ 155,000.

It was:

MOVED by strata lot 105 **and SECONDED** by strata lot 70

To adopt the 2013 / 2014 Operating Budget as presented.

CARRIED

9. CAPITAL PLAN – 3/4 VOTE RESOLUTION #2013B (\$188,000 CRF WITHDRAWAL AND \$100,000 SPECIAL LEVY)

The Property Manager and the Treasurer reviewed the Capital Plan and provided an explanation of the various allocations, noting the contemplated capital funding and expenditures for the next year.

WHEREAS:

- A. *the Strata Corporation has identified in the **Capital Plan** several common expenses that usually occur less often than once a year or that do not usually occur,*
- B. *the Strata Corporation wishes to fund the cost of the expenses by way of a withdrawal in the maximum amount of **\$188,000** from the **Contingency Reserve Fund** (“**CRF**”); and*
- C. *the Strata Corporation wishes to fund the balance of the **\$288,000** Capital Plan Funding by way of a special levy in the maximum amount of **\$100,000** to be approved herein (the “**Capital Plan Special Levy**”); and*
- D. *pursuant to sections 96 and 108 of the **Strata Property Act** (the “**SPA**”), a Strata Corporation requires the approval of the owners by way of a 3/4 vote resolution to confirm a CRF withdrawal and impose a special levy on the strata lots.*

BE IT RESOLVED by a 3/4 vote resolution of the Strata Corporation that:

- (a) pursuant to Section 96 of the SPA, the Owners of Strata Plan LMS 597 approve expenditures in the amount of **\$188,000**, for the purpose of completing the 2013/2014 expenditures identified in the Capital Plan;
- (b) The funds required for this expenditure will be raised by a withdrawal of **\$188,000** from the CRF.
- (c) pursuant to Section 108 of the SPA, the Strata Corporation be and is hereby authorized to impose the Capital Plan Special Levy (being the aggregate sum of **\$100,000**) on the strata lots comprising the Strata Corporation in proportion to unit entitlement of each strata lot and in amounts shown opposite each strata lot in Schedule 1A (attached hereto and forming part of this resolution),
- (d) each strata lot's share of the Capital Plan Special Levy is due and payable immediately on the passage of this resolution. For the convenience of owners, owners may pay their strata lot's share of the Capital Plan Special Levy by two equal installments on February 1, 2014 and May 1, 2014 in accordance with Schedule 1A.
- (e) The special levy funds in the amount of **\$100,000** shall be contributed to the Capital Projects Fund for completion of the projects designated in the 2013/2014 Capital Plan.

Note: In the event that an owner fails to pay the special levy by the due date, the Strata Council may proceed to take any available steps to collect the arrears, including the filing of a lien against the property and commencing proceedings in BC Supreme Court to sell the strata lot under sections 116 and 117 of the **Strata Property Act**.

It was

MOVED by strata lot 152 **and SECONDED** by strata lot 166

To approve resolution # 2013B

Discussion took place on the following topics:

- review of the Capital Plan allocations for 2013/2014;
- discussion of the Southgate Handicapped Access – substantial discussion and opposition to the proposed use of the Southgate NW courtyard exit door with access through the courtyard to/from Cambie Street. A suggestion was made to use the same door but with access from the west laneway.
- general agreement that the proposed option was not acceptable to the Southgate residents.

It was

MOVED by strata lot 154 **and SECONDED** by strata lot 188

to amend proposed Resolution 2013/2014B by removing the \$10,000 allocation for Southgate Handicapped Access from the Capital Plan and reduce the Special Levy amount from \$100,000 to \$90,000.

after additional discussion, the amendment motion was DEFEATED

It was

MOVED by strata lot 186 *and* **SECONDED** by strata lot 188

amend the proposed Resolution 2013/2014B by changing the purpose of the \$10,000 allocation for Southgate Handicapped Access from implementation of the previously proposed plan to evaluation and implementation of options and solutions.

CARRIED

80 in favour

1 opposed

There was a suggestion to involve the Southgate residents in the Handicapped Access proposal process prior to presenting a future proposal to the Owners.

The Owners then voted on the original motion to approve resolution 2013B

CARRIED

10. 3/4 VOTE RESOLUTION # 2013C – COMMERCIAL SECTION ONLY - REPLACEMENT OF COOLING TOWER AND BOILER – SPECIAL LEVY OF \$160,000

WHEREAS:

- A. *the Cooling Tower services only the Commercial Section and requires replacement at a cost of approximately \$115,000; and*
- B. *the Commercial Boiler services only the Commercial Section and requires placement at a cost of approximately \$45,000; and*
- C. *the Non-Residential (Commercial) Section wishes to fund the cost of the Cooling Tower and Boiler replacements by way of a special levy in the maximum amount of \$160,000 to be approved herein (the “Commercial Special Levy”); and*
- D. *pursuant to section 108 of the Strata Property Act (the “SPA”), a Strata Corporation requires the approval of the section owners by way of a 3/4 vote resolution to impose a special levy on the non-residential strata lots.*

BE IT RESOLVED by a 3/4 vote resolution of the Non-Residential Section that:

- (a) *pursuant to Section 108 of the SPA, the Non-Residential Section be and is hereby authorized to impose the Commercial Special Levy (being the aggregate sum of \$160,000) on the strata lots comprising the Non-Residential Section in proportion to unit entitlement of each strata lot and in amounts shown opposite each strata lot in Schedule 1B (attached hereto and forming part of this resolution),*
- (b) *each strata lot’s share of the Commercial Special Levy is due and payable immediately on the passage of this resolution. For the convenience of owners, owners may pay their strata lot’s share of the Commercial Special Levy by two equal installments on February 1, 2014 and May 1, 2014 in accordance with Schedule 1B.*

- (c) *The special levy funds in the amount of \$160,000 shall be contributed to the Commercial Special Levy Fund for the Cooling Tower and Boiler replacement.*

*Note: In the event that an owner fails to pay the special levy by the due date, the Strata Council may proceed to take any available steps to collect the arrears, including the filing of a lien against the property and commencing proceedings in BC Supreme Court to sell the strata lot under sections 116 and 117 of the **Strata Property Act**.*

There was a discussion amongst the Strata Council and the two commercial strata lot owners present at the meeting. It was agreed that the commercial owners needed more time to organize themselves to discuss this issue fully before they vote on it. They took note of the urgency of doing this early in the new year, given the risk of the boiler failing.

It was:

MOVED by strata lot 13 **and SECONDED** by strata lot 9

To table resolution #2013C.

CARRIED

11. NEW BUSINESS

- One owner reiterated the importance of developing an energy retrofit project.

It was:

MOVED by strata lot 186 **and SECONDED** by strata lot 47

To direct the Strata Council to put resources towards an Energy Efficiency Retrofit Program

CARRIED

80 in favour

1 opposed

- a suggestion that the curb appeal of the commercial units should be addressed by the new Strata Council;
- development of a 3 year landscaping plan;
- reviewing the lighting on the Maingate stairs and install lighting in the North Courtyard where the pergolas were removed – the Property Manager noted that temporary lighting had been recently installed;
- discussion of trades, contractor and delivery persons' access to the buildings and a suggestion to have all fobs and access devices validated and registered as this has not been done in some time.

12. ELECTION OF NEW STRATA COUNCIL

The Property Manager thanked the resigning Strata Council members for their service to the strata over the past year – the owners responded with a warm round of applause. The Property Manager presented the Owners with a brief overview of the Strata Council. The Chair recommended participation from the commercial owners and one such owner agreed to be nominated. The floor was opened for nominations

for the 2013 / 2014 Strata Council and seven candidates were nominated for the seven available positions.

The following owners were nominated:

Philippe Arrata (incumbent)
Seva Batkin (incumbent)
Paolo Ciocca (incumbent)
Monica Drake (incumbent)
Martin Jonsson (incumbent)
Con Verburg (incumbent)
Dr. Isabella Wang (commercial section owner; new nominee)

It was:

MOVED by strata lot 32 **and SECONDED** by strata lot 47

To close the floor to further nominations and to elect those nominated by acclamation.

CARRIED

The owners welcomed the new Strata Council members with a warm round of applause.

13. **ADJOURNMENT**

The meeting was adjourned at 9:45 pm.

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.*

*The outgoing Strata Council and the Property Manager
thank all owners who took time to participate
in the governance of our shared strata.*

*The incoming Strata Council looks forward
to ongoing participation from owners
in the collective effort to manage this community.*