

**SPECIAL GENERAL MEETING MINUTES
STRATA CORPORATION VR1428
VANCOUVER, B.C.**

MINUTES OF THE SPECIAL GENERAL MEETING OF THE OWNERS OF STRATA PLAN VR1428, 555 WEST 14TH AVENUE, VANCOUVER, BC. HELD IN THE “COQUIHALLA MEETING ROOM” AT 1190 HORNBY STREET, VANCOUVER, B.C. ON WEDNESDAY, NOVEMBER 28TH, 2001 AT 7:00 P.M.

1. **CALL TO ORDER.**

The meeting was called to order by Joseph Tsang, the Property Manager, at 7:10pm.

2. **CALLING OF THE ROLL AND CERTIFICATION OF PROXIES.**

The Property Manager confirmed that at the commencement of the meeting, there were twenty-seven (27) owners present in person, and ten (10) owners represented by proxy, for a total of thirty-seven (37) eligible voting members. Therefore, the total number of represented owners constituted a quorum. Thus, those present could proceed with the business at hand.

Joseph Tsang then stated that he had been asked by the Strata Council to chair the Special General Meeting on behalf of the Council. It was unanimously agreed that Joseph Tsang would act as the Chairperson for the meeting. Joseph Tsang then took the chair.

There are five (5) owners who are in arrears out of fifty-seven (57) units for the building.

3. **PROOF OF NOTICE OF MEETING.**

It was **MOVED AND SECONDED** that the notice of the meeting dated November 9th, 2001 be deemed in compliance with the notice provisions of the Strata Property Act. **CARRIED.**

4. **MINUTES OF PREVIOUS MEETING.**

Joseph Tsang informed the members that the minutes of the Annual General Meeting held on July 31st, 2001, had been enclosed with the notice of the meeting for the owners' perusal. He then inquired if there were any errors and/or omissions in the minutes of that meeting.

There being no errors or omissions, it was **MOVED, SECONDED** and **CARRIED** to adopt the minutes of the Annual General Meeting dated July 31st, 2001, as circulated.

5. **PRESENTATION BY MARCUS DELL AND PAUL KERNAN OF RDH.**

Marcus Dell and Paul Kernan reviewed the progress made to date with respect to the building envelope remediation project (BEP), noting that the following items will require directions and decision feedback from the owners before finalizing the package (drawings and written specifications) and putting it out for competitive tender. It is expected that the package (the construction documents) will be ready for tender by the first week of January 2002 and the bids received by the end of January 2002.

- Parkade deck
- East elevation sidewalk
- Brick repairs for the ground floor
- Low E windows for all suites
- Tempered, or laminated glass for the windows on the ground level suites
- Roof top garden
- Project management

Marcus Dell then proceeded to explain each budgeted item in detail, including the projected construction costs of \$1,245,387.00 put together by Heatherbrae Construction Company Ltd. Marcus Dell informed the owners that the probable costs submitted by Heatherbrae are very accurate, and should be kept confidential from contractors who may be requested to submit bids for the BEP. The floor was then opened to questions and discussions on the following items:

Parkade deck

Marcus Dell informed the owners that the structure of the underground garage is very complex. Originally, it was thought that the concrete slab for the underground garage only extended to the bottom of the stairs in front of the building, but it was discovered later that the concrete slab actually extends beyond the stairs. Through discussions with Strata Council, it was decided that the owners should be asked to decide whether or not the waterproofing for the concrete slab should be extended all the way to the outside of the underground garage walls.

Unfortunately, to achieve this task, all the fencings and the shrubs on the ground level would be affected. Thus, a budget of \$45,000 has been allocated for this work. The owners should also set aside a \$10,000 landscaping allowance, and \$10,000 to replace the brick dividers for the ground level suites. Additionally, the owners should consider allocating approximately \$15,000 to \$20,000 for the replacement of the existing “**arch-way**” in front of the main entrance to the building. The consultant concluded that generally, the details for the waterproofing membrane would be better if the entire concrete slab were waterproofed.

5. **PRESENTATION BY MARCUS DELL AND PAUL KERNAN OF RDH – Cont'd.**

East Elevation Sidewalk Repairs

The consultant informed the owners that the existing sidewalk on the east elevation is uneven. It is proposed that this sidewalk be replaced. The estimated cost of \$30,000 also includes the construction of a retaining wall between the walkway and the parking lot next door.

Tempered, or Laminated Glass for Ground Level Suites

The owners were advised that RDH has been in discussion with a glass manufacturer (Starline) with respect to possibly using laminated glass for the new windows. Laminated glass is better than tempered glass; however, preliminary discussions had led RDH to believe that it may be difficult to incorporate laminated glass into the new windows. Therefore, at this stage, RDH is not sure if laminated glass can be included.

Rot Repair Contingency

The owners were told that typically, the selected contractor has two (2) full-time carpenters on site to replace wood rot. The standard practice is for the consultant to identify the wood replacement by spray painting the wood which needs replacing. The contractor then submits an invoice for time and materials. The consultant had found that the time and material approach is much more cost effective than using unit cost. Based on the limited exploratory testing done by RDH and the building envelope condition assessments completed by Building Envelope Engineering and Aqua Thermal Engineering, the consultant felt that \$100,000.00 for wood rot contingency is adequate for a project of this size.

Project Management

The owners were advised that over the years, RDH has been involved in several BEPs with project managers. RDH has seen BEPs where having a project manager has worked, and has also seen other BEPs where having a project manager did not produce the desired result for the owners. RDH's position in having a project manager is as follows:

- RDH would be greatly concerned if the project manager hired by the Strata Corporation were so involved that the specifications put together by RDH were altered. This is a problem because at the end, RDH has to sign off on all the works.
- Further, the proposed BEP is a **full** remediation, and the scope of work is well defined. The owners can rest assured that those contractors being asked to bid on the BEP are on the third party warranty provider list of approved contractors. A BEP with a budget of \$1.5 million is considered a medium-sized contract, and the contractors on the insurance company's approved list are very competent contractors.
- Therefore, the consultant is of the opinion that project management would only work if the role of the project manager is to facilitate the BEP to take some pressure off the Strata Council.

5. **PRESENTATION BY MARCUS DELL AND PAUL KERNAN OF RDH – Cont'd.**

Project Management – Cont'd.

Marcus Dell then fielded numerous questions from the floor with emphasis on the balcony dividers, balcony railings, and window type. Questions included the following:

Q: In addition to the rot contingency of \$100,000, why are there two (2) additional contingencies of \$150,000, and \$100,000?

A: The intent of the \$150,000 contingency is to have the money available only for unforeseen repairs. This is separate from the wood rot contingency, as there is always the possibility that unknown conditions will be discovered during the project, due to the unforeseen damages which may exist that are currently concealed behind the exterior stucco portions of the walls.

Every effort will be made to keep the BEP from cost overruns, but the project may encounter uncontrollable circumstances, resulting in the project taking longer than the anticipated time to complete. The other \$100,000 contingency is used to cover these uncontrollable events, to avoid having to go back to the owners for more money. In this regard, it was noted that the Strata Council has accepted the consultant's estimate in good faith and the consultant has recently re-confirmed the adequacy of the budget.

Q: Why didn't the consultant consider having cornices added to the exposed windows?

A: It has always been the consultant's intention to recommend the appropriate cost effective repairs that would be required for satisfactory performance of the new envelope assembly. Adding cornices to the exposed windows would result in significant additional costs to the project without the benefit of significant improvements in protection.

Q: Will the doors be replaced? Heatherbrae Construction Ltd. has included a budget line for doors.

A: RDH will confirm the answer to this question by checking the specifications that were given to Heathbrae Construction Ltd. to compile the probable construction costs.

There being no further questions for RDH Building Engineering Ltd., the Property Manager thanked Marcus Dell and Paul Kernan for attending the meeting and making their presentation, and excused them from the meeting at 9:05pm.

6. **LEGAL COMMITTEE REPORT.**

Camille Ciarniello (108) informed the owners that the Legal Committee had interviewed several law firms since May 2001 and had eventually settled on Jenkins Marzban Logan. In an effort to save money and with the help of the other member of the Legal Committee, Charleen Zaleski (215), the Legal Committee had decided to gather all relevant information, and present them to John Logan of Jenkins Marzban Logan in June and July 2001. However, the Legal Committee was recently advised that there was a conflict regarding Jenkins Marzban Logan acting for Strata Corporation VR1428. Jenkins Marzban Logan has since resigned from representing Strata Corporation VR1428 and had made a reduction in their billing for the work done to date. Jenkins Marzban Logan also agreed that they would update the new lawyer for the Strata Corporation at no additional charge to the Strata Corporation, once a new lawyer is hired. Thus only \$500.00 out of the \$10,000.00 approved by the owners has been spent so far. The Legal Committee is currently in the process of searching for a new law firm.

Ms. Ciarniello further advised the owners that the recent judgement in the Delta Municipality's case involving leaky condos has no bearing on buildings affected by water ingress problems in Vancouver, due to the City of Vancouver charter, and that Strata Plan VR1428's case may be complicated by the fact that the building was once a rental building.

7. **VOTING.**

An owner suggested that each budgeted item for the BEP be voted on separately. The owners are in agreement with Item nos. **1 to 5** in the proposed budget for BEP, and the following results are for items **6 to 15**.

Parkade Deck (Item 6)

The result was thirty-five (35) **in favor**, two (2) **opposed**. Motion **CARRIED**.

East Elevation Sidewalk (Item 7)

The result was thirty-four (34) **in favour**, two (2) **opposed**, one (1) **abstention**. Motion **CARRIED**.

Brick Repairs for Ground Floor Patios (Item 8)

The owners voted not to rebuild the brick walls that have to come down, but to replace them with wooden fencing. The result was twenty-eight (28) **in favour**, eight (8) **opposed**, one (1) **abstention**. Motion **CARRIED**.

The owners also voted to use solid fences for the ground level patios. The result was thirty-two (32) **in favour** and five (5) **opposed**. Motion **CARRIED**.

Low E Windows and Tempered or Laminated Windows (Items 9 & 10)

The motion was **unanimously CARRIED not** to use either low E windows or tempered/laminated windows for BEP.

7. **VOTING – Cont’d.**

Rot Contingency (Item 11) and Landscaping Allowance (Item 12)

It was **unanimously CARRIED** to set aside money for both rot contingency and landscaping allowance.

Roof Top Garden (Item 13)

The motion was not to proceed with the construction of a roof top garden. The result was thirty-six (36) **in favour**, one (1) **opposed**. Motion **CARRIED**.

Legal Fees (Item 14)

It was **MOVED, SECONDED** and **CARRIED** unanimously to set aside \$110,000 for litigation costs, and costs to obtain conduct of sale against those strata lots which have not paid their portions of the special levy for the BEP after the due date.

Project Management (Item 15)

An owner suggested that the general membership should make a distinction between a project manager and a project facilitator. This owner asked to have separate motions for the hiring of a project manager and the hiring of a project facilitator.

There was a motion to not hire a project manager. The result was as follows:

Twenty-one (21) **in favour**, fourteen (14) **opposed**, and two (2) **abstentions**. Motion **DEFEATED**.

A motion was made to hire a project facilitator. The result was as follows:

Eleven (11) **in favour**, sixteen (16) **opposed**, and ten (10) **abstention**. Motion **DEFEATED**.

A motion was then made to set aside \$50,000 for project management services of any kind. There was no seconder to this motion. Motion **DEFEATED**.

The Property Manager informed the members that there are two (2) additional items on which the Council would like feedback from the members. They are:

Arch-way by the main entrance (Item 16)

The general feeling was to keep the existing arch-way by the main entrance, or have the consultant present owners with different options to replace the existing arch-way.

A motion was made to set aside \$20,000 for such expenditures. The motion was **SECONDED** and put to a vote. The result was:

Thirty-five (35) **in favour**, two (2) **opposed**, and two (2) **abstentions**. Motion **CARRIED**.

7. **VOTING – Cont’d.**

Security Lighting (Item 17)

Ginny Haynes (110), formerly of the Blockwatch Committee and currently of the Construction Committee, advised the owners that she had spent a considerable amount of time exploring this subject. The committee was looking for better lighting for reasons of security and aesthetics. The committee had initially hired an electrical contractor (Villa Electric Ltd.) for this task, without spending too much money. Villa Electric Ltd. had put together a one-page recommendation for the new lighting for a cost of \$139.10.

But Villa and RDH were not seeing eye to eye so the committee found a second lighting consultant, Carl R. Koehler of C. R. K. Designs Inc. He has presented a second lighting improvement design and a proposal to draw the specifications and arrange for all permits for a cost of \$3200. These specifications would then be forwarded to RDH. It is estimated that the new lighting for the building would cost around \$25,000.00.

A motion was then made to set aside \$25,000.00 for lighting improvements. The motion was **SECONDED** and put to a vote. The result was thirty-five (35) **in favour**, one (1) **opposed**, and one (1) **abstention**. Motion **CARRIED**.

Replacement of Lobby Doors and Exit Doors (Item 18)

A motion was made to set aside \$6,000.00 for the replacement of the two (2) lobby doors and the south & east fire exit doors. The motion was **SECONDED** and put to a vote. The result was thirty-six (36) **in favour**, one (1) **opposed**. Motion **CARRIED**.

8. **RESOLUTION “A” – ¾ VOTE.**

The Property Manager informed the members that Resolution “A” as presented in the notice of the meeting should be voted as a whole. A motion was made to amend Resolution “A” as follow:

WHEREAS

1. The owners, Strata Plan VR1428 (the owners) have become aware of building envelope problems and related damages to the common property; and
2. The owners have retained RDH Building Engineering Limited (the “consultant”) to review the building envelope condition assessment completed by Aqua Thermal and Building Envelope Engineers, and to provide advice regarding the necessary maintenance and repairs; and
3. The consultant has recommended full scale remediation of the exterior wall assemblies and other components of the building envelope and has prepared design documents ready for tender; and

8. **RESOLUTION "A" – ¾ VOTE – Cont'd.**

4. The owners do not have sufficient funds in the operating budget and contingency reserve fund to carry out the recommended repairs, and tenders cannot be sought without the owners first having made arrangements for the necessary funding of the project; and
5. Sections 96 and 108 of the Strata Property "Act", respectively stipulate the procedures to be followed in cases where the Strata Corporation wishes to spend money from the contingency reserve fund and also to raise money from the owners by means of a special levy,

BE IT THEREFORE RESOLVED THAT

1. The owners authorize a special levy in the amount of \$2,075,190.00 for the purpose of carrying out the building envelope remediation project (the "project") with the levy to be assessed against all strata lot owners of record as of the date the special levy is approved based on the schedule of unit entitlement enclosed in the notice of tonight's meeting, and due and payable in full on or before February 15th, 2002; and

The motion was **MOVED, SECONDED** and put to a vote. The result was: thirty-four (34) **in favour**, three (3) **abstentions**. Motion **CARRIED**.

2. If the amount collected exceeds that required, or for any other reasons is not fully used for the purpose set out in this resolution, the money plus any accrued interest shall be returned to the owners in accordance with the Strata Property Act section 108 within 30 days after final accounting re-consideration is made; and

The motion was **MOVED, SECONDED** and **CARRIED** unanimously.

3. The Strata Corporation instructed the Strata Council to retain legal counsel to initiate liens registration and expeditiously obtain conduct for sale in accordance with section 116 and 117 of the Strata Property Act against every strata lot which has not paid the special levy in full by February 15th, 2002, or provided Strata Council with a recognized loan approval letter; and

The motion was **MOVED, SECONDED** and **CARRIED** unanimously.

4. The Strata Council shall be authorized to retain and instruct the consultant to immediately call for competitive tenders and the Strata Council shall execute all appropriate contracts.

The motion was **MOVED, SECONDED** and put to a vote. The result was: thirty-five (35) **in favour**, two (2) **opposed**. Motion **CARRIED**.

9. **FINANCIAL MATTERS.**

Homeowner Protection Office Loan

Charleen Zaleski (215) informed the owners that she went to the Homeowner Protection Office, picked up approximately twenty (20) loan application packages, and made them available at tonight's meeting for those owners who find themselves in a difficult financial situation.

Levy Collections

In discussing the cash flow requirements for the BEP, the owners were advised that work cannot proceed until there are adequate funds in place or the work could potentially be stopped by the contractor if the Strata Corporation cannot provide reasonable evidence that financial arrangements have been made to fulfil Strata Corporation's obligations under the contract. The Property Manager then explained the procedures that will be followed by the Strata Corporation in the event that any owners default on their levy payments, which would include immediate notifications to the mortgage holders, registration of liens, and petitions to the court for an order for sale of their strata lots.

Third Party Warranty

A meeting held between the Strata Council and the warranty provider (Willis Canada) has resulted in an agreement on a ten-year warranty for the BEP. The consultant remarked that the choice of a ten-year warranty was a wise decision on Council's part.

Trust Account

An owner requested assurance that the special levies collected by Rancho Management for the Building Envelope Project be placed in a separate trust account and that regular financial statements be made available to the owners. The Property Manager informed the owners that there will definitely be a separate trust account opened and a reporting system used for the BEP, as discussed at the May 22nd, 2001 Strata Council meeting.

Information Required for HPO's Loan Application

Original builder: Ridgeway Enterprises Ltd.

President: Rudy Siemens

The building was built in 1984

Legal description: District Lot 526, Strata Plan VR1428

NOTE: Rancho will forward a copy of this minutes to the HPO's office and RDH will forward a completed "Repair of Certificate" to the HPO's office. Therefore, those owners who are applying for the HPO's loan need not to include these materials.

10. **ADJOURNMENT.**

There being no further business, it was **MOVED, SECONDED** and **CARRIED** to adjourn the meeting at 11:20pm.

Joseph Tsang, Senior Property Manager
Rancho Management Services (B.C.) Ltd.
Agent for Strata Plan VR1428
701-1190 Hornby Street, Vancouver, B.C., V6Z 2K5
Phone: (604) 684-4508 (**24 HOUR EMERGENCY SERVICES**)
Direct Line: (604) 331-4253
Email: jtsang@ranchogroup.com

HOLIDAY GREETINGS

At this time, Rancho Management Services would like to wish everyone the best of the Holiday Season!

Please note that during the Xmas Holidays and the New Year period any emergency situations can be handled by contacting Rancho's 24 hour emergency number.

RANCHO'S XMAS HOURS

FRIDAY	DECEMBER 21ST	OPEN TILL 1:00PM
MONDAY	DECEMBER 24TH	OPEN TILL 3:00PM
TUESDAY	DECEMBER 25TH	CLOSED
WEDNESDAY	DECEMBER 26TH	CLOSED
MONDAY	DECEMBER 31ST	OPEN TILL 3:00PM
TUESDAY	JANUARY 1ST	CLOSED

ATTENTION OWNERS

Please keep these minutes on file as a permanent legal record of your Strata Corporation's business. Replacement of either minutes or bylaws will be at the owner's expense and not the Strata Corporation's.