

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

MINUTES OF THE SPECIAL GENERAL MEETING OF THE OWNERS OF STRATA PLAN VR1428, "CAMBRIDGE PLACE" HELD IN THE UKRAINIAN CATHOLIC COMMUNITY CENTRE 3150 ASH STREET, VANCOUVER, BC, ON WEDNESDAY, JULY 28, 2004 AT 7:00 P.M.

IN ATTENDANCE:

37 owners were represented at the meeting, either in person or by proxy.
(29 in person, 8 by proxy)

Representing Rancho Management Services (B.C.) Ltd.:

Terry Li, Property Manager

Guest Presenters:

Ken Allison (Latham's)
Rolf Vandermeij (The BMS Group)

1. **CALL TO ORDER**

The meeting was officially called to order by the Strata Council Treasurer, Ms Rosanna Frasson, at 7.05 pm.

It was confirmed that the total number of represented owners constituted a quorum, thus those present could proceed with the business at hand. Ms. Frasson then stated that the first order of business was to select a chairperson.

It was **MOVED, SECONDED** and **CARRIED** to appoint Mr. Li as the chairperson for the remainder of the meeting.

2. **GUEST PRESENTERS**

Mr. Li informed the General Membership that there will be two guest presenters for tonight's meeting. The first presenter is Mr. Ken Allison of Latham's. Mr. Allison attended tonight's meeting to answer questions from the ownership regarding the condition of the pipes. Mr. Allison was asked by Strata Council to provide a third-party, non-bias opinion pertaining to the condition of the pipes. Mr. Rolf Vandermeij attended tonight's meeting to address specific issues pertaining to the logistics and the particulars in the re-piping process and how it will impact the unit owners.

a) **Mr. Ken Allison (Latham's):**

Mr. Allison was asked by Rancho Management to provide an analysis on the condition of the pipes. The analysis is based purely on visual examination and the physical evidence from past pipe bursts. Mr. Allison noted that due to the high PH levels of water supplied by The City of Vancouver and the fact that the pipes are 17 to 20 years old, the condition of the pipes, especially on the ground floor at 555 W. 14th has deteriorated. Mr. Allison noted the following:

2. **GUEST PRESENTERS – CONT'D**

a) **Mr. Ken Allison (Latham's) – Cont'd:**

- The domestic hot water piping has failed in numerous locations from what appears to be pin-hole leaks.
- The inside walls of the water piping have deteriorated due to the very corrosive nature of the potable water in Vancouver. Even though the water pressure in the building has been reduced, it is not recommended that the pressure be reduced further as it will result in poor operations of plumbing fixtures and appliances in the building.
- Mr. Allison noted that if future water shutdowns occur, the chances of leaks appearing when the water pressure is applied back on will be greater.

The floor was turned over to the General Membership and the following questions were addressed by Mr. Allison:

Q. What should we look for when appointing a contractor?

A. References from other completed projects, and the contractor's relationship with Rancho, who is a large and well known management company with a large portfolio of buildings.

Q. Is it recommended to complete all floors at once rather than in separate phases?

A. Doing the project in three phases costs more money, there's a danger of discontinuity as the crew may have changed and the new crew may be unfamiliar with materials, procedures, etc. and the water has to be shut off many times creating danger of new leaks with the ensuing variation in pressure.

Q. Who oversees the standards?

A. Onus is on the contractor. The plumbing contract will call for piping inspection by The City.

Q. Do we have a piece of old leaking piping to inspect?

A. When old leaking piping was replaced it was not kept but sent off to recycling. However, any piping exhibiting green marks is evidence of copper corrosion.

Q. There have been no leaks reported after the water pressure was reduced last December.

A. Mr. Li advised the those present that a minor leak was reported last Friday in the parkade, coming from suites 108/109.

Q. Could we wait one more year before doing this project? Were pipes tested in several spots?

A. Pipes were not tested outside of where leaks occurred. However, Mr. Allison said is his experience, the damage he saw is indicative of extensive deterioration and waiting is a risk.

Comment by an owner: Prior to the building remediation project, the Strata had been advised to expect huge deterioration to the building envelope, which in actual fact did not

2. **GUEST PRESENTERS – CONT'D**

a) **Mr. Ken Allison (Latham's) – Cont'd:**

prove to be as extensive as we had been led to believe. Might this be the case with the piping?

The owners thanked Mr. Allison for attending tonight's meeting and Mr. Allison then left the meeting.

b) **Mr. Rolf Vandermey (The BMS Group):**

Mr. Rolf Vandermey from The BMS Group attended tonight's meeting to address specific issues regarding to re-piping process. He noted that the work will commence on the ground floor within the suites and corridors. Drywall will be cut open to expose old pipes and replace with new piping. This process will take approximately 1 to 2 days per suite. As they are working on sections of the building, it will not affect water supply to other suites. Each suite can expect to have one periodic shut off for 1 to 2 days. During this period the City Inspector will come in to ensure that the re-piping codes are being followed. With the exception of the main pipe line re-piping, it will only take 1 to 2 days of water shut down per suite. The following questions from various owners were addressed by Mr. Vandermey:

Q. What is the size of the main piping to be used?

A. Mr. Vandermey stated that isolation valves for each stack will be installed. The piping used will be ISO approved.

Q. Will the units be repainted?

A. Mr. Vandermey noted that the drywall will be repaired and primed and it will be the owner's responsibility to paint.

Q. Will the cracked tiles be replaced?

A. Mr. Vandermey noted that if the tiles are cracked, they will be replaced if the same samples could be found.

Q. An owner inquired if the pressure reducing valve could be replaced now or later.

A. Mr. Vandermey noted that is an option that could be looked at during the re-piping process.

Q. Can only type "k" copper be used?

A. Mr. Vandermey noted that the material used will be as quoted.

Q. How many months will the whole process take?

A. Mr. Vandermey noted this process of re-piping will take approximately 3 months.

Q. How many sub-trades does The BMS Group employ?

A. Mr. Vandermey noted that the re-pipers are on payroll and their sub-trades include painters and drywallers.

2. **GUEST PRESENTERS – CONT'D**

b) **Mr. Rolf Vandermey (The BMS Group) – Cont'd:**

Q. How much notice will residents have before entrance into their suite?

A. Mr. Vandermey noted that The BMS Group will post 24 or 48 hour notices before entering the suites.

Q. How long will the specifications take to be drafted?

A. Mr. Vandermey stated that with written intent for the Strata Corporation to proceed with re-piping, the specifications will take approximately 2 weeks to complete.

Q. How often will the water be shut down?

A. Mr. Vandermey noted for the individual suites, the water will be shut down for one day. For the main water lines it will be every day for approximately 1 hour per day.

The owners present thanked Mr. Vandermey for his presentation and then Mr. Vandermey left the meeting.

3. **PROOF OF NOTICE OF MEETING**

It was **MOVED** and **SECONDED** that the notice of the meeting dated July 8th, 2004 be deemed in compliance with the notice requirements of the Strata Property Act. **CARRIED**.

4. **AGENDA**

It was **MOVED**, **SECONDED** and **CARRIED** to approve of the agenda as presented.

5. **APPROVAL OF THE PREVIOUS MEETING MINUTES (MARCH 31st, 2004)**

Two amendments were made to the minutes.

Page 6 of the minutes should be amended by inserting the following line at the end of the paragraph dealing with Bylaw 44 and ending with the words "one abstention".

6. RESOLUTION "B"

The amendment was **MOVED**, **SECONDED** and **CARRIED**.

Page 4 of the minutes dealing with Bylaw 31-1 should be amended by changing the working "**CARRIED**" to "**DEFEATED**" as the number of votes was insufficient.

The amendment was **MOVED**, **SECONDED** and **CARRIED**.

It was then **MOVED**, **SECONDED** and **CARRIED** to approve the minutes as amended.

6. ¾ VOTE RESOLUTION “B”

WHEREAS:

1. The owners have requested the formation of a Re-Piping Committee after the SGM dated October 29th, 2003.
2. The Re-piping Committee reviewed the following:
 - a) Detailed documentation of pipe burst findings:
 - 21 incidents from May 1997 to July 2004 (see attached pg 13)
 - b) Installation of pressure reducing valve
 - Pressure lowered by Latham’s
 - c) Financial options
 - Discussed but too costly
(See minutes of June 28, 2004)
 - d) Independent assessment for building re-piping (see attached Latham’s report pg 14)
3. Based on the above review of the re-piping situation in the building the Strata Council believes re-piping of the entire building is needed.

BE IT THEREFORE RESOLVED, BY ¾ VOTE RESOLUTION;

1. THAT the owners, strata plan VR1428 authorize a withdrawal of \$30,000 from the contingency fund and a Special Levy in the sum of \$145,000 for the building re-piping project due in three equal installments on August 1st, 2004, September 1st, 2004 and October 1st, 2004 and a fourth Special Levy in the amount of \$30,000 due on February 1, 2005 to replenish the contingency fund for monies taken out of the contingency fund to fund the project at its onset.

End of Resolution “B”

Mr. Li noted that Resolution “B” should start with questions and comments with owners on the floor and then the resolution will be voted on. The following comments or questions were expressed to the General Membership.

- (1) The current payment schedule is not reasonable and the payments should be deferred.
- (2) One month minimum notice should be required for the first payment.
- (3) The payments should be more sensitive to the financial situation of the building.

6. ¾ VOTE RESOLUTION “B” – CONT’D

- (4) The money should be completely collected before starting the project in order to pay the contractors.
- (5) More money should be withdrawn from the contingency fund and that the last payment to pay back the contingency fund should not be considered.
- (6) The contingency fund should not be paid back as it is to be used for capital expenditures such are re-piping.
- (7) There is no testing of the pipes done by a professional firm such as Levelton.
- (8) An owner inquired if there were any more leaks after the ones in December. *There were a total of two.*
- (9) An owner noted that more testing should be done before re-piping.
- (10) More sections should be tested to see if re-piping is indeed needed.
- (11) The pipes used in other properties are copper “k” and are the proper type of pipes to be used for this project.
- (12) An owner inquired how much was in the contingency fund. *\$46,000.*
- (13) An owner inquired what the contractor’s obligations are to deliver at the price quoted. What happens in case the job ends up costing more than quoted? *We shall review the specs and contract with a lawyer before we proceed. Should the cost exceed the quote by an amount of less than \$1,500, Strata Council has the authority to spend it from the contingency, if it is higher, Strata Council is obliged to call an SGM to decide.*
- (14) Council did not allow enough time to digest this information. The minutes of the meeting in October, 2003 called for Council to circulate this information to owners 30 days before the SGM. *This deadline has not been observed. It took several months to obtain second quotes from contractors for splitting the project into phases. This deadline was overlooked and the information was circulation with the SGM notice of July 8 instead of June 28.*
- (15) Isn’t it advisable to collect the funds before we commit to the project? How would yjr Strata deal with owners who are unable to pay and would the contractor walk off the job in this case? *Mr. Li said Rancho would place liens against the suite and collect the monies. If we delayed we may not have a contractor for the same price.*

Mr. Terry Li then proposed to take a “straw” vote to ascertain how many owners would incur hardship in making the funds available. 21 of 37 answered **YES**.

The owners present debated these comments and questions over a lengthy period. After the lengthy

6. ¾ VOTE RESOLUTION "B" – CONT'D

debate, the ¾ vote was **MOVED** and **SECONDED** and the floor was opened again for discussion.

An owner made a motion to amend the ¾ resolution to the following:

THAT the owners, strata plan VR1428 authorize a withdrawal of \$40,000 from the contingency fund and a Special Levy in the sum of \$135,000 for the building re-piping project due in three equal installments on September 1st, 2004, October 1st, 2004 and November 1st, 2004.

The amendment was **SECONDED** and put to a vote. (23 for, 13 opposed, 1 abstention. **DEFEATED**.)

Another owner made a motion to amend the ¾ vote to the following:

THAT the owners, strata plan VR1428 authorize a withdrawal of \$40,000 from the contingency fund and a Special Levy in the sum of \$135,000 for the building re-piping project due in five equal installments on September 1st, 2004, November 1st, 2004, February 1st, 2005, April 1, 2005 and May 1, 2005.

The amendment was **SECONDED** at put to a vote. (15 for, 20 opposed, 1 abstention) **DEFEATED**.

Another owner made an amendment to amend the ¾ as follows:

THAT the owners, strata plan VR1428 authorize a withdrawal of \$40,000 from the contingency fund and a Special Levy in the sum of \$135,000 for the building re-piping project due in four equal instalments on September 1st, 2004, October, 1st, 2004, November 1st, 2004 and December 1st, 2004.

The amendment was **SECONDED** and put to a vote. (21 for, 12 opposed, 3 abstentions) **DEFEATED**.

An owner present then proposed another amendment to the ¾ resolution as follows:

THAT the owners, strata plan VR1428 authorize a withdrawal of \$40,000 from the contingency fund and a Special Levy in the sum of \$135,000 for the building re-piping project due in four equal instalments on September 1st, 2004, October 1st, 2004, November 1st, 2004, December 1, 2004 and no payback to the contingency fund.

The amendment was **SECONDED** and put to a vote. (29 for, 8 opposed, 0 abstentions) **CARRIED**.

The ¾ vote was then **MOVED**, **SECONDED** and **CARRIED** as amended. (29 for, 8 opposed)

7. RESOLUTION "A"

In view of the late time, the Treasurer **MOVED** to adjourn the meeting, deferring discussion of

7. **RESOLUTION "A" – CONT'D**

Resolution "A" to the Annual General Meeting. **SECONDED** and **CARRIED**.

8. **TERMINATION**

It was **MOVED, SECONDED** and **CARRIED** to terminate the meeting at 9:45 pm.

9. **NEXT MEETING**

The next meeting will be a Strata Council/Budget Meeting. It has been scheduled for Wednesday, August 11th, 2004. The meeting will be held in Unit 105 at 555 West 14th Street, Vancouver, BC at 7:00 p.m.

Respectfully Submitted,

Terry Li, Property Manager
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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.