

# MINUTES OF COUNCIL MEETING STRATA PLAN LMS-712 888 BEACH

**HELD** On Wednesday, January 29, 2014 at 4:30 p.m. in the Meeting Room, 1501 Howe Street, Vancouver, BC

**PRESENT**

Mike Gallagher	President	Unit #2701 – 1500
Jeff Sodowsky	Vice-President	Unit #2501 – 1500
Bev Andrews	Treasurer	Unit #1505 – 1500
Pat Dairon	Secretary	Unit # 706 – 1500
Kitty Morgan		Unit #2703 – 1500
Marilou Appleby		Unit #1003 – 1501 ( <i>Departed at 6:00 p.m.</i> )

**REGRETS** Craig Dailly Unit # 613 – 888

**BUILDING MANAGER** Jason Wrobleski

**STRATA MANAGER** Sylvia Brewer, FirstService Residential

The meeting was called to order at 4:30 p.m.

## **MINUTES APPROVAL**

It was moved, seconded and carried to adopt the minutes of the November 2013 council meeting, with the following amendment:

Under *Financial Report*, 3. *Arrears*, (b) should read “There is a \$226.00 receivable from one owner on the Phase II levy”, not “Phase III”, as noted.

## **FINANCIAL REPORT**

1. **Monthly Statements**: After review and discussion it was moved, seconded and carried to adopt the November 2013 and the December 2013 unaudited financial statements as presented. The December 31, 2013 current net surplus of \$28,513 will be adjusted by the auditors as invoices for 2013 are received from suppliers in January and February. The audited financial statements will be made available to the owners when they are completed. Any owner wishing a copy of the strata corporation's financial statements should contact FirstService Residential during regular business hours, 8:30 a.m. to 4:30 p.m., Monday to Friday or go to the strata's website: [www.888beachvancouver.com](http://www.888beachvancouver.com). The owner's only section of the website can be accessed as follows:

**User ID: owner  
Password: 888beach**

2. **Account Balances**: The current balances for the period ending December 31, 2013 in the appropriate funds are as follows:

- Total Cash Balance \$1,315,057.01 (including CRF Balance)
- CRF Balance \$353,837.06 (Contingency Reserve Fund)

3. Arrears: Council reviewed the accounts receivable as of December 31, 2013.
  - (a) One owner has not yet paid the Phase II levy. \$226 remains unpaid.
  - (b) Some owners have not yet paid their Phase III levy. The final payment on this levy was due November 1, 2013. As of December 31, 2013, approximately \$32,000 remains unpaid. Liens have been put in place on some of these units.

Council instructed the strata manager to add interest charges on overdue payments for Phase II and III levies at the rate of 10% per annum, compounded annually.

4. Contingency Reserve Fund (CRF): The activity in the CRF during 2013 is reported in the monthly financial statements that are posted on the strata's website. The December financial statement reports expenditures of \$58,498 that were charged to the CRF during 2013. These expenditures include invoices totalling \$13,498, related to emergency repairs in Garden Tower in 2013. Also included are two payments totalling \$45,000 related to a flood in Garden Tower in December 2013. The strata corporation anticipates reimbursement of the \$45,000 from the contractor's insurance.
5. Structural Fund: The Structural Fund balance reported in the 2013 financial statements was \$413,701. This fund was utilized in 2013 to cover work on roof replacements, townhouse repairs and other projects, some of which were unplanned and occurred late in 2013 and carried over to January 2014. The invoices for these projects will be charged against the Structural Fund when they are paid in 2014. It is anticipated that the December 31<sup>st</sup> balance of the Structural Fund will be fully utilized to cover the cost of these projects. A full report of the Structural Fund will be provided to owners when projects are completed.
6. Exterior Maintenance Phase II: As recorded in the November 27, 2013 minutes, \$21,505 of overdue 2012 Phase II levy amounts was collected during 2013. We were unable to use these funds during 2012 on the Phase II project and IGU replacements and the shortfall was covered by monies from the Structural Fund in 2012. The \$21,505 can now be used for the ongoing renewals and maintenance in Phase III that were recently completed in January 2014. There will be a  $\frac{3}{4}$  Vote Resolution – Transfer of Funds presented to owners at the Annual General Meeting to authorize the transfer of the \$21,505 from the Exterior Maintenance Phase II Fund to the Exterior Maintenance Phase III Fund. This resolution will actually be in two steps; firstly that the \$21,505 be refunded to the owners on the basis of their unit entitlement; and secondly that \$21,505 be subsequently assessed as a special levy upon owners in proportion to their unit entitlement. In simpler terms, the monies will be rolled forward from Phase II to Phase III. No refund cheques will be issued and no assessments will be collected.
7. Exterior Maintenance Phase III: The Exterior Maintenance Phase III balance reported in the December 2013 financial statements is \$213,379. This fund was utilized in 2013 to cover the planned scope of work plus some additional projects that were approved by council to utilize the construction management team while it was on-site. It is anticipated that this fund will be fully utilized until the final invoices are paid in 2014. A full report of the Exterior Maintenance Phase III Fund will be provided to owners when the projects are completed.
8. 2014 Operating Budget: The strata council reviewed the Operating Budget for 2014 which will be distributed to owners with their Annual General Meeting packages. A budget commentary, with a detailed explanation of the increases and decreases in budgeted amounts, will be included in the AGM packages. The major impact on the 2013 operating budget was the inclusion of an amount to cover some of the expenditures proposed by the Depreciation Report prepared by Halsall Associates. The proposed strata fee increase to cover the additional 2014 expenditures is 29%. The AGM package will include a list of strata fees for each unit. It will also include a chart comparing the proposed 2014 strata fees to the total cost of 2013 strata fees and the special levy for various unit entitlements.

Details of the Halsall proposal and the strata council's decisions process are outlined below.

The strata council reviewed the funding scenarios in the Depreciation Report prepared by Halsall. The three scenarios presented by Halsall are:

- Scenario 1: Maintain the current strata fees and raise additional funds by special levies as required.
- Scenario 2: Increase the strata fees to fully cover near and long-term repairs.
- Scenario 3: Fund the required repairs by using a balance of increased strata fees and special levies.

The strata council listened to the owners who attended the two presentations made by representatives of Halsall and received written and verbal comments from owners over the past two months. Based on this input the strata council is recommending the following for the 2014 fiscal year:

- No special levies in 2014.
- A review of the proposed expenditures and the timetable presented in the Depreciation Report, as well as the investigation of alternatives for expenditures proposed for the 2014-2018 period. Re-piping is one of the major expenditures and council recommends further investigation of this item. This investigation would include alternative water treatments that may prolong the life of the existing pipes. Results of the investigation will be presented to the owners for consideration.
- An increase in monthly strata fees of just under 30% to raise \$500,000 to fund repairs that may occur in 2014 based on the Depreciation Report timetable.
- Repair the glass block walls in Beach and Garden Towers.
- Install power door operators at three tower entrances.
- Replace flat-roofing and terraces (approximately one third of the remaining original roofs).
- Repair the water-damaged lobby of Beach Tower.
- Replace domestic hot water tanks.
- Investigate domestic water treatment systems.
- Upgrade the CCTV system.

Although the repairs and reimbursements outlined above total approximately \$564,000, not all of the projects will be undertaken in 2014. For this reason council has recommended that the strata fees be increased by only \$500,000. Seventy percent, or \$350,000, of this amount will be allocated to the structural fund to provide funds to carry out replacements of roofs and decks and other projects as necessary. The remaining 30%, or \$150,000, will be added to the CRF.

9. Invoices: The following invoices were reviewed and approved for payment.

• RDH	\$33,170.84	Phase III to December 31, 2013
• RDH	\$4,919.00	Field Review, Phase III to December 31, 2013
• Black Tie Property Services	\$17,847.38	Window cleaning
• Overhead Door	\$957.87	Motion sensor for Howe Street garage gate
• Michael A. Smith Duct Cleaning	\$3,984.75	Ocean Tower/Garden Tower dryer vent cleaning
• Onside Restoration	\$25,000.00	Insurance deductible re: Garden Tower flood
• Suncorp	\$1,260.00	Insurance appraisal
• Fehr Strata Repairs	\$341.25	Townhouse #7 door sweep repair
• Fehr Strata Repairs	\$3,780.00	Townhouse #5 door replacement

- Xpert Mechanical \$1,086.75 Check valve, P4 sanipit
- Xpert Mechanical \$344.22 Leak repair, Unit 3003
- Columbia Seal \$2,573.41 COP #9 Phase III – December 31, 2013
- Tri-Rock Manufacturing Ltd. \$67,499.46 COP #3 Phase III – December 2013
- TNC Restoration \$101,000.46 COP #8 Phase III – December 31, 2013
- Matakana Scaffolding \$68,714.31 COP #5 Phase III – December 31, 2013
- West York Developments \$1050.00 COP #7 Phase III – December 31, 2013
- Pro-Can Electric \$1,388.23 COP#6, Phase III – December 31, 2013

\* COP = Certificate of Payment

10. Audit – December 31, 2013 Year-End: The strata manager reported that Reid Hurst Nagy has begun the audit.

### **COMMITTEES**

1. Landscaping: The Landscaping Committee reported that one owner has volunteered to assist with developing plans for 2014.

### **BUILDING MANAGER REPORT**

Jason Wroblewski submitted his report for the month of January for council's review.

### **BUSINESS ARISING**

1. Exterior Maintenance Phase III: Phase III is complete and council awaits the final report on costs from RDH.
2. Structural Maintenance Repairs:
  - (a) Townhouse #5 door replacement has been completed.
  - (b) Townhouse #4 repairs have been completed.
  - (c) Townhouses #5, #6, #7, #8, #10 and #11 repairs have been completed.

The strata manager advised that there have been several concerns brought to the building manager and strata manager's attention. RDH will review the three units that have reported concerns with possible water ingress.

3. Landscaping: No report.
4. Depreciation Report: Council reported that there was a good turnout for the second meeting on January 15<sup>th</sup> and thanks all owners who took the time to attend to become better informed regarding the recently completed Depreciation Report.

Owners are advised that Tony Gioventu, the executive director of the Condominium Home Owners Association, is presenting an evening regarding Condos and Townhouses – "Do We Know What We Own? Understanding Depreciation Reports, Maintenance and Operation Plans and Protecting Our Investments". This evening with Tony Gioventu will be held on Wednesday, February 19, 2014, from 6:00 p.m. to 9:00 p.m. Doors open at 6:00 p.m., discussion is at 6:30 p.m. followed by a question and answer period. The location is the Heritage Hall, 3102 Main Street, Vancouver, BC. Light refreshments will be served and door prizes drawn. Seating is limited. If you wish to attend please contact Marilou Appleby via email marilou@vfs.com to reserve your seat.

5. Townhouse #2 Mould: The strata manager reported that the owners of Townhouse #2 have replied to the December 3<sup>rd</sup> letter advising them that council is prepared to have Eco Impact do the suggested testing and the owners have agreed. The strata manager was instructed to contact Eco Impact and have them arrange to do the testing.
6. Beach Tower Expansion Tank: There was further review and discussion regarding the replacement of the expansion tank in Beach Tower. It was agreed that the quote received from Xpert Mechanical, in the amount of \$3,440 plus taxes, was approved and the strata manager was instructed to arrange this replacement.
7. Dryer Vent Drip: There was further discussion regarding the dryer vent drip of two units in Beach Tower. After further review of the inspection reports from Michael A. Smith, it was agreed that it will be arranged for both units to replace their current dryers with ventless models with a budget of up to \$2,000 per unit. The strata manager will contact a previous owner who also had a ventless dryer installed to confirm the make and model and advise both owners that this replacement will take place as soon as possible. It was noted in both reports that the video camera was unable to fully inspect the dryer exhaust ducts as the ducts were crushed during the original construction. The only remedy for this type of damage is to replace the traditional dryer with a ventless one.
8. Backflow Assemblies: Council has reviewed further quotes for the backflow assemblies and it was agreed to request a further extension from the City of Vancouver to finalize the quotes before proceeding with these required repairs, as dictated by the City of Vancouver.
9. Water Ingress Insurance Claim – Units #402 and #302: The strata manager reported that the repairs due to a sink back-up in a fourth floor suite in Ocean Tower are underway.
10. Dryer Vent Cleaning: The dryer vent cleaning for Ocean Tower, Garden Tower and Townhouses 5-26 have been completed. In total 81 units were cleaned from the inside and the outside, six units were cleaned from the outside only and two units were not cleaned due to the residents not being home at the time of the scheduled cleaning. These owners will be advised that they must make arrangements to have the dryer vents cleaned as it is important that dryer vents are cleaned regularly. The several units not cleaned were either vacant or ventless dryers are installed. It was also reported that the dryer exhaust ducts contained varying amounts of accumulated dryer lint which was removed during the duct cleaning process.
11. Window Cleaning: Black Tie Property Services completed 75% of the window cleaning in the month of December. The row of townhouses along Seabreeze Walk were under construction and not accessible for cleaning.
12. Tenant with Two Dogs: It was reported that the tenant that had two dogs has moved out of Beach Tower and no further fines will be levied against the owner for the bylaw violation of having two dogs in the unit.

## **CORRESPONDENCE**

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

1. Renovation Requests:

- (a) A renovation request to install hard surface flooring was received from the owners of unit #513. After review and discussion, as the application met all the requirements for hard surface flooring installation, the request was approved.
- (b) A renovation request to install hard surface flooring was received from the owner of unit #1107. After review and discussion, as the application met all the requirements of hard surface flooring installation, the request was approved.
- (c) The owner of unit #2903 presented a request to renovate their bathroom. After review and discussion, as the request met all the renovation criteria, the request was approved and the owner will be notified.
- (d) A request was received from the owner of Commercial units C1 and C2 for permission to make necessary renovations to change the interior sizes of the two units. After review and discussion it was agreed to allow the owner to proceed with the demolition of the wall separating the two units. Once the demo has been completed the owner must present their final plans for these two newly sized commercial spaces.
- (e) A renovation request was received from the owner of unit #2502 to perform a number of changes to their unit. After review and discussion, as the request met all the renovation criteria, the request was approved and the owner will be notified.
- (f) The owner of unit #508 requested permission to change the bathroom tile and shower base of their unit. After review and discussion, as the request met all the renovation criteria, the request was approved and the owner will be notified.

2. General:

- (a) A letter was received from an owner thanking council for their pro-activeness in getting a Depreciation Report prepared. This owner felt it was a well-documented piece of work and provided an excellent framework for making effective maintenance decisions and preserving the value of their assets. They went on to make a number of suggestions for council's consideration. Council thanks the owner for taking the time to write.
- (b) A letter was received from an owner regarding the Depreciation Report and they made a number of suggestions for council to consider regarding their personal preference for a modest increase in monthly fees, with the remaining funding done by special levies. Council thanks this owner for the time they took to write and thanks them for their comments and will take their suggestions under consideration. This owner also advised that he would like to sit on the Landscaping Committee and, as earlier reported, the Landscaping Committee has made contact with this owner.
- (c) A letter was received from an owner regarding a previous letter sent requesting reimbursement for damaged blinds due to water ingress from outside of the building. The owner was not happy with the response from council that agreed only to replace the three blinds that had been damaged. After further review and discussion, council stands by their decision and only agrees to reimburse the owner the amount of \$468.30. The owner will be advised.

- (d) A letter was received from an owner requesting that the railing around their balcony be painted as it is chipped. It was noted that this unit was not included as part of the enclosure renewal program and at this time no painting will take place. The owner also commented that noise from the use of weights in the gym is quite loud in their unit and requested that owners be reminded in the minutes to reduce the amount of noise made when using the weights. Signs have been posted in the gym and a reply will be sent to the owner.
- (e) A letter was received from an owner regarding sound transfer issues when using modern speaker systems. This owner has reported in the past that there have been occasions where some units have had the volume of their stereo systems so high that it is audible in adjacent units. These situations have resulted in noise complaints and, in some cases, fines. While the writers of the letter appreciate having good speakers and enjoy listening to music, they keep the volume and the bass settings at a level that does not transfer to adjacent units and expect other residents to do the same in keeping with the principle of quiet enjoyment that is integral to the strata's bylaws. The owners feel that the problem of noise transfer has some similarities to those faced when hardwood flooring first started to be installed. To mitigate the transfer of impact noise from unit to unit, the council instituted procedures to ensure that owners installed an appropriate impact-absorbing layer between the new floor and the concrete slab. While this has mitigated the problem, sound can still be transferred if residents wear hard-soled footwear. Owners were therefore also encouraged to utilize carpets and wear soft-soled footwear while in their units.

In the case of multi-speaker sound systems with sub-woofer bass units, the owners feel that it may be worthwhile establishing some guidelines as to how these systems should be set up to eliminate the transfer of the bass noise to adjoining units. While this will not resolve all amplified sound transfer problems, it would at least limit excessive volume situations, situations that can be handled as they are now. Council understands the concerns from this owner about excessive bass noise from an adjacent suite and has followed up with a violation bylaw letter written to that owner.

- (f) A letter was received from an owner advising that they had to call out a plumber for repairs of their en-suite toilet; however, the repair could not be done as it required access from the suite below. That repair has been concluded; however, this owner is requesting reimbursement of the \$207.90 that they were charged by the plumber that they called in. After review and discussion, council will reimburse the owner as requested.
- (g) A letter was received from an owner in Garden Tower requesting reimbursement of additional hydro costs due to the use of electricity in their unit to have the fans running for 14 days to dry out the unit after the recent flood. After review and discussion, it was agreed to reimburse the owner for \$45.03 as requested for additional hydro consumption.
- (h) A letter was received from an owner requesting reversal of two fines regarding bylaw violation complaints against their tenant. They advised that the tenant has since moved out and request that the fines be reversed. After further discussion, council declined to reverse the fines and the owner will be advised.
- (i) A letter was received requesting auto door openers be installed for all access doors. Council thanks this owner for their concerns and further investigation will take place regarding costs.

- (j) A letter was received from an owner requesting that their tenant be allowed to park their over-height truck on P1 as they are unable to get their vehicle through the parkade double gates leading to P4. The owner listed a number of parking stalls they would prefer for their tenant's use. After review and discussion, council agreed to allow this tenant to park on P1 on a trial basis; however, there will be a charge of \$125 per month to park on P1. After a three month trial, this decision will be reviewed taking into consideration any concerns or complaints received. It was noted a similar request had been approved in the past and that owner was charged to park on P1. The owner will be advised that if they wish they may rent out the parking stall assigned to their unit to another owner within the building to recoup the costs.
- (k) A letter was received from an owner requesting council reverse fines regarding a pet violation. After review and discussion, it was agreed to reverse the fine as it was determined that there was some confusion as to whose dog had committed the violation and the owner will be advised accordingly.
- (l) A noise complaint was received from an Ocean Tower owner regarding the unit adjacent to them, regarding loud volume/amplified bass sound that vibrates the walls. The strata manager advised that a bylaw violation letter has been sent to the unit in question.
- (m) A letter was received from a Beach Tower owner regarding noise from the unit above them from late night television or radio that has gone on for several hours at a time. In the past the owner has asked the concierge to remind the resident and the noise did stop; however, the situation has been ongoing and they request that the owner in question be sent a bylaw violation letter. The strata manager reported that a complaint letter has been sent to the owner in question.

### 3. Bylaw Violations:

- (a) A noise bylaw violation letter was sent to an Ocean Tower owner. To date no response has been received. After review and discussion, the strata manager was instructed to levy a fine against the unit.
- (b) A noise complaint letter was sent to a Beach Tower owner regarding ongoing television and radio noise. To date no response has been received and the strata manager was instructed to levy a fine against the owner.
- (c) A bylaw violation was sent to an owner regarding their tenant and the blocking of the garbage chute as the tenant used the garbage chute to dispose of household items and paperwork etc. A fine will be levied and once the invoice has been received from Nikls, the company that removed the blockage, the repair costs will also be charged back to the owner.

## **NEW BUSINESS**

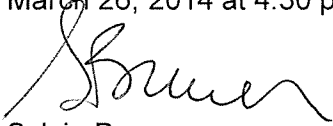
### 1. Appraisal Report:

- (a) An appraisal of the strata complex is completed every three years for insurance purposes. The November 19, 2013 appraisal report prepared by Suncorp Valuations appraised the replacement cost of the buildings at \$105,455,000 which is a decrease from the previous replacement cost of \$105,974,700. A copy of the appraisal report will be posted on the strata's website.



- (b) The strata manager reported that due to the decrease in the replacement cost for LMS-712, council has the option of reducing the insurance premium by approximately \$604. After review and discussion, the benefit to keeping the replacement value as is at the higher value would be that in the event that there is a total loss to the building and there is a need to reconstruct, the strata corporation would be covered for the higher amount of \$105,974,700. After review and discussion it was agreed not to request a refund for the insurance premium for 2013.
2. Insurance Claim – Garden Tower: There is a water ingress insurance claim underway with regard to installation of expansion tanks and subsequent flood in Garden Tower. The \$25,000 deductible will be paid; however, council has requested that the insurance adjustor investigate the nature of the water ingress incident to determine if the strata may claim back the deductible.
  3. Mechanical Room #5 & P2 Leaks: Quotes have been received to repair leaks in Mechanical Room #5 and P2 level of the parking garage piping. The total cost for repairs is \$3,428 plus applicable taxes from Xpert Mechanical. After review and discussion of all quotes it was agreed to accept the quote from Xpert Mechanical in the amount of \$3,428 plus taxes. Xpert Mechanical will be instructed to proceed with repairs.
  4. P1 Bike Room: Now that the repairs and maintenance program has been completed by RDH Building Engineering there are three rooms that were used as offices, storage and lunch room for the contractors. It was agreed that these rooms would make great bike rooms and a quote was received to install approximately 50 bike racks for a cost of \$3,300 plus applicable taxes. After further review and discussion it was agreed that a bike committee will be formed to review the area and determine if all or some of the spaces should be converted to bike rooms.
  5. Ocean Tower Garbage Room Floor Membrane Repair: A quote was received from Columbia Seal to repair the floor membrane on the Ocean Tower Garbage Room as water is leaking onto P2. The cost for this repair is \$5,991 plus taxes. After review and discussion it was agreed at this time this repair will be deferred for further investigation.
  6. Building Manager Resignation: The strata council was informed that Jason Wroblewski has tendered his resignation as building manager effective February 26, 2014 to pursue personal interests. Council is saddened by Jason's decision to leave LMS-712, 888 Beach and wish him well in his endeavours. Council will be interviewing potential candidates and hope to find a replacement before Jason's departure.
  7. Concierge Staff: Due to Lloyd Cavanagh's retirement on January 30<sup>th</sup>, Narendra Chandra has agreed to take on the morning concierge shift and will be on duty Monday to Saturday from 5:00 a.m. to 11:00 a.m. Council welcomes Narendra on board for full-time.
  8. Annual General Meeting: Owners are reminded that the AGM is scheduled for Wednesday, February 26, 2014. Sign in is to begin at 6:15 p.m. with the meeting to start at 7:00 p.m. The meeting will be held in the Ocean Tower lobby and the AGM notice will be mailed on February 5<sup>th</sup>.

There being no further business, the meeting was adjourned at 6:30 p.m. The next meeting is the AGM scheduled for Wednesday, February 26, 2014. The next council meeting is scheduled for Wednesday, March 26, 2014 at 4:30 pm.



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SyB/cr

**Is Your Address Changing?**

NAME(S) \_\_\_\_\_

Strata Plan \_\_\_\_\_ Unit # \_\_\_\_\_

**CHANGE TO:**

NEW ADDRESS: \_\_\_\_\_

NEW CITY/PROVINCE: \_\_\_\_\_

NEW POSTAL CODE \_\_\_\_\_

TELEPHONE #: HOME: \_\_\_\_\_ WORK: \_\_\_\_\_ CELL: \_\_\_\_\_