

COMMERCIAL COUNCIL MEETING September 16th, 2011 - DRAFT MINUTES

Present: Peter Morgan, President, Chair
Amanda Lu, Treasurer
Johan Arnet, Vice-President
Peter Cheung, Secretary

Regrets:

Guests: Alan Davis, Building Manager
Simon Chan, Commercial bookkeeper
Owner of Strata Lot MZ01, Electra Health Floor, Mark Bentz
Owner of Strata Lot 426, Electra Laser, John Davies
Owner of Strata Lot B05, AEBC, Tony Lum

1. **Call to Order:** Meeting was called to order at 2:10 PM by Director Morgan, Chair, who declared a quorum.
2. Review of minutes of July 15th, 2011 meeting.
Motion (Arnet/Cheung) To Approve the Minutes of July 15, 2010. Approved.
3. Building Manager's report – Alan Davis
 - a. HVAC System
There was a one day shutdown of a cooling tower whereby the firmware programming was wiped out. The technician came in to reprogram and back it up. Alan is to set up a meeting with Control Solutions regarding reporting aspects and regular back up. Johan Arnet suggested that Control Solutions should have backed up the programming before working on the system.
 - b. Batch of DDC controller replacement, cooling and heating improvements.
After the DDC failure of August 19, Control Solutions examined our systems and determined that we had several faulty controllers from a batch. They did a site visit and replaced the faulty controllers and we've had no system-wide problems since.
 - c. Commercial hot water replacement tank.
The commercial hot water tank has been replaced and is functioning normally.
 - d. Status Fringe filming and basement hallway painting.
From August 19 to August 25 The Fringe was in the building filming a portion of an episode. They did set up on August 19, 22 and 23, filming on August 24 and takedown on August 25. Everything went very smoothly and I had no complaints. Part of the setup involved painting all of the doorways in the basement area white. At the conclusion of the filming they asked us if we would consider leaving the doorways white for a while as they thought there was a possibility the hallway might be written into the script again. Council agreed to that.
 - e. White blinds request from Tasktop Technologies.
A request from the owner of the strata lot to install white blinds in the exterior windows of their unit.
Motion (Arnet/Cheung) to approve. Approved
 - f. Strata lot 223-224 alterations.
The owner of the strata lots requests approval for alterations inside their lot involving construction of a non-bearing wall. The owner is also requesting a comfort letter for use in acquiring the necessary permits from Vancouver City hall.
Motion to ratify previous email approval for the addition of a demising wall alteration request in units 223-224, and to issue comfort letter.
Motion (Arnet/ Peter Cheng) to approve. Approved.

g. Strata Items status:

a. Lobby terrazzo repair status.

Alan and Peter reported on the current status of the terrazzo repair project, and that work to repair a building joint, lay a concrete pad for the bed of the terrazzo and addition of the new terrazzo had been organized, and that the project engineer was about to file for the necessary City permits now that work had been accomplished during the summer to prepare a match to the existing terrazzo suitable for Heritage department approval.

b. Plaza low slip application

An application that would increase grip on the existing terrazzo was to be considered by Strata at its next meeting, but there were concerns about its use.

c. Planter leak adjacent to business entrance

A large planter adjacent to the business entrance was leaking water onto entrance terrazzo, and repairs to it are to be considered at the next Strata meeting because it's common-common property.

h. The tenants of strata lot M34 undertook renovations without prior approval from the commercial section as required by the Commercial Bylaws. A warning letter is to be sent to the owner regarding proper procedures. The tenants also requested permission to update their outdoor signage. Owner to be informed of this and asked for further clarification.

4. Financials (Treasurer Amanda Lu and accountant Simon Chan)

a. The monthly financials for July and August 2011 were reviewed. It was noted that we have, as of the end of August, an operating surplus of \$37,228.77, but it was also noted that there were a number of pending projects yet to start at the Commercial and Strata level.

Motion (Arnet/Lu): to approve July and August financials. Approved.

b. It was recommended by the treasurer that the firm of Smythe Ratcliffe be contracted to be our auditor and regarding related bylaw requirements.

Motion: (Morgan/ Cheung): That Smythe Ratcliff's proposal for auditor of the Commercial Section's accounts and bylaw requirements be accepted for the 2011/2012 fiscal year. Approved.

c. The receivables are much smaller.

5. Legal opinion on conflict of interest allegations.

During the in-camera meeting of the previous Commercial Council meeting, it was decided to request a formal opinion from the Commercial Section's lawyer as to whether directors Peter Morgan and Johan Arnet were in a formal conflict of interest position in connection with AEBC projects. When the opinion was received and distributed, the President requested by email prior to this meeting that the directors waive receiving the report in-camera, which they agreed to do. The opinion of the firm reviewed the situation in detail and concluded the two directors were not in conflict.

Motion: (Arnet/Cheung): To accept the Access Law legal opinion. Approved.

Lu opposed the acceptance of the letter and stated it should be noted as acknowledging receipt of the letter.

6. President's Report

a) Fines in process

i. Strata Lot MZ01 received a stage 2 fine for \$100 for incomplete restoration of an existing portion of its offices. Owner Mark Bentz and director Johan Arnet discussed the issue and a solution acceptable to the Board and Mr. Bentz was concluded. The restorations were deemed acceptable to Council with a proviso that the core plast be cut to size and affixed. The Board said that if the work was completed as discussed, the fine will be reversed.

Motion (Morgan/ Cheung). To require the owner of Strata Lot MZ01 complete the renovations as discussed and, once that was accomplished, the fine levied would be reversed. Approved.

- ii. Cryolab was issued a stage one fine letter (a warning) for not securing their liquid nitrogen tank to a wall by using a strap. Council received confirmation that the tenant had secured the tank to the wall. After discussion, it was decided end the action.

Motion (Morgan/ Cheung). To take no further action regarding the Cryolab issue. Approved.

- b. Return requests for fines from 2010/2011 status.

- i. The former tenant of Cafe de France has requested that the \$1,000 in fines issued via the owner of the property to his firm during fiscal 2010/2011 be reversed as the fines are not enforceable.
- ii. AEBC requested that the \$400 in fines issued during fiscal 2010/2011 be reversed as the fines are not enforceable.
- iii. Fines levied against owners during 2010/2011 were discussed in connection with the process identified in the Commercial Section bylaws.

Motion: (Lu/Arnet): To table the discussion pending receipt of further information. Approved.

- c. DDC Expansion System

The on-site building manager was tasked with determining what would be best to upgrade with regards to the DDC system. His suggestions included equipment servicing the area of the Scotia Bank and Pattison School.

Alan to fill in

- d. Water pipe repair project status.

A leak discovered in the wall on the Mezzanine floor in a common corridor has revealed that a lengthy piece of Commercial Section hot-water pipe needs to be replaced. Work is underway by Elafor Mechanical to assess this. Once the assessment has been completed, repairs are expected to be funded by the pipe-repair special levy previously assessed and collected for such purposes, and is not expected to affect the operations budget.

- e. Basement Cooling

- i. There have been a number of complaints received from owners on the basement floor during the summer there was insufficient cooling. Coast Mountain Air of Burnaby was asked by Peter Morgan to provide an independent report of the situation. The report as circulated to directors when received noted that three main components of the Commercial common-property HVAC system were not working properly, and provided an estimate of the cost to bring the equipment to the same standard of service as the rest of the Commercial section floors.

Motion: (Morgan/Arnet): To accept the report of Coast Mountain regarding the common area cooling equipment on the basement floor that requires repair or replacement. Approved.

Motion (Arnet/Morgan): To authorize up to \$27,000 to repair or replace the equipment as outlined by Coast Mountain but, before proceeding with the work, to obtain two additional quotes and for directors to review a portion of the building's plan to be provided by Director Lu regarding the status of basement air-conditioning system. Approved.

Director Lu opposed the approval but add on one condition for Lu to provide evidence in regards to the unavailability of the air conditioning system in the basement.

Motion (Arnet/Lu): To check other areas of the building for HVAC deficiencies. Approved.

f. Strata items report

- i. Fire Alarm System Replacement: The Strata Council will be asked to approve at its next meeting the necessary agreements with contractors to replace the building's fire alarm system as per the Commercial Section resolution and special-project levy approved at the last Section AGM.
- ii. Arbourist Report: The Strata Council will be asked to approve work detailed by an arbourist to deal with infestations in the trees on the common-common property of The Electra, as well as some other work to improve the condition of the trees.
- iii. BC Hydro is investigating the possibility adding additional antennas on the common-common roof area in or around the mechanical penthouse. There are 3 location options, and if Hydro decides to proceed, it will present a formal proposal.
- iv. AEBC is investigating possible locations for two reception-only satellite dishes, however, it's possible that 888 Nelson may be in the way of the satellites.
- v.

g. Bicycle Room – Residential Section.

A request had been made to the Residential Section by the Commercial Section to accommodate a few Commercial owners who wanted to use the Residential Section's bike parking. This is expected to be on the agenda of the next Residential meeting.

h. Scotiabank Signage

Tenant Scotiabank had requested permission to change their signage to a more contemporary design. The Board recommended that the tenant be informed that the request to council must go through the owner of the strata lot and, if necessary, the owner would be required to provide documentation regarding the signage lease and documentation from the City of Vancouver's Heritage Department before the Board would consider it.

- i. The Electra's annual insurance valuation has been reported at \$76,091,900, up 3.44%, by Suncorp Valuations, as part of the process for determining the building's annual premium, which is shared with Residential on the normal 60/40 split.

7. New Business –

- a. Mr. Davies alleged there may be Privacy Act violations in the way the Commercial minutes are reported.

Motion: (Morgan/Arnet): That the allegations be turned over to director Cheung, the Section's Privacy Officer, for investigation and for a report at the next meeting. Approved.

Director Lu left the meeting at 3:59 pm

8. In camera

Motion (Morgan/Arnet) The directors in attendance to go in-camera at 4pm to discuss:

- a. Bylaw 34: Financial, personnel, contractual or similar matters (one item)

Report out: The Board agreed to a raise for an employee.

- b. Bylaw 34: Matters, including those that may involve privileged communications, related to the strategy or interests of the Commercial Section (two items)

Report out: In the first discussion, the wording of a clause of a contractor's agreement was discussed, and the Board decided to take no action. In the second item, a possible change to a pending expense was discussed, and the Board decided to take no action.

- c. The minutes of the in-camera meeting were taken by Director Morgan.

Motion (Morgan/Arnet): To return to public session at 4:17 pm

Meeting adjourned at 4:17 pm