

1
CHELSEA GARDENS – LMS 1416

ANNUAL GENERAL MEETING MINUTES

TUESDAY, APRIL 19, 2005

LOCATION:

6:00 pm. – Eaglequest Golf Centre
7778 152nd Street
Surrey, B.C.

**STRATA COUNCIL
2004/2005**

PRESIDENT/ADMINISTRATION
Dave Brennan - #252

VICE-PRESIDENT
Harry Steele - #232

SECRETARY
John Lockhart - #257

SECURITY/ RV LIAISON

Victor Monasch - #153

LANDSCAPING

AT-LARGE
Harry Kitzmann - #W232

SOCIAL/RESOLUTIONS

Harry Steele - #252

STRATA MANAGER
Gerry Blanchard

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EMERGENCY CONTACT
24 - HOUR SERVICE
(604) 594-5643

ATTENDANCE:

203 Owners registered in person
124 Owners registered and represented by proxy

(1) CALL TO ORDER

The meeting was called to order at 6:15 p.m. by David Brennan, President. Mr. Brennan thanked all the Owners for coming tonight to this very important meeting. Mr. Brennan went on to introduce the Strata Council and Gerry Blanchard, Strata Manager of Davin Management.

(2) CALLING THE ROLL/CERTIFICATION OF PROXIES

The roll was called and all proxies certified by Mr. Blanchard in accordance with the requirements of the Strata Property Act. The Act requires that a quorum consisting of one-third of the Owners be present in order for the meeting to proceed. Mr. Blanchard reported that a quorum was present.

(3) PROOF OF NOTICE/WAIVER OF NOTICE

Mr. Blanchard advised that appropriate notice must be given to all Owners either by mail to their last-known address or hand-delivered on-site. In the case of this Annual General Meeting, the notices were mailed to all Owners on March 31, 2005, which is 20 days prior to the meeting date. It was MOVED – W422, that adequate notice was given for this evening's meeting. SECONDED – T231. CARRIED

At this time, Dave Brennan, President stated that he did not wish to "Chair" tonight's meeting due to personality conflicts and that Mr. Harry Steele, Vice President has considerable experience at Chairing meetings.

The Strata Property Act states that if the President is unwilling to Chair a meeting, the Chair goes to the Vice-President. Mr. Harry Steele agreed to take the Chair.

Mr. Steele introduced Mr. Shawn Smith of Cleveland and Doan, a local legal firm who has been invited to this evening's meeting by Davin Management to assist in any legal and procedural questions that may arise. Mr. Smith's cost for tonight's meeting is being paid for by Davin Management.

(4) ADOPTION OF AGENDA

It was MOVED – K110 to adopt the agenda as presented. SECONDED – T185

It was MOVED – T132 to amend the agenda to have the election of council be dealt with after item number 38 of the agenda. SECONDED - T133. Mr. Smith ruled that the bylaws state the order of business and the current agenda conforms to the agenda therefore the motion is out of order.

It was MOVED – T149 that the meeting tonight be adjourned at 10:30 p.m. and be continued the next night at 7:00 p.m. at the same location to complete any unfinished business.
SECONDED – W422 327 in favour, 0 opposed, 0 abstained. CARRIED

It was MOVED – K111 that 3 / 4 Vote T be removed. Mr. Smith ruled that this Resolution must be dealt with in the order of business and the Motion is out of order.

It was MOVED – T321 that 3 / 4 Vote A be dealt with prior to the consideration of the Proposed operating budget. SECONDED – T196. Mr. Smith ruled that the bylaws state the order of business and the current agenda conforms to the agenda therefore the motion is out of order.

The Question was called to adopt the agenda as amended.

327 in favour, 0 opposed, 0 abstained. CARRIED

(5) ADOPTION OF PREVIOUS MINUTES

It was MOVED - T196 to adopt the minutes of the Annual General Meeting of June 22, 2004 as presented. SECONDED - K110.

It was MOVED - T257 that Section 17, "ADJOURNMENT", read "TERMINATION".
SECONDED - T151 315 in favour, 12 opposed, 0 abstained. CARRIED

(6) COUNCIL REPORTS**Reports given at meeting:**

PRESIDENT'S REPORT – As attached.

AGM CHAIR REPORT – As attached.

SECRETARY'S REPORT – As attached.

STRATA MANAGER – As attached.

Post – Meeting Reports:

LANDSCAPING AND IRRIGATION REPORT – As attached.

MAINTENANCE – As attached.

Gerry invited Owners to call should you have any question regarding the Corporation's insurance or with any questions regarding your In-suite insurance contents policy.

(9) CONSIDERATION OF PROPOSED OPERATING BUDGET 2005-2006

At this time, Gerry Blanchard went over the financial reports from 2003-2004, 2004-2005 and the proposed annual operating budget for the fiscal year March 1, 2005 to February 28, 2006.

After considerable discussion, it was MOVED – Unit K110 to adopt the 2005-2006 proposed Operating Budget as presented. SECONDED – T149.

It was MOVED – K313 to amend the motion as per attached. SECONDED – W217

It was MOVED - to amend the motion to read (the previous Mover agreed to accept this revision to their motion) that reads, "that we accept the Financial Statements of February 28, 2005 as presented and corrected, subject to the final analysis and presentation by the Treasurer and Finance Committee, so that a proper comparison can be made between the combined CRF Financial Statements and Operating Financial Statements for budget and actuals in future and past years." SECONDED – T276

327 in favour, 0 opposed, 0 abstained.

CARRIED

After no further discussion from the floor, a vote was called on the proposed 2005-2006 budget as amended. 327 in favour, 0 opposed, 0 abstained.

CARRIED

(10) PAYMENT OF STRATA FEES

The payment of your monthly Strata fees **will not change** and can be made in the following ways:

1. Automatic withdrawal from an Owner's account by completing a Personally Approved Payment agreement and forwarding a "Void" cheque for that account.

If an Owner is already on this system, no further action is required.

2. Post-dated cheques, whereby an Owner supplies Davin with 12, post-dated cheques dated the first of each month, commencing March 1, 2005 (or May 1, 2005 if you have paid March and April, 2005), payable to **Strata Plan LMS 1416 – Unit #_____**. Cheques may be left in the Davin Mailbox in the clubhouse mailroom or the Foyer of each apartment building for pick-up.

RESOLUTIONS

The Contingency Reserve Fund will be referred to as the CRF. All approved Resolutions will be integrated in the appropriate place within the bylaws of Chelsea Gardens.

Mr. Harry Steele, turned the floor over to Mr. Les Myers, T231 who read each motion and made each motion and Mrs. Bernice Hutton, T 149 who seconded each motion.

(11) CONSIDERATION OF SPECIAL RESOLUTIONS

Special Resolution A reads:

3/4 VOTE "A"

Therefore be it resolved as a 3 / 4 vote of the Owners, Strata Plan LMS 1416, Chelsea Gardens, that the sum of \$77,594.78 be transferred from CRF to the operating budget.

It was MOVED/SECONDED to adopt 3 / 4 A as presented.

An amending motion was made to increase the amount of the Resolution. Shawn Smith deemed the amending motion to be too significant a change, therefore the motion was ruled out of order.

317 in favour, 10 opposed, 0 abstained.

CARRIED

Special Resolution B reads:

3/4 VOTE "B"

Therefore be it resolved as a 3 / 4 vote of the owners, Strata Plan LMS 1416, Chelsea Gardens, that Chelsea Bylaw 22 be amended to read \$20,000. The funds to be withdrawn as needed from the CRF.

It was MOVED/SECONDED to adopt Special Resolution B as presented.

151 in favour, 127 opposed, 0 abstained.

DEFEATED

Special Resolution C reads:

3/4 VOTE "C"

Therefore be it resolved as a 3 / 4 vote of the owners, Strata Plan LMS 1416, Chelsea Gardens, that council be instructed to proceed with the purchase for replacement of an additional 600 synthetic spindles with the associated frames, for the current fiscal year anticipated cost of \$85,000. The funds to be withdrawn as needed from the CRF.

It was MOVED/SECONDED to adopt Special Resolution C as presented.

191 in favour, 77 opposed, 0 abstained.

DEFEATED

Special Resolution D reads:

3/4 VOTE “D”

Therefore be it resolved as a 3 / 4 vote of the owners, Strata Plant LMS 1416, Chelsea Gardens, that council be instructed to proceed with the purchase of twenty of such garage doors in the current fiscal year, which would be obtainable at an anticipated cost of \$20,000. The funds to be withdrawn as needed from the CRF.

It was MOVED/SECONDED to adopt Special Resolution D as presented.
275 in favour, 4 opposed, 1 abstained.

CARRIED

Special Resolution E reads:

3/4 VOTE “E”

Therefore be it resolved as a 3 / 4 vote of the owners, Strata Plan LMS 1416, Chelsea Gardens, that council be instructed to proceed with the purchase of the swimming pool cover at an anticipated cost of \$2,000. The funds to be withdrawn as needed from the CRF.

It was MOVED/SECONDED to adopt Special Resolution E as presented.
280 in favour, 0 opposed, 0 abstained.

CARRIED

POINT OF ORDER: The full Owner count is now deemed to be 280 as some Owners have left the meeting.

Special Resolution F reads:

3/4 VOTE “F”

Therefore be it resolved as a 3 / 4 vote of the owners, Strata Plan LMS 1416, Chelsea Gardens, that council be instructed to proceed with the purchase of the self-propelled, gas powered, lawn mower at an anticipated cost of \$1,000. The funds to be withdrawn as needed from the CRF.

It was MOVED/SECONDED to adopt Special Resolution F as presented.
277 in favour, 3 opposed, 0 abstained.

CARRIED

Special Resolution G reads:

3/4 VOTE “G”

Therefore by it resolved as a 3 / 4 vote of the owners, Strata Plan LMS 1416, Chelsea Gardens, that council be instructed to proceed with the washroom and storage room in the Kensington apartment building, and such has an anticipated cost of up to \$5,000. The funds to be withdrawn as needed from the CRF.

It was MOVED/SECONDED to adopt Special Resolution G as presented.
97 in favour, 90 opposed, 0 abstained.

DEFEATED

Special Resolution H reads:

3/4 VOTE "H"

Therefore be it resolved as a 3 / 4 vote of the owners, Strata Plan LMS 1416, Chelsea Gardens, that a permanent Investment Committee be established having the following terms of reference:

- (a) Strata council shall establish the general terms of reference for the investment program:
- (b) The investment Committee shall consist of three (3) members, each appointed or elected by the Ownership for a total 3-year term, with one third being selected each year. Members who have completed their term are eligible to serve again. Members will be drawn from the ownership-at-large, and one and only one of the Investment Committee members may be a current council member.
- (c) This committee is to evaluate investment options and bring their recommendations to the council.

It was MOVED/SECONDED to adopt Special Resolution H as presented.

It was MOVED – T252 to add point (d) that Council will come to the Owners with a 3 / 4 Vote before any investment is made. SECONDED – T283 AMENDING MOTION - DEFEATED

187 in favour, 53 opposed, 0 abstained.

CARRIED

POINT OF ORDER: The full Owner count is now deemed to be 240 as some Owners have left the meeting.

Special Resolution I reads:

3/4 VOTE "I"

Therefore be it resolved as a 3 / 4 vote of the owners, Strata Plan LMS 1416, Chelsea Gardens, approval is requested for an amount up to \$15,000 to have council hire professionals to undertake a full investigative report on how to complete any necessary repairs to the Mayfair apartment building to make it meet industry standards, and that any committee formed to deal with this matter report directly to council. The funds to be withdrawn as needed from the CRF.

It was MOVED/SECONDED to adopt Special Resolution I as presented.

238 in favour, 2 opposed, 0 abstained.

CARRIED

Special Resolution J reads:

3/4 VOTE "J"

Therefore be it resolved as a 3 / 4 vote of the owners Strata Plan LMS 1416, Chelsea Gardens that a noise reducing material with the **Impact Insurance class** known as (IIC) reading of 63 or better be required for all upper townhome and/or upper apartment owners who wish to install engineered or laminate type flooring.

It was MOVED/SECONDED to adopt Special Resolution J as presented.

239 in favour, 1 opposed, 0 abstained.

CARRIED

Special Resolution K reads:

3/4 VOTE “K”

Therefore be it resolved as a 3 / 4 vote by the owners, Strata Plan LMS 1416, Chelsea Gardens, that council is hereby authorized to hire an inspector, at a cost not to exceed \$10,000 to advise on areas within the complex that need remedial work in fiscal year 2005/2006. The funds to be withdrawn as needed from the CRF.

It was MOVED/SECONDED to adopt Special Resolution K as presented.
205 in favour, 35 opposed, 0 abstained.

CARRIED

Special Resolution L reads:

3/4 VOTE “L”

Therefore be it resolved as a 3 / 4 vote of the owners, Strata Plan LMS 1416, Chelsea Gardens that council is hereby authorized to spend up to \$10,000 to power wash, paint and refinish the concrete fence. The funds to be withdrawn as needed from the CRF.

It was MOVED/SECONDED to adopt Special Resolution L as presented.
224 in favour, 15 opposed, 1 abstained.

CARRIED

Special Resolution M reads:

3/4 VOTE “M”

Therefore be it resolved as a 3 / 4 vote of the owners Strata Plan LMS 1416, Chelsea Gardens, that council is hereby authorized to spend up to \$25,000 to clean and repaint a number of townhomes. The funds to be withdrawn as needed from the CRF.

It was MOVED/SECONDED to adopt Special Resolution M as presented.
222 in favour, 18 opposed, 0 abstained.

CARRIED

Special Resolution N reads:

3/4 VOTE “N”

Therefore be it resolved as a 3 / 4 vote of the owners, Strata Plan LMS 1416, Chelsea Gardens, that council is hereby authorized to spend up to \$7,000 on townhouse balcony floor replacement, caulking and window caulking. The funds to be withdrawn as needed from the CRF.

It was MOVED/SECONDED to adopt Special Resolution N as presented.
237 in favour, 3 opposed, 0 abstained.

CARRIED

Special Resolution O reads:

3/4 VOTE “O”

Therefore be it resolved as a 3 / 4 vote of the owners, Strata Plan LMS 1416, Chelsea Gardens, that council is hereby authorized to spend up to \$5,000 replacing and caulking apartment balcony floors over the next fiscal year. The funds to be withdrawn as needed from the CRF.

It was MOVED/SECONDED to adopt Special Resolution O as presented.
239 in favour, 1 opposed, 0 abstained.

CARRIED

Special Resolution P reads:

3/4 VOTE “P”

Therefore be it resolved as a 3 / 4 vote of the owners, Strata Plan LMS 1416, Chelsea Gardens, that council is hereby authorized to spend up to \$15,000 in repairs, repainting or replacement of the fence and trellises where needed. The funds to be withdrawn as needed from the CRF.

It was MOVED/SECONDED to adopt Special Resolution P as presented.
240 in favour, 0 opposed, 0 abstained.

CARRIED

Special Resolution Q reads:

3/4 VOTE “Q”

Therefore be it resolved as a 3 / 4 vote of the owners, Strata Plan LMS 1416, Chelsea Gardens, that Council is hereby authorized to spend up to \$40,000 to be withdrawn as needed from the CRF.

- (a) improve lighting through out the complex, and
- (b) to move the front dial-up to the driver’s side

It was MOVED/SECONDED to adopt Special Resolution Q as presented.

It was MOVED – K104 to vote on (a) and (b) separately. The Chair stated a Secunder is not required, therefore:

- (a) improve lighting through out the complex up to \$10,000.00.
217 in favour, 20 opposed, 3 abstained.

CARRIED

- (b) to move the front dial-up to the driver’s side

85 in favour, 155 opposed, 0 abstained.

DEFEATED

Special Resolution R reads:

3/4 VOTE “R”

Therefore be it resolved as a 3 / 4 vote of the owners, Strata Plan LMS 1416, Chelsea Gardens that council is hereby authorized to spend up to \$5,000 to purchase and install speed reducing devices at strategic locations throughout the complex. The funds to be withdrawn as needed from the CRF.

It was MOVED/SECONDED to adopt Special Resolution R as presented.
1 in favour, 239 opposed, 0 abstained.

DEFEATED

Special Resolution S reads:

3/4 VOTE “S”

Therefore be it resolved as a 3 / 4 vote of the owners, Strata Plan LMS 1416, Chelsea Gardens, that council is hereby authorized to spend up to \$2,000 for purchase and installation of a new tile floor in the kitchen and bar area. The funds to be withdrawn as needed from the CRF.

It was MOVED/SECONDED to adopt Special Resolution S as presented.
212 in favour, 27 opposed, 1 abstained.

CARRIED

Special Resolution T reads:

3/4 VOTE “T”

Therefore be it resolved as a 3 / 4 vote of the owners of Strata Plan LMS 1416, Chelsea Gardens, that

- (a) Chelsea Gardens be declared a dog free zone as of July 1st 2005
- (b) That all present owners register their dogs with the property manger
- (c) That existing dogs at this date be allowed to remain until they die. They shall not be replaced

It was MOVED/SECONDED to adopt Special Resolution T as presented.
5 in favour, 235 opposed, 0 abstained.

DEFEATED

Special Resolution U reads:

3/4 VOTE “U”

Therefore be it resolved as a 3 / 4 vote of the owners Strata Plan LMS 416, Chelsea Gardens, that up to \$5,000 be provided to assess an appropriate system of air-conditioning in each of the three apartment buildings and report the finding to council. The funds to be withdrawn as needed from the CRF.

It was MOVED/SECONDED to adopt Special Resolution U as presented.
86 in favour, 154 opposed, 0 abstained.

DEFEATED

Special Resolution V reads:

3/4 VOTE “V”

Therefore be it resolved as a 3 / 4 vote of the owners, Strata Plan LMS 1416, Chelsea Gardens that council be authorized to spend up \$10,000 to paint the walls of the hallways and the stairwells in the apartment buildings. The funds to be withdrawn as needed from the CRF.

It was MOVED/SECONDED to adopt Special Resolution V as presented.
234 in favour, 5 opposed, 1 abstained.

CARRIED

Special Resolution W reads:

Therefore be it resolved as a 3 / 4 vote of the owners, Strata Plan LMS 1416, Chelsea Gardens that council be authorized to spend up to \$10,000 to repair or replace the carpeting in hallways and stairwells of the three apartment buildings. The funds to be withdrawn as needed from the CRF.

It was MOVED/SECONDED to adopt Special Resolution W as presented.
240 in favour, 0 opposed, 0 abstained.

CARRIED

Special Resolution X reads:

3 / 4 VOTE "X"

Therefore be it resolved as a special 3 / 4 vote of the Owners, Strata Plan LMS 1416, Chelsea Gardens that the following bylaw be incorporated into the bylaws in the appropriate place.

Apartment Utilities

- (1). The Strata Manager, on behalf of Chelsea Gardens Apartment Owners will:
 - a.) collect the estimated required amounts for natural gas and electricity payable by, and from, the apartment owners at the same time as the strata fees are collected;
 - b.) within 2 working days will deposit the money collected into a separate bank account identified as Chelsea Gardens Apartment Utilities;
 - c.) Pay on, or before, the appropriate due date to each utility company, the invoiced amount(s) so as to avoid any late payment penalties, and record that such payment(s) have been properly made from the Chelsea Gardens Apartment Utilities account;
 - d.) Be responsible for keeping all records in a file labeled Apartment Utility;
 - e.) Be responsible for the collection of late payments from Owners, and for the assessment and collection of fines for any such late remittances;
 - f.) make a quarterly report, in the Minutes of Chelsea Gardens Council Meetings of the bank transaction/activity, (**stating the beginning and ending** bank balances, late payments, interest earned, etc.);
 - g.) facilitate the election of apartment owners to serve on the Apartment Owners Utility Committee.

- (2). The Apartment Owners Utility Committee will:
 - a.) Be elected by, and from among, the Apartment Owners at the AGM;
 - b.) represent the Apartment Owners for a three year alternating term. (Therefore, at the first election, one member will be elected to serve for one year, a second will be elected to serve for two years and the third member will be elected to serve for three years.);
After the first election, only one committee member will be elected each year to fill the retiring Committee member's position. Retiring members are eligible for re-election.

Should a mid-term vacancy occur, such position may be filled temporarily by appointment by the Strata Council. Persons so appointed shall hold the position only until the election being held at the next Annual General Meeting, at which time the required number of members shall be elected for the appropriate term(s);

- c.) Be responsible for the proper management of the Utility Fund.
- d.) To provide an operating balance to meet the payment of the Utilities before the strata fee is collected; each owner must deposit the equivalent of one month's assessment in advance.

It was MOVED/SECONDED to adopt Special Resolution X as presented.
198 in favour, 42 opposed, 0 abstained.

CARRIED

(12) DISCUSSION

It was MOVED – K208 that Council reverse the portions of the March 15, 2005 Chelsea Gardens Council Minutes reflecting personal attacks on a Council Member and that the letter attached to the same Minutes from Calysta Consulting be removed as unprofessional, misleading and damaging to Chelsea Gardens' reputation. SECONDED - K111

132 in favour, 95 opposed, 0 abstained. (Simple Majority Vote)

CARRIED

(13) TERMINATION OF MEETING

It was MOVED – K110 to destroy the voting ballots. SECONDED – T149

CARRIED

As all business was completed, the meeting was terminated at 11:10 p.m. The first Council meeting of the Strata Council will be announced shortly.

Gerry Blanchard
Strata Manager

AGM CHAIR REPORT – Mr. Harry Steele

Thank you for the privilege of Chairing this AGM. It is my feeling that we have been operating under a dysfunctional Council the past ten months for a multiple number of reasons. Some of which include the following:

- The unfortunate conclusion to the June, 2004 AGM;
- Failure to have an acceptable financial statements;
- Failure to have an adopted budget for 2004-2005;
- Considerable disharmony among Council Members.

This has deteriorated into various “camps” within the Chelsea Gardens family.

I believe that this is unacceptable to a majority of you the Residents of Chelsea Gardens.

Let us take the opportunity tonight to put that behind us and return to the harmony we experienced for a decade.

To facilitate that, debate must be kept on the topic under discussion. Therefore, except the designated speaker to a motion or resolution, who may open and close debate, a person may speak only once to the motion before us.

Speakers will be limited to two minutes. There will be a 30 second warning after which the speaker must sit down. I ask yor cooperation on this matter.

STRATA MANAGER – Mr. Gerry Blanchard

Thank you all for coming tonight. I am Gerry Blanchard of Davin Management. As you can see from the agenda, there are many issues that we need to deal with tonight including many issues from last year and the numerous projects we need to commence in the next year.

Davin started with Chelsea Gardens in April 2004 and was quickly involved in the preparation of the June 22, 2005 AGM. In the first 12 months, we assisted the finance committee complete their financial review, and design and implement an elaborate financial reporting system.

We helped to negotiate interest rates at Westminster Savings, and some savings on the insurance policy. In addition, we were party to Chelsea taking a new direction in landscaping, and the use and operation of the caretakers and the janitor. This area needs further special time to get the Owner’s expectations to match with the staff’s expectations.

One of more hotly discussed and followed subjects was the work on the Mayfair. After acquiring the services of an engineer and receiving 2 reports, we have still not reached a unified direction on how to make the required repairs, if any, and to ensure the Mayfair is a sound building. A special resolution tonight will take us closer to that resolve.

I am here tonight with the objective of having every Owner speak freely, to adopt a budget, elect 5 Council positions and to have passed 24 Special Resolutions in order that we can commence many capital and operating maintenance projects.

I am very proud to be your Strata Manager and I will continue to work hard to ensure harmony of your community and the value of your home.