

**Condominium Corporation No 022-2718
Phillips Lofts
Board of Directors Meeting
January 21, 2009**

Present: Barry Kaiser (Chairperson)
Corina MacKinnon
John MacKinnon
Darren Kubicek

Absent: Joel Turcotte, Justin Thoman

1. Call to Order

The chairperson called the meeting to order at 18:15.

2) Approval of Agenda

Unanimously approved.

3) Correspondence

10/30 - Letter: Board - Resolution to Alberta Prime Painting

12/01 - Email: Unit A - Insurance claim

12/09 - Report: Engineering report on roof water leaks

12/12 - Letter: Board - Reply to insurance claim from unit A

4) Motions Passed Electronically

11/03 - Approve the 2008/09 contract with Alberta Ground Effect for snow removal for \$2,450 + GST

11/05 - Approve the minutes for the October 23rd board meeting

11/28 - Approve the payment of \$1,205 + GST to Total Integration to conduct the annual fire alarm and sprinkler system inspection

12/05 - Purchase of a \$150 gift certificate to Abdulaziz Sherif in recognition of his efforts over the last year

01/04 - Approve the 2007/08 financial statements as presented by our auditors, Kouri-Berezan-Heinrichs

5) Old Business

a) Intellimeter/Epcor

Discussion was deferred, owing to Justin's absence.

b) Christmas Social

Barry reported this first-time event was well-attended with eight suites participating. The plan is to hold a similar event in 2009 as part of the Board's effort to enhance the social environment at Phillips Lofts.

c) Gift — Project Manager of Chandos

It was noted that the project manager for Chandos was most grateful for the gift

the Corporation gave him, for the help he has offered us over the years on our building.

6) New Business

a) Review of Year-End Financial Statements

The financial statements were adopted as written. It was noted that the reserve fund is fully funded and that it's expected actual utilities costs could decline as energy prices decrease. The finances are solid.

b) Investment Plan

There was discussion about the Corporation's investment plan for 2009. It was suggested the majority of the fixed income be rolled into the HSBC Mortgage Fund - Premium Series. The 25% equity portion would be moved into the stock markets through TD eFunds (index funds) over an 18-month period. The goal was to obtain a higher rate than GICs over the next 15 years.

Motion: The investment plan be adopted as presented at the board meeting. Passed unanimously.

c) Investment Account

Barry Kaiser recommended the HSBC Mortgage Fund – Premium Series because it offers a better rate of return on a two-year basis than a 2-year GIC or 2-yr Government of Canada Bond, but with daily liquidity and monthly compounding. The mortgages in the fund are guaranteed by HSBC. Since he works at HSBC, Barry insisted on full disclosure to avoid any suggestion of conflict of interest, as he wouldn't receive any compensation for this transaction.

Action: Barry will set up the HSBC Investment Account after the next board meeting.

d) Engineering Report - Water Leaks

There was discussion, including illustrations, about water leaks, which have been a chronic issue for some fifth-floor suites, causing stains and some minor damage to ceilings. The engineering firm, Building Science Engineering Ltd. recommends a water test to see where the leaks are as a first step, at a cost of \$9,000. There was a suggestion that Wade Engineering be engaged to carry out this test, along with a review of the crack on the south wall, ice build-up on the chimney, and icy back steps.

Action: Corina MacKinnon will contact Wade Engineering for an estimate on these issues.

e) Reserve Fund Study - 2009

It was noted this study will be completed sometime in the spring, as it was required every five years.

Action: Corina MacKinnon will contact Wade Engineering for a quote to the reserve fund study.

f) Bylaw Update

Re-writing the by-laws in jargon-free plain language has been in the planning for years. It's essential to clarify for all owners and/or residents what is and is not permitted.

The hope is that eliminating ambiguous language will reduce the risk of disputes. Barry Kaiser said our lawyer and insurance agent will revamp our bylaws and deliver a draft to the Board. Our lawyer will also tour the building to get a better feel for what the by-laws are meant to reflect.

Motion: That the Board budgeted \$5,000 to rewrite the Condo's by-laws, to be approved by the owners in 2009. Passed unanimously.

g) AGM

With the next AGM slated for February 4th, Barry Kaiser said he would forward the resumes for prospective Board members Chelle Busch and Shauna Warwick.

h) Mission Statement

"To ensure that Phillips Lofts is the most desirable loft complex in downtown Edmonton for all stakeholders (owners, residents, potential owners and vendors) involved."

Motion: That the Board adopt the mission statement as submitted. Passed unanimously.

i) Roof-Top Patio for Unit 502

It was noted that this construction project, which already had been approved, probably will be executed in the spring.

j) Thermostats

There was discussion about the in-suite thermostats, some of which have been found to be faulty. This is a problem because it can be difficult to locate replacement devices. Barry Kaiser noted that another unit owner had purchased a number of used but suitable units. There was discussion about having the thermostats treated as common property for safety and practicality. Some owners have tried replacing their thermostat with an inappropriate unit and had disagreeable outcomes, such as short circuits.

Motion: That in-suite thermostats be deemed common property. Passed unanimously.

k) Police Town Hall Meeting — May 21, 2008

Darren Kubicek attended that meeting and said the citizens who were there seemed frustrated with slow and limited action by the Edmonton Police Service in terms of providing greater supervision in the downtown area.

l) Improvements Update

Barry continues to work with Denis Liboiron on various matters of internal decor. The elevator plan is ready to be forwarded to contractors to solicit quotes. Work will be done on the rooftop patio pergola in the spring. And there are plans to purchase a garbage can for the main lobby.

m) Urbia Development for 102nd and 104th

Barry Kaiser updated the meeting about plans for a two-tower project being constructed on 104th Street, north of 102nd Avenue across from the Boardwalk Building. If Planning and Development approve the rezoning for the corner suite, the issue will go to a public hearing.

n) Graffiti Notice

Corina MacKinnon reported the Board has received a notice of compliance from the City of Edmonton regarding removing the graffiti on the side of the building.

o) Windows for Rear Doors

Corina MacKinnon led a discussion about the proposed new, windowed doors to be installed in the rear of the building, as per a police safety recommendation. She solicited quotes from two companies (Barcol and CityWide Glass). Barcol was \$1,026, while CityWide said they could supply doors at \$800, fire-rated door and with the glass installed. Both quotes included reinstalling all fixtures and colour matching to the existing doors.

Motion: That the board approves the expenditure of \$1,600 + GST to install fire-rated doors with 5" x 20" vertically slotted windows on the back doors of the building. Unanimously approved.

p) Fire Alarm Panel and Fire Alarm Monitoring

There was discussion about the technical impracticality of having one company responsible for the sprinkler and alarm system and another for the fire panel in the lobby.

Action: Corina MacKinnon will meet with a company to see how these elements can be unified.

7) Next Meeting

No date was set for the next meeting.

8) Adjournment

The meeting was adjourned at 19:48.

*Page 5 is for the appendix, which references any anonymous unit numbers. This has been done for privacy reasons.