

**Condominium Corporation No 022-2718
Phillips Lofts
Board of Directors Meeting
June 10, 2010**

Location: Unit 404

Present: Kent Akgungor
Chelle Busch
Barry Kaiser (Chairperson)
Ryan Mayer
Shauna Warwick
Marcel Petrin (Owner)

Absent: Corina MacKinnon (FOCHAUS Management)

1. Call to Order at 18:04

2. Approval of Agenda

Approved unanimously.

3. Correspondence

03/02 - Letter to unit 102 regarding removal of lockbox

4. Motions Passed Electronically

05/30 - Refurbish main elevator by Classic Elevator Cabs for \$18,960 + GST (CI)
05/28 - Approve lattice for unit 208's balcony
05/28 - Approve 2008/09 AGM minutes
05/21 - Approve \$150 gift to the Al Fresco silent auction
05/20 - Approve \$150 gift certificate for departing board member Joel Turcotte
04/29 - Installation of eavestrough for the roof-top patio by JKR for \$1,176 + GST (CI)
04/19 - Cleaning of air-supply vents by Powermaster Furnace Cleaning for \$2,220 + GST
04/19 - Replacement of intercom by MMCI and Scorpio for \$3,778 + GST
04/13 - Purchase four zone valves for stock from T&P Mechanical for \$525 + GST
04/13 - Purchase of three storage cages from Quantum Fencing for \$2,956 + GST (CI)
03/24 - Purchase new controller for heating pumps from T&P Mechanical for \$968 + GST
03/19 - Approve MMCI to take care of sprinkler system deficiency for \$1,334 + GST
03/15 - Approve Wade Engineering to oversee roof/wall maintenance for \$10,720 + GST
02/18 - Approve February 3, 2010 board meeting minutes

5. Old Business

a) Reserve Fund Plan

Discussion occurred around suggested upgrades. The Board discussed if it would like to dismiss any of the suggested upgrades or keep them, as they are just suggestions at this point. Concern arose around the large expenditures over the next five years. One concern remains the side elevators refurbishment. Shauna has sourced a company that can possibly do the work for considerably less than Otis.

Motion: Shauna motioned that the Board keep the suggested upgrades in the current Reserve Fund Plan. Kent seconded. Motion passed unanimously.

b) Utilities Strategy

Kent has found a company that can potentially help the Corporation lock in its utility costs (Unified Energy). Concerns about clause (stating that Unified Energy would not be liable for any loss sustained from inaccurate information or overpayment). Shauna suggested the Corporation's lawyer take a look at the contract.

Legal issues aside, this contract would just cover the cost of the utility, but not the transmission of it. However, the Corporation would be able to reduce the admin fee from Epcor. The basic idea behind

considering Unified Energy is that it could help with the budgeting of energy costs and that it could potentially get better discounts.

Action: Kent will continue to pursue this option.

c) Bylaws

Barry has reviewed the comments from residents and general meeting. He has to finish reviewing a few more comments and then would like to put it to the lawyers, then back to building.

d) Intercom

The intercom installation should be done by end of June. The contractor mentioned he may give the Corporation a bit of a break in price due to the concern Kent had over pricing.

e) Storage Cages

Shauna has been trying to get a hold of the contractor to find out the minimum cost for the three test cages. The quote should come in next week and she will try to send out the quote for approval by email.

f) Elevator

Motions were approved via email. Barry is moving the deposit funds from the Capital Improvement Fund to the Operating Account.

g) AED (Automated External Defibrillator)

Shauna sent out a link for discussion/review and didn't get any comment. Costco has one for roughly \$1,500.

Action: Shauna will send the link out one more time for comment from the Board. She will also check to see if the Heart-Safe is now under Alberta Health Services.

h) Cigarette Disposals Outside Building

Disposals were installed this week on 104th street and in front of the building. However, if the Corporation would like one out back, it would have look into getting one installed itself.

Action: Shauna will contact the city of Edmonton about purchasing another.

i) Door Stoppers

Barry would like to install a door stop for the north door to the stairwell. This will help when people are moving in and out of the building.

Motion: To purchase one door stopper. All in favour. Motion passed unanimously.

i) Welcome Package

It's being deferred until bylaws are passed.

6. New Business

a) In-suite Mechanical Upgrades

T&P Mechanical has made recommendations to make some in-suite repairs totalling \$30,000. Marcel Petrin spoke with the owner of T&P. Marcel does not believe allowing the Corporation's hot water tanks to run at 180F would make them anymore efficient. T&P's other suggestion was running them hotter to reduce the amount of tanks used simultaneously. The tanks are of good quality, but they weren't meant for water heating and building heating. Because of this, they are wearing down faster than normal boilers would. The question is as tanks start failing, does the Corporation replace them with more hot water tanks or boilers. Boilers cost 50% more than hot water tanks, but last much longer. The Board will continue to discuss this as more information from Marcel comes in.

b) Investment Plan

Given the high amount of potential expenditures in the reserve fund over the next five years, Barry recommend that the Corporation doesn't increase its equity weighting in its investment plan at this time, which is around \$30,000.

c) Operating Budget

The major item with this year's budget was the increase in reserve fund contributions of nearly \$30,000. The total increase in condo contributions would ensure the reserve fund is fully funded. The Board also wants to keep Phillips Lofts a highly sought-after property, so it wants to ensure condo contributions are not too high relative to other downtown lofts. Barry looked into getting condo contribution comparisons from similar properties, but he had difficulties in getting them. One suggestion was to move the utilities deposit fund to the capital reserve fund (roughly \$7,000), but this decision will be left until the new bylaws are passed

Action: Barry and Shauna are going to work together to present options to the Board between a condo contribution increase and a special assessment or some combination of the two.

Historically Board members who have served a full term and stepped down have received gifts from the Corporation (\$150). A couple of the Corporation's key contractors have also received annual gifts. Recently, the 104th Street silent auctions have received donations from Phillips Lofts. The current level of gifts and donations is not out of hand, but caution must be applied when granting these gifts.

Action: The Board will continue to monitor the amount of gifting it does.

d) New Board

Barry – President
 Shauna – Vice President
 Kent – Treasurer
 Chelle – Secretary
 Ryan

Motion: To approve the Board assignments. All in favour. Motion passed unanimously.

e) Insurance Claim

Unit A did not change a toilet flapper when the repair was needed. Damage occurred with the subsequent flooding. Originally, the repair was going to be less than the insurance deductible, but the contractors couldn't find hardwood to match, so they now have to replace all of the hardwood.

f) Standard for Door Handles and Deadbolts

The Board wants to choose replacements for door handles/deadbolts so that the look and feel of Phillips Lofts is maintained. Currently, the cost to replace a Yale handle is \$400 (and deadbolts are \$250). In cooperation with the Corporation's locksmith, Barry has sourced a replacement (Dorex) that's less expensive but is of similar quality and look. The Board would like to ensure their choice is both aesthetic and financial. Another option would be to go with Yale handles without locks. For Dorex products, the locked handle is \$130, a simple lever is \$90, and the deadbolt is \$60.

Action: Board members will take a look at the doors of suites 104 and 105 for differences (104 has Dorex handle). Barry will contact the Corporation's locksmith to get information on warranty and security for both models.

g) Photo Shoots

Currently, there is some concern that a resident in unit B is conducting photo shoots within the common property. The Board will wait for the owner of unit B to discuss this issue with their tenant. If the owner does not take action, the Board will discuss its options.

h) Signage - Roof-top Patio and Bike Stand

Barry is talking with the Corporation's lawyer concerning proposed wording and legality of said wording.

Action: Barry will report back to the Board with the legal input.

7. Next Meetings – Proposed for July

8. Adjournment at 20:20

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

June 10, 2010