

Crossbow Point Condominium (#0310034, re-division #0410395/0510165)
Annual Committee Meeting (ACM)
January 3, 2015 at 1:00 p.m. at the Coast Hotel

1. **Meeting call to order:** Meeting called to order at 1:06 p.m. by David Minifie. No objections to Becki Kochan of PEKA recording the minutes.

2. **Approval of the January 4, 2014 A.C.M. minutes:** Motion by 109-175, seconded by 208-155 to approve the January 4, 2015 4 A.C.M. minutes. Motion carried.

3. **Business arising from the January 4, 2014 A.C.M. minutes:**
 - a) Internet access: Shaw Go WiFi was installed in the amenities building, which provides all Shaw Internet subscribers with access. Shaw was the only provider offering free installation and equipment for this purpose.
 - b) Pool drywall areas: Affected drywall areas will be replaced as part of the maintenance program.
 - c) Walls marked by hand prints: A suitable covering for portions of the wall has not been identified. The Board will not be investigating this further, unless additional information is brought forward.

4. **Reports:**
 - a. Presidents Report: David Minifie, The Crossbow Point Board President took the opportunity to thank the following people:
 - i. The Crossbow Point owners for helping make a wonderful community.
 - ii. Cliff Block for acting as the custodian of Crossbow Point. He does janitorial and other work around the complex in an effort to keep the buildings in great shape. Cliff, with the assistance of Micheline Ralet and Veronica Hill also service the pool and hot tub areas. Cliff can always be counted on to volunteer and assist other owners as needed.
 - iii. Fellow Board of Directors, Don, Murray, Anne and Lawrence. They have regularly devoted significant personal time in meetings, preparation and through emails. This team has collaborated in developing various business decisions for the benefit of the condo corporation and all owners.
 - iv. Don Lawrence devoted substantial personal time to pursue legal options regarding the log project and ensure the corporation was in a position to move forward on any action that the Board decided upon.
 - v. A Social Committee was self-initiated last January. The members developed an organization structure and documented a mandate along with certain standards for operation. Bev Block and her team organize and support social activities for the Crossbow community.
 - vi. Bernard Ouellette, Jim and Peggy Weibe, Rick Thrall, Robert Reed, Kent and Wendy Ahrens and all others who provided assistance in managing the refundable program. The resulting cash refund is deposited in the Social Fund for the benefit of social event activities.
 - vii. Dorothy Staniforth and Susan Minifie for administering theatre access.

- viii. Jim and Peggy Weibe planted and maintained the flowers at the entrances to each of the 3 buildings.
- ix. Lynne Kemshead who facilitated some improvements to the guest suites.
- x. Barb Mendaglio and Lynne Kemshead volunteered to develop and update landscaping plans for consideration by the Board.
- xi. Virginia Haase and Susan Minifie cleaned up and maintained the library in the amenities building.
- xii. PEKA Management, Gibson Rencz and his assistant Becki Kochan for their professional services and supporting a valuable relationship. Any owners who have any concerns regarding their experience with PEKA was encourage to contact Gibson and discuss the matter.
- xiii. All of the many owner and tenant volunteers for their hard work and contributions over the year.

The current Board members (Don, Anne, Murray and Lawrence) thanked David for all of his hard work and dedication to the condominium over the past year.

- b. The year in Review: David Minifie gave a brief overview of the year.
 - i. **Board meetings**: The Board held 7 regular meetings, 2 special meetings and 1 joint meeting with the Landing. Much of the dialogue between Board members was done via email and then ratified at the next Board meeting.
 - ii. **Policies and development**: Internal policy development and updating included formalizing a Statement of Information Privacy Policy in line with Alberta legislation, and updating our Great Room User Agreement.
 - iii. **Communications**: 3 newsletters were published. A thermostat and heating notice was circulated in an effort to reduce the risk of freezing pipes which could result in a flood. The Board is working on a log project update, which will be issued within the next few weeks. The Board also maintains an email distribution list to support more timely communications of these and other matters. Interested owners and tenants should contact crossbow.chatter@gmail.com if they wish to have their email added.
 - iv. **Fire Drill**: A fire drill for all residents and visitors was advertised and held on Saturday June 21. Not including Board members and volunteers, only 11 people participated. A small number of residents did not participate and remained within their units. A larger number of residents chose to leave the property prior to the fire drill. A fire drill is identified in the Board's Risk Management plan as an essential activity to better ensure the safety and security of residents and visitors. While the Board recognizes participation in a fire drill is likely not a preference for residents, it is very important to conduct such an exercise to increase the likelihood of a successful and timely building evacuation by adults, children and pets in the event of a real emergency. In 2015 the Board plans to conduct another fire drill, likely in June, but within a 3 week window. While residents will again be given advance notice of the 3 week

window, the Board does not intend to advise the specific date, day nor time of the drill.

- v. **Website:** Crossbowpoint.com was launched in September 2014. The basic framework for the website was achieved through the work of Rick Thrale. Following last year's ACM, Gottfried Haase came forward and volunteered to manage the website, including working with the Board to develop approved content. The website has a wealth of information and is updated regularly. The Board's objective is to respond to any queries, received through the 'CONTACT US' feature, within 24 hours. Feedback regarding the site is welcomed.

- c. **Social Committee:** Beverly Block, on behalf of the Social Committee, reported on the years' events. Seven volunteers met on January 11, 2014 to form the Crossbow Point Social Association. Executive committee members for the year were Chairperson: Beverly Block; Secretary: Susan Minife; Treasurer: Virginia Haase; other members are Yolanda Machan; Shirley Thrale; Peggy Wiebe; Bob Smerek. Shirley Thrale and Bob Smerek later resigned and Cheryl Dubeta joined the committee.

Sponsored activities included the Summer BBQ, providing lunch for the Spring and Fall Clean-Up and the Christmas Dinner. Christmas tree decorating is not considered to be a social committee function but the new tree was purchased with Social Committee funding. The Social Committee also provides a working lunch for the Crossbow Point Board of Directors meetings as requested.

All of the events were a great success this year and included the February Blues' Happy Hour that was planned by a member of the community who approached the Social Committee for assistance.

Refundables are the only source of revenue. Major thanks need to be given to the refundable volunteers: Bernard Ouellet, Jim and Peggy Wiebe, Robert Reed, Al Dubate, Rick Thrale and Cliff Block.

The Social Committee drafted and ratified a Mandate document this year to establish purpose, organization and duties. This mandate is available for perusal. As stated in the mandate all owners and residents of Crossbow Point are automatically members of the Association. With this in mind, owners and residents were encouraged to approach members of the executive committee if they have an idea for a social gathering or event that would be open to all owners and residents. The Social Committee has been formed to serve the community of Crossbow Point and it is their desire that the community be enhanced by the activities that the committee supports.

- d. **Insurance Claims:** In the last 12 months, Crossbow Point has suffered three (3) significant events. Due to the expense involved, 2 events were claimed on insurance and 1 event was 'self-insured'. All incidents involved water. All 3 were very disruptive and extremely costly. Water damage is the number one insurance claim in condominiums. The insurance deductible for the

condominium is currently \$10,000. This amount is charged back to the unit responsible for the damage in most cases, as permitted by the condominium By-laws. Owners are reminded to be diligent when not in their unit. Keep thermostats at a minimum of 17 degrees Celsius and do not run water appliances when the unit is empty. The Board has also approved action, pending additional information, to have the water that circulates in the in baseboard heating to be replaced with glycol (a form of anti-freeze) so that the pipes do not freeze and subsequently burst.

- e. June 2013 flooding: The Town of Canmore and the Province of Alberta have completed a significant amount of work to the creek beds in an effort to mitigate any future potential damage. For additional information on this, owners can peruse the Town of Canmore website or visit the Crossbow Point website and follow the links.
- f. Capital Projects: This Fall the Board undertook a capital project to replace the two sets of stairs of the 175 building due to deterioration. After reviewing potential suppliers, 11th Hour Fine Services was selected to do the work for a fixed contract price and began demolition on Oct 16, 2014. The major construction work has now been completed with steps made of reinforced concrete, water drainage and infiltration protection through design, and with the addition of heating cables integrated within the concrete.
- g. The stairs are expected to be completed by Spring.
- h. Alberta Condominium Property Act - The Condominium Property Amendment Act was 'passed' by the legislature. There are approximately 50 changes to the Act, with many of these relating to new construction and rules related to the obligations of developers. In addition, there are improved Board governance and voting procedures, plus communications notice of certain meetings and changes to insurance coverage. The amendments also propose to delegate to the Real Estate Council of Alberta to regulate and set standards for condo managers, such as PEKA. Further, the proposed changes set a framework for a dispute resolution tribunal as an alternative to courts. The passing of the legislation now requires a regulatory review leading to future amendments to the Condominium Property Act Regulation. The Board will continue to monitor the development of Regulations and determine what, if any, steps are appropriate to take to ensure compliance. The Board does not anticipate any difficulty nor added expense in achieving compliance. Owner who want to find out more about the Act and amendments, will find information at the Service Alberta website and various news services
- i. Reserve fund and investments: Anne Forbes, as Board Treasurer, reported on the Reserve fund and investments:
 - i. This fund is on target based on the requirements outlined in the Reserve Fund Study of July 30, 2011, which is available to all owners through the

Crossbow Point website. The Reserve Fund is currently funded on a monthly basis through a portion of condominium fees.

- ii. The Board continues to regularly review funding adequacy, and invests using a GIC laddering investment approach which is supported by the Board's approved Investment Policy. Over the longer term, GIC terms and interest rates are adjusted as needed to align with expected requirements. In the interim, there is sufficient cash on hand to meet our capital budget requirements as well as unanticipated needs.
- j. Log update (Legal): Don Lawrence, as Log Committee Chair, reported on the legal aspects of the log project:

Background:

- At the 2014 ACM Don gave a detailed report on the steps the Board had taken with regards to pursuing legal action against the builders of Crossbow Point.
- At that time the Board was trying to determine if there was sufficient evidence to show that there was either a breach of contract or negligence by any parties in the construction of the Crossbow Point buildings.

Legal Log Activities in 2014:

- a) January 13, 2014 the Board received the Final Legal Opinion from Gowlings Law Firm. It included an Independent Engineering Report that evaluated the Standard of Care that ought to have been exercised by the General Contractor and Sub-Contractors during the design and construction of the log column structures at Crossbow Point.
- b) Results of the Legal Opinion: Gowlings indicated that we had a legitimate case of negligence in the construction of our buildings. One key issue in negligence lawsuits is proving that the Standard of Care was not met. In other words what would any normal Architect or General Contractor have done in a similar situation. Counsel advised that both parties had made significant errors and were indeed at fault.
- c) The Independent Engineering Report also supported that opinion by revealing there were numerous irregularities in the construction of the log column bases. The report stressed that the “design” stage differed considerably from the “as built” stage and that the General Contractor and Architect are responsible for ensuring building code violations and irregularities in construction practices do not occur.
- d) January 18, 2014 the Board of Directors held a separate Meeting to discuss the Final Legal Opinion and the Independent Engineering Report. They reviewed the report in great detail and identified areas that needed further clarification by counsel.
- e) January 21, 2014 David Minifie and Don Lawrence met with counsel in Calgary to obtain answers and clarify certain statements to get a better understanding of the process that would need to follow if the Board decided to file a lawsuit.

- f) January 26, 2014. The Board of Directors held a Meeting to discuss the findings from the January 21 meeting. It was decided that there was sufficient evidence to proceed with the next step in the legal process. The Board then approved having counsel prepare and file a Statement of Claim against the Architect that was hired to design our buildings and supervise construction.
 - g) February 11, 2014 our counsel filed a Statement of Claim with the Alberta Courts against Alvin Reinhard Fritz Architect Ltd. Medican was not named in the lawsuit because of their financial situation, one of a bankruptcy filing in 2010, leading to a January 11, 2012 restructuring and payout agreement with creditors.
 - h) It is important to understand that by filing this lawsuit with the Courts the Board was simply initiating the legal process, meaning that the Courts would recognize Feb 11, 2014 as the date Crossbow Point Condominium notified them of the grievance with the Architect. In addition the Board would then have one full year from Feb 11, 2014 to actually serve the Architect with the lawsuit papers.
 - i) October 25, 2014 the Board met and further reviewed the information of its legal case and discussed options for funding projected legal fees. Options included borrowing money from outside agencies, securing a Corporate Line of Credit or perhaps issuing a second Special Assessment to owners.
 - j) December 13, 2014 the Board met again and discovered that it could only borrow funds for capital projects, not to finance an event such as legal action against another party. The Board then debated the merits of issuing a second Special Assessment to owners to cover the pending legal fees. In the end, it was unanimous that the Board was not comfortable with asking owners to fund the legal fees associated with the potential lawsuit.
 - k) As a result the Board has decided to allow the Statement of Claim filed with the Courts to lapse and not pursue any further legal action against the builders of Crossbow Point for damages related to the Structural Log Project.
 - l) Throughout this entire legal review, the Board had access to a tremendous amount of information and it was clear that Crossbow Point Condominium had a strong case. However in the end Crossbow Point did not have the money to fund this battle and the Board was reluctant to issue a second Special Assessment to owners which would drag this out for an unspecified length of time. The Board also took into consideration feedback from owners who, over time, have clearly expressed their desire not to proceed with legal action. Other considerations included that the time and resource requirements necessary to support such action would likely be excessive and that while the Condominium Corporation may possibly benefit financially, there would be no direct financial benefit to owners who would have been required to fund an additional Special Assessment.
6. **Financial review:** Gibson Rencz of PEKA reviewed the financial statements as provided. Cremers & Elliot produce an Audit exclusive to Crossbow Point. Insurance and utilities are the highest expenses in the budget. The Board reviews all expenses and investigate opportunities to keep the costs down.

- i. Log maintenance: The maintenance of the logs is captured in the budget.
- ii. Window cleaning: The exterior window cleaning has been reduced to once per year and is planned to occur each spring.
- iii. Parkade cleaning: Historically this was completed twice a year. The Board has changed the schedule to annual each spring.

7. **New Business:**

- a. Media room: Some upgrades are needed to the equipment. Canmore Theatre has been asked to assess and provide options for the Board to review.

8. **Adjournment:** 2:46 p.m.

DISCLAIMER: Until reviewed and approved at a future Annual Committee meeting, at which time changes may be made, minutes are unapproved.