



**Sonoma Pines Homeowners Management Ltd.**

**Board Meeting Minutes**

**June 27, 2022, 3:00 – 5:00 PM**

View past minutes on the Sonoma Pines Website at [www.sonomapines.ca](http://www.sonomapines.ca)  
Password “sonomapines”

**Location: Clubhouse, 3999 Sonoma Pines Drive, Westbank, B.C.**

**Attendance:**

Malcolm Metcalfe – Chair  
Mike Trenn – Vice President  
Dawn Spencer – Secretary  
Gary Kitchen – Managing Director  
Danielle Renaud – Member at Large

**Regrets:**

Greg Marshall – Treasurer

**Administration:**

Jon Connick – CSC  
Sheila Herchak-Cole - Recorder

**Guests:**

12 Homeowners

**Meeting called to order at 3:00 pm**

**1) Finalize agenda**

**Motion: BE IT RESOLVED that the Board approves agenda.  
Moved by: D. Renaud. Seconded: D. Spence. All in favor**

**2) Approval of**

Draft Board Minutes of May 30, 2022 (posted on SP Website)

**Motion: BE IT RESOLVED that the Board accepts the minutes of May 30, 2022.  
Moved by: D. Spence. Seconded: G. Kitchen. All in favor**

**3) Correspondence**

The Chair’s report was presented in part to address concerns in a letter the Board received from a homeowner. Please see attached Chair’s report that addresses the issues brought forward by the homeowner. A thorough explanation was provided by the Chair and Bob Bassett describing why SPHM Ltd. is not under the BC Strata Act.

**4) Committee Reports**

a) Chair – M. Metcalfe  
Please see attached.

b) Board Vacancy and Committees – D. Renaud

Please see attached.

The CSC advised that he could be much more effective and supported if the committees were up and running. Committee needs are as follows:

- A Chair of the Clubhouse Management Committee
- A Chair of the Safety & Security Committee.
- Two people to take on the gym maintenance.
- Volunteers to form Landscaping Committee including a Chair.

c) Managing Director – G. Kitchen

Please see attached.

d) Treasurer – G. Marshall

No report provided. SPHM Ltd. is running behind on financial statements. March 2022 available and presented.

**Motion: BE IT RESOLVED that the Board accepts the Sonoma Pines Homeowners Management Ltd., March 2022 Financial Statements.**

**Moved by: D. Renaud Seconded: D. Spence. All in favor.**

e) **CSC – J. Connick**

Glass Installation – two sources today have advised that glass has increased 40%.

Alteration Requests- CSC provided three additional alteration requests that have been approved.

Gutters and shingles – work continues to have gutters and shingles repairs.

**Alteration Request Applications**

(i) The following alteration requests that have been previously reviewed and approved by the Board between May 31 and June 25, 2022:

2159	Alvarado Trail	Multi	Replace deck railing with glass
2174	Alvarado Trail	Multi	Replace deck railing with glass
3810	Siringo Lane	Multi	Install sunshade
2147	Talavera Place	Multi	Install sunshade

**MOTION: BE IT RESOLVED that the SPHM Board approve the following applications:**

2159	Alvarado Trail	Multi	Replace deck railing with glass
2174	Alvarado Trail	Multi	Replace deck railing with glass
3810	Siringo Lane	Multi	Install sunshade
2147	Talavera Place	Multi	Install sunshade

**Moved by: D Renaud. Seconded by: D. Spence: All in favor.**

**MOTION: BE IT RESOLVED that the Board accepts the Board Members Reports as presented with the exception of the March 2022 Financial Statements.**

**Moved by: D Renaud. Seconded by: D. Spence: All in favor.**

(ii) The following alteration requests that have been previously reviewed and denied by the Board between May 31 – June 25/22:

None

(iii) The following alteration request(s) require Board approval:

None

**5) Old Business**

None

**6) New Business**

None

**7) In-Camera Session**

The Board went in-camera at 4:55 pm.

**8) Next Meeting – Monday, July 25, 2022 (3-5 PM)**

**9) Adjournment**

Meeting declared adjourned at 4:55 pm

# Sonoma Pines Homeowners Management Ltd

Board of Directors Meeting – June 27, 2022

## *Report from the Chair*

I have heard questions that relate to the structure and operations of SPHM Ltd, so I have put together this short summary of our history, structure, and operating status that will hopefully provide answers. If people want to discuss this, or related issues in more detail, I would be pleased to organize a separate meeting where all points of view can be discussed openly.

## *History*

Sonoma Pines is located on federal Aboriginal Land and is not subject to most provincial legislation. The Strata Property Act (SPA) does not apply on Federal Land. When the development began, a corporation set up by the developer signed a lease with the Federal Government. This is now referred to as the “Head Lease” and subsequently, the lease was transferred to be administered by the WFN. The lease is essentially an agreement between SPHM Ltd (initially the developer) and the WFN.

When development started, the developer was selling single family homes, each sold on a surveyed lot, like a bare-land strata. A sublease was set up – an agreement between the Corporation and the single-family homeowner. A similar sublease was set up later for multi-family homeowners. The WFN has NO jurisdiction over the subleases. The Head Lease covers some requirements that apply to all developments on the property.

In the case of the multi family homes, rather than surveying the entire property into separate lots, the homes were constructed on what was and remains common property.

All of Sonoma Pines falls directly under WFN and the Federal Government, it is NOT subject to many of the laws and regulations of the province. The Corporation is a BC Company. Federal companies are restricted to companies that operate on a national basis, such as transportation, communications etc. Our corporation is regulated under the BC Business Corporations Act.

In the Articles of the initial company, there was a clause that indicated that if the corporation (the developer at the time) did not wish to manage the homeowners, that an HOA could be formed by homeowners, and it would follow the principles of the SPA. BUT where conflicts existed between corporate requirements and the SPA, the corporate requirements would prevail.

An HOA was formed by owners that operated the property on their behalf until the developer left the site.

When the development was completed, the developer transferred to Corporation (SPHM Ltd) to the homeowners, and the HOA was officially dissolved.

To summarize our current status:

- All homeowners are shareholders in SPHM Ltd.
- SPHM Ltd is a BC Corporation operating on Federal/Aboriginal Land - NOT regulated under the SPA.
- Our articles and bylaws were modified in the last 2 years and were approved at AGM meetings.
- One item of note – that when the articles and bylaws were edited, some SPA clauses that offered value to homeowners, were included.
- The fact that we were NOT covered by the SPA was a key that allowed us to purchase our own insurance, and this reduced costs for owners of multi family homes by up to \$250 monthly.

## **Questions we have been asked**

### **1. Governance – Are we complying with the Strata Property Act?**

**Answer-** Sonoma Pines is governed by SPHM Ltd., a BC Corporation governed by the BC Business Corporations Act in which every homeowner is a shareholder. We have never been a Strata Corporation or governed by the Strata Property Act. (SPA). We are located on Federal/aboriginal land, and provincial legislation does not apply.

The initial Articles were created for the developer's company. They stated that if the "company" chose not to manage the common property, that homeowners would be entitled to form a Homeowners Association (HOA) to carry out management and the HOA would adhere to the objectives of the SPA where applicable and not in conflict with the corporate Articles or Bylaws. When the amalgamation referred to above was completed, the HOA was disbanded, and the board that had been the HOA board became the first board of SPHM Limited. At the time, a legal opinion made it clear that the property was a legal corporation and was not subject to the provisions of the SPA. The sublease is a different issue: The head lease is a federal agreement that is administered by WFN as the lessor. The lessee is SPHM Ltd, our company. The sublease is an agreement between SPHM and our homeowners. This agreement did include a clause that referred to the SPA, but the company Articles and bylaws are the priority, and where they conflict, the company documents are applicable. Due to the difficulty of determining whether or not the provisions of the Strata Property act would apply to various parts of the management of Sonoma Pines, and to protect the rights of our Homeowners, a great deal of work was done to incorporate many of the most important elements of the Strata Property Act into our revised SPHM Articles, which have now all been approved at the Board and AGM levels. **The Articles and Bylaws of SPHM Ltd. provide the principles for management of the property and, in many instances, use the principles drawn from the Strata Property Act.**

### **2. Bylaws. We request a full review of the current bylaws to establish that we are compliant with the Strata Property Act.**

See above – we are not required to follow the SPA.

### **3. Strata Assets: what changes did this Board make in re-arranging the Contingency Funds?**

The Contingency Fund is intended to provide funds for emergency or for expenses that rarely occur. (from the SPA "a contingency reserve fund for common expenses that usually occur less often than once a year or that do not usually occur.") In Strata Properties that I have chaired in the past, routine expenses such as painting, replacing decks, etc. are operating expenses and are NOT taken from the CRF. The CRF is generally available for CONTINGENCIES. Previous boards seem to have used a process where the CRF is used for unbudgeted items such as gym equipment, speed bumps or sound management (last AGM). Our CRF now covers potential emergencies and large-scale needs such as roof replacements. As a side note, our fund and current contributions significantly exceed requirements for properties covered by the SPA.

No funds have been transferred out of the CRF, but the annual contribution level was reduced with the money applied to address maintenance issues that previously would have required an AGM or SGM vote. This has improved the efficiency of operation.

### **4. Transparency: The previous administration spent \$50,000 to settle a lawsuit with WFN. Why did the Board not tell the owners? Where did the money come from? We are formally requesting that the Board publish on the website and send to all owners the contents of the agreement struck in settlement of this lawsuit**

The previous board did NOT spend \$50k to settle this dispute. The dispute was filed by a previous board more than 2 years ago.

The majority of the expense was spent filing the lawsuit. The cost of settling the dispute (less than \$3,000) was for 2 items: our legal costs in withdrawing the suit, and registration fees for the former chief in cancelling the suit. The WFN covered their legal costs, and they asked for nothing in return. The board at the time had asked the Chief to waive a 30-day waiting period when the insurance was to change (that saved about \$60k). WFN advised that they would waive the waiting period if SPHM Ltd would withdraw a pending lawsuit. SPHM Ltd remains grateful for the strong support of Chief Chris Derickson, that enabled this change, as this is the source of funds (~ \$60k) that are to be transferred to the CRF.

5. **Governance: Is the Board developing and implementing a Conflict-of-Interest by-law and an anti-Bullying bylaw?**  
These issues are already covered in our revised Corporate Articles.

**The issue of our status as a corporation that is not covered by the SPA has been explained on several occasions. An initial legal opinion provided for SPHM Ltd at the time of the transfer of the developer (by Kelly Cairns) that was provided to all board members at the time, did an excellent job in explaining this relationship. This explanation was included in the website recently, and was also included in the last homeowners newsletter.**

**Meetings with Committees**  
**Report for June 27, 2022, Board Meeting**

The Board has received two nominations for the one open Board position. I will interview both candidates with Malcolm Metcalfe (Chair) within the next couple of weeks. The Board will then decide which candidate will be invited to join the Board. The Board is aware of the strong desire from the community to have a representative from single family homes, although there is no mandate to do so.

The Board put out a call for people to join committees that need members and Chairs. So far there has been very little interest indicated. Therefore, the Board is again asking people to come forward to join and/or to Chair committees.

As has been stated previously, the Board will not have a Board member on each committee, but committees will submit a report to the Board monthly, prior to Board meetings.

Danielle Renaud  
SPHM Ltd. Board of Directors

## Managing Director's Report - June 2022

### Upper Gate Project

Progress has been slow but is moving forward at the upper gate location.

- Intercom mounting pedestal installed and is awaiting the intercom itself. No explanation given by the contractor for the delay.
- Wiring complete in support of the internet and phone connections with devices installed in an additional cabinet mounted on the wall between the two Liftmaster boxes.
- Tall post in the island area has been installed to support the long-range RFID reader.
- Supply chain issues forced us to pivot to a different model of RFID reader which are expected this coming week.
- Backfilling of the soil in the upper gate area was started but is not complete. The Board will have to decide as to whether or not we wait for Vern Sarver's return in the fall or go ahead and contract a landscaper to backfill the area and install landscaping fabric and stone to enhance the area.
- Work has started by office staff at modifying the residents list for importation into the Kantech Intercom's database and is expected to be complete by the end of this week. AVS will provide support to import the data.
- An updated version of the software is being acquired to support new features and functions as well as facilitate the importation of existing data thus reducing the labor involved to do this.
- The existing laptop used to support the Intercom processing software is very old and slow. Calisto Networks is coordinating with AVS and is providing guidance as to computer upgrade requirements to support the extra demands put on the system. Currently there is no provision for automatic back-ups, and this needs to be corrected as well.

### Intercom function overview

AVS provided a briefing to office staff and me on the requirements for the Intercom database and the operation of the system. The database will contain the following data on each resident:

1. Name: Last name, initial - This will be a searchable parameter on the intercom's display. Using a telephone style keypad, the user will enter the last name of the resident. It is expected that the search will be narrowed as each character is input, but we are not 100% positive of this. Once the name appears in the display, the user selects it by pressing the # sign.

(We may have to identify more than one resident name in this database. Each named entry will need all the other information mentioned below and will have a unique buzz code assigned by the system)

2. First phone number - The number that will be dialed by the system to establish voice communication between parties, and permit entrance by pressing 9

3. Second phone number: number to be automatically dialed if no reply from first number after 4 rings. Same communication and entry as above.

4. Tennant Code/Buzz Code: a 4-digit code automatically assigned by the system at data entry time. This is a code that a resident can give to someone that will bypass the requirement of searching the intercom directory. When someone enters the 4-digit code at the intercom, the First Phone number will automatically be dialed as per steps 3 and 4 above.

5. A code will be assigned by us to trades and utilities to allow them access.

The RFID data will be entered into the same database as the current FOB system. Residents will be required to buy RFID stickers and apply them to the car windshield. Office staff will associate the stickers with the resident, and the database will be accessed to allow entry and exit from the top gates, and entry at the lower gates.



## **Lower Gate Motor Upgrade**

The lower gate upgrade began on June 20, 2022, and completed on June 23, 2022.

The installation required old wires to be replaced with new wires, and we were able to take advantage of this by fishing additional wires for data and control along with the motor wires from the center pillar to the sidewalk side. This was a big win for us as we no longer need to cut the road to bring those functions from the sidewalk to the center island.

The new gate motors were installed and during the installation, the installer noticed a problem with the Yelp function. He attempted to correct this, but a real-world test this past weekend proved this did not work as it failed to respond when ambulance and fire were at the lower gates, and they failed to open. This is scheduled to be corrected on June 27, 2022.

The gate operation was tested on Thursday June 23, 2022, and everything seemed to work as advertised. However, the following day found that the entry gate was not working correctly and was responding to some remotes, and not others. This is scheduled to be repaired on June 27, 2022.