



Sonoma Pines Homeowners Management Ltd.

Annual General Meeting

To be held at Westbank Lions Community Hall 2466 Main Street, West Kelowna, BC

Tuesday, April 12, 2022 @ 6:30 p.m.

MINUTES

In Attendance: Lloyd Searcy, Chair
Gary Sears, Vice-Chair
Murray Reiter, Treasurer
Don Porter
Robert Scruton
Ex-Officio: Bob Bassett
Recorder: Sheila Herchak-Cole

1. Certify Proxies and those present in person to establish a quorum.
There were 512 proxies of which 2 were spoiled, leaving 510 valid proxies.
There were approximately 180 residents are in attendance which gave the meeting the required quorum:

(In order to conduct business at this Annual General Meeting, at least 10% of the persons holding the voting shares must be present in person or by proxy. Since each household is issued 2 voting shares (even if there is only one owner), the actual number of shares issued is 990 and thus the number required for a quorum is 10% of 990 or 99 voting shares.)

2. Call the meeting to order.
Chair called the meeting to order at 7:12 PM.
3. Confirm that the Chairperson, Vice-Chair, or individual elected from the floor will chair the meeting.
Lloyd Searcy, Chair, acting as Chairperson.
4. Present proof of Meeting Notice

Notice of AGM was issued by email and/or post on or before March 22, 2022.

5. Approval of the Agenda
Majority Vote Resolution AGM-2022 A
*Be it moved by a 50% vote of the shareholders of SPHM Ltd. that the Agenda of 2022 Annual General Meeting be approved as presented. **Motion carried.***

Resident pointed out there were two #11's which was acknowledged as a typo.
Resident requested that there be a motion seeking nominations from the floor for vacant positions on the Board.
The requested motion was declined by the Chair advising the Proxy sent out to homeowners did not have a Ballot for board nominations. Nomination forms had to be provided no later than midnight on March 18/22. Six nominations were received by the deadline date. If there were nominations from the floor, homeowners not present would be not able participate in the vote for board members.

6. Approval of the Minutes from the 2021 Annual General Meeting of April 15, 2021

Majority Vote Resolution AGM-2022– B

Be it moved by a 50% vote of the shareholders of SPHM Ltd. that the minutes of the April 15, 2021, Annual General Meeting be approved as presented. Motion carried.

7. Unfinished Business

General Ratification of all Board business conducted between March 1, 2020, and April 13, 2022

Three Quarter Resolution AGM-2022– C

BE IT RESOLVED by a $\frac{3}{4}$ vote of the shareholders of SPHM Ltd. that the Company does hereby ratify all resolutions or items of business passed at AGMs or SGMs held in the past two years under restricted Proxies due to Covid 19 restrictions. **Motion carried.**

8. Report on Insurance Coverage

Insurance documents provided in AGM package.

9. New Business:

a) Amendment to the Articles of Incorporation

Three Quarter Resolution AGM-2022– D

BE IT RESOLVED by a $\frac{3}{4}$ vote of the shareholders of SPHM Ltd. that the Articles of Incorporation as approved at the January 28, 2021, Special General Meeting be amended as follows:

Article 13.4 Qualifications of Directors

A director must hold a share of the Company as a qualification for his or her office and must also be qualified as required by the Business Corporations Act to become, act, or continue to act as a director. No more than one Shareholder, or Representative of a Corporate Shareholder, per household shall be eligible to act as a Director.

Article 27.1

- a) The Class "A" Common Voting Shares shall be issued only to owners of sublease hold interests in the Sonoma Pines real estate development at Vintage Hills and shall be entitled to vote at any Annual or Special General Meeting and shall be the only voting shares of the Company.

Article 27. 2 CLASS "B" COMMON VOTING SHARES

- a) Repealed April 2022
- b) Repealed April 2022
- c) Repealed April 2022
- d) Repealed April 2022

Article 27.5.9.b.

Repair/Maintenance of property - Vents, stairs, balconies, and other things attached to the exterior of a residential home but specifically excluding water faucets or hose bibs; electrical outlets or light fixture: and air conditioning units. **Amended April 2022 Motion carried.**

b) Amendment to Schedule E

Three Quarter Resolution AGM-2022– E

BE IT RESOLVED by a $\frac{3}{4}$ vote of the shareholders of SPHM Ltd. that Bylaw 7 of Schedule E as approved at the January 28, 2021, Special General Meeting be amended as follows:

Bylaw 7

(11) The perimeter fence of the community shall be six-foot, black chain link with privacy slates where appropriate.

The motion was revised as follows:

BE IT RESOLVED by a 3/4 vote of the shareholders of SPHM Ltd. that Bylaw 7 of Schedule E as approved at the January 28, 2021, Special General Meeting be amended as follows:

Bylaw 7

(11) The perimeter fence of the community shall be six-foot, black chain link with privacy slates where appropriate, excluding the golf course perimeter fencing. **Motion carried.**

Three Quarter Resolution AGM-2022– F

BE IT RESOLVED by a 3/4 vote of the shareholders of SPHM Ltd. that Bylaw 11 of Schedule E as approved at the January 28, 2021, Special General Meeting be amended as follows:

Bylaw 11

3) (a) The Company shall establish a Complaints and Discipline Committee to be comprised of One currently sitting Board Member, to act as Chairperson, and at least one volunteer from the Single-family Homeowners and at least one volunteer from the Multi Family Homeowners, to act as members.

(b) Complaints to the Company shall be directed to the Complaints and Discipline Committee for adjudication.

(c) Complaints by owners must be received in writing or by email and must identify the name of the complainant, which owner or address the complaint is against, the date that the offense occurred, and which bylaws or clauses of the sublease have been violated. The name of the complainant shall not be released to the offending party.

4) The Complaints and Discipline Committee shall deliver a Notice of Complaint, via mail or email, notifying the offending owner of the complaint and allowing that owner to make a presentation to the Board regarding the offense within two weeks of the date of the Notice of Violation.

5) In considering any disciplinary action the Complaints and Discipline Committee shall utilize the principle of progressive discipline where owners are provided with a single warning. If the contravention continues the Complaints and Discipline Committee may levy fines in accordance with the section below detailing fines.

6) Notwithstanding sub paragraph (5) above, at its sole discretion, where the Complaints and Discipline Committee considers the offense to be egregious, the Committee may levy the maximum fine allowable upon a first offense.

7) A Notice of Decision from the Committee shall be delivered to the alleged offending party, via mail or email, within two weeks after the date of any hearing, and if no hearing is held, then within four weeks of the date of the original Notice of Complaint.

8) The decision of the Committee regarding any disciplinary action is subject to appeal to the Board of Directors of the Company, upon written request made by the offending party within two weeks of the date of the Committee's Notice of Decision. If no appeal is made to the Board, then the decision of the Committee will be final.

8) Upon receipt of a Notice of Appeal from a decision of the Complaints and Disciplinary Committee, the Board shall offer the Appellant an opportunity to be heard within two weeks of the receipt of the Notice of Appeal.

9) A Final Notice of Decision from the Board shall be delivered to the alleged offending party, via mail or email, within two weeks after the date of any hearing, and if no hearing is held, then within four weeks of the date of the original Notice of Complaint. The decision of the Board regarding the Appeal of any disciplinary action is final and without the right of further appeal. **Motion carried.**

Three Quarter Resolution AGM-2022– G

BE IT RESOLVED by a 3/4 vote of the shareholders of SPHM Ltd. that Bylaw 20 of Schedule E as approved at the January 28, 2021, Special General Meeting be amended as follows:

Bylaw 20

(6) All homeowners shall provide the Corporation proof of all risk, full replacement insurance coverage on their home upon the placement of a new policy, a change in material coverage or the renewal of an existing policy. Homeowners that rent their property shall be required to provide confirmation from their insurance company that the insurer is aware that the home is rented and has coverage that reflects that use.

Motion carried.

c) Contingency Reserve Fund:

Fence Replacement:

In 2021 the shareholders approved the replacement of large sections of the perimeter wood fence and replaced it with six-foot ornamental fence at the entrance to the community and six-foot chain link fencing with slats at the rear of the homes along Sonoma Pines Drive. In total approximately 2100 feet of fencing was replaced at a cost of approximately \$117,000.

One Hundred Thousand Dollars was approved from the Common Contingency Reserve Fund to be spent on fencing by the shareholders at the 2021. Additionally, Broadstreet contributed slightly more than \$17,000 towards the fencing at the upper gate which was used to replace additional fencing at the lower gate.

After extensive discussions, the Board has agreed that when the wooden perimeter fencing is replaced, it shall be replaced with six-foot chain link fencing with slats where appropriate. That said, there are certain sections of the chain link below Alvarado Trail to Talavera Place and behind Talavera Place and Acacia Lane that are already eight-foot chain link that shall remain.

2022/2023 Replacement Plan - \$12,200

Based upon feedback at the Town Hall meetings in September the Board has determined that replacing the perimeter wood fencing should be the future priority. That said, the Board does not recommend the replacement of any of the perimeter wood fencing in 2022/2023 as many of the posts have been replaced and that fence is considered to be in good condition.

The Board recommends the following replacements or new installations in 2022/2023:

1. Replacement of the approximately 260 lineal feet of four-foot chain link fencing at the lower gate with six-foot chain link fencing at an estimated cost of \$8,200.
2. Installation of approximately 90 feet of new eight-foot chain link fencing at the end of Alvarado Trail where there is an opening in the fencing at an estimated cost of \$4,000.

The cost of the fence replacement would be charged against the Common Contingency Reserve Fund.

Three Quarter Vote Resolution AGM 2022– H

BE IT RESOLVED by a 3/4 vote of the shareholders of SPHM Ltd. authorize the Corporation to expend up to Twelve Thousand Two Hundred (\$12,200) Dollars (plus applicable taxes) on fence replacement from the Common Contingency Reserve Fund. **Motion defeated.**

Traffic Calming Devices:

The Board has received many complaints respecting speeding on Sonoma Pines Drive and believes that the installation of traffic calming devices (NOT speed bumps) will address the issue. The device is made of asphalt and installed across the road. It is approximately seven feet wide and have a gradual rise of approximately 3 inches at its' centre.

While slowing traffic, these permanent devices do not impede the cleaning of the streets in winter months. There is a continued concern of speeding along our primary thoroughfare of Sonoma Pines Drive. Many residents complain of speeders, both residents and outsiders. The Safety and Security Committee have looked at several options with the only viable one being a traffic calmer. In the past, traffic calmers have been voted down by owners and we believe due to the term "speed bump". As most owners do not live on or back onto Sonoma Pines Drive, they are not exposed to the hazard caused by speeders. Installation of the traffic calmer will only go ahead after both upper and lower gates are placed into operation to see where the traffic calmer is best suited.

Three Quarter Vote Resolution AGM 2022-I

BE IT RESOLVED by a 3/4 vote of the shareholders of SPHM Ltd. authorize the Corporation to expend up to Five Thousand (\$5,000.00) Dollars (plus applicable taxes) to have at least one traffic calming device (not speed bumps) installed across Sonoma Pines Drive. **Motion defeated.**

Clubhouse Acoustics Preamble:

Since the first day our Clubhouse opened the largest complaint has been about the acoustics in the Great Room, excessive background noise makes it impossible to carry on a conversation with people at your table. This is multiplied if you happen to wear hearing aids as many of us seniors do. Many of our residents, decline attending any functions due to the excessive noise levels. By installing 24" X 48" Acoustic tiles over 336 sq. ft. of ceiling we will drop the background noise level by approximately 45%. The Board has the full support of the Clubhouse Committee, Social Committee, and anyone that has attended functions in the past. By making these Acoustic improvements it will make the Clubhouse much more enjoyable for anyone attending events in the Great Room.

Three Quarter Vote Resolution AGM 2022-J

BE IT RESOLVED by a 3/4 vote of the shareholders of SPHM Ltd. authorize the Corporation to expend up to Eight Thousand (\$8,000.00) Dollars (plus applicable taxes) to improve acoustics in the Clubhouse. **Motion defeated.**

Rowing Machine Preamble:

We have a great GYM in our Clubhouse that offers most of the same equipment you will find in any monthly membership or pay as you go GYMs in the area. Purchasing a rowing machine will just round out the high level of equipment we offer at no additional charge to our residents. We have a solid group of GYM users many that have asked for a rowing machine.

Three Quarter Vote Resolution AGM 2022-K

BE IT RESOLVED by a 3/4 vote of the shareholders of SPHM Ltd. authorize the Corporation to expend up to One Thousand Eight Hundred (\$1,800.00) Dollars (plus applicable taxes) to purchase a rowing machine for the Clubhouse. **Motion defeated.**

Lower Gate Preamble:

The motors on the lower gates are approximately ten years and open somewhat slower than the upper gate. The controls are analog while the controls on the upper gate are digital. It is proposed that the motors and controls on the lower entrance gates be upgraded to match those on the upper gates.

With this change, garage door openers will no longer function to open the lower gates and an RFID sticker will be required to enter and exit.

Three Quarter Vote Resolution AGM 2022-L

BE IT RESOLVED by a 3/4 vote of the shareholders of SPHM Ltd. authorize the Corporation to expend up to Twelve Thousand (\$12,000.00) Dollars (plus applicable taxes) to upgrade the motors and operating controls on the lower entrance gates. **Motion carried.**

10. Review of the financial statements

Financial statements to the end of January and projections to the end of the fiscal year.

Murray Reiter – There have been some issues with the bookkeeping at Coldwell Banker and unfortunately a variety of coding errors have been made. Murray Reiter is working with Coldwell Banker to remedy the situation.

Approval of the 2022/2023 Operating Budget

Operating Budget Preamble:

The proposed budget reflects an increase in landscaping costs. This will result in increases in costs for single family homeowners and multifamily homeowners as well as common landscaping costs.

A five-year contract has been signed with Asahi which will see only a slight increase in years four and five of the contract.

The Board expects modest increases in insurance costs, salaries, and other related expenses.

While adjusting certain other budget lines the Board requests a monthly fee increase of Six (\$6.00) Dollars per home (multifamily and single family) commencing on May 1st, 2022, there will be no retroactive collection of the Six (\$6.00) Dollar increase for the month of April.

Majority Vote Resolution AGM 2022– M

BE IT RESOLVED by a majority vote of the shareholders of SPHM Ltd. approve an annual Common Operating Budget in the amount of \$1,300,883.16 and a Multifamily Operating Budget of \$529,084.16.

Motion carried.

11. Election of Directors

The following owners were nominated and let their names stand as per the Articles of Incorporation:

Danielle Renaud
Mike Trenn
Gary Kitchen
Dawn Spence
Malcolm Metcalfe
Greg Marshall

Those nominated were acclaimed as the new Board of Directors for Sonoma Pines Homeowners Management Ltd.

The Chair recognized the new Board of Directors and thanked the outgoing members for their respective years of service.

12. Adjournment

Meeting adjourned at 8:44 PM April 12, 2022

Note: Related documents are contained in the AGM package for future reference and can be found on the website.

Recorded by Sheila Cole, SPHM Administrator

Date Approved: June 19, 2023