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What's Right and What Needs Improvement in the World of Condos

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Springfest



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Perspective from a Property Manager, a Lawyer, an Engineer and an Insurance Specialist

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Dean McCabe

SOCIAL MEDIA

Social Media and Discussion Forums

- Various Types (facebook, discussion forums, blogs)
- Positive impact on communications with residents and owners
- Creates a record of communications
- Efficient – management can communicate with large groups of people

Social Media and Discussion Forums

- Negative communications are not monitored
- Creates additional workload if left to management
- Sense of anonymity leads people to make derogatory comments in a public forum
- Possible liability if slanderous comments are not removed or if they are posted

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WASTE COLLECTION

Waste Collection Options

- The target 70 program initiated by the City appears to be working
- The City is contemplating revising the collections model and charging flat fee per bin
- This will allow ease of comparison for condo's considering private pick-up

Waste Collection Options

- A restructured fee model will penalize condo's that have been performing extremely well – removes the incentive to perform well
- The potential downside of private collection is the requirement that MURB's comply with the new requirements to get back on City collection

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SECURITY GUARD TRAINING



Security Guard Training

- Bill 159 Passed in 2008
- Does not differentiate between Condominium concierge and other private security.
- Uniforms, licensing, training and examinations



Security Guard Training

- Uniform standards must now have the word “security” clearly on display
- Licenses are now transferable and portable
- Training must be complete for all existing guards by July 15, 2011.
- After training is an exam at a cost of \$60 each. Failure of the exam means not longer eligible to provide security services.

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EMPLOYEES VS CONTRACT

Employees Vs. Contract Staff

- Many condos are considering in-house staffing to reduce the impact of HST on operating budgets.
- Management staff responsibilities are such that liability goes along with staff ownership.
- Security and cleaning training requirements come along with responsibility for staff in these areas.

Christopher J. Jaglowitz

TARION CE CLAIMS PROCESS

Changes to Tarion Claims Process

- New customer service standards proposed for common elements warranty claims
- Applies to 1st and 2nd year claims
- Creates fixed deadlines for work to be completed and conciliation to be requested

New customer service standard

- Vendor to complete repairs in first 30 months
- If conciliation not requested by the condo by end of the 32nd month, or if conciliation started and cancelled, then the warranty claim is considered to be withdrawn

New customer service standard

- If builder does not perform work specified in the conciliation report within 90 days, then Tarion pays for the work
- Process sounds good, but Tarion doesn't often agree with the condo

New limit on Tarion liability

- Maximum aggregate liability capped at \$50M
- Proposed to be effective for any condo that sells first new unit after July 1, 2010

New limit on Tarion liability

- Currently: Max recovery is \$300K per unit for unit deficiencies PLUS lesser of \$50K per unit or \$2.5 total for CE deficiencies, with no overall limit
- Example: 300-unit condo could give rise to liability of \$92.5 million today.

Tarion changes: So what?

- Be careful of timelines
- Must decide early whether to make a Tarion claim OR sue in court. Choose one avenue.
- \$50M cap on liability not an issue for small condos
- Get your lawyers involved early
- These changes are proposed – not yet for sure

Christopher J. Jaglowitz

OCCUPATIONAL HEALTH AND SAFETY



Workplace Violence / Harassment

- Bill 168 – amended OHSA
- Changes come into effect June 15, 2010
- Employers must protect their employees from violence and harassment in the workplace (including domestic violence!)



Workplace Violence / Harassment

- Employers must assess the risk of violence and harassment in the workplace
- Then create/post/review policies to combat workplace violence and harassment
- Must then devise a program to implement the policies and train staff

Workplace Violence / Harassment

- Must provide workers with info about persons with a history of violence
- BUT only where workers are likely to encounter those persons and there is a risk of workers being injured by those persons
- AND: Can't disclose more info than necessary and must still comply with privacy law

Workplace Violence / Harassment

- Must notify MOL of incidents of workplace violence resulting in a worker requiring medical attention
- No notice required for instances of harassment

Workplace Violence / Harassment

TO DO:

1. Conduct a risk assessment in your workplace
2. Devise and implement policies on workplace violence and harassment (two policies)
3. Train workers and follow the policy

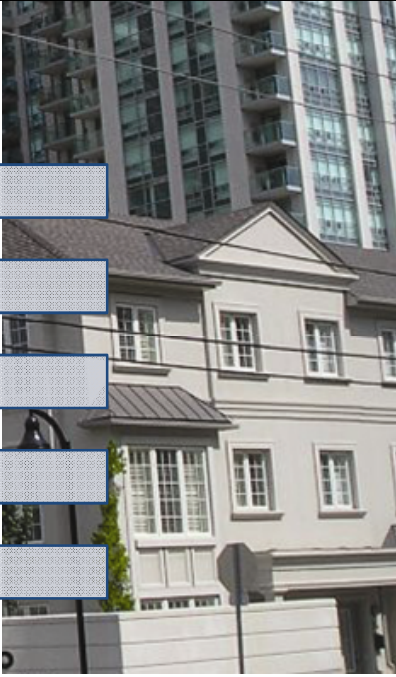
Workplace Violence / Harassment So what?

- Employees can refuse to work
- Civil liability if employees harmed / harassed
- Larger fines for OHS violations: \$50-125K

Sally Thompson


HST UPDATE

HST Impact on Costs



- 3% for "high materials"
- 8% for "all labour"
- 3 to 8% for all others
- Average 5% for RFS
- Average 6 to 7% for Operating

Canadian Condominium Institute
CCI Institut canadien des condominiums
Toronto and Area Chapter



Five Year Extension

- CCI and ACMO joint lobby
- Pre-May 2001 condos get an extra five years to become adequate (now 15 years)
- Missed Post-May 2001 condos (still 1 year)
- Only helps if critical year is not within the 15 year period

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WINDOW WALL SYSTEMS



Window Wall Leakage

- Epidemic of early leakage
- Flashings, joints, operables
- Extensive re-caulking

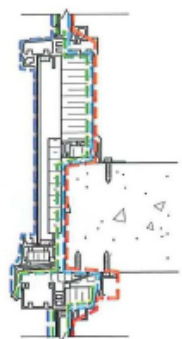


Pro-Demnity Insurance

- Provider of professional liability coverage to Ontario Architects
- Won't insure an architect designing a window wall unless they follow new rules.



WW Endorsement



— Vapour barrier
 — Air barrier
 — Water-resistive barrier
 — Water-shedding barrier

(f) Check continuity of critical barriers

- Rain screen design
- Independent Consultant (DR and CR)
- Stringent requirements for in-situ performance testing
- Performance Warranty (5 years)



Improvements

- Early stage design input
- Increased leverage to avoid “cheap” systems
- Improved system performance
- Reduced leakage and headaches!



Risks

- Suppliers “jury rig” existing systems instead of making real changes
- Rain screens that can’t be sealed up if they fail
- Uninsured Architects (no recourse)

Sally Thompson

COPPER PIPE FAILURE



Copper Pipe Corrosion

- **Workmanship** – burrs, excess flux, incompatible flux, wrong-size piping
- **Design** – excess velocity, imbalance
- **Commissioning** – debris in the system, inadequate flush



Prediction and Prevention

- Pump Design
- Design Velocity vs. Actual
- Pipe Sizes
- Balancing Valves
- Test Cuts
- Chemical Analysis



Mark Shedden

WHAT'S NEW IN INSURANCE

What to expect in the insurance market

- rates and deductibles
- availability of insurance
- reduced market capacity

Liability – Protecting the Corporation

- increasing litigious society
- proper documentation and regular inspections
- providers policy

QUESTIONS?