

the Cottages on Osoyoos Lake
Stelkia Homeowners' Corporation
Operations Plan

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Forward Looking Statements

The following disclaimers are in addition to all other disclaimers and cautionary statements that any sane Treasurer should make.

The next slide and discussion may contain "forward-looking information" that is based on expectations, estimates and projections as of the date of the content is published. Wherever possible, words such as "anticipate", "believe", "expects", "intend" and similar expressions will be used to identify these forward-looking statements. Information has been furnished for your information only, is reasonably accurate at the time of posting, and may be superseded by more current information. The information, whether as a result of new information, future events or otherwise, will be updated before the 2019 SHC AGM.

Forward-looking information involves known and unknown risks, uncertainties and other factors which may cause the actual results, performance or achievements to be materially different from any future results, performance or achievements expressed or implied by the forward-looking information.

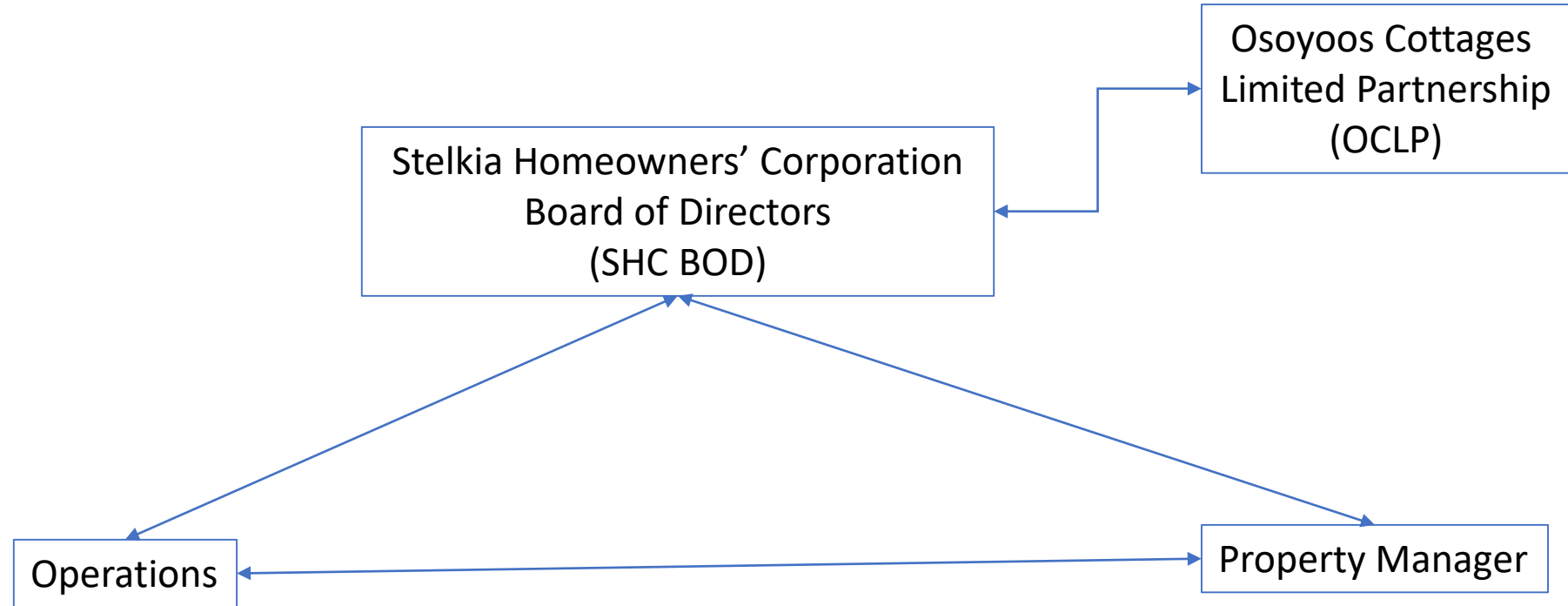
Board of Directors - Current State

- Board members set policy and direction but are also **heavily** involved in the operation of the Cottages.
- The role of the BOD, interaction with the Developer and with the Property Manager are not well understood.
- The operation of the Cottages is not optimal.
- The transition from a “developer led / dominated” environment to a “homeowner operated” environment is not known.

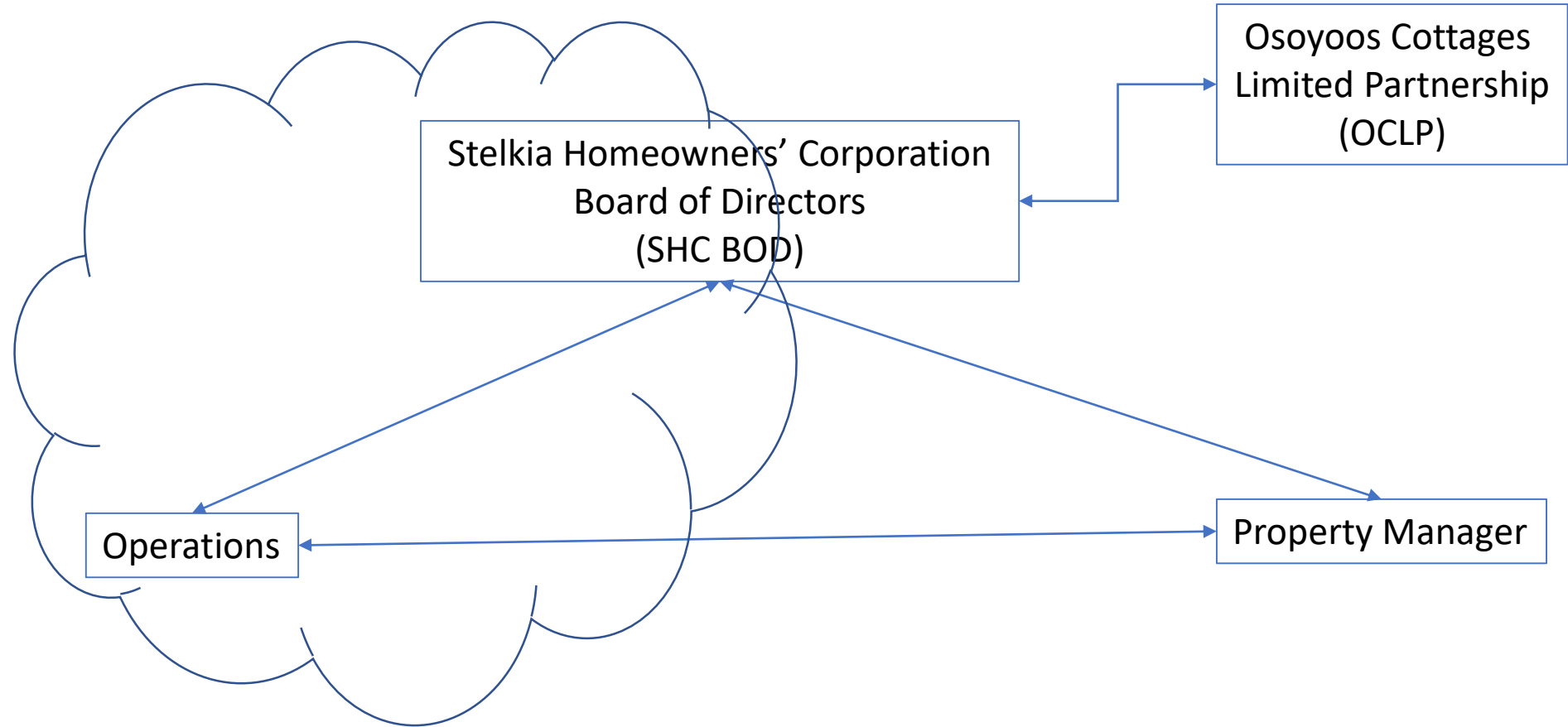
Board of Directors - Future State

- Board members set policy and direction but are only minimally involved in the operation of the Cottages.
- An Operations Manager is responsible for the operation of the Cottages.
- The roles of the BOD, the Operations Manager and the Property Manager are clearly understood.
- The path to a homeowner operated community is clearer.

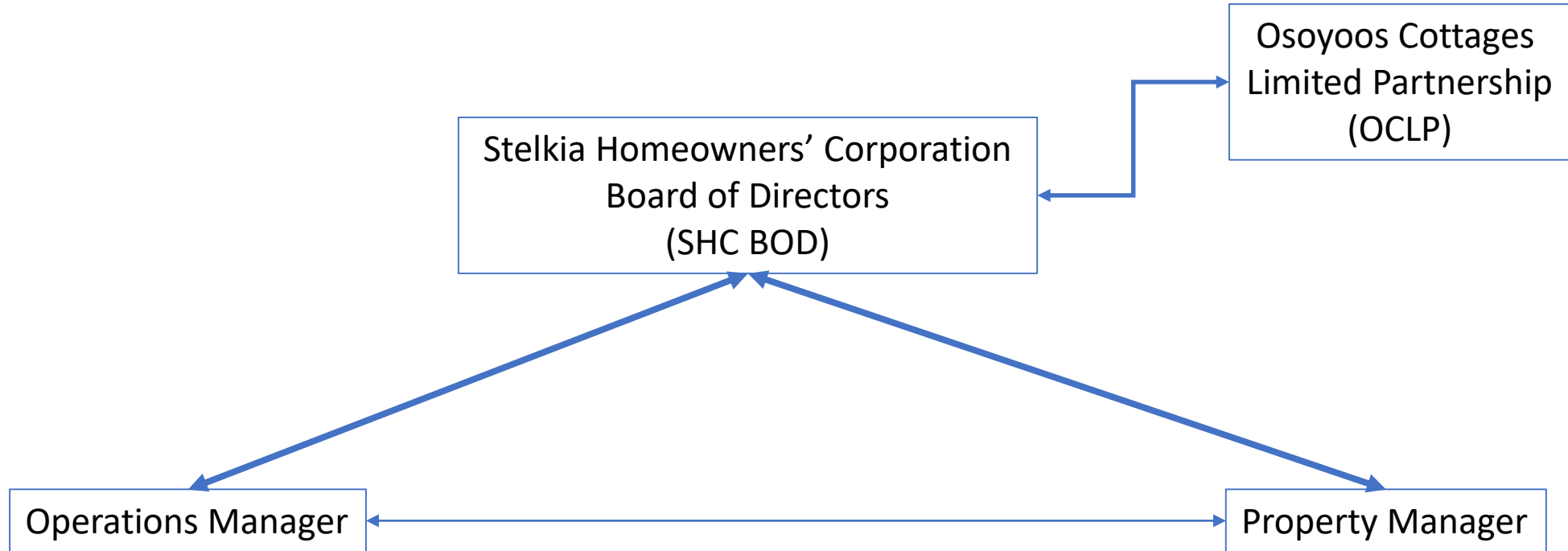
Organizational Chart



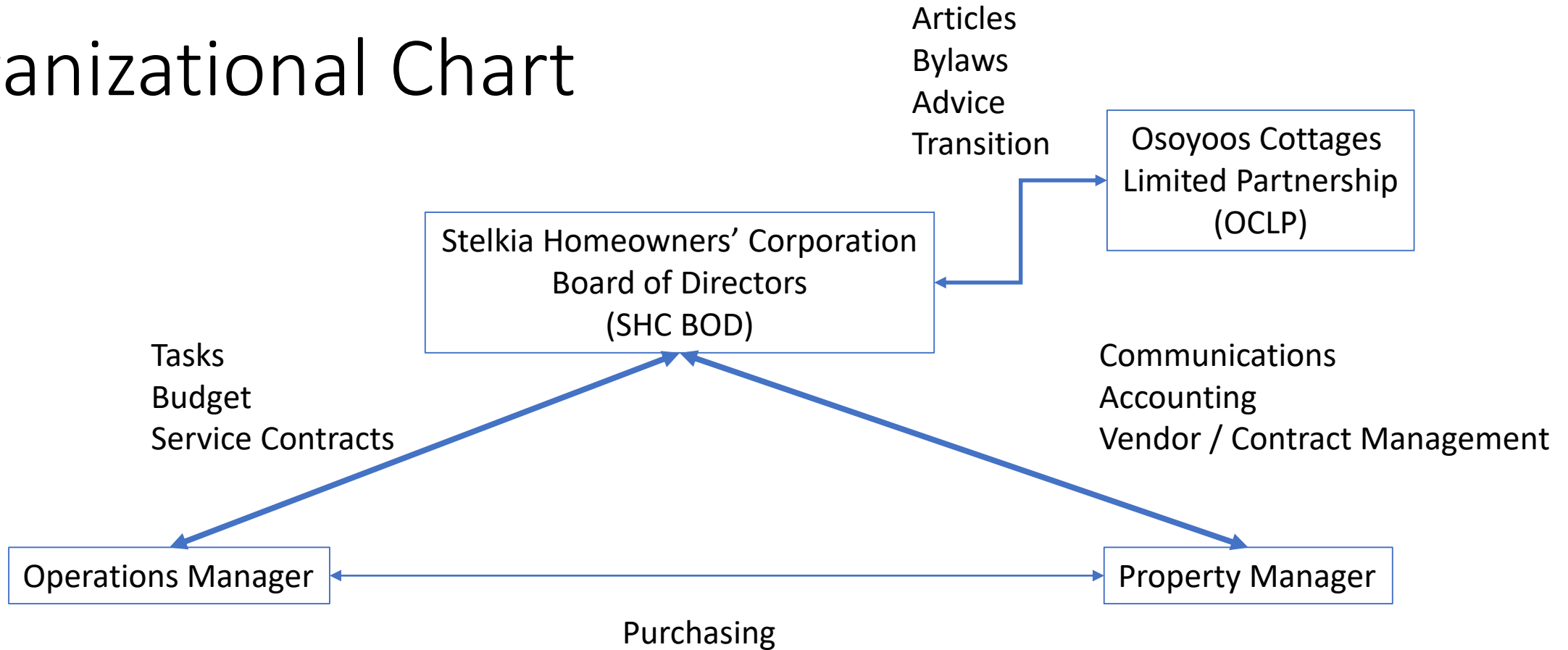
Organizational Chart



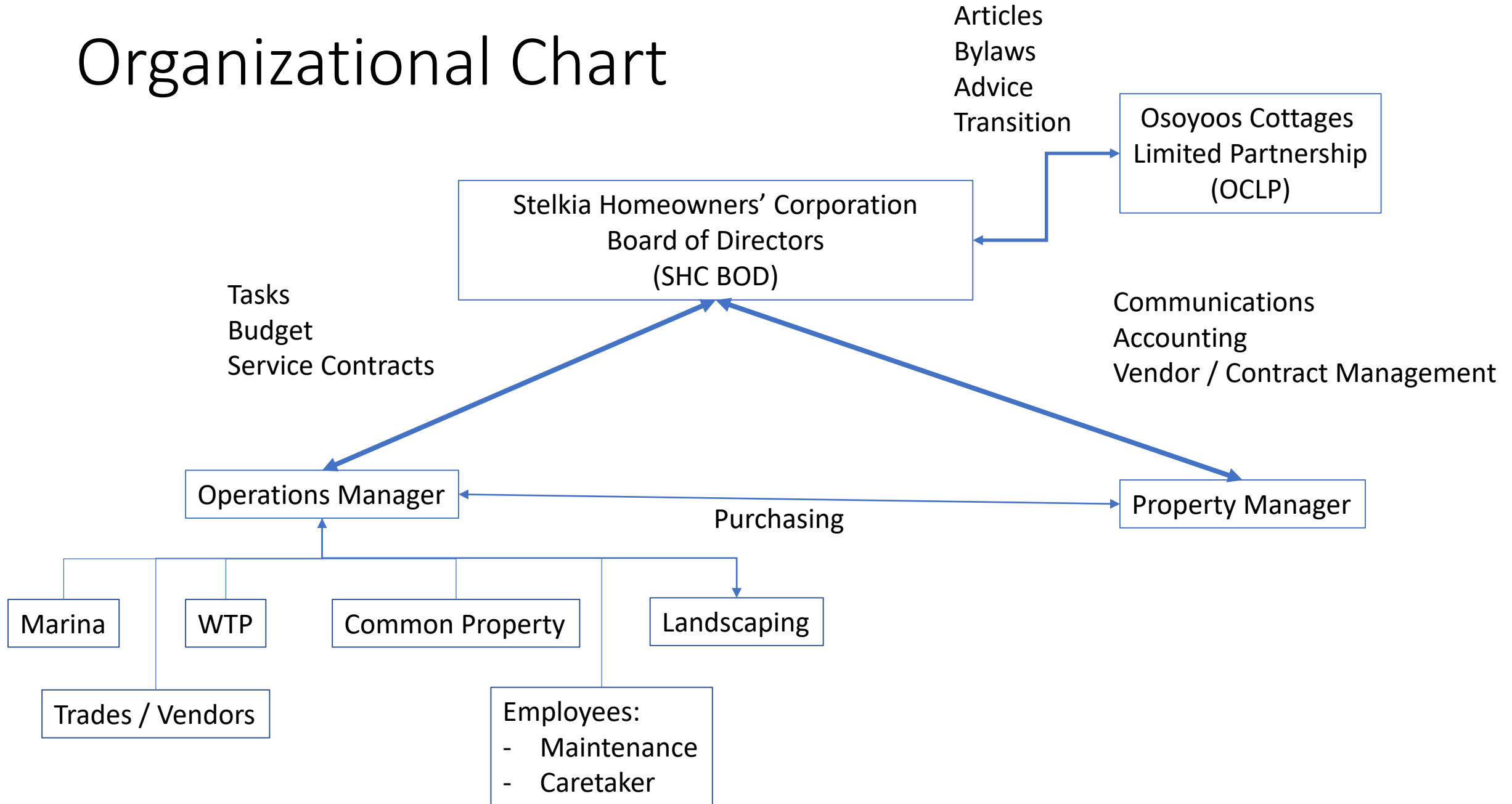
Organizational Chart



Organizational Chart



Organizational Chart



Operations Manager: Areas of Responsibility

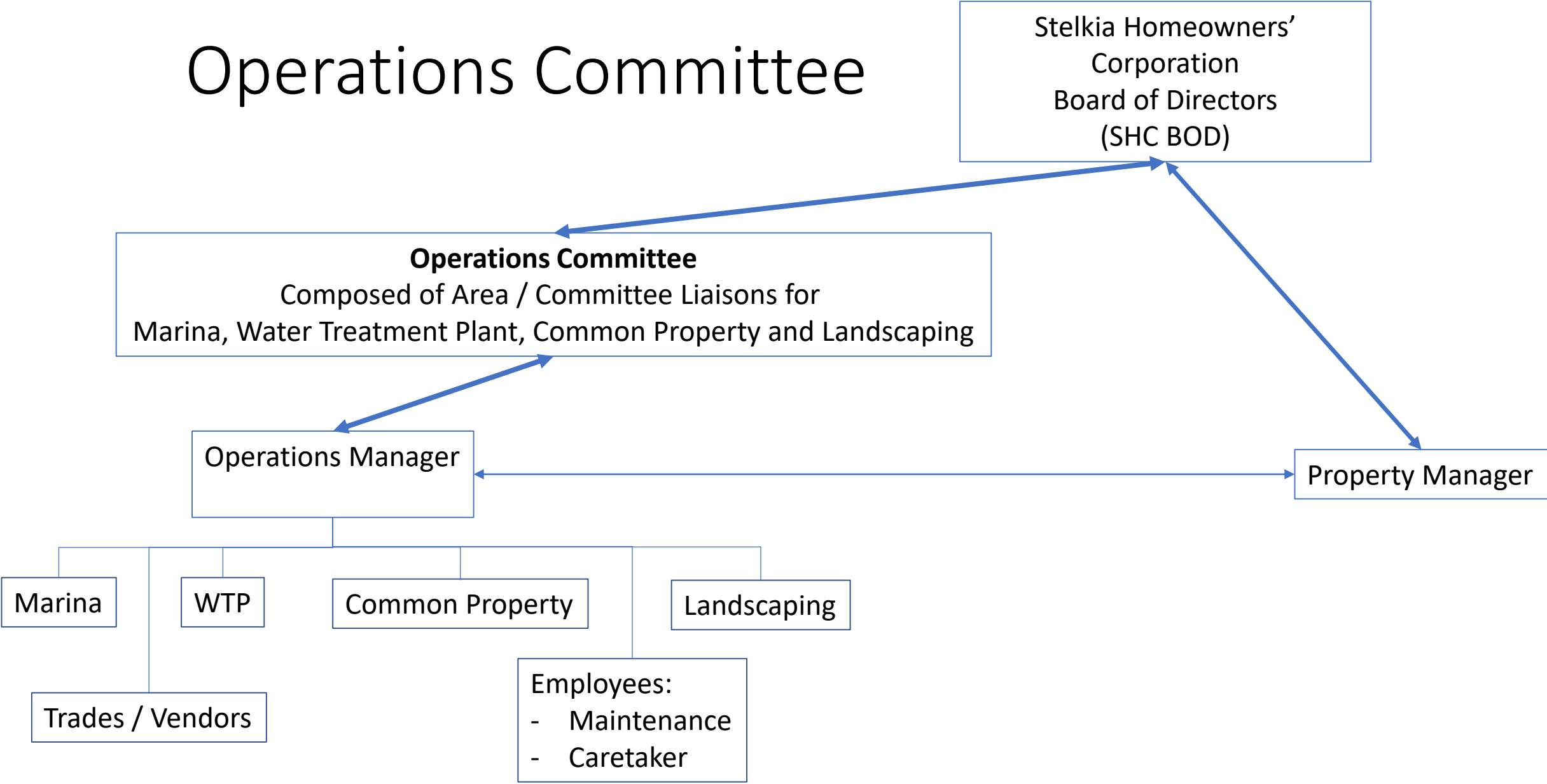
- Marina
 - Marina access gate, gangway to piers, piers and “no wake” buoy line.
- Water Treatment Plant
 - Service Building, Pump House, Water Utilities (potable water, wastewater, storm water, wastewater infiltration basins, etc.) and all associated water lines in and out.
- Common Property
 - Community Center including swimming pools and hot tubs.
 - Marina Shower/Change Building.
 - Beach recreation area including swim buoy line, swimming platform and volleyball court.
 - Off leash dog areas.
 - Roads and sidewalks.
 - Fences including associated security systems.
- Landscaping
 - All landscaping that SHC is responsible for, generally meaning landscaping covered by the SHC Landscaping / Landscaping Vendor contract.
- Trades / Vendors
 - Anyone (other than an employee) that provides a service to SHC.
- Employees
 - All SHC Employees involved in “repair and maintenance” (R & M).
 - The SHC BOD will remain responsibility for all staffing adjustments.

Operations Manager is responsible for:

1. Managing and operating the water and wastewater treatment plant, the water distribution system and the wastewater collection system.
2. Managing the Emaint maintenance and asset management program.
3. Managing the Community Centre and Marina Shower / Change Building.
4. Managing the Marina.
5. Managing the beach front, swimming area, playgrounds, volleyball court and trail/stairs assets.
6. Managing the front gate and security cameras.
7. Managing snow removal, street sweeping, streetlights, street signs and general roadways repairs.
8. Managing retaining wall inspections.
9. Managing garbage and recycle.
10. Manage fence maintenance.
11. Monitoring the landscaping team and irrigation system, and proposing change.
12. Managing the health and safety program.
13. Managing SHC Employees to achieve the above.
14. Purchasing supplies and other materials needed to achieve the above, within the approved budget.
15. Maintaining all certifications (personal and site) necessary for the legal and safe operation of the Cottages.

“Managing” means “taking positive action to ensure all repair and maintenance activities are performed as expected (timing and quality) and within the approved budget or engaging with the BOD in the case of non-standard, unexpected situations.”

Operations Committee



The Operations Committee

- A subset of the SHC BOD.
- Composed of Area / Committee Liaisons
- Role as individuals is to assist Operations Manager:
 - understanding tasks / budget and
 - adjust to day-to-day realities.
- Role as a committee is to assist Operations Manager to coordinate activities:
 - Adjust priorities and/or schedule because of impact on other areas.
- There may (or may not) be a committee (of homeowners) associated with each area.

Service Contracts

- Managed by the Property Manager
- Supervised by the Operations Team
- Contracts
 - Water Treatment
 - Plant Management
 - Routine Maintenance
 - Periodic Sewer Maintenance
 - Landscaping
 - Garbage / Recycling
 - Marina
 - Routine Maintenance
 - Periodic Inspection
 - Major Remedial Maintenance
 - Street Cleaning
 - Snow Clearing (Possible Future)

Finances and Staffing

- Operations Manager role is estimated to consume 2 - 3 hours / day year-round.
- Annual Incremental Cost:
 - $45 \text{ \$/hour} * 2 \text{ hours/day} * 5 \text{ days/week} * 52 \text{ weeks/year} = 23.4 \text{ to } 35.1 \text{ K\$}$ (+ GST or remittances at 10.9%).
- Operations Manager + 2 full-time (40 hours/week) R&M employee seems about right for busy season.
- May want/need to adjust staff for off season.
- May want to look at additional staff at fewer hours/week to cover pool opening/closing responsibilities and for bylaw enforcement.
- Should prepare for time when SHC Employee does/will not use the Caretaker Suite.
- Should consider and plan for raises for employees.
- Should consider need for Operations Team to be “on call” and cost:
 - Pay 1 hour for each 8 hours of on call: $16 \text{ shifts/week} * \$25/\text{hour} * 52 \text{ weeks/year} = 21\text{K\$}$
- Cost of security to close pools.

* Based on similar services we already get from OCLP.

Areas Not Addressed

- Bylaw Enforcement
 - Is using “R&M” staff the best way to do bylaw enforcement?
- Other Areas of High BOD Involvement:
 - Rental Administration
 - Parking
 - Renovations
 - Cottage Units
 - Landscaping
 - Marina
 - Community Center bookings
- Do we need to hire someone to do “admin” and/or hand off more to PQ?

Next Steps:

- BOD adopt in principle this proposal, granting authority to proceed with refining and adding additional detail to the proposal.
 - Approval received June 24.
- Prepare final proposal for 2019 AGM.
 - Include in budget preparations.
 - Approval by BOD by mid-August.
 - Show to homeowners in August/September timeframe.
- Budget will include costs, so voting for budget is approval for Operations Plan.
- Advertise For and Hire Operations Manager.

Questions?