

# Condominium Home Owners' Association

*Serving BC's Strata Property Owners since 1976*

Bulletin: 300-331

## Condo Smarts

Headline: Budget Allocations

Topic: Contracts

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**Dear Condo Smarts:** Our strata council want to change over our contractor who maintains our landscaping. Our past president claims we don't have the authority to terminate the current contract without the owners' approval according to the Strata Act. The owners approved \$14,000 in the annual budget and have already obtained 3 quotes with better service and we will save \$3,500 from our annual budget. We cannot find anything in the Act, but is there anything that prevents council from changing contractors without a meeting of the owners? Glenville Strata Council, Richmond.

**Dear Glenville Council:** There is one contract in the Act that may require termination by a vote of the owners, and that is the agreement of strata management. This applies as a  $\frac{3}{4}$  vote at a general meeting, if there is no other termination condition in your contract. For all other contracts, there are no specific limitations; however, you also need to review your bylaws and the motions of your owners at general meetings. The bylaws may require contracts be approved or terminated at general meetings and past motions at

general meetings, may have imposed some limitation or specific direction by the owners. In the absence of any bylaws or motions, the council has the authority to change the services. Just a few tips to remember. Try to create a specific scope of services and obtain as many quotes as possible. Check references and their business history with the Better Business Bureau, any associations they may be affiliated with and other strata's in your area using the same companies. Contact the BCLNA (BC Landscape and Nursery Association) for additional information on contracts, standards, and performance guidelines @bclna.com. Remember get everything in writing, double check who is supplying tools, supplies, removal and waste disposal. Check for insurance and current and active WorkSafe coverage and if any of your council members has an affiliation or relationship with the company, they need to remove themselves from the decision process. Report your decision in the minutes and inform your owners as soon as possible. If in doubt about the terms and conditions of your contract, get legal advice.

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