

Condominium Home Owners Association

A non-profit association serving strata owners since 1976

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Condo Smarts

Headline: Secret deals and secret meetings cause trouble

Topic: Secret meetings

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In January, a Richmond townhouse complex discovered a grow-op in one of its units. There was damage to five adjacent units, including extensive damage to the roofing, attics, crawl spaces and garages. Estimates were at \$150,000 for repairs. The council president took what he thought was "control" of the situation and privately agreed to a settlement with the owner of the grow-op. However, the agreement left the strata faced with the bill for the roofing repairs and attics. When questioned by the council and owners on the deal, the president told them it had been made in confidence and he could not disclose the particulars. The strata had no choice but to remove the president from council and elect a replacement. But the president had blindly missed out on a number of opportunities for assistance and the strata are now mired in legal fees and disputes.

Strata Law: The act and the standard bylaws give no provision for secret meetings. If the strata is engaged in an arbitration or law suit or is dealing with an owner's confidential personal information, they may have to hold some information in privacy, or conduct a portion of a meeting without observers. However, the general proceedings of meetings, decisions of council, and decisions of owners at general meetings are not secret and must be recorded in the minutes.

Tips: Council members, committees and agents have only the authority that has been delegated to them by council. By majority vote, council will decide on what authority to grant its officers. These agents can act only on behalf of the council, not independently. Considering the impact of the grow op, it is clear in retrospect that the rest of council should immediately have sought legal advice, contacted the municipality, or informed the owners what had transpired. Secret meetings and secret deals only cause great conflict once discovered

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