

From: Grey Common Elements Condominium Corporation 63 (GCC63)

To: Committee of the Whole Meeting - Town of the Blue Mountains (TBM)

Scheduled: For discussion at the April 29, 2025 Council Meeting

Reference: East Ridge GCC63 Water Distribution System Transfer Agreement

We would like to work with TBM to address a significant inequality that exists between the condominium corporations at Lora Bay. In February 2024¹ it came to our attention that all the freshwater systems within the Lora Bay Condominium Corporations have been deemed 'public' with the exception of the GCEC63 system.

Some background:

- November 2005 GCC63 is incorporated as a common element condominium
- 2008 TBM amends Regulation of Water supply 2008-02 Section 4.07² to include all common elements condominiums built after January 01, 2007. Which means the freshwater systems are owned by the TBM (this information was not disclosed during our agreement discussions with TBM during 2021-23).
- 2009 TBM informs GCC63 that they will assume the freshwater system³. As a result of this information from TBM, from 2009 GCC63 stopped putting money into their reserve fund for the maintenance of the freshwater system.
- In 2019 the Board of GCC63 re-started discussions with TBM to complete the assumption, just as TBM indicated in 2009
- In August 2022 TBM agrees to the assignment of the freshwater system from GCC63 to TBM as long as a fee of \$637,000 is paid to TBM⁴. This fee was put in place to represent the cost to replace the system for the 17 years it was owned by GCC63
- In the fall of 2023, The Lora Bay Working Group⁵ was established by the TBM. After a legal review⁶ it was determined in February 2024 that the ownership of the freshwater system for all the condominium corporations in Lora Bay, except for GCC63, is owned by TBM. This is to say that no other Condo corp. had to pay a fee to have their water system assumed and then maintained by TBM

This is an issue of extreme inequity between condominiums in Lora Bay that we feel needs to be resolved now that all the facts are known. When the GCC63/TBM Agreement to assume the water system was discussed and finalized, there was never any disclosure to our GCC63 board that the bylaw was changed in 2008 (noted above). If this exclusion was known back in 2019, our focus would have been to resolve the inequality found in the by-law from 2008.

¹ Letter from Director of Operations TBM to Lora Bay Working Group, February 14, 2024

² By-law 2008-02 Regulation of Water Supply in the Town of the Blue Mountains

³ CSOPS.22.061 pg. 6 Rusworm to Anderson (email in Attachment 11)

⁴ TBM Finance Director calculated on a replacement value of \$3 million over 80 years and 17 years ownership

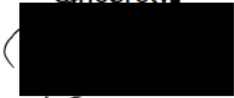
⁵ All condominium boards in Lora Bay and various staff led by Director of Operations

⁶ TBM legal council Will Thompson LLP reviewed all condominium and related TBM documents

The fact that the bylaw from 2008 excluded GCC63, was in our view an oversight that needs to be corrected. There should be no difference in how the Lora Bay Common Element Condominium Corps are treated with respect to the same water systems.

The objective of this declaration is to request the Council reverse the requirement for GCC63 to pay \$637,000 for the transfer of the water system TBM⁷.

Sincerely,

A black rectangular redaction box covering the signature of Bob Welling.

Bob Welling

President GCECC 63 (GCC63)

⁷ CSOPS.22.61 September 13, 2022 East Ridge GCC63 Water Distribution System