



How Stratas Do Business...

and how to do business with them

Welcome



What we'll cover today

- * The Strata “business model” – who makes the decisions?
- * Annual Maintenance & Service Contracts
- * Periodic (large) Projects
- * How Stratas fund the work
- * Contracting vs. “Consulting” – What are Stratas really asking for, when they ask for a “quote”?

The Strata Business Model

- * Strata Corporations can be described as a 4th level of Government
- * Operating budgets & project funding are governed by the Strata Property Act (SPA)
- * The Owners decide

Annual Maintenance

- * Annual maintenance is funded from the operating budget approved by the Owners
- * Council chooses who to hire, and how much to spend (within the budget)



Annual Service Contracts

Annual operating budgets are developed around these:

- * Waste removal
- * Grounds Keeping
- * Janitorial
- * Elevators
- * Life Safety Systems
- * Boiler/Mechanical Maintenance
- * Strata Management?



Other “Stuff”

- * Window Cleaning
- * Chimney Inspection/Cleaning
- * Gutter Cleaning
- * Roof Inspections
- * Carpet cleaning
- * Minor repairs



Larger Projects

- * Capital projects require approval of the Owners at a general meeting... but
- * Funding is approved from a reserve fund or by special levy, not the operating budget
- * Large projects often require funding for planning and development

Contractor or Consultant?

- When they ask you for a “quote”, what do they really mean?
- Are they trying to develop a major project?
or...
- Are they asking you to bid on it?

Consulting

- * Calling a Contractor is (often) the only way a Council knows to approach a project's development.
- * Asking for a “quote” might really be a request for help to develop the project.
- * Do you want to be a Consultant?

Conflict of Interest

- * As a Contractor, you have a product or service you want to sell.
- * As a Consultant, your job is to help them figure out what the Owners want.

“Getting 3 Quotes”

- * Strata Councils know they have to act in the Owners’ best interest
- * Getting three quotes provides some “transparency”

But...



Do they know what they really want?

Risk Management

- * Stratas are, of necessity, “risk averse”
- * The Capital funding process takes time
- * Nothing moves quickly in the Strata world



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