

2019

Annual General Meeting Package



Vancouver Regional Construction Association



VRCA Vancouver Regional Construction Association

54th Annual General Meeting
February 11, 2020, 7.30-8.30am
Scotiabank Theatre, Auditorium 3, 900 Burrard Street Vancouver, BC V6Z 3G5

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- Report of the Governance and Nominations Committee

January 24, 2020

Dear Member,

Notice of Annual General Meeting

As a member in good standing, you are invited to attend the Vancouver Regional Construction Association's 54th Annual General Meeting. As follows:

When: Tuesday, February 11, 2020, 7.30-8.30am
Where: Scotiabank Theatre, Auditorium 3, 900 Burrard Street Vancouver, BC V6Z 3G5

Schedule

7.30-8.00am Registration
8.00-8.30am Annual General Meeting

The purpose of the Annual General Meeting is to:

- Receive the financial statements for the year ended September 30, 2019;
- Appoint the auditor;
- Approve proposed amendments to the Bylaws;
- Receive the report of the Governance and Nominations Committee and elect the 2020/21 Board of Directors; and
- Address any new business.

Note: Copies of this Annual General Meeting Package will be available at the meeting. It will also be posted on our website at www.vrca.ca, and available for pick-up at our office at 3636 East 4th Avenue, Vancouver, BC, V5M 1M3.

You can attend the AGM in one of three ways:

1. In person; or
2. Via a proxy held by either the Chair or Vice Chair of the Board of Directors; or
3. Via a proxy held by an Industry Member of VRCA i.e. a general or trade contractor, manufacturer, supplier or professional service provider, or their Authorized Representative.

If you choose option (1) above, please register your planned attendance via <http://bit.ly/VRCAagm2020>

If you choose option (2) above, please complete the enclosed Proxy Form and deliver it to the VRCA office at 3636 East 4th Avenue, Vancouver, BC, V5M 1M3, or email it to president@vrca.ca no later than 9am on February 10, 2020.

If you choose option (3) above, please complete the enclosed Proxy Form and give it to your proxy so that they can present it at the registration desk at the AGM. Under option (3) please do not send the completed Proxy Form to VRCA.

VRCA Vancouver Regional Construction Association

While a member may not hold more than five (5) proxies at a general meeting, the Chair may hold an unlimited number of proxies.

Following the meeting, please join us at a networking breakfast at Earls Test Kitchen, 905 Hornby Street, Vancouver. While attendance at the AGM is complimentary, you will need to purchase a ticket to join us for breakfast. Please go to <http://bit.ly/VRCAagm2020> to register now!

Regards,
Fiona Famulak
President

VRCA Vancouver Regional Construction Association

**54th Annual General Meeting
February 11, 2020, 7.30-8.30am
Scotiabank Theatre, Auditorium 3, 900 Burrard Street Vancouver, BC V6Z 3G5**

PROXY FORM

If you are a member in good standing and unable to attend the Annual General Meeting personally, you may:

- a. Appoint the Chair or Vice Chair of the Board of Directors to vote as your proxy at the meeting. If you choose this option, please complete this Proxy Form and deliver it to the VRCA office at 3636 East 4th Avenue, BC, V5M 1M3, or email it to president@vrca.ca no later than 9am on February 10, 2020.
- b. Appoint an Industry Member of VRCA i.e. a general or trade contractor, manufacturer, supplier or professional service provider, or their Authorized Representative to vote as your proxy at the meeting. If you choose this option, please complete this Proxy Form and give it to your proxy so that they can present it at the registration desk at the AGM. Under this option, please do not send the completed proxy form to VRCA.

I, _____, of _____, hereby appoint
_____, of _____,

or the Chair or Vice Chair of the Board of Directors as my proxy to attend, vote and otherwise act for and on my behalf at the Annual General Meeting of the Vancouver Regional Construction Association on February 11, 2020 and at any adjournment thereof.

This proxy represents one vote to which the undersigned is entitled in accordance with the Bylaws of the Vancouver Regional Construction Association.

Signed _____, on this _____ day of _____, 2020

AGENDA

1. Call to Order..... Jason Glue
2. Welcome Members and Guests..... Jason Glue
3. Verify Quorum..... Fiona Famulak
4. Approval of:..... Jason Glue
 - a) Agenda
 - b) Minutes of the 53rd Annual General Meeting on February 21, 2019
 - c) Audited Financial Statements for the year ended September 30, 2019
 - d) Appointment of Auditors for the year ending September 30, 2020
 - e) Annual Report for the year ended September 30, 2019:
 - i) Chair’s Message Jason Glue
 - ii) President’s Message..... Fiona Famulak
 - iii) Affiliated Association Reports:
 - BC Construction Association Chris Atchison
 - Canadian Construction Association Mary Van Buren
5. Proposed amendments to the Bylaws Graham Sibbald
6. Report of the Governance and Nominations Committee..... Graham Sibbald
 - a) Election of Directors
7. Other Business..... Jason Glue
8. Adjournment..... Jason Glue

Minutes of the 53rd Annual General Meeting on February 21, 2019

1. Call to Order

Jason Glue, Chair of the Board of Directors, called the meeting to order at 5.43pm.

2. Welcome Members and Guests

The Chair welcomed members and guests, specifically David Stratton, Partner at Morgan & Company LLP and conveyed regrets from:

- Graham Sibbald – Past Chair and current Chair, Governance & Nominations Committee
- Chris Atchison – President, BC Construction Association
- Mary Van Buren, President, Canadian Construction Association

3. Credentials Report

Fiona Famulak, President, noted the following:

(a) Notice to members - Article 5.1.1(c) of the bylaws states that *“Notice of a general meeting must be given to all members not less than 14 days before the meeting”*. VRCA issued notice on February 6, 2019, sixteen days ahead of the meeting and was therefore compliant.

(b) Quorum - Article 6.2.1 of the bylaws states that *“Quorum at a general meeting is 15% of the Industry Members in good standing but not fewer than 3 of them present at all times in person, by Authorized representative or by proxy”*.

At the time the report was delivered there was a total of 707 members, 630 of which are Industry Members (general and trade contractors, manufacturers, suppliers and Premium professionals) in good standing, 15% of which is 95. There was a total of 102 members in attendance (54 in person and 48 represented by proxy). On the basis quorum had been met the meeting could proceed.

(c) Ordinary resolution - Article 6.6.1 of the bylaws states that *“Except where otherwise required, a question, motion, or resolution at a general meeting must be decided by ordinary resolution”*. Based on the attendance noted above, a simple majority = 50% of 102 + 1 = 52 votes.

(d) Special resolution – A special resolution requires at least 2/3 of the votes cast by voting members. Based on the attendance noted above, a special resolution requires at least 2/3 of 102 to pass = at least 68 votes.

4a. Approval of the Agenda

The Chair called for a motion to approve the agenda and asked for any additions to the agenda.

It was suggested, on the basis that an election will take place at the AGM, that the report of the Governance and Nominations Committee be brought forward from Agenda Point #6(a) to Agenda Point 4(b), so that the election can be conducted and votes counted while other AGM business is underway.

Motion: To approve the agenda as amended.

Moved: Thind/Wagner CARRIED

4b. Report of the Governance and Nominations Committee

The Chair presented the report of the Governance and Nominations Committee on behalf of Graham Sibbald. As follows:

- Noted the Report of the Governance and Nominations Committee was included in the AGM Package.
- Thanked 2018/19 Board of Directors for their many hours of commitment to VRCA, BCCA and CCA.
- Noted the report highlights that in accordance with VRCA's bylaws, the Board of Directors must be 14 directors, including:
 - The immediate Past-Chair
 - The chair of each of the General Contractors, Trade Contractors and Manufacturers and Suppliers Divisional Councils
 - Three other members from each Division
 - One individual elected or appointed by the U40 Network
- Noted that on the basis that the Past-Chair, three Divisional Council Chairs and the individual elected or appointed by the U40 Network are acclaimed, 4 vacancies remain on the 2019/20 Board of Directors.
- Noted that per Clause 7.2.7 of the bylaws *"An election must be conducted by secret ballot, unless the number of nominees is equal to or fewer than the positions to be filled, in which case the nominees must be declared to be elected."*
- Noted that an election is required in two of VRCA's three Divisions because the number of nominees > number of vacancies. Specifically:

General Contractors	2 vacancies; 7 nominees; election required
Trade Contractors	1 vacancy; 1 nominee; election not required
Manufacturers and Suppliers	1 vacancy; 2 nominees; election required

- Noted that as VRCA transitions to 3-year terms (a process that will complete in 2019), per Clause 7.2.9 of the bylaws *"... those candidates with the greater number of votes are elected to the longer terms"*.
- Reminded all members to place their completed ballot in the ballot box so that votes can be counted, and the result announced later at the AGM. Confirmed that he will announce the results of the election and complete his Report at the end of the AGM.

4c. Approval of the Minutes of the 52nd AGM on January 30, 2018

Motion: To approve the minutes of the 52nd AGM on January 30, 2018.

Moved/seconded: Wallis/Campbell CARRIED

4d. Presentation of the Financial Statements for the year ended September 30, 2018

The Chair introduced David Stratton of Morgan & Company LLP to present the audited financial statements for the year ended September 30, 2018.

The Chair acknowledged the long-standing relationship between VRCA and Morgan & Company LLP and thanked them for their audit services.

David Stratton provided a brief overview of the financial statements and the auditor's unqualified audit report, noting the high quality of accounting and internal financial control at VRCA in recent years.

Note: No motion is required to approve the financial statements at the AGM since they were approved by the Board of Directors in December 2018.

4e. Appointment of Auditors for year ending September 30, 2019

Motion: To appoint Morgan & Company LLP as auditors for the year ending September 30, 2019.

Moved/seconded: Wightman/Mitchell CARRIED

4f. Approval of the Annual Report for the year ended September 30, 2018

The Chair acknowledged the Annual Report included in the AGM package, noting that it includes a useful Highlights page that summarizes the good work of VRCA throughout the year as well as reports of the Chair, President, BCCA and CCA.

The Chair elaborated on his written report noting that 2018/19 had been a stellar year in which VRCA launched its advocacy function and was currently vigorously representing its members on two important files – the provincial government's Community Benefits Agreement and steel and aluminum tariffs.

The Chair asked the President to elaborate on her President's Message. The President:

- Thanked the members for their support that enabled VRCA to deliver strong results.
- Referenced the BC construction industry continues to be the crown jewel in Canada's construction industry and is expected to hold that position at least through until 2021.
- Referenced that a common topic of conversation with members is the current and future skills shortage in BC. VRCA can help members attract, train and retain the right people via the following initiatives:
 - VRCA's School Outreach Program – designed to inspire students to consider a career in construction.
 - VRCA's lobby efforts to expedite the ability of skilled foreign workers to enter Canada.
 - VRCA's Education Program and annual Construction Leadership Forum, both of which are effective and economical ways to enhance technical and soft skills.

- VRCA’s partnership with the City of Vancouver, through which VRCA hosts the Zero Emission Building Exchange (ZEBx) that is providing industry with access to education, networking and other resources to build zero emission buildings in Vancouver by 2025.
- Noted that registration for the 2019 Construction Leadership Forum has been open for some time and that New York Times best-selling author and Creative Director of the NHL’s Montreal Canadiens, Justin Kingsley, will kick off the Forum on May 4.

**Motion: To approve the reports contained in the 2018 Annual Report.
Moved/seconded: Fettback/Wallis CARRIED**

5. Special Resolution: Proposed Amendments to the Bylaws

The Chair referenced the Special Resolution in the AGM package noting that the Board of Directors is aware that Divisional Council elections may:

- Be confused with board elections;
- Not attract enough nominees; and
- Be determined by a very small number of members who attend to vote.

None of the concerns represent best practice board governance. The Board of Directors therefore wants to take the opportunity to present a solution for the members’ consideration and approval at the AGM.

The Chair summarized the proposal as follows:

- Keep board size at 14 board members; keep Divisional representation in place.
- Instead of using the Divisional Council elections to populate 3 seats on the board, dispense with Divisional Council elections and vote all individuals to the board at the AGM.
- Decide at the first board meeting of the new board, who will be Chair and Vice Chair of each Division.
- Charge the Chair and Vice Chair of each Division to engage their Division to identify their second Vice Chair informally and without an election.

**Motion: To approve the proposed amendments to the Bylaws as presented.
Moved/seconded: Khatheer/Boyd CARRIED**

6. Report of the Governance and Nominations Committee (continued from 4b above)

The Chair updated the meeting on the election results.

The Chair confirmed that votes had been counted and the result of the two elections are as follows:

General Contractors	<ul style="list-style-type: none"> ○ Allan Beron, Urban One Builders ○ Kevin Mierau, Mierau Contractors Ltd.
Manufacturers and Suppliers	<ul style="list-style-type: none"> ○ Craig Mitchell, Metric Modular

The Chair announced the entire board – also projected on the screen – congratulated all and asked for a motion to approve the report of the Governance and Nominations Committee and to accept the entire 2019/20 Board of Directors as presented.

Motion: To approve the report of the Governance and Nominations Committee as presented.

Moved/seconded: Schmitz/Thind CARRIED

Motion: To accept the entire 2019/20 Board of Directors as presented.

Moved/seconded: Thind/Campbell CARRIED

The Chair finished by encouraging the nominees who were not elected to continue to participate in VRCA's Divisions and Committees.

7. Any Other Business

No other business was brought forward.

8. Adjournment

There being no further business, the Chair called for a motion to adjourn the meeting at 6.14pm.

Motion: To adjourn the meeting.

Moved/seconded: Wallis/Thind CARRIED

Financial Statements

Year ended
September 30, 2019



VRCA

Vancouver Regional Construction Association

INDEPENDENT AUDITOR'S REPORT

To the Members of
Vancouver Regional Construction Association

Report on the financial statements

We have audited the accompanying financial statements of Vancouver Regional Construction Association, which comprise the balance sheet as at September 30, 2019, and the statements of revenue and expenses, changes in net assets, and cash flows for the year then ended, and a summary of significant accounting policies and other explanatory information.

Management's responsibility for the financial statements

Management is responsible for the preparation and fair presentation of these financial statements in accordance with Canadian accounting standards for not-for-profit organizations, and for such internal control as management determines is necessary to enable the preparation of financial statements that are free from material misstatement, whether due to fraud or error.

Auditor's responsibility

Our responsibility is to express an opinion on these financial statements based on our audit. We conducted our audit in accordance with Canadian generally accepted auditing standards. Those standards require that we comply with ethical requirements and plan and perform the audit to obtain reasonable assurance about whether the financial statements are free from material misstatement.

An audit involves performing procedures to obtain audit evidence about the amounts and disclosures in the financial statements. The procedures selected depend on the auditor's judgment, including the assessment of the risks of material misstatement of the financial statements, whether due to fraud or error. In making those risk assessments, the auditor considers internal control relevant to the entity's preparation and fair presentation of the financial statements in order to design audit procedures that are appropriate in the circumstances, but not for the purpose of expressing an opinion on the effectiveness of the entity's internal control. An audit also includes evaluating the appropriateness of accounting policies used and the reasonableness of accounting estimates made by management, as well as evaluating the overall presentation of the financial statements.

We believe that the audit evidence we have obtained is sufficient and appropriate to provide a basis for our audit opinion.

Opinion

In our opinion, these financial statements present fairly, in all material respects, the financial position of Vancouver Regional Construction Association as at September 30, 2019, and the results of its operations and its cash flows for the year then ended in accordance with Canadian accounting standards for not-for-profit organizations.

Report on Other Legal and Regulatory Requirements

As required by the Society Act (British Columbia), we report that, in our opinion, the accounting principles in the Canadian accounting standards for not-for-profit organizations have been applied on a consistent basis with that of the preceding year.

Vancouver, Canada

"Morgan & Company LLP"

December 17, 2019

Chartered Professional Accountants

VANCOUVER REGIONAL CONSTRUCTION ASSOCIATION

BALANCE SHEET

	SEPTEMBER 30	
	2019	2018
ASSETS		
Current		
Cash and cash equivalents (Note 2)	\$ 593,176	\$ 669,276
Short-term investments (Note 2)	694,813	679,911
Accounts receivable	326,820	275,109
Inventories	32,637	24,928
Prepaid expenses and deposits	263,473	218,816
	<u>1,910,919</u>	<u>1,868,040</u>
Long-term investments (Note 2)	1,308,000	1,308,000
Long-term capital assets (Note 3)	745,572	769,822
	<u>1,308,000</u>	<u>1,308,000</u>
	<u>745,572</u>	<u>769,822</u>
	<u>\$ 3,964,491</u>	<u>\$ 3,945,862</u>
LIABILITIES		
Current		
Accounts payable and accrued liabilities	\$ 274,262	\$ 227,976
Unearned revenue:		
Membership dues	666,361	646,947
Contracted services	296,873	291,470
ZEBx funding	144,044	284,363
	<u>1,381,540</u>	<u>1,450,756</u>
Capital lease liability (Note 4)	-	1,506
	<u>1,381,540</u>	<u>1,452,262</u>
NET ASSETS (Note 5)	<u>2,582,951</u>	<u>2,493,600</u>
	<u>\$ 3,964,491</u>	<u>\$ 3,945,862</u>

Approved on behalf of the Board of Directors:

/s/ "Richard Shipway" , Director

/s/ "Don Wightman" , Director

The accompanying notes are an integral part of these financial statements.

VANCOUVER REGIONAL CONSTRUCTION ASSOCIATION

STATEMENT OF REVENUE AND EXPENSES

YEAR ENDED SEPTEMBER 30, 2019

	MEMBER SERVICES		BUILDING OPERATIONS		ZEBX		TOTAL	
	2019	2018	2019	2018	2019	2018	2019	2018
Revenue								
Education	\$ 571,187	\$ 503,841	\$ -	\$ -	\$ -	\$ -	\$ 571,187	\$ 503,841
Membership Dues	1,059,399	1,015,828	-	-	-	-	1,059,399	1,015,828
Networking Events	662,873	624,733	-	-	71,337	3,050	734,210	627,783
Other	107,789	101,309	173,925	172,878	368,399	1,600	650,113	275,787
Planroom	424,466	371,075	-	-	-	-	424,466	371,075
ZEBx Funding	-	-	-	-	567,993	293,682	567,993	293,682
	2,825,714	2,616,786	173,925	172,878	1,007,729	298,332	4,007,368	3,087,996
Investment Income	14,902	8,591	-	-	-	-	14,902	8,591
	2,840,616	2,625,377	173,925	172,878	1,007,729	298,332	4,022,270	3,096,587
Expenses								
Education	558,820	495,308	-	-	-	-	558,820	495,308
Dues to Associations	253,613	240,741	-	-	-	-	253,613	240,741
Networking Events	517,230	498,970	-	-	-	5,900	517,230	504,870
Other	294,343	258,762	147,049	142,331	247,785	134,125	689,177	535,218
Planroom	196,559	191,613	-	-	-	-	196,559	191,613
ZEBx project costs	-	-	-	-	318,548	-	318,548	-
ZEBx Admin Cost (Recovery)	(55,000)	(30,000)	-	-	55,000	30,000	-	-
Depreciation	11,898	6,101	28,312	28,312	4,155	4,155	44,365	38,568
Salaries and Benefits	1,021,311	976,640	-	-	277,600	91,373	1,298,911	1,068,013
Building Feasibility Study	-	-	40,000	-	-	-	40,000	-
Advocacy Legal Expenses	15,036	7,638	-	-	-	-	15,036	7,638
	2,813,810	2,645,773	215,361	170,643	903,088	265,553	3,932,259	3,081,969
Interest Expenses	660	5,558	-	-	-	-	660	5,558
	2,814,470	2,651,331	215,361	170,643	903,088	265,553	3,932,919	3,087,527
(Deficit) Excess Of Revenue Over Expenses	\$ 26,146	\$ (25,954)	\$ (41,436)	\$ 2,235	\$ 104,641	\$ 32,779	\$ 89,351	\$ 9,060

The accompanying notes are an integral part of these financial statements.

VANCOUVER REGIONAL CONSTRUCTION ASSOCIATION

STATEMENT OF CHANGES IN NET ASSETS

YEAR ENDED SEPTEMBER 30, 2019

	FUTURE CAPITAL RESERVE	FUTURE OPERATIONS RESERVE	SPECIAL PROJECTS (WEB DEVELOPMENT) RESERVE	SPECIAL PROJECTS RESERVE (BUILDING & ADVOCACY)	NET ASSETS RESTRICTED FOR ZEBX	UNRESTRICTED	NET ASSETS
Balance, September 30, 2017	\$ 1,308,000	\$ 671,320	\$ -	\$ -	\$ -	\$ 507,758	\$ 2,487,078
Allocation of investment income	-	8,591	-	-	-	(8,591)	-
Excess of revenue over expenses	-	-	-	-	32,779	(23,719)	9,060
Special project expenses	-	-	(2,538)	-	-	-	(2,538)
Transfers	-	-	2,538	-	-	(2,538)	-
Balance, September 30, 2018	1,308,000	679,911	-	-	32,779	472,910	2,493,600
Allocation of investment income	-	14,902	-	-	-	(14,902)	-
Excess of revenue over expenses	-	-	-	-	104,641	(15,290)	89,351
Special project expenses	-	-	-	(55,036)	-	55,036	-
Transfers	-	-	-	55,036	-	(55,036)	-
Balance, September 30, 2019	\$ 1,308,000	\$ 694,813	\$ -	\$ -	\$ 137,420	\$ 442,718	\$ 2,582,951

The accompanying notes are an integral part of these financial statements.

VANCOUVER REGIONAL CONSTRUCTION ASSOCIATION

STATEMENT OF CASH FLOWS

	YEAR ENDED SEPTEMBER 30	
	2019	2018
Operating Activities		
Excess of revenue over expenses	\$ 89,351	\$ 9,060
Special Projects Reserve expenses	-	(2,538)
Item not involving cash:		
Accrued interest and investment loss	(14,902)	(8,591)
Depreciation	44,365	38,568
	118,814	36,499
Changes in non-cash working capital items:		
Accounts receivable	(51,711)	(136,869)
Inventories	(7,709)	2,817
Prepaid expenses and deposits	(44,657)	(57,609)
Accounts payable and accrued liabilities	44,780	1,254
Unearned revenue	(115,502)	374,547
	(55,985)	220,639
Investing Activities		
Additions to capital assets	(20,115)	(14,085)
Development of ZEBx website	-	(25,000)
	(20,115)	(39,085)
(Decrease) Increase in Cash	(76,100)	181,554
Cash and cash equivalents, Beginning Of Year	669,276	487,722
Cash and cash equivalents, End Of Year	\$ 593,176	\$ 669,276
Supplementary Cash Flow Disclosures		
Interest paid	\$ 403	\$ 4,958

The accompanying notes are an integral part of these financial statements.

VANCOUVER REGIONAL CONSTRUCTION ASSOCIATION

NOTES TO FINANCIAL STATEMENTS

YEAR ENDED SEPTEMBER 30, 2019

NATURE OF THE ASSOCIATION

The Vancouver Regional Construction Association (the "Association") is a not-for-profit organization incorporated under the Society Act (British Columbia). The Association provides planroom, educational, networking and advocacy services to the construction industry.

During the year ended September 30, 2019, the Association operated the Zero Emissions Building Exchange (ZEBx). ZEBx represents a collaborative initiative between the Association, the City of Vancouver, Passive House Canada and Open Green Building Society to accelerate Vancouver's transition to developing zero emission buildings.

1. SIGNIFICANT ACCOUNTING POLICIES

These financial statements have been prepared in accordance with Canadian accounting standards for not-for-profit organizations in Canadian dollars, applied within the framework of the significant accounting policies summarized below.

a) Financial Instruments and Risk Management

The Association's financial instruments consist of cash and cash equivalents, investments, accounts receivable, accounts payable and unearned revenue. Cash and cash equivalents and short-term investments are financial assets recorded at fair value. Long-term investments and accounts receivable are financial assets recorded at amortized cost. Accounts payable and unearned revenue are classified as other financial liabilities, and are recorded at amortized cost.

Financial instruments are exposed to market, credit and liquidity risks. The Association's risk management processes are governed by banking, investment, credit and budget policies or procedures that have been established by management and reviewed by the Board of Directors. Cash is held in Canadian currency operating bank accounts, which are federally insured, and interest bearing investment bank accounts. Short-term Investments comprise Canadian government and high quality corporate bonds with fixed interest rates that are capable of reasonably prompt liquidation. Long-term investments comprise principal protected investments maturing in 2020 and 2022. Accounts receivable and payable represent trade amounts with members and authorized suppliers. The Association manages liquidity risk by maintaining current balances in accounts receivable and accounts payable and by maintaining sufficient cash resources to fund the Association's activities on an on-going basis. Overall the Association's exposures to changes in market, credit and liquidity risks within the current fiscal year are considered to be minimal.

b) Cash and Cash Equivalents

Cash comprises cash on hand and demand deposits. Cash equivalents are short-term, highly liquid investments with maturities within three months held for the purpose of meeting short-term commitments rather than for investment purposes.

c) Inventories

Inventories are valued at the lower of cost and net realizable value.

VANCOUVER REGIONAL CONSTRUCTION ASSOCIATION

NOTES TO FINANCIAL STATEMENTS

YEAR ENDED SEPTEMBER 30, 2019

1. SIGNIFICANT ACCOUNTING POLICIES (Continued)

d) Capital Assets

Land, building, building and leasehold improvements, equipment and intangible assets are recorded at cost. Depreciation was provided to amortize the capital costs over the estimated expected useful lives of the assets at the following annual rates:

ASSET	BASIS	RATE
Building	Straight-line	20 years
Sign	Straight-line	20 years
Building and leasehold improvements	Straight-line	3-10 years
Furniture, fixtures and office equipment	Straight-line	5 years
Office equipment under capital lease	Straight-line	5 years
Web development costs	Straight-line	3-5 years

e) Revenue Recognition

Receipts from membership dues, ZEBx funding and member services are deferred and recorded as unearned revenue. Revenue is recognized proportionally over the term of the membership and as contract services are provided.

f) Use of Estimates

The preparation of financial statements in conformity with Canadian generally accepted accounting principles ("GAAP") requires management to make estimates and assumptions about future events that affect the reported amounts of assets, liabilities, revenues and expenses as at the end of or during the reporting period. Management believes that the estimates used are reasonable and prudent, however, actual results could differ from those estimates. Significant areas requiring the use of management estimates relate to the determination of the useful lives of capital assets for amortization, and the measurement of membership dues receivable and unearned revenue.

g) Income Taxes

Under the provisions of the Income Tax Act of Canada, the Association is not liable for corporate income taxes.

VANCOUVER REGIONAL CONSTRUCTION ASSOCIATION

NOTES TO FINANCIAL STATEMENTS

YEAR ENDED SEPTEMBER 30, 2019

2. CASH AND CASH EQUIVALENTS AND INVESTMENTS

	2019		2018	
Unrestricted cash and cash equivalents	\$	410,990	\$	395,227
Restricted for ZEBx		182,186		274,049
	\$	593,176	\$	669,276

	2019		2018	
Cash and cash equivalents	\$	593,176	\$	669,276
Short-term investments		694,813		679,911
Long-term investments		1,308,000		1,308,000
	\$	2,595,989	\$	2,657,187

The Association's investment policy is to invest conservatively with highly rated counterparties to preserve capital while earning a reasonable rate of return. The policy directs that this is to be accomplished by investing in a diversified portfolio with a low risk profile. Currently, investments include GICs bearing interest at rates ranging from 2.2% to 2.7%, and long-term investments in principal protected banker notes.

3. CAPITAL ASSETS

	2019		
	COST	ACCUMULATED DEPRECIATION	NET BOOK VALUE
Land	\$ 696,000	-	\$ 696,000
Building and leasehold improvements	1,835,006	1,831,599	3,407
Furniture, fixtures and office equipment	249,760	220,952	28,808
Office equipment under capital lease	6,147	6,147	-
Sign	53,499	52,832	667
	2,840,412	2,111,530	728,882
Web development costs	46,543	46,543	-
ZEBx web development costs	25,000	8,310	16,690
	\$ 2,911,955	2,166,383	745,572

	2018		
	COST	ACCUMULATED DEPRECIATION	NET BOOK VALUE
Land	\$ 696,000	\$ -	\$ 696,000
Building and leasehold improvements	1,835,006	1,803,286	31,720
Furniture, fixtures and office equipment	229,645	213,059	16,586
Office equipment under capital lease	6,147	4,818	1,329
Sign	53,499	50,157	3,342
	2,820,297	2,071,320	748,977
Web development costs	46,543	46,543	-
Zebx web development costs	25,000	4,155	20,845
	\$ 2,891,840	2,122,018	769,822

VANCOUVER REGIONAL CONSTRUCTION ASSOCIATION

NOTES TO FINANCIAL STATEMENTS

YEAR ENDED SEPTEMBER 30, 2019

4. OBLIGATIONS UNDER CAPITAL LEASE

During the 2016 fiscal year, the Association acquired office equipment under capital lease for \$6,147. The lease bears interest at 18% with minimum monthly lease payments of \$149 until October 2020. As at September 30, 2019, the current portion of the lease obligation was \$1,794 (2018 - \$1,391) and the non-current portion was \$Nil (2018 - \$1,506). \$403 (2018 - \$599) in interest was accrued on the lease obligation in the year ended September 30, 2019. The current portion of the lease is included in accounts payable and accrued liabilities.

5. NET ASSETS

The Association's articles of incorporation require that, in the event of dissolution, the net assets shall not be distributed to the members but shall, to the extent feasible, be used in the furtherance of one or more of the objectives of the Association and, where not feasible, shall be donated to a charity or charities of the Board of Directors' choice.

During the 2018 fiscal year, the Association was selected to operate the City of Vancouver's Zero Emissions Building Exchange (ZEBx). Funds received in relation to this initiative are restricted for use on ZEBx activities.

6. CAPITAL MANAGEMENT

The primary objectives of the Association's capital management policies are to accumulate sufficient capital to invest in future capital asset development, future member services and to accumulate sufficient working capital to fund operations on a going concern basis to meet its current service commitments to members. The capital structure of the Association consists of net assets internally restricted by the Association's Board of Directors for specific purposes comprising net assets invested in capital assets and in the reserves for future capital additions in the aggregate amount of \$1,308,000 (2018 - \$1,308,000), and future operations in the amount of \$694,813 (2018 - \$679,911). Special project expenses of \$55,036 (2018 - \$2,538) comprise third-party costs in respect of a building feasibility study and legal expenses related to the Association's advocacy work on behalf of members. Restricted net assets include cash available for ZEBx operations in the amount of \$182,186 (2018 - \$274,049). Unrestricted net assets include cash available for current operations in the amount of \$410,990 (2018 - \$395,227).

7. COMMITMENTS

The Association is a member of the British Columbia Construction Association ("BCCA") and the Canadian Construction Association ("CCA"). The Association pays dues to BCCA and CCA on the basis of the Association's membership level. During the year ended September 30, 2019, the Association paid dues of \$253,613 (2018 - \$240,741).

During the year ended September 30, 2019, VRCA, on behalf of ZEBx, paid fees of \$91,667 (2018 - \$45,833) (plus taxes) to Passive House Canada, to deliver education courses, and rental fees of \$27,600 (2018 - \$13,875) (plus taxes) to the Open Green Building Society.

2019 Annual Report



VRCA

Vancouver Regional Construction Association

Our Vision

To be the recognized leader and sought after voice of a strong and vibrant construction industry in the Lower Mainland.

Our Mission

VRCA is dedicated to serving its members by enabling them to compete effectively in a stable, efficient and profitable industry by:

Actively representing the interests of the construction industry and providing leadership on all matters associated with construction.

Providing relevant and timely educational programming and sharing of information.

Promoting and encouraging the use of acceptable standard practices.

Creating business opportunities through encouraging economic development and providing project information.





2019/20 Board of Directors

Executive Officers

Chair – Jason Glue, JG Strategies Ltd.

Vice Chair – Don Wightman, PML Professional Mechanical Ltd.

Secretary/Treasurer – Richard Shipway, ETRO Construction Ltd. (also General Contractors Division Council Chair)

Past Chair – Graham Sibbald, Wylie Crump Ltd.

General Contractors Division Representatives

Allan Beron – Urban One Builders

Kevin Mierau – Mierau Contractors Ltd.

Trade Contractors Division Representatives

Shawn Boyd – Houle Electric Ltd.

Will Pauga – Southwest Contracting Ltd. (also Trade Contractors Division Council Chair)

Manufacturers and Suppliers Division Representatives

Craig Mitchell – Metric Modular

Steve Reitenbach – Doka Canada Ltd.

Tim Sportschuetz – Singleton Urquhart Reynolds Vogel LLP (also M&S Division Council Chair)

Kelly Taylor – MNP LLP

U40 Representative

Niko De Marre – Graham Construction & Engineering LP



CHAIR'S MESSAGE

In 2019, in line with VRCA's 2017-2020 strategic plan that is laser-focused on delivering member value to our 760+ members, we continued to elevate VRCA's industry roles – to Educate, Advocate and Facilitate – through the evolution and development of current and new programs and services. You will see from our President's Message that VRCA enjoyed another stellar year where various facets of our business experienced notable growth. As we approach the end of our 90th anniversary year, I'm confident the association has never been in a stronger position to serve its members.

I am particularly pleased with the results of our advocacy work over the course of 2019. We've continued to build on the steps taken in 2018 to improve our ability to advocate effectively and, working with the BC and Canadian Construction Associations and other industry and business partners, have represented our members on a number of files, with our work and progress summarized in web pages dedicated to each topic.

Our advocacy has been well received and has attracted attention from government and media alike. Examples include:

- **The B.C. government's Community Benefits Agreement (CBA)** – As a champion of fair, open and transparent procurement practices, VRCA is extremely concerned about the potential impact on industry and B.C.'s taxpayers of the CBA that will be applied on projects that include the Pattullo Bridge replacement and Broadway Subway projects. Not only was the CBA negotiated without full industry consultation, its associated Project Labour Agreement is prescriptive, and there continues to be a concerning lack of clarity surrounding its operational roll-out that will force both our open-shop and unionized member companies to bid without a complete understanding of project risk. VRCA has taken a strong position on the CBA, made countless statements regarding its concerns, reached out to government for answers and, ultimately, joined a coalition of industry and business associations in 2018 to launch a legal challenge to the CBA. In July 2019, the B.C. Supreme Court ruled that the coalition could proceed with its judicial review application challenging the "Building Trades Only Requirement" on public infrastructure projects, including the Pattullo Bridge replacement project. Our case will be heard in the B.C. Supreme Court, February 3-7, 2020, and we'll provide an update on the file's status at our AGM.
- **Canadian tariffs on steel and aluminum imports from the U.S. and non-U.S. sources** - The introduction of tariffs on U.S. steel and aluminum imports on July 1, 2018 and safeguards on non-U.S. steel imports on October 25, 2018, was particularly problematic for B.C.'s construction industry as it relies on both sources for supply of product. Lack of product and/or more expensive product jeopardized construction schedules across the province. Working with our partners, VRCA was able to engage both provincial and federal governments regarding our members' concerns. In July 2019, VRCA received a letter from Canadian Finance Minister Bill Morneau confirming that Canada had imposed final safeguard measures on only two types of steel products, while safeguards on five other types of steel products, including reinforcing steel, had expired. We continue to monitor this file.
- **WorkSafeBC Review** – The government's launch of the Patterson Review of WorkSafeBC in early 2019, with the overarching goal to increase the confidence of workers and employers in the workers' compensation system and make the system more worker-centric, provided VRCA with the opportunity to join 45 other business organizations – the Employers Forum – to provide feedback on the Review in July 2019. In August, the Employers Forum withdrew from the consultative process on the basis of proven conflict of interest of the reviewer, Ms. Patterson. The Employers Forum is committed to ensuring a fair, open and transparent consultative process that serves all industries. Our work on this file continues.

It has been an incredible honour and privilege to serve as Chair in such an exciting time in VRCA's history. I sincerely thank the Board of Directors for its enthusiasm, time and wise input. I would also like to thank our volunteers, including our Life Members, who willingly give their time and energy to support the membership's needs. Lastly, I would like to thank Fiona and her dedicated team for another very successful 12 months.

Our industry is forecast to be busy for the next decade, with demand for our services forecast to peak in 2020-2022. While it may seem counter-intuitive to need VRCA during busy times, it is at times like these that your membership is more important than ever to ensure the industry is supported and its voice is heard and in a timely manner. The strength of our association is a direct function of the commitment, connection and involvement of our members. I encourage you to participate in the VRCA and contribute to its growth and success, as this will benefit not only you but the construction industry as a whole.

Jason Glue, Chair,
Board of Directors



PRESIDENT'S MESSAGE

The year ended September 30, 2019 marked the end of another successful year where VRCA's Board of Directors and operational team accomplished a great deal across our seven strategic goals.

Our members are at the centre of everything we do at the association and, in the last year, we've continued to be laser-focused on delivering what you need. By listening carefully to your feedback, we enhanced our programs and services and delivered:



MEMBERSHIP

5% increase in membership, positioning VRCA as one of a handful of growing associations across the country



EDUCATION

31% increase in number of classroom attendees
626 online courses delivered



EVENTS

3,950 attendees at 19 events* - 11 of which were sell-out events - with average attendance up by 15%

**includes the new member-exclusive Infrastructure Series*



PLANROOM SERVICES

4,081 bidding opportunities via BidCentral (where 1,944 were in the Lower Mainland)

We also launched new Affinity Partner programs with Home Depot, Mainland Ford and BaseLine Processing, to help you save money; introduced a new privacy policy that allows us to share attendee details prior to an event, as well as digital copies of our member directory, all with a view to helping you connect with other industry professionals; and simplified our weekly e-newsletter so that it's easier to read ... because we know you're busy!

Our obsession with delivering member value has paid dividends. Since 2016, and with your help, we have grown membership by 27%, the number of education course attendees by 71% and the number of guests at networking events by 13% to close to 4,000 industry professionals.

As outlined in our Chair's Message, in 2019, VRCA vigorously advocated on your behalf on files that include the Community Benefits Agreement, steel and aluminum tariffs and the WorkSafeBC Review. Given the unprecedented pace of change in government policy at all levels of government, advocacy has never been more important. Rest assured that as an independent, non-partisan association, VRCA is committed to ensuring that your interests are represented appropriately.

While responding to government policies is important, it's worth noting that our advocacy efforts are far broader. Over the year, we championed:

- The adoption of standard procurement practices and the benefits of using CCDC/CCA standard documents via a number of education sessions on the topic;
- The opportunity for youth to pursue a career in construction via our school outreach program, a volunteer-led initiative that, since late 2015, has engaged almost 5,700 high school students across the lower mainland on career opportunities in our industry;
- Industry change in the form of supporting sustainable building practices. As host of Canada's first and only Zero Emissions Building Exchange (ZEBx), we understand that the built environment is a major source of greenhouse gases and that governments at all levels are taking steps to address the issue. Through ZEBx, we are ensuring that you have access to the appropriate experts, education and best practices to help you build greener, faster and more productively than ever before.

In closing, one thing is clear to me. While VRCA is incredibly blessed to have visionary board leadership and an exceptional operational team, as important, is its extended team of 760+ members and the thousands employed by them who engage with us daily. We couldn't do it without you.

I thank you sincerely for your continued support and look forward to working with you and for you in the coming year.

Fiona Famulak
President

Dear Integrated Member,

2019: A YEAR OF DIPLOMACY

As the only provincial organization representing BC's industrial, commercial and institutional construction employers across all labour affiliations, BCCA holds a uniquely influential position in our industry. Our job is to work respectfully with the government in power on your behalf. During a time of substantial ideological political activity such as BC is currently experiencing, the diplomatic approach can seem fruitless to those who are looking for blood. But it's essential for success and we staunchly remain advocates, not activists.

Along with a steady stream of project opportunities, 2019's political and economic environment continued to present new challenges to productivity and growth for BC's contractors.

- Community Benefits Agreement/Project Labour Agreement
- Small business taxes, including the Employer Health Tax
- Project cost impacts of steel and aluminum tariffs
- BC Labour Code Review
- Environmental Assessment Overhaul and Bill C-69
- Prompt Payment Legislation
- Public Sector procurement practices
- Potential introduction of compulsory trades

Issues like these can test relationships, but BCCA has successfully maintained respectful dialog across all levels and branches of the provincial government and with an ever-widening circle of stakeholders. This despite our legal challenge to the Community Benefits Agreement/PLA and strong continued objections to multiple policies that are counterproductive to the productivity and resilience of our industry.

The topic of the year is still the skilled workforce. There's new narrative around it but the basic issue hasn't changed: we don't have the number of skilled workers we need. Employers have made major strides when it comes to culture, benefits, training, and safety, but new barriers to progress are regularly introduced by political leaders who haven't yet found the time to really talk with employers.

A large contractor that uses a union workforce recently lamented to me that "Government doesn't understand how to build an apprentice". We heard similar frustrations from both union and open shop contractors under the Liberal government. Our industry knows that no one can make a store clerk into a Red Seal in six months. On public projects, ideology needs to accommodate practicality. Construction employers have a tremendous social conscience, but first they have businesses to run.

For a full list of issues and an overview of our activity visit www.bccassn.com and go to the "Advocacy And Issues" section.

BCCA continues to expand our suite of support programs and services, including the introduction this year of the Impact Mortgage Investment Corporation to help your skilled workers to afford a home in the community where they work. (www.impactmic.ca)

We take our role as the provincial representatives of NRCA, SICA, VICA and VRCA very seriously. Let us know what you need. Subscribe to our newsletter. Follow us on social media. Take part. Let's play to our strengths and work together.



Chris Atchison, BCCA President

A handwritten signature in red ink, which appears to be "Chris Atchison". The signature is fluid and cursive, written in a dark red color.





Influence. Engage. Deliver.

CCA looks back on 2019

Year two of our five-year strategic plan was one that had the Canadian Construction Association (CCA) focused on increasing its profile as a trusted thought leader and strong industry advocate on issues that matter to our members. Together we are creating a more proactive, responsive and engaging association.

The power of the industry in influencing the government

#Construction4CDNs / Hill at Home

Being an election year, 2019 was a great opportunity to elevate our issues of concern to the government. We launched our campaign, #Construction4CDNs, and its associated website (construction4cdns.ca), to call attention to the importance of strengthening investor confidence, supporting innovation and technology, planning and funding a long-term infrastructure strategy, and attracting a skilled, diverse and tech-savvy workforce. Over 1,000 letters were sent to candidates – demonstrating the strength of working together to the benefit of the industry.

These four issues also formed the basis of our Hill at Home initiative – a first for CCA – that had members meeting with local MPs in their ridings to amplify the industry's voice in the summer leading up to the election campaign. CCA held 58 meetings, six of those with cabinet ministers and one with Andrew Scheer.

Prompt Payment

CCA advocated for and was successful in having the government use a consultative process prior to finalizing legislation on federal prompt payment. Following the report in June 2018, which addressed CCA's concerns and recommendations, prompt payment legislation was officially introduced on April 8, 2019 as the Federal Prompt Payment for Construction Work Act, a sub-section of Bill C-97, the Budget Implementation Act of 2019. We are proud to announce that the Federal Prompt Payment for Construction Work Act received

royal assent on June 21, 2019. The date of its official enactment remains undetermined, but, according to various related documents, is designated to come into force "on a day to be fixed by order of the governor-in-council." CCA will be working with the government on the development of policies that would make the legislation as efficient as possible.

National Construction Day

Tuesday, November 26, 2019 marked CCA's first annual National Construction Day. In collaboration with our partner associations, this day recognized and celebrated the dedicated, hard-working men and women instrumental in building and connecting our communities through infrastructure. Over the course of the day, we are proud to say that #Construction4CDNs was trending in Canada – cracking the top 10 at midday on Twitter!

A video highlighting the exciting and diverse careers and people that make up our industry was launched in connection with National Construction Day, and as part of our larger Talent Fits Here initiative. There will be more to come on this inspiring new campaign in 2020, but we invite you to visit the following link to watch the video:

cca-acc.com/national-construction-day

Thanks to everyone who helped make Construction Day a success. Your tweets and re-tweets highlighting all the wonderful initiatives of our partner associations and members throughout the day was inspiring.

Enhancing member services

CCDC Documents

CCDC documents are a great example of how the industry – from owners to architects and contractors – work together. We have issued a few new and revised CCDC documents:

- Revised CCDC 23 - A Guide to Calling Bids and Awarding Construction
- New CCDC Master Specifications Division 00
- New CCDC 30 - IPD Contract

CCA conducted CCDC seminars attended by over 700 delegates in close to 30 cities in partnership with local construction associations. In late 2019, CCA piloted an introduction to CCDC documents webinar that has been viewed by over 350 people. Using technology strategically to share knowledge with more people, this webinar was a compliment to our face-to-face seminars and is an important step forward in being digital first in communications, content and services.

Gold Seal Online

The Gold Seal Certification program's transition to online exams included everything from an update to the application portal to the actual exams themselves. Moving to a digital platform enhances the experience as well as enables faster marking and collecting feedback.

Becoming a best-in-class association

CCA's board has grown to 90 directors, well outside association standards for optimal and effective decision-making. At a special general meeting in September, CCA board and members unanimously endorsed the final recommendations brought forward by the governance renewal working group. The new model will result in a smaller board; a new national advisory council to represent five sector voices, including civil, trade contractors, general contractors, manufacturers, suppliers and services, and local construction associations (LCAs); and two new board committees (audit/finance and nominations/governance), leading to increased opportunities to engage more people with the CCA.

Elevate the industry's image: Use #CDNConstructionGives

Through CCA's #CDNConstructionGives campaign, we have highlighted the charitable and community initiatives that companies, individuals and partner associations across the country have undertaken in their regions. From local charity fundraisers to volunteering time and equipment for community projects, our industry is an integral part of the neighbourhoods in which they work. Our industry also continues to promote the skilled trades as an excellent opportunity for all Canadians to consider as a career path.

The government and Canadian public, however, are not aware of how much you do in support of your communities; whether it is hiring at-risk youth or organizing food drives. With over 3.8 million impressions since we started the campaign last summer, together we are raising the profile of the industry as a good corporate citizen and an employer of choice!

See all #CDNConstructionGives action on cca-acc.com/cdnconstructiongives.



Let's stay in contact

Please email me at mvanburen@cca-acc.com if you have any feedback or comments on how CCA can serve you better. Hear what is going on by subscribing to CCA's newsletter at bit.ly/ccasubscribe, by following @ConstructionCAN on Twitter, or by looking up Canadian Construction Association on LinkedIn. I hope to see many of you at our 2020 conference in sunny San Diego. Go to www.cca-acc.com to register!

Mary Van Buren
President, CCA



Vancouver Regional Construction Association

Highlights

OCTOBER 2018 - SEPTEMBER 2019

MEMBERSHIP

121
COMPANIES
JOINED VRCA



767 TOTAL
MEMBERS
642 INTEGRATED MEMBERS

5%
FROM 2018

581
U40
NETWORK
MEMBERS

EDUCATION



815
COURSE
ATTENDEES



31%
FROM 2018

626
ONLINE
COURSES
SOLD

54 VRCA classroom courses

MANY COURSES ACCREDITED FOR: GOLD SEAL, CPD, AIBC POINTS

2,189

HIGH SCHOOL STUDENTS
ENGAGED IN VRCA'S
SCHOOL OUTREACH PROGRAM

TOTAL OF 5,666 SINCE 2015



16%
FROM 2018

34 member companies
involved in the school
outreach program

CORPORATE SOCIAL RESPONSIBILITY

\$2,000
Greater Vancouver
Food Bank

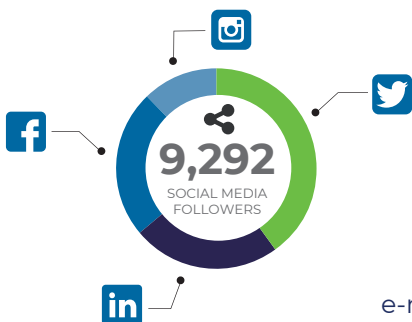
\$9,000
Spinal Cord
Injury BC

\$10,526
KidStart BC



2 students each received the VRCA Award
in Economics/Construction Operations
from BCIT and a \$1,200 Bursary

ONLINE EXPOSURE



9,292
SOCIAL MEDIA
FOLLOWERS

6%
FROM 2018

5,334

e-newsletter subscribers
UP 18%

BIDCENTRAL

4,081

NEW PROJECTS POSTED
ON BIDCENTRAL FROM
ACROSS BC

INCLUDES →

1,944

NEW PROJECTS LOCATED
IN THE LOWER MAINLAND

5,573

Sets of blueprints
printed

142%
FROM 2018

15,864

Stat Decs
signed at VRCA

510

Number of digital
scans completed

NETWORKING EVENTS



Number of
networking
events

11

SOLD OUT
EVENTS

3,950

NUMBER OF
EVENT ATTENDEES

AVERAGE EVENT
ATTENDANCE UP

15%
FROM 2018

CONSOLIDATED NET INCOME*

\$89,351

*INCLUDES ZEBx

Proposed amendments to the Bylaws



VRCA

Vancouver Regional Construction Association

VANCOUVER REGIONAL CONSTRUCTION ASSOCIATION

S-0007423

SPECIAL RESOLUTION

The Board of Directors of Vancouver Regional Construction Association (the "Society") hereby gives notice of the following special resolution, which will be debated and voted on at the annual general meeting at 8am on February 11, 2020, at Scotiabank Theatre, Auditorium 3, 900 Burrard Street, Vancouver, B.C. V6Z 3G5.

Dated at Vancouver, British Columbia, January 24, 2020.



By: Jason Glue, Chair, Board of Directors

RESOLVED AS A SPECIAL RESOLUTION THAT THE BYLAWS BE AMENDED BY RESCINDING BYLAWS 2.2 (2), (3), (7), AND (10), 6.2 (1), AND 7.2 (2) (a) AND REPLACING THEM WITH THE FOLLOWING, AND BY RESCINDING BYLAW 6.6 (6).

- "2.2** 2) There are six categories of member – Industry, Professional, Associate, Apprentice and Student, **Developer or Government Body**, and Honourary Life.
- 3) An Industry Member:
- a) **Is a general or trade contractor, manufacturer or supplier that** provides goods and services associated with commercial construction and the maintenance of public and privately funded infrastructure and real property improvements, or
 - b) is a member who has chosen to upgrade from Professional Membership.
- 7) A **Developer or Government Body** Member:
- a) contracts with Industry Members to provide them with services, or
 - b) sets law or public policy in relation to the construction industry.
- 10) A Professional, Associate, Apprentice and Student, **Developer or Government Body**, or Honourary Life Member has the rights to notice of general meetings, but not to speak, vote, or be a director unless such a member is also an Industry Member or the Authorized Representative of an Industry Member.
- 6.2** 1) Quorum at a general meeting is **10%** of the Industry Members in good standing but not fewer than three of them present at all times in person, by Authorized Representative, or by proxy.
- 7.2** 2) A director must:
- a) **other than the Immediate Past-Chair**, be an Industry Member in good standing, or the Authorized Representative of such a member,
 - b) consent in writing to being a director,
 - c) be qualified to be a director under these bylaws, and
 - d) not be disqualified from being a director pursuant to section 44 of the Act."

EXPLANATORY NOTES FOR MEMBERS

1. The resolution, if passed, does not take effect until filed with the Registrar.

2. The current versions of these bylaws are as follows:

2.2 2) There are six categories of member – Industry, Professional, Associate, Apprentice and Student, Owner and Agency, and Honourary Life Members.

3) An Industry Member:

- a) provides goods and services associated with commercial construction and the maintenance of public and privately funded infrastructure and real property improvements, or
- b) is a member who has chosen to upgrade from Professional Membership.

7) An Owner or Agency Member:

- a) contracts with Industry Members to provide them with services, or
- b) sets law or public policy in relation to the construction industry.

10) A Professional, Associate, Apprentice and Student, Owner and Agency, or Honourary Life Member has the rights to notice of general meetings, but not to speak, vote, or be a director unless such a member is also an Industry Member or the Authorized Representative of an Industry Member.

6.2 1) Quorum at a general meeting is 15% of the Industry Members in good standing but not fewer than three of them present at all times in person, by Authorized Representative, or by proxy.

6.6 6) A Professional, Associate, Apprentice and Student, Owner and Agency, or Honourary Life Member has the rights to notice of general meetings, but not to speak, vote, or be a director.

7.2 2) A director must:

- a) other than the Immediate Past-Chair and the director elected pursuant to bylaw 7.2 (1)(c), be an Industry Member in good standing, or the Authorized Representative of such a member,
- b) consent in writing to being a director,
- c) be qualified to be a director under these bylaws, and
- d) not be disqualified from being a director pursuant to section 44 of the Act.”

Report of the Governance and Nominations Committee



VRCA

Vancouver Regional Construction Association

a. Introduction

In accordance with VRCA's bylaws, the Board of Directors must be fourteen directors, including:

- The immediate Past-Chair (1)
- Four members from each of the General Contractors, Trade Contractors and Manufacturers and Suppliers Divisions (12)
- One individual elected or appointed by the U40 Network (1)

b. Number of vacancies to be filled on the 2020/21 Board of Directors

There are 5 vacancies on the 2020/21 Board of Directors as follows:

<i>Division</i>	<i>No. of vacancies</i>
General Contractors	2
Trade Contractors	2
Manufacturers and Suppliers (<i>including service providers</i>)	1

The Board of Directors has transitioned to a model where each director will hold a term of 3 years. As a result, the 5 vacancies referenced above will be filled by members from each Division, each with a term of 3 years.

c. List of nominees running for the 5 vacancies on the 2020/21 Board of Directors

On the basis of details set out in Paragraphs (a) and (b) above, the Governance and Nominations Committee is pleased to place before the members of the Association the following list of fourteen (14) board nominees in alphabetical order, comprising 3 incumbents (identified by *) and 11 new nominees:

General Contractors Division – 6 nominees for 2 vacancies	
Jonathan Boyce	Operations Manager Ledcor Construction Limited
Dom Costantini	Vice President & District Manager – BC Bird Construction Group
Niko De Marre*	Business Development Manager Graham Construction & Engineering Inc.
Gary Hamata	Vice President, Construction & Chief Operating Officer JJM Construction Ltd.
Ian Kerr	Vice President, Business Development EllisDon Corporation
Richard Shipway*	Project Director ETRO Construction Limited

Trade Contractors Division – 4 nominees for 2 vacancies	
Paul Demeule	Mechanical General Manager Trotter & Morton Group of Companies
Derek Fettback	District Manager Western Pacific Enterprises
Jonathan Lashin	Chief Estimator Houle Electric Ltd.
Adam Timler	Building Consultant/Business Development Manager MBG Buildings Inc.

Manufacturers and Suppliers (including Service Providers) Division – 4 nominees for 1 vacancy	
Sanjeev Dhillon	Field Marketing Manager Procore Technologies
Katy Fairley	Principal Consultant Fairley Strategies
Clint MacDonald	Client Executive CapriCMW Insurance Services Ltd.
Tim Sportschuetz*	Construction, Infrastructure and Builders' Lien Lawyer Singleton Urquhart Reynolds Vogel LLP

A brief biography for each of the above individuals is attached at the Appendix to this report.

An election will take place in each of the three Divisions on the basis that the number of nominees exceeds the number of vacancies in each Division. The nominees receiving the greatest number of votes shall be elected. If there is a tie in the number of votes, or there is otherwise no need for a vote, the tie must be decided by random means agreed to by the candidates affected, or by toss of coin.

d. List of incumbents on the 2020/21 Board of Directors (with 1-2 years remaining)

The 8 individuals below are incumbents on the 2020/21 Board of Directors with 1-2 years remaining on their board terms:

General Contractors Division	
Allan Beron	President Urban One Builders
Jason Glue	Principal JG Strategies Ltd.
Kevin Mierau	President Mierau Contractors Ltd.
Trade Contractors Division	
Will Pauga	President Southwest Contracting Ltd.
Don Wightman	President PML Professional Mechanical Ltd.
Manufacturers and Suppliers (including Service Providers) Division	
Craig Mitchell	Director, Innovative Solutions Metric Modular
Steve Reitenbach	Senior Account Manager - BC Doka Canada Ltd.
Kelly Taylor, CPA, CA, CGA	Partner MNP LLP

e. U40 Network appointee

The U40 Network can elect or appoint an individual to the Board of Directors. Historically, the position has been filled by the immediate Past Chair of the U40 Network.

The following individual will be acclaimed to the 2020/21 Board of Directors:

U40 Network	
Mike Wallis	Business Development Manager Flynn Canada Ltd.

Following the elections outlined at Paragraph (c) above, the members present in person or by proxy at the Annual General Meeting will be asked to endorse the 2020/21 Board of Directors in its entirety.

Regards

Graham Sibbald

Chair, Governance and Nominations Committee

APPENDIX TO THE REPORT OF THE GOVERNANCE AND NOMINATIONS COMMITTEE

Nominee biographies (in alphabetical order)

Nominee	Biography provided by nominee
<p>Jonathan Boyce <i>Operations Manager Ledcor Construction Limited</i></p>	<p>I have been in construction in one way or another for most of my life. I have been with Ledcor Construction Limited since I graduated from Ryerson University in 2001. I have worked in Ontario, Florida, Las Vegas and Vancouver. I enjoy coaching and mentoring the next generation of construction enthusiasts and feel that I am at a point in my career where I have gathered a great deal of experience and would like to share that with other construction professionals and make the industry better for all of us. I have worked in estimating, project management and operational management. In my current role I tend to be focused on strategic planning and the bigger picture of how the industry works and the risks that are in front of us. I have worked on institutional, residential, commercial and mixed-use projects throughout my time at Ledcor most recently the Marine Gateway project in Vancouver. I have a network of great people that I have met over the years in the industry. My role requires me to be forward thinking as the industry is moving faster than it did when I started with Ledcor. My experience in different geographical areas, multiple roles with a premier general contractor and multiple product types will allow me to help advocate for the industry and speak to the next generation of construction professionals to increase membership and awareness that this is one of the best industries to be a part of.</p>
<p>Dom Costantini <i>Vice President & District Manager – BC Bird Construction Group</i></p>	<p>I have been with Bird since 2004 and relocated to BC in May 2019. I was the VP & DM in Manitoba since 2016. I was active with the Winnipeg Construction Association Board since 2015. I encouraged members of my team to participate in Manitoba Women in Construction and Young Construction Leaders of Manitoba. I am very interested in working with industry peers and the VRCA to enhance the Construction Industry in the lower mainland. I have a large network of connections in the business and am active in mentorship and development of the next generation of construction professionals. I am committed to improving the construction industry. I am a Gold Seal Certified Project Manager and LEED AP. I am also a Red Seal Concrete Finisher and have this perspective to offer.</p>

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<p>Niko De Marre* <i>Business Development Manager Graham Construction & Engineering Inc.</i></p>	<p>I am excited to bring my passion for construction and cutting-edge building experience to the board table. As a board member, I'd look forward to supporting advancement of construction in the lower mainland for the VRCA's over 760 members through the three pillared strategic approach: Education, Advocacy and Facilitation.</p> <p>Having sat on the VRCA's U40 executive committee and on the VRCA board as the U40 rep, I feel I would bring fresh perspective to the board table without the ramp up and acclimatization time. Developing strengths in construction management, contract management, estimation and financial management, I've spent almost 15 years in this industry. My experience has primarily been spent working with a multitude of partners as a general contractor on the front lines of construction in the lower mainland with a brief stint as a design consultant in the Okanagan. Having studied at Lakehead University, I hold a bachelor's degree in civil engineering and have membership in good standing with APEGBC.</p> <p>Outlining my current activity within the VRCA, I am part of the Education Committee supporting the VRCA's school outreach presentations which have been able to reach almost 6000 students to date. I'm active in the U40 network and am also an active member of the VRCA's Building Committee, where I'm particularly excited to be contributing to the eventual best use of the existing VRCA building in support of both the association's BHAG (to be Canada's premier construction centre of excellence by 2027) and its future business goals.</p>
<p>Paul Demeule <i>Mechanical General Manager Trotter & Morton Group of Companies</i></p>	<p>As I pass the 20-year mark in Construction in my career, I am keen to get more involved in the industry at a higher level, through industry associations, specifically the VRCA. I feel I have unique set of skills and experience I can offer the board. I have spent most of my career as a trade contractor but have also worked at director level positions on both the Ownership and General Contractor sides, so I am capable of seeing and understanding all sides on key issues facing the industry. I have considerable large project experience and have experience in delivering P-3 and design build projects. I have been either the PM or Director/ GM on numerous VRCA Awards of Excellence winning projects. I am constantly looking forward, embracing Lean Construction, Continuous Improvement, and Lifelong Learning. I have a long history of project and team leadership. I feel we can and must do better as an industry, and should my application be successful, I look forward to this opportunity with the VRCA.</p>

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<p>Sanjeev Dhillon <i>Field Marketing Manager</i> <i>Procore Technologies</i></p>	<p>I believe that I have the experience, capacity and capability to provide a meaningful contribution to the VRCA board based on:</p> <ul style="list-style-type: none"> • My passion for the industry as illustrated in my past role with VRCA and Procore currently. • My efforts to elevate and promote VRCA's continued role as steward to the industry through its seven strategic goals. • My past work experience at the VRCA to grow membership, create value for members and drive member engagement. • My past experience as a General Contractor which helped me understand the complexities and challenges within the entire construction ecosystem. • My current experience with Procore, which provides me a front view of where the industry is going. • My active liaising with industry associations and the industry at large across North America in my current role to share best practices, solutions, trends and generate new ideas for the VRCA to consider. • My efforts to advocate for technology and innovation in general and its application to our industry for the benefit of VRCA members as well as the industry as a whole. • My ability to network with all members from all types of backgrounds to develop positive relations and excitement for the VRCA.
<p>Katy Fairley <i>Principal Consultant</i> <i>Fairley Strategies</i></p>	<p>I am the principal consultant at Fairley Strategies focusing on improving how the construction industry delivers projects by defining strategies, best practices and risk mitigation for delivery methods, business development and procurement. Prior to founding Fairley Strategies, I was Vice-President (Business Development) for a mid-sized general contractor. A former VRCA Director, I have extensive industry and non-profit board experience: I have served on the Boards for three construction industry associations, in addition to numerous taskforces and committees. I am presently the BC provincial vice chair to the Canadian Construction Association. I am also a director at the BC Epilepsy Society. I was previously on the Boards of the Vancouver Island Construction Association and Headway, Victoria Parkinson's and Epilepsy Centre. I had the privilege of serving on the VRCA Board for 2 years before resigning to focus on starting my business. I greatly enjoyed my time on the Board and contributing to the strategic planning session. I wish to continue supporting VRCA, an organization that is strengthening our industry and has an exciting vision for its</p>

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	<p>role in it. Additionally, I bring a different perspective to the Board as a millennial in our industry. I was honoured to be the 2014 recipient of VRCA's "Outstanding Woman in Construction Award." I graduated from Mount Allison University in New Brunswick with a Bachelor of Arts and a double major in international relations and political science.</p>
<p>Derek Fettback <i>District Manager Western Pacific Enterprises</i></p>	<p>I have been involved in the electrical construction industry for 23 years this year and have been fortunate to have learned in all aspects and roles of the electrical trade. I joined Western Pacific in 1997 as an apprentice but had spent many years prior helping in the warehouse and counting estimates in the family business, then commencing a progressive career managing a diverse set of commercial, industrial, and utilities projects including converter stations for the Eastern Alberta Transmission Line (EATL) and Olympic venues for 2010. Currently, I am responsible for the Heavy Industrial and Utilities district as well as Western Pacific's central estimating for projects between British Columbia and Manitoba. I also sit on the ECABC Board of directors since 2017 and WJETS also since 2017 and took the position of board chair this year. I have been involved with labour bargaining in BC, Alberta, and Manitoba and have a passion for helping move our industry to embrace new technology and methods.</p>
<p>Gary Hamata <i>Vice President, Construction & Chief Operating Officer JJM Construction Ltd.</i></p>	<p>Having worked in the BC Construction Industry since False Creek and Coal Harbour were dominated by marine and forestry related businesses, Robert Bank was a single marine terminal, and Ridley Island was barely established, I have decided that I would like to give back to the association and industry that has provided a rewarding career for me over these many years. I am a strategic and innovative senior executive with unique and extensive experience in the heavy civil, deep foundations, environmental, infrastructure and marine construction industry. My "not for profit", Board of Directors experience includes advocating for level competitive playing fields at Provincial and Federal levels, while serving with the ICBA and Merit Canada. My experience with the ICBA is similar to the needs of the VRCA, in particular to the use of facilities and staff for the provision of training, and to supply other services to generate additional revenues to benefit the association's members. While serving on the ABCMI Board, the primary focus has been to grow membership of the association, through the provision of courses and an annual Business Opportunity Conference. Serving on the BCACS Board has underscored the importance of training and certification, to keep our construction projects</p>

	<p>safe and productive.</p> <p>My corporate strengths and depth of experience includes:</p> <ul style="list-style-type: none"> • Established strategic joint ventures and partnerships • Led changes to practices and procedures to meet new corporate goals • Championed major safety culture shifts and safety improvements • Developed Strategic Plans • Managed Design/Build and alternate project delivery methods • Introduced new business units to firms to increase revenues and profits.
<p>Ian Kerr <i>Vice President, Business Development EllisDon Corporation</i></p>	<p>I'm interested in participating on the VRCA Board of Directors, as I would like to influence positive change in the industry through my background and experience. I enjoy the camaraderie of engaging and sharing of knowledge between industry participants to advance the collective interests. I believe that I bring a well-rounded perspective through both my practical experience and my academic background in order to support these objectives. My practical experience began as a wood framer in Saskatchewan framing residential and small commercial buildings. This experience, along with my Diploma in Building Development Technology from SAIT, was segued into an estimating role for a general contractor. I continued my career as a project coordinator, then progressing into a project manager, and finally into my current role in Business Development. All the while I pursued an undergrad followed by a graduate degree in business. My practical experience paired with my educational background provides me with not only the knowledge to understand the challenges of the VRCA members, but I have a proven record of working collaboratively with others, while effectively achieving results.</p>
<p>Jonathan Lashin <i>Chief Estimator Houle Electric Ltd.</i></p>	<p>I believe that the board can have a significant impact on achieving the goals of the VRCA and its members, and that it's important for the staff and board members to share an understanding of how they can most meaningfully contribute to success. If a director, I intend to represent the interests of the members and to encourage education and advocacy. My education is a BAsC electrical engineering, along with industry courses through work. I've been in the construction industry for 20+ years as an Estimator, Project Manager, Construction Manager, and Chief Estimator, involved in projects of all types and sizes. I'm a big supporter of mentorship and education and have enjoyed volunteering by giving classes on</p>

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	<p>BidCentral, talking to high school students about the construction industry, being a guest speaker for Construction 101, and being a guest lecturer at BCIT.</p>
<p>Clint MacDonald <i>Client Executive</i> <i>CapriCMW Insurance Services Ltd.</i></p>	<p>It would be of great interest and honour to participate on the Board of Directors to give back to the VRCA, an organization with such a long and rich history in the Lower Mainland. The opportunity to work closely with the talented individuals on the board and expand my knowledge of the industry and keep up with current issues that face construction in BC will be beneficial to my contractor clients. I am a finance graduate with experience understanding and explaining complex construction financials as a surety bonding underwriter. Currently, my role as insurance and bonding broker has enhanced my experience with strategic planning, sales, marketing, and coordination of multiple stakeholders. We work closely with contractors, suppliers, consultants, banks, accountants and lawyers in day to day dealings for our clients. I am well versed in contract review, project analysis, and regulatory and government relations having worked closely with municipal and provincial entities on various matters. I have been on the organizing committee for the annual BC Children’s Hospital Foundation “Building for Kids” charity golf tournament for the last 3 years, which raised over \$300,000 last year. Fundraising, organizing, communications, and management were skills that have been enhanced from the opportunity. I believe I can help with the work needed to be done by the Board with my experience listed and can offer a perspective and skill set which would be beneficial to operations.</p>
<p>Richard Shipway* <i>Project Director</i> <i>ETRO Construction Limited</i></p>	<p>I have served on the VRCA board for a number of years, am currently Secretary/Treasurer on the Executive Committee, and should I be re-elected, am positioned in the board’s succession plan to be nominated as the 2020/21 Vice Chair. I know how VRCA works, am proactively involved with the issues faced and well placed to deal with the future issues. Leveraging my knowledge and positions on other boards and associations also adds weight to my knowledge base. Known as an active and vocal contributor to the various board and committee positions held, I take my positions seriously, am very happy to assist the industry’s standing and champion various pertinent issues and of course, where I can give back.</p> <p>My VRCA role fits in very well with the seat I hold on the BCCA board of directors and at COCA, which lobbies for industry. The boards and committees I am directly involved</p>

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	<p>in also adds weight and understanding to my volunteer roles. Having been in construction in Vancouver for 22 years, my lower mainland industry knowledge is extensive, and I am well known, and I believe well respected in the industry.</p>
<p>Tim Sportschuetz* <i>Construction, Infrastructure and Builders' Lien Lawyer</i> <i>Singleton Urquhart Reynolds Vogel LLP</i></p>	<p>Through my divisional council chair position, I had the honour and opportunity to support and advance the interests of the VRCA during 2019/20. I hope that I may continue to furnish to the VRCA my construction industry legal and tacit knowledge by becoming a full-term board member. Prior to my legal career, I managed for six years a civil general contractor and consulted for a rock-slope stabilization contractor. Coupled with my accounting and finance undergraduate degrees, my construction industry experience gives me unique on-site and construction administrative and costing understanding. I am frequently interviewed and consulted by newspaper and industry publications and my articles on construction legal matters and construction contract drafting are regularly published in industry magazines across the province. Coupled with my specialized construction legal knowledge and broad construction-industry network, I am certain that I will be able to continue to help the VRCA and its industry members advance their collective goals and pursuits.</p> <p>I recently successfully completed the Osgoode Hall Construction Law Certificate Program, an intensive five-day program dealing with topics such as prompt payment, lien rights, new construction legislation and upcoming changes, as well as important and novel ways to allocate construction risks by unique insurance products and contract provisions. I am certain my background and my specialized construction legal practice will continue to enable me to offer significant value-adds to the VRCA and its members.</p>
<p>Adam Timler <i>Building Consultant/Business Development Manager</i> <i>MBG Buildings Inc.</i></p>	<p>As a young professional in the construction realm, connecting the public and government to our industry is where my strengths and passions lie. We've entered changing times in politics on a provincial and municipal level. The most recent fall session in the B.C. Legislature revealed the city's infrastructure, labour forces and their effects on the public's well being, has become a pinnacle of discussion. This momentum is bringing our industry to the forefront of people's minds, which broadens the opportunity for VRCA to take on a leadership role, that I hope to contribute to. I come from a financial background with seven-years of experience in retail, corporate banking and private wealth. I took a leap from banking into an industry that excites me, construction and development, starting with a design-build</p>

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	<p>contractor for TI's as the business development manager and recently moving onto MBG Buildings Inc. as a building consultant. In between work I volunteer as a board member for SAD Magazine and ArtsScene (Business for the Arts). Through these equity-seeking organizations, I help bring together arts and business, through connecting people, producing events and providing perspective as a delegate for all partners.</p> <p>I've noticed a big part of effective advocacy is mobilizing the younger generation, so I've been inserting myself into young political arenas to understand the beat of what's going on and how to bridge our industry and good policy. The next election will be a millennial vote so it's imperative we form a millennial leadership who have a strong understanding of our industry both in government and our internal associations. I hope to advocate strongly for the future of construction as part of the VRCA.</p>
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*Incumbent