

**Capital Hill Apartments
Executive Committee (ExCom) Meeting 17 (02 Aug 2010)**

Held at 6:00 PM 2 Aug 2010 in Apartment 205/19

Attendees: David Campbell (205/19), Debra Northover (201/17), Malcolm Gray (Proxy 203/17) Horace Saducas (118/23), Gunnar Sirel (28/23), Shelley Thomson (101/17), Gaye McDermott (207/21), Glenn Ashe (5/17).

Apologies: Marilyn Jessop (203/17),

Minutes: Rob Northover (201/17)

David welcomed attendees and opened the meeting.

1. Treasurer's Report

Horace presented his Treasurer's report (11 month) stating that all accounts were tracking well (pro rata) with one exception; the electrical maintenance costs continued to exceed budget due mainly to fluoro failures.

MA management fee \$9,100.00 on track.

Cleaning running under budget.

Gardening running under budget.

Cash surplus \$64k down from last month (expected) with the combined Admin/Sinking fund down to \$147k (also expected).

David advised that recent discussions with the Managing Agent (MA) indicated that admin fees would require an increase of approximately \$22,000 PA for the following reasons:

- a. insurance premiums were expected (industry rumour) to increase by up to 15%.
- b. the cleaners had advised that they had underestimated the effort associated with the cleaning and maintenance of ground floor tiles and external pavers and were also expected to increase costs.
- c. Managing Agent fees expected to rise by approx 8%.
- d. garbage disposal fees expected to rise by approx 4%
- e. usual inflationary pressures on everything from wages to water.

2. Budget

David had had a preliminary discussion with the MA about next year's budget. Indications are that admin fees would require an increase of approximately \$22,000 PA for the following reasons:

- a. insurance premiums were expected (industry rumour) to increase by up to 15%.
- b. the cleaners had advised that they had underestimated the effort associated with the cleaning and maintenance of ground floor tiles and external pavers and were also expected to increase costs.
- c. Managing Agent fees expected to rise by approx 8%.
- d. garbage disposal fees expected to rise by approx 4%
- e. usual inflationary pressures on everything from wages to water..

David would circulate the draft budget for the Committee's consideration. Clearly, major addition would be inclusion of the new Sinking Fund provisions as well as for bird eradication and landscaping.

3. Sinking Fund Progress

Gunnar advised that Donald, Cant, Watts, Cork Pty Ltd had conducted a site inspection approximately two weeks ago which would result in a proposed schedule mid-August. Gunnar and Horace will

review the schedule and invite the contractor to meet and present at the next ExCom meeting.

4. Bird Eradication Progress

David advised that he had consulted with the MA and that the MA had recommended engaging Australian Pest Bird Management as the treatment had been proven to be effective in the control of pigeons and starlings without posing a threat to native birds.

The cost would be approx \$10,000 for three years payable in advance at \$880/Qtr. David confirmed that no additional scaffolding or ladders were required and the cost included the collection of dead birds. Discussion ensued with the committee agreeing to proceed with this method for three years. David would authorise the MA to proceed.

5. Articles

David thanked everyone for their input and particularly acknowledged the effort of Malcolm with the formatting review which had resulted in Ver. 2.0 of the document. Final input required as soon as possible because the document would need to be released in the first week of October as part of the package of notices for the AGM.

The committee commended David for his effort in the production of the Articles.

6. Apartment Manual

David advised that the manual is almost complete and due early November. Thanks again to Malcolm for his formatting of the document. The document shall be converted to PDF on completion for distribution by the MA.

Both Articles and Manual require the ExCom to provide written guidance to residences about fire safety. David would consult the Owners Corporation Network in the first instance. He also took the opportunity to demonstrate how to access the ceiling space and roof.

7. Review of Open Action Items

The open action items were reviewed and the attached table amended to reflect the following changes:

11/01 – Closed. Difficult to impose rules for non-routine costs i.e. emergencies.

12/01 – Closed. Visitor car parking guidance provided by MA.

12/02 – Open. Remained open with Horace acknowledging the excellent background information provided as a result of Shelley's research.

13/03 – Closed. Bird deterrent guidance provided by MA.

14/03 – Closed. NFS Defect rectification initiated.

8. General Business Arising

David advised that there were still Becton issues unresolved (e.g., lighting, basement floor) and that the ExCom had no choice, from a safety perspective, to proceed with the rectification of the NFS list of defects. Becton's liability component was yet to be established however Becton have acknowledged the ExCom's request for payment.

David also advised that a formal contract for the MA services was now a legal requirement. He would circulate a draft contract for ExCom consideration, noting that final approval rested with the AGM.

Horace distributed an updated key list.

Landscaping contractor (Luke) advised that the two trees on the corner of State Circle and Melb Ave required pruning before Spring and that recently installed plants were suffering and dying from over watering and inadequate drainage. Malcolm would liaise with Luke over quotes to provide pruning services, installation of agricultural drainage pipe, and replacement of Correa in the rear garden with (perhaps) bottlebrush. (Note: according to “Australian Native Plants”, Correa require a cool, well drained position. They would appear to have been an inappropriate choice in the first place.) **Action 17/01.**

9. Date, time and place of next meeting.

It was agreed to conduct the next meeting in Horace’s apartment (118/23) at 6:00 pm on Monday 6 September, 2010.

Apologies provided in advance from Glenn and Deb.

The Meeting concluded at 8:15 pm.

Approved

David Campbell
Chairman
4 August, 2010

Table 1. Summary of Open Actions

002/05	Investigate cost benefit of using LED lamps over fluoro replacement over existing halogen lighting for common areas. Investigate costs associated with replacing fluoro light fittings (on failure) in basement with a more cost effective solution	Horace & David	Ongoing (Nov 2010)	Open
012/02	Source potential suppliers of “Cat’s eyes” lamps	Horace & Shelley	Ongoing	Open
13/02	Progress Capital Hill 10 Year Plan	Gunnar	Ongoing	Open
17/01	Seek quotes to provide pruning services and installation of agricultural drainage pipe.	Malcolm	ASAP	Open