UP 3259 CAPITAL HILL APARTMENTS
EXECUTIVE COMMITTEE MEETING No 56

MINUTES

Venue: Monday 2 June, 2014, at 6.00 p.m. Apartment 118/23

Present: David Campbell, Chairman, 205/19; Terry Gassner, 12/19; Rob Northover, 201/17; Horace Saducas, 118/23.

Apology: Peter Ford, Treasurer, 115/21

1. WHS Moment. DC commented on the increasing amount of engine oil and grease dripping from cars onto the floor of the basement car park. Apart from being unsightly, the spills are slippery and can be hazardous for people walking on them. In addition, they would provide fuel in the event of a basement fire. At the least, a notice will be placed in the lifts and basement doors warning residents of this concern and advising them to clean up their mess and attend to their cars' maintenance. The situation will continue to be monitored; further action may be needed. **Action: DC**

2. Acting Treasurer's Report. HS tabled the report. The Committee again noticed their continuing concern at unbudgeted expenses including David Tenant's bill of $2200 and forecast cost of Hot Water Service repairs of a further $8000. In addition, legal costs associated with the insurance claim are mounting. Some of these costs may be able to be recovered but, in the meantime, adjustments will be needed in the forthcoming 2014-15 Admin Fund budget. It was also considered that additional provision ought to be made for more contingency funding in future budgets. **Action: PF**

3. Insurance Update. DC debriefed the Committee at length on the current status of the CGU insurance claim. CGU's response, dated 16th May covered both common property matters and the claims of 15 individual owners for defects in their apartments. For the most parts, CGU's response is considered to be most satisfactory but a number of individual claims have been denied, chief of which are three apartments with serious problems arising, in the first place, from a failure of the waterproofing membrane on their outer walls. Unfortunately, the question of liability is not simply answered. Our solicitor has recommended that we brief a barrister experienced in insurance law to advise us on these and related matters. The Committee agreed to this approach but rued the further delays that will result. Nevertheless, it is essential that all parties clearly understand the legal situation. Much is at stake.

In the meantime, a reply will be given to CGU requesting that the business of tendering and contracting for the remedial work go ahead to the extent possible.

Individual owners have of course been kept apprised of these developments. Relevant correspondence will also be placed on the owners' section of the web site for the better information of those not directly affected.

The Committee noted that this matter will continue to exercise their minds for months to come. The special problem of the individual apartments aside, the common property works will see significant industrial activity around the property and, inevitably, residents will suffer some inconvenience. **Action: DC**

4. Landscape. It has been another busy month in the garden. TG's report covered further repairs to the irrigation lines behind Buildings 17 and 19; prospects for saving other Scarlet Sentry trees; the flooded planter box outside Building 19's door; recent flooding of the lawn in front of Building 21; spring time spraying against scarab grubs; and weeds on the nature strip. TG said the garden bed behind 28/21 remains a work in progress; it is a matter that has been unresolved for too long. The contractor needs to pay attention to the profusion of weeds in the pebble beds between Building 17 and our neighbour at 15 State Circle. **Action: TG**

5. Maintenance

a. Rain Water Heads – DC reported that Six Star's contractor, Craig, was on site on 8 May to waterproof the interiors of the boxes on Building 17. He has not returned to fit the mesh and Six Star will be hastened accordingly. **Action: HS**

b. Hydraulics Consultant Report on Hot Water Service. HS presented the most comprehensive report of the hydraulics consultant, David Tennant. Tennant has concluded that the problem with burst copper pipes and fittings in the furnace rooms is due to over-sized pumps having been installed. Consequently, hot water is circulated at too high a pressure and too high a velocity, thus eroding the pipes' interiors. Amongst his recommended action is replacement of the pumps and a quotation from QMax Pumps for about $8000 was tabled. The consultant advised that there would be no discernable change at kitchen or bathroom taps as far as water delivery was concerned. The Committee accepted the findings and recommendations. The Managing Agent will be asked to place a work order accordingly. HS will also follow up a related question about the water regulators in each apartment and the need for their regular servicing. **Action: HS and MA.**

c. Roofing update. DC advised that the repairs had failed their final inspection three weeks ago but that all outstanding work was finally completed on 2nd June. This is the end of a protracted business that has occupied the Committee for the past 18 months.

d. Website. DC presented the statistics for the preceding couple of months. The Committee noted the very satisfactory number of hits on the site. Particularly pleasing was the high number of times Owners had logged into the restricted section.

e. NFS Lighting. HS reported that the recent log of lighting defects had been tackled by Wayne Taylor with an estimated saving of 50% had NFS themselves carried out the work.

f. Lift Notices. DC reported that the notice about pets had produced no new requests for Committee consent. The current notice advertises our herb garden. Future notices will cover oil drips in the basement, basement alarms, and the availability of a ladder for residents' use. **Action: DC**

6. Correspondence

In the past month, correspondence has ranged from bathroom leaks in 18/21 to a planter box behind 13/19. The vast majority of correspondence (several hundred emails and letters) has concerned the insurance claim.

7. Business Arising from Previous Minutes

a. Sinking Fund. The current insurance matters, together with the roof repairs, have positive implications for the structure of the sinking fund spreadsheets. These need to be reflected in the Sinking Fund review. Time is pressing because this review must be completed in time for the compilation of the budget and the AGM. **Action: HS**

b. Definitions of common and private property. This subject was again discussed. Several recent incidents have highlighted the difficulty in assigning responsibility for various defects and other issues: the Owners Corporation or the individual owner. Guidelines (as opposed to rigid rules) are needed. The relevant NSW Government documentation has been circulated for comment and with a view to its adoption. **Action: All**

8. New Business

a. Management Agreement. The Committee was very pleased to approve, for its part, a three year extension to the contract with Blandfordia Real Estate for Managing Agent services. An updated annual fee of $17325 was struck. The arrangement will need to be ratified by ordinary resolution at the forthcoming AGM. **Action: DC, MA**
b. Wording of Rule 10. Some recent incidents (noted in passing at 7.b above) have shown that the Rules regarding owners' responsibility for repairs could be better worded. The Committee agreed that it was timely to review the entirety of the Rules to weed out any similar shortcomings. Some internal inconsistencies were noted, e.g. external sporting equipment is permitted on balconies, but not bicycles. Is not a bicycle "external sporting equipment"?
c. Levy Notices. The Committee noted that the MA had distributed the six-monthly Levy notices. Payment is due by 15th June. Attached to the notices is yet another request for updated information about residents. This is needed to maintain an accurate Corporate Register. It is a persistent problem that some owners and agents neglect their legal responsibility under Section 114 (1) (f) of the Unit Titles (Management) Act 2011 in this regard. We do need to contact residents direct from time to time, and often urgently, and up-to-date contact details are critically important for efficient and effective management of the property. **Action: All Owners/Agents**
d. Car maintenance. It was noted that Lube Mobile was carrying out maintenance on a resident's car on 15th May in the No Parking space alongside the garage ramp. This space is common property and we need it for our garbage collection and landscape contractors. It is not there for selfish actions such as car maintenance which can only frustrate the proper usage of the site.
e. Laundry leak. On the weekend of 17-18 May, a leak in the laundry of 17/21 penetrated the slab and damaged a car in the basement beneath. Had the leak been reported promptly (and not a week later) the damage may have been averted. An unfair consequence is that the Owners Corporation is to bear the cost. **Action: MA**

9. Other Business

a. Apartment Manual. Together with a review of the Rules, it was noted that a revision of the Apartment Manual could well be due again. An example of the requirement is the corrected phone number for Seda Services, who maintain the air-conditioning units. **Action: All**
b. Car Parking. The practice of some residents keeping their cars in the spaces specifically reserved for Visitors is getting out of hand. There are eight persistent offenders. Notices will be issued. **Action: HS**

10. Next Meeting

Monday, 7th July, 2014 at 6.00 pm, at Apartment 205/19

Approved

David Campbell
Chairman

3rd June, 2014