UP 3259 CAPITAL HILL APARTMENTS
EXECUTIVE COMMITTEE MEETING No 60
MINUTES

Venue: Tuesday, 7th October, 2014, at 6.00 p.m. Apartment 201/17

Present: David Campbell (DC), Chairman, 205/19; Peter Ford (PF), Treasurer; 115/21; Terry Gassner (TG), 12/19; Rob Northover (RN), 201/17.

Apology: Horace Saducas (HS), 118/23.

1. **WHS Moment.** Notices have been placed in the lifts and in the News section of the web site reminding owners and residents to replace the batteries in their smoke detectors. Although instructions are on the devices (inside and out) they are hard to read. The operating instructions were never supplied but they can be found on the internet at http://www2.clipsal.com/cis/__data/page/2015/smoke_detectors.pdf

   See also item 7.h below about lift telephones.

2. **Treasurer's Report.** PF presented the accounts for September. Funds on hand total $321,701.02, being Administrative Fund $19,237.03 and Sinking Fund $302,463.99. The new financial year began with the first month's expenditure being 133% of *pro-rata*, being due to legal costs associated with the CGU claim. Disturbingly, three owners remain long overdue with their levy payments and recovery action has been put in the hands of our solicitor. **Action: MA, PF**

3. **Landscape Report.** In TG's absence, HS was liaising with the landscape contractor over the grass on the nature strip. Although this is not our responsibility, the Committee feels that something needs to be done about it as local authority does nothing and its poor state detracts from the apartments' appearance. **Action: HS**

4. **Insurance Update.** DC met with KJB Law on 10th September to frame a "without prejudice" round table as the next step towards treating with CGU. (CGU denied claims for certain unit owners based on the fact that their claims were not received within the time required under the policies.) The round table was subsequently held on 23rd March with participation from only two of the five owners concerned. The OC has obtained a legal opinion which sets out a legal argument that CGU ought to accept the claims denied. It was noted that the opinion also stated that where an individual owner wishes to authorise the OC to act for it in relation to its claim, a specific agency agreement must be entered into. This proposed action was agreed and agency agreements have since been sent to the owners for their formal acceptance.

   The operative provisions of the agreement are that the individual owners:
   a. grant a limited agency to the OC to represent them to CGU solely for the purpose of making representations to CGU that it should amend its decision to deny the claim made by the owner and accept that claim notwithstanding notification was outside the time permitted under the relevant policy; and
   b. acknowledge that the OC has no further obligation or right to represent them or to pursue any of the rights and powers of them to challenge the decision of CGU, and that if the decision is not changed as a result of OC acting on its limited authority, then they

must at their cost and using their advisors, pursue the matter in whatever way they choose.

In return, the OC will provide the owners with copies of our communications to CGU and any response received; and make the representations at its expense.

Where representations made by the OC on behalf of the owners do not result in a change to the CGU decision to deny the claim, the parties will act cooperatively and use their best endeavours to allow remedial works to be carried out by contractors engaged by CGU with a view to having such work completed as soon as possible.
The Limited Agency Agreement were sent to all and we have requested they be returned no later than 10th October. In the meantime, arrangements have been made for the representations to be made to CGU in the week commencing 13 October.

Depending on how matters might unfold, there is prospect of an EGM having to be called. The Committee discussed the many issues entailed.

With the recent invoices from KJB Law and Ken Howden, engineering and legal expenses associated with the insurance claim now amount to $40595.59.

5. Correspondence

Routine correspondence has been despatched and received on subjects ranging from debt recovery to consent for pets. The MA has updated the welcome letter to new owners.

6. Business Arising from Previous Minutes

a. **Roof anchors.** The annual inspection was carried out on 23rd September with no adverse reports. The next inspection is due in 12 months. No further action.

b. **Rain water heads.** In abeyance during HS's absence**.**

c. **Lift door invoice.** No further action.

d. **CCTV Alarm.** In abeyance during HS's absence.

e. **Website**. September was a quiet month with no new items being posted. Visits were slightly down from August's figures.

f. **Lift Notices.** Parking down, Bicycles up, Cardboard boxes up. Persistent offender keeps removing the notices in #21

g. **Planter box tree 112/21.** It is three months since the owner was requested to remove the tree. He was further hastened on 8th September. He's replied that he's overseas and will uproot tree upon return. In his absence, his agent or tenant could surely to the job. **Action: MA**

h. **Laundry leak** 17/21, spillage on Car Park 63; adjacent 18/21 - DC Net costs to the Owners was $942 after Excess and GST. (Insurance only recovered net $180.) Nothing further has been heard about Dr Mulcahy's car. No further action.

i. **Basement lighting**. In abeyance during HS's absence.

j. **Technical Drawings.** In abeyance during HS's absence.

k. **Dumping garbage.** The irresponsible and selfish behaviour of some residents continues. Further notices have been put up. CCTV-supported prosecution of offenders also continues. **Action: All**

l. **Eastern walkway**. The cleaner will increase the frequency of high pressure cleaning. No further action.

m. **Visitor Parking**. The first notices for visitor parking space violations have been issued. There are seven persistent offenders who alone occupy half of the spaces each night. Altogether, 42 individual vehicles have been recorded being improperly parked. Monitoring will continue, together with the issuing of notices about infringement of Rule 11.1. **Action: HS**

n. **Skirting Boards.** Further inspection of apartments on 9th September checking on membrane damage. Despite repeated attempts to contact owners in five cases, cooperation has not been forthcoming, The MA has written to the owners stating that the matter must be left in their own hands with no further assistance from the OC. Meanwhile further investigation of repair options is in hand with a contractor to inspect the matter on 9 October. **Action: TG, DC**

o. **Solar Power**. Continuing investigation is in abeyance during HS's absence.

p. **Annual General Meeting.** DC and PF will meet the MA on 9 October to finalise the documentation to be mailed to owners. **Action: DC, PF, MA**

q. **Window cleaning**. Six monthly cleaning was carried out on 15th and 27th September. Bird droppings on Buildings 17 and 19 were unable to be removed, despite vigorous scrubbing. The lime appears to have become baked into the coloured render. It may be cleaned during the CGU works but the Pest Bird contract will also be examined with a view to extending the cover for window sills and awnings. **Action: DC**

7. New Business

a. **Moth infestation**. Query from an owner occupier about annual moth infestation and whether the OC had any responsibility for, say, fumigation. Committee decided that the problem was a seasonal migration of Bogong moths and was beyond the jurisdiction of the OC. No further action.

b. **Pets.** A request for a Cavoodle (named Knuckles) to be kept has been received from the resident of 31/23. The landlord has no objection and the Committee gave its consent. **Action: DC**

c. **Gutter cleaning**. The routinely scheduled cleaning was cancelled. The work is not needed at this time. No further action.

d. **Unruly behaviour.** Reports have received about some recent drunken, noisy parties by some residents. The owner has been advised and appropriate action taken. Should there be any recurrence, the Immediate response should be to call the Australian Federal Police - 131 444. No further action.

e. **Mixing Valves.** DC reported that a number of owners have mentioned troubles with fluctuating water temperatures in their apartments. It is most likely that their mixing valve, now over six years old, is the problem. (The problem is unrelated to the recent repairs to the hot water boilers.) Upon investigation, it transpires that the developer, Becton, installed a particular Thermostatic Mixing Valve that was a poor choice. Each valve should be serviced annually and the cartridge replaced once every five years as per manufacturer's instructions.

A yearly service per valve is about $250 and a five year service about $520. After discussion, the Committee has decided to recommend owners replace their valves with Tempering Valves that do not require yearly service. They are rated up to 55 degrees. Supplied and installed, the cost would be $478, and that includes flushing the hot and cold pipes in each apartment.

Either way, action should be taken now. The Committee's preferred plumber is Robert Edwards of Six Star Plumbing. Phone 6161-9417. A notice to this effect will be placed on the web site.

The Committee noted that if all apartment owners acted together, the costs could be significantly reduced but, realistically, achieving this level of cooperation is simply out of the question. **Action: DC**

f. **Ground floor tiles.** The half-yearly pressurised water cleaning of the corridors on 30 September was unsatisfactory even after several attempts. The problem was identified as a defective high-pressure nozzle that has since been repaired and the cleaning completed. The fact remains that those particular ceramic tiles have a rough anti-skid surface that readily retains dirt. The machines and techniques are of industry best practice standard and, short of replacing the entire floor with other tiles or carpeting in all four buildings, there is nothing that can be done to improve the situation. An indicative quote will be sought but it is feared the cost would be prohibitive. **Action: RN**

g. **Telstra, interrupted service.** The service was interrupted on 22 September, affecting many apartments and the emergency telephones in the lifts. Telstra's response has been less than impressive. Most of the service was restored after four days but there are still two apartments, a fortnight later, still not satisfied. So far, no credible explanation has been received. One suggestion from the call centre in Manila was that the cyclone in our area had brought down lines!

h. **Lift telephones.** As a safety measure, the lifts are meant to be stopped and the doors opened when the phone service fails but this did not happen on this occasion. The Committee agreed this policy should remain and the matter will be taken up with Schindler, the maintainer. **Action: DC, MA**

I. Master Keys. Some recent incidents when access could have been needed to some apartments have again raised the question of procurement of Master Keys. It will be recalled the original Master and Grand Master keys were deliberately destroyed largely through concerns of privacy. The Committee again discussed the pros and cons of the matter and reaffirmed the earlier decision. The important point for Owners to be aware of is that is no lawful compulsion to be part of such a Master Key arrangement – an Owners Corporation, whether by a By-Law, or any other way, probably cannot compel any Owner or occupier to either have his apartment part of a Master Key arrangement or be compelled to provide a key to the Managing Agent, or anyone else. (Some residents, of course, in a private arrangement, chose to leave a spare key with a neighbour

In defence of these master-key and other access arrangements, a common argument that access in an emergency e.g. burst dishwasher hose, is critical to minimize damage to other parts of the building, and whilst it may be desirable, if an Owner or occupier doesn't want to be part of the arrangement, they don't have to be. There then remains the issue of what options the Owners Corporation has in such an emergency, but those options are provided by the Units Title (Management) Act 2011 - in an emergency, an Owners Corporation can legally gain access if it needs to e.g. by bringing in a locksmith to open the door, or even by forcing entry if necessary.

If Owners are of two minds about this matter i.e. can see the benefits of a Managing Agent or member(s) of the Executive Committee having a key, and yet are concerned about privacy issues and unrestricted access, one good solution is to provide the MA with a key in a sealed envelope - the agreed arrangement is that the envelope will only be opened in an emergency, and if it is, and entry gained, the key goes back to the Owner to be sealed in a new envelope.

8. Next Meeting. Monday, 3rd November, 2014 at 6.00 pm, at 205/19.

Approved

D.J. Campbell

Chairman 7th October, 2014