

MINUTES OF ANNUAL GENERAL MEETING

BODY CORPORATE No. 164980

PROPERTY AT: 148 Quay Street, Auckland

AN ANNUAL GENERAL MEETING of this body corporate was held in the Motutapu Room of Mercure Hotel, 8 Customs Street, Auckland on Monday, 24th May, 2010 commencing at 6.00 p.m.

PRESENT: As per Attendance List completed by owners
Mick & Genny Webb, Shahin Kermani, Torey & Anna Leggett, Simon & Judy Thompson, Henk Haazen & Bunny McDiarmid, Paul Chaplin, Peter Stratford, Ann Sullivan, Wai Chang, Linda Scott representing Rank Group, R Boswell, Ngaire Roebuck, Anthony Jensen, Alan & Maryanne Mummery, Peter Dowrick, Stephen Dudding, Alan Penny, Dimitri Margaritis, Andrew Sains, N Playle, Els De Jong. Paula Beaton representing Body Corporate Administration Ltd as secretary.
Also in Attendance: Russell McKinnon, Building Manager
Paul Knight, independent Sky contractor from iCue Ltd, attended for part of the meeting.

1. **CHAIRMAN:**
Mick Webb chaired the meeting and introduced Paul Knight.
2. **DISCUSSION OF SKY TV/ FREEVIEW TV OPTIONS:**
Paul Knight is an independent consultant and was invited to talk to owners about upgrading our TV system.
 - a) Paul Knight said at the moment there is facility to continue viewing the existing channels although our platform will not be able to transmit the signal after Sky moves into a new transmission system over the next five years. In addition, there is currently no facility to transmit the Freeview HD signal through the building.
 - b) Under Option 1 of the proposed system upgrade there will be a facility to access whatever channels are available in New Zealand.
 - c) An added option (Option 2) at an extra cost is to allow for retention of Sky boxes. Paul Knight's recommendation is to get rid of the Sky boxes and clean up the distribution system. Mick Webb summarised that by getting rid of the existing Sky system, Body Corporate 164980 will be getting rid of Sky. This means that there will be no Sky within the Body Corporate's budget in the future.
 - d) The most competitive quote received for the TV system upgrade was from D & H Aerials according to Paul Knight.
 - e) From discussions Dimitri Margaritis had with Sky it became apparent that they were not willing to pursue further any business with the Body Corporate and their preference was to move into individual accounts with owners. Sky said that Body Corporate 164980 was one of the last buildings on the existing system. Sky was prepared to offer incentives to owners – e.g. free installation and half price subscriptions for 6 months for new individual contracts.

- f) Under the proposed new arrangements (i) it will be up to owners to subscribe individually to Sky; and (ii) all apartments will have access to nine Freeview channels including the standard TV1, TV2 and TV3 channels for free.
- g) Paul Knight said that the upgrade will provide a clear signal to every apartment's cable outlet. If there are two or more outlets in each apartment, the quality of the signal may be compromised and an amplifier may be needed to boost the signal.
- i) Body Corporate responsibility with respect signal quality stops at the end of each apartments incoming cable. If there are any issues with individual apartments after the upgrade has been carried out, the contractor will have to investigate on a case by case basis. This will be an additional cost to the body corporate. Once the signal level is proven to be satisfactory on the incoming cable from the body corporate, the responsibility then returns to the owner to distribute the signal within their apartment. If the signal is found to be unsatisfactory on the incoming cable, the body corporate will be responsible to rectify this. Once again this will be an additional cost to the body corporate, as there has been an assumption that each apartment has a working cable from the main riser back bone to each apartment.
- j) There was a proposal to accept the quote from D & H Aerials for Option 1 for \$6,989.00 plus GST.

Moved: Bunny McDiarmid Seconded: Els De Jong Carried

3. APOLOGIES & PROXIES:

Alan Penny held a proxy from U Hoppenjans, Unit 4E
 Mick Webb held a proxy from R & J Fleming, Unit 8D
 Paula Beaton held a proxy from Mark Knowles, Unit 2J
 Stephen Dudding held a proxy from Yvonne Lendrum, Units 2J & 7A
 Stephen Dudding held a proxy from Red Pig, White Tiger Trust, Unit 2G
 Stephen Dudding held a proxy from Janet Lake Limited, Unit 6D
 Tony Jensen held a proxy from David Daines & Leanne Jensen-Daines, Unit 3D
 Mick Webb held a proxy from Brimaru Services International Ltd, Unit 4B
 Mick Webb held a proxy from Sarah McLauchlan, Unit 7F
 Paula Beaton held a proxy from Mark Watson, Units 2A & 2I
 Paula Beaton held a proxy from Jennifer Rendell, Unit 8A
 There were no apologies.

It was agreed that the apologies and proxies be sustained.

Moved: Ann Sullivan Seconded: Els De Jong Carried

4. MATTERS OF PREVIOUS MEETING:

The Minutes of the Annual General Meeting of this body corporate held in the Freyberg Room of Mercure Hotel, 8 Customs Street, Auckland, on Monday, 27th April, 2009 commencing at 6.00 p.m., were taken as read, approved, accepted and adopted as a true and accurate record.

Moved: Bunny McDiarmid Seconded: Alan Penny Carried

5. CHAIRMAN'S REPORT:

A copy of the Chairman's Report was distributed at the end of the meeting, as follows:

Items to be addressed in Committee's Report
A. Canopy

It was agreed at the 2009 AGM that the cost of the canopy would be spread over a 3 year period and the AGM authorised a one off levy of \$150,000 for the first year. However, as the World Cup is going to have a considerable impact on our building, do owners want to have the new canopy in place before 'Party Central' begins? If so:

The assessment is that the cost will be up to \$400,000. That would require a one off levy of \$250,000 to get all of this money in, and the owners would have to then authorise the committee to obtain (say) three alternate designs and an itemised costing for presentation to an EGM. In the meantime, the repairs needed urgently from a safety point of view have been undertaken.

B. Exterior Repairs

- a) Repairs to the building after bus accidents have been completed.*
- b) Repair of the defective panels on the West side of the building (both Tyler Street side and also Quay Street) is almost complete and within the budget set.*

C. Lifts

- a) The committee has decided to stay with Kone as the lift service provider.*
- b) The lifts will need substantial repair within the next 5 years or so.*
- c) The service lift (no. 4) according to Kone is used at least twice as much as any of the other lifts.*
- d) Each lift motor has a life expectancy of roughly one million movements per lift.*
- e) The committee recommends that the sinking fund not only be maintained but increased in the future to take account of the projected future costs for the lifts. Owners should be aware that this is a requirement under the new Unit Titles Act – see below.*
- f) In the meantime, Kone recommend we limit the 'service lift' usage by having the building manager take control of the service lift. It may be practical to limit this option during the Manager's normal working hours. This would lower usage, defer the cost of repairing the service lift and would assist residents when moving large amounts of furniture or other heavy items.*

D. Extract Air and Ventilation System. (Negative Air System)

The committee is pleased to report major success with the extract air and ventilation systems.

Lower West Building: This is now running as it was designed to do.

A complete survey of the lower level building was undertaken by a fully qualified and highly experienced ventilation engineer and it was established that the apartment toilet extract system was compromised in several ways.

- a) Unauthorised extensions within apartments to the extract system.*
- b) Grills in nearly all of these apartments were found to be clogged with debris thus reducing the flow of air through the system. These have now been cleaned.*
- c) "Dampers", which control the flow of air from within the apartments, were, in many cases, found to be "adjusted" to a position that would interfere with the flow of air from within these apartments. These have now been adjusted correctly.*
- d) Three fire dampers which close automatically in case of fire, were found to have "fused" themselves in the closed position thus not allowing any air through the system. Two of these were inside apartments and one was in the main system between floors. These have, or are in the process, of being repaired or replaced.*

In summary the lower west building air extract system is now working to almost full capacity.

Extract Air System- Main Building

While there were some faults with the original fitting of the new extract fan motor, repairs were carried out and the motor is now running 24 hours a day and we are complaint free.

Fresh Air System

When originally installed, this system was pumping fresh air from the roof to all of the lift corridors. Unfortunately, when the building was converted to apartments the ducting that collected the fresh air was cut off in a service shaft and never reconnected. The result was, that since the early 90's, this "system" was pumping warm, stale, dirty air into the corridors 24 hours a day. Not only was this system very unhealthy but it also used a vast amount of power.. The current committee identified the problem and we have had

the motor turned off for nearly two years thus reducing the power consumption of the building dramatically.

We have now rerouted the ducting and are pleased to report that for the first time since the building was converted to apartments we now have fresh air into the building which is, of course, a Building Warrant of Fitness issue.

We are most pleased to report that the building now has a complete Extract Air System with all three parts working in conjunction with each other.

We still have to inspect all apartments in the main building to repair/replace/clean components (as already completed in the lower west wing), to have a complete working system as required by law.

This system, once completely restored, is required by law to be regularly inspected and serviced on an annual basis. The current committee strongly recommends that a service contract be immediately taken out with the contractors that have remedied these issues.

E. Russell McKinnon – Building Manager.

The committee and all the owners to whom the committee have spoken are more than happy with the quality of Russell's work, and his way of going beyond ordinary limits to assist residents and owners. The committee is particularly grateful to Russell for his co-operative approach to holidays, public holidays and his always conscientious and imaginative suggestions for repairing building matters at low cost. The committee recommends a pay increase for the ensuing year of 4.44% and seeks owners' approval.

F. The new Unit Titles Act

We would like to advise that:

Committees and Body Corporate are required to build up a sinking fund against future bills. The Government wants each Body Corporate to have sufficient capital funds in reserve to meet expected and even unexpected bills. Our sinking fund stands appears to be adequate at present.

The second major change is that when owners sell a property within a Unit Title development they have to disclose everything. The Owners Committee, through the secretary will have information packs available for owners which will advise a buyer:

- a) The total budget and the total building operation;*
- b) Itemised figures within that;*
- c) Broken out from that specific current or expected undertakings – so for example a separate information sheet on the Canopy, the discussions about replacing or removing the Canopy, the work done so far in preliminary design ideas and preliminary costing projections, the amount collected into a special fund for the Canopy, the expected completion date, the steps to be taken to get to completion.*

G. Miscellaneous Matters

There was a huge problem with sewerage flowing into the basement earlier this year. Russell arranged for this to be promptly and efficiently repaired and no health hazard resulted, and no owners were adversely affected.

The electric power bill for the building will increase now the ventilation system is fully operational You will see from the budget that we have allowed for this in the ensuing year.

The committee has no knowledge of any substantial works that will be required in the next year apart from the Canopy (recognising we have already signalled a five year plan foreshadowing lift maintenance).

The present committee have served the owners for between two and four years. During this time many long overdue major projects and issues have been dealt with and extraordinary success has been achieved in keeping all these works within budget. These include, but are not limited to:

a) Inheriting and settling a million dollar lawsuit that was brought against the Body Corporate prior to the current committees tenure.

b) Painting the building at about 1/3 less of the cost originally envisaged.

c) Installing an up to date security system. (With much thanks to Sarah McLaughlin).

d) Installing a new intercom/entry system that integrated with the

security system.

e) Hiring a "full time" building manager.

f) Identifying the lack of adequate fire stopping throughout the building and providing a solution.

g) Instigating a recycling system for the building.

h) Reinstated the fresh air system.

I) Repairing the west wing toilet extract system.

J) Currently fixing the main buildings toilet extract system.

k) We have worked hard to bring the building up to required safety standards and are most pleased to report that we are well on track to meeting those requirements.

All of these items were agreed to by the owners at either special or general meetings.

The Owner's Committee feel that they function efficiently and that they work well together although they recognise that effectively most of the work is done by the Chairman Mick Webb and committee member Alan Penny with Stephen Dudding and Dimitri Margaritis providing support. The present committee offer themselves for re-election on the basis that the owners are satisfied with their work.

6. COMMITTEE:

The owners' committee is to comprise Mick Webb, Stephen Dudding, Alan Penny and Dimitri Margaritis.

Moved: Henk Haazen

Seconded: Maryanne Mummery

Carried

Ann Sullivan proposed a warm vote of thanks to the Owners' Committee and this was carried by acclamation.

7. VALUATION & INSURANCE:

An updated valuer's reinstatement insurance certificate and several insurance quotes for the body corporate which had been obtained by the secretary were tabled at the meeting.

It was resolved that the body corporate be insured with Aon Risk Insurance Brokers via NZI Insurance Company for the forthcoming year and that the policy have a \$500 Standard Excess, \$250 Owner Occupied Units Excess, \$500 Tenanted Units Excess, \$500 Unoccupied Units Excess, \$1,000 Burglary & Theft Damage, \$2,500 Water Damage Excess, \$500 Public Liability Claim, \$500 Statutory Liability Claim, \$5,000 Landlord Chattels per Unit, \$25,000 Loss of Rentals Cover per Unit, \$200,000 Common Area Chattels & Landlords Permanent Fittings Cover, \$1,000,000 Statutory Liability and, \$5,000,000 Property Owners Liability.

Moved: Ann Sullivan

Seconded: Stephen Dudding

Carried

Peter Stratford raised the issue of contents cover on each unit. Confirmation is to be obtained via the individual underwriter that the premium has been paid directly to the underwriter by the broker. BCA Ltd undertook to obtain confirmation of this.

8. ANNUAL ACCOUNTS:

The statement of receipts and payments for the body corporate for the period 1.02.09 to 31.01.10 was submitted to the meeting, discussed, and adopted.

Moved: Bunny McDiarmid Seconded: Anthony Jensen Carried

There was a question on the roller door payment on the accounts as to whether this was a cost to be shared amongst BA owners. Refer Matters Subsequent to Meeting.

9. AUDIT:

It was resolved that because the secretary's trust account is subject to audit by chartered accountant auditors that no separate audit be commissioned to audit the accounts of the body corporate.

Moved: Bunny McDiarmid Seconded: Dimitri Margaritis Carried

10. BUDGET:

Items	Budget 2010 / 2011 12 Months	Comments
		\$
Administration Fees	11,845.00	
Sundries	4,000.00	For disbursements, petty cash etc.
GST	5,500.00	Estimated based on actual expenses
Titles/Legal/Consultancy	5,000.00	Same as last year's budget
Insurance Premium	43,348.16	As per actual quote from Allianz
Insurance Office Bearers'	6,682.50	Estimated – subject to actual quote
Insurance Valuation	1,071.00	As per actual invoice from Seagar & Partners
Building Manager Wages	47,000.00	As per OCM held 13/4/10
Cleaning & Cleaning Materials	500.00	Based on actual expenses
Window Cleaning	13,860.00	@ \$3080/qtr plus GST as per Off the Ledge
Rubbish Collection	9,164.00	Avg @ \$722/mth for Envirowaste plus Avg \$500/yr for Junk2Go
Pest Control	2,012.52	Avg @ \$503.13/qtr
Fire Services/WOF	15,000.00	@ \$486/mth for fire testing, monitoring and other costs
Lift	32,489.40	For other lift services
Repairs, Maintenance	40,000.00	Based on actual expense
Common Power	42,000.00	As suggested by OCM on 18/2/10
Sky TV	28,210.32	@ \$2,350.86/mth
Telecom	2,100.00	Avg @ \$175/mth
Water	48,000.00	Avg @ \$4,000/mth
Alarm / Security	1,300.00	Based on actual expense
Sinking Fund	58,000.00	Same as last year's budget
TOTAL	\$417,082.90	As agreed

Moved: Stephen Dudding Seconded: Mick Webb Carried

It was resolved that the maintenance fund be set at \$40,000 for the forthcoming year.

11. COMMON MAINTENANCE MATTERS:

The following items were discussed and resolved by the meeting:

- a) Canopy – There was discussion of the Canopy Levy and the various options to do this. At this stage it was premature according to Alan Penny to obtain building design plans.

The first option is to raise a further levy of \$150,000 due February 2011 and July 2011.

It was proposed to proceed with Option 1 with the first installment of \$150,000 due 28th February 2011 and the second installment of \$150,000 due 31st July 2011.

Moved: Stephen Dudding Seconded: Mick Webb Carried

12. LEVIES:

- a) The operational levies are due in two instalments:

- The first instalment is due 10th July 2010
- The last instalment is due 31st October 2010

- b) The canopy upgrade levies are due in two installments:

- The first instalment is due 28th February 2011
- The last instalment is due 31st July 2011

13. GENERAL BUSINESS:

- a) Lift Maintenance – There have been concerns with noisy operation of lifts. Kone are saying they are having difficulty sourcing quality Otis rollers. Kone are to be pursued for a detailed report and remediation of the problem. Peter Stratford and Russell McKinnon will be the onsite liaisons. BCA Ltd to email Peter Stratford a copy of the Kone contract.

- b) Party Central – Queens Wharf for Rugby World Cup – Peter Stratford suggested a proactive approach be made to Council and other relevant bodies to ensure there was adequate security during the World Cup period when Party Central would be in operation. Peter Stratford suggested a collaboration with Endeans Building and 152 Quay Street.

Any owner could forward their contact details to BCA Ltd if they wished to be part of this collaborative approach. Mr Playle will represent Endeans building and Grahame Fong would represent 152 Quay Street.

- c) There is a Body Corporate letterbox in the foyer and owners are encouraged to contribute suggestions and ideas.
- d) Maryanne Mummery volunteered to assist with updating the website which Stephen Dudding had kindly constructed.
Moved: Henk Haazen Seconded: Simon Thompson Carried
- e) The quality of the drinking water has been tested by a water consultant. The copy of the report is enclosed and shows the water from the apartments is classed as fit to drink.
- f) Owners thanked Russell McKinnon, Building Manager for doing a great job.
- g) The following documents are to be sent to owners with the Minutes of the Meeting:
I. A copy of the water quality report from the water consultant.

There being no further general business, the meeting closed at 7.00 p.m.

Points Actioned:

- BCA Ltd to give the go ahead to D & H Aerials for Option 1 of their quote.
- BCA Ltd to obtain confirmation from the individual insurance underwriter that payment has been paid directly by the broker.
- BCA Ltd to check the roller door payment on the accounts as to whether this was a cost to be shared amongst BA owners.
- BCA Ltd to generate an additional levy for the Canopy Levy of \$150,000 due 28th February 2011 and the second instalment of \$150,000 due 31st July 2011.
- BCA Ltd to email Peter Stratford a copy of the Kone contract.

Matters Subsequent to Meeting:

- Confirmation was received from Metalbilt Doors that they are servicing the right hand side upper ramp and the door in the loading clock rubbish room.