



SP 69259  
**Subcommittee Report**  
05 June 2014

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## Treasurers' Report

### Payment Processing System enhancements

The Treasurer has met with the Strata Manager to be introduced to the Strata Managers' new accounting system and process. The new accounting software is OCR centric; lessening manual processing of accounts. This has warranted a review of how invoices are approved; as both handwritten account code and .pdf comment boxes are not recognised by the OCR software.

To aid in the processing of invoices, all invoices now must note:

- SP69275 (generally noted by the supplier/contractor)
- Acc code – added by a .pdf text comment - by the Treasurer

These new accounting processes have been rolled out to Mondrian, initially and are already reflecting a more timely and more accurate invoice processing. The Treasurer has welcomed and adopted these changes across the various methods in which invoices are received.

There remains concern that invoices addressed to the Strata Manager PO Box are going astray; the Strata Manager is looking into this and will report the outcome. A number of services invoices appear to have been lost in transit, reflecting in a spike in services costs in April and May; although these remain within average forecasts.

The Strata Manager has undertaken, in the interest of transparency, to provide a monthly Strata Management – Management Fees tax invoice and a Schedule B invoice, from 1 July, as all other suppliers do.

### Sinking Fund & Budget Planning

The process of developing budgets and calculating levies for the next financial year has been commenced with a close review of expenditure in the current year. The new budget with recommendations on levies for the coming year will be put to Owners at the coming AGM. Two significant factors impact on the budget.

Firstly in the Admin Fund Mondrian's expenditure on electricity has increased substantially due to the "discovery" by the energy provider of meters that had never been read! This will make for an ongoing higher energy cost, part of which will be offset by the savings now being generated from the installation of the LED lighting in the car park and firestairs.

The second factor with major budget ramifications, for the Sinking Fund, is the extent to which the rectification of Fire Defects will not be covered by Home Owners Warranty Insurance and there will be a shortfall which will have to be funded by owners. This is an unknown pending settlement with the insurer.

Levies have to take into account not just next year's requirements but also the need to put funds aside for future repairs and replacement of the building's fabric and services.

This requires looking at the buildings' requirements over a 10-15 year period ahead to identify and include those significant works that occur at periodic intervals - for example the

half million dollar cost of painting every ten to twelve years. We are working with quantity surveyors to assess these requirements via a Sinking Fund Forecast. This will make it clear whether the level of sinking fund levies proposed and the annual escalation are adequate. The forecast will only be as good as the quality of the data we provide as its basis.

## Building Management

*Members:* **Bruce Aitken \*** John Hutchinson Michael Brindley  
Mark Rodgers

The building manager has much of his time taken up with dealing with resident and contractor issues associated with the Biltbeta works. Biltbeta putting a foreman on site has assisted and it is to be hoped more time can go into ongoing management of Mondrian and upgrading of systems.

Following completion of the swipe card audit resident email and phone contact details have been entered on MyBos and should now be available for sending out “alerts”.

More work still needs to be done to update the security system with the data from the swipe card audit. The BM has been asked to advise what resources he needs to do this.

Whilst the MyBos system is being utilised, there is still scope for extending the use of the asset register.

The recent failure of the electronic access system highlighted the need for all residents to have alternative firestair access with physical keys. Residents are being continually urged to ensure they have a firestair key and then have it with them at all times. The alternative is for the Owners Corp to maintain a restricted key system for all the locks on individual apartments and to integrate this with firestair access. This may be a project for the future but would in all likelihood require a Special Levy and building management time to administer it.

The issue of pebbles falling from upper level balconies has been addressed with a report from Integrated Building Consultants, which provides a number of options. This report has been shared with affected owners. The action to be taken to reduce risk will be decided by owners in general meeting who can consider the effectiveness, impact and cost of the various options available.

The Building Manager has been requested to seek quotes for a number of repair issues including repairs to, and weather protection of, the car park exhaust fan, the costs of mitigating the hazard presented by pebbles on balconies, repairs to roof flashings, removal of trees & new landscaping etc.

Paul Evans is on hand to scope any additional rectification work that we need done whilst the builders are on site and has been requested to scope the extent of parapet capping works for quotation and implementation.

The outer roller door has been seriously damaged. The door is owned by the Taylor College property. It is not therefore Mondrian’s to insure. In the interest of expediting a repair the BM has been instructed to obtain quotes and liaise with Taylor College building management to obtain insurer approval to proceed.

AFT our Fire Certifier attended a site meeting at our request. We need a comprehensive list of all the fire system assets that are subject to periodic test. This will assist management in knowing what has been tested and identifying what will be tested in future item by item.

Presently this is less than clear. We will then have a better idea of the level of testing being done and planned. AFT advised that they only had “worksheets” but has now agreed to provide a comprehensive schedule in spreadsheet form.

## Communications

*Members:***Mark Rodgers \***

Karen Hannan

John Hutchinson

Michael Brindley

Chris French

A number of additions were approved for the Mondrian website. The website has an owners login where an owner can find important documents like EC/AGM minutes, financials etc. The process for giving out usernames and passwords is currently being worked on. Also on the website an 'alert' panel has been added to the top of the site so that the BM can make those who visit the site aware of any important announcements or notices. There is also a 'notices' dropdown section on the navigation pane where residents/owners can find documents like My Mondrian and pdf copies of important notices from the BM.

ABMS have been asked to investigate the ability of MYBOS to generate email and SMS broadcasts to residents to alert them to important/urgent Mondrian BM notices.

## Building Defects & Fire Order

*Members:*                      **John Hutchinson \***      Bruce Aitken                      Karen Hannan

### Building Defects

Biltbeta continues to work on site having completed the car park leakproofing and the waterproofing of a number of apartment balconies. Biltbeta now has a foreman on site which has greatly improved resident liaison.

The repairs to the glazing of the glass atria has commenced with Building 2 and the work will take approximately 1 month for each of the 3 affected buildings.

The retiling of the pool should commence early in July and this work is being integrated with removal of the landscaping (before) and the replanting (after). There are also plans to repaint the pool.

Commencement of the reprofiling of the Powell St stairs is imminent. This has become necessary due to their failing to meet BCA standards. The work will involve closing off the Powell St entrance and some noise disturbance to residents when the jack hammering starts. The BM has been requested to provide ample notice to residents as the noise could be intrusive for those at home during the day.

Biltbeta will shortly be commencing some high level concrete repair work using abseiling and the owners corp has used this opportunity to engage them to carry out additional work that was not claimable under insurance, but needed to be done.

### Fire Defects

The Fire Order items that need to be complete by 30 June 2014 are all on schedule. The most significant item is the boxing in of the hot water services on the firestairs. This work is being carried out by Biltbeta for the account of the owners corporation, not the HOW insurer at this stage, pending obtaining the insurer's acceptance of liability.

There are a number of further fire order items that need to be rectified by 30 June 2015 including attention to dampers in every apartment. This major work (together with work we had to do by the 30/6/14 deadline – see above- ) is the subject of a further claim on the HOW insurer.

The process of pursuing Allianz has necessitated further work to reconcile the wording of the Council Fire Order with Allianz's liability for statutory liability but the lawyers have this in hand. We have asked Biltbeta to quote on the remaining fire defect work so both the owners corporation and Allianz understand the approx. \$ value of what is being negotiated. A price for this work will be available very shortly, but it will be in the area of hundreds of thousands of dollars. We continue to work closely with our lawyers and fire consultants, both of whom need strong EC intervention to maintain momentum.

## Energy & Security

*Members:*

**Mark Rodgers \***

John Hutchinson

Sam Lee

### Security

NTS has installed a new NVR with 2 new IR cameras and 3 analogue cameras replaced. NTS has also temporarily removed the cameras from the awnings of building 2 while scaffolding for the glass atrium rectification is taking place. We will also take the opportunity once the rectification work is nearing completion to place as much of the wiring and ducting for the cameras into the cavity of the awnings. We will endeavour to do this with all the awnings as they are worked on. After a competitive process NTS were also awarded the job to maintain the CCTV system with yearly inspections, cleaning and minor repairs.

Mark Rodgers also met with Amy Haddadi and partner Adam to discuss their concern regarding the lax security on the fence line on the eastern border with Taylors College. Their concerns have been noted and will be considered for inclusion in any new camera installation recommendations.

A mother-board connected to the fob system failed recently and had to be replaced by NTS. This failure occurred over a weekend and access to some buildings was restricted to using only the fire stairs. The committee has asked the BM to remind residents that they should always carry their fire stair keys with them at all times and if they don't have these keys they should organise to receive one from the BM.

### Energy

The LED light installation in the car park and firestairs is operating and to date there have been few issues in terms of functionality and its acceptance by residents. The next stage of the energy upgrade is to install a CO monitoring system to control the car park fans. This will ensure that the fans operate only when required and that the system is legally compliant. It is difficult to obtain assessments of the energy savings from only having the fans run when required, but a simple system costing, approx \$15k should pay for itself in a couple of years as well as ensuring our compliance and reducing wear on fan componentry.

## Garden & Landscaping

*Members:*                      **Chris French \***                      Marshall Hartwich                      Michael Brindley

### Poolside Landscaping & Western Planter Boxes

The defect rectification work on the pool has been pushed back from the original start date in May. The poolside landscaping will be conducted alongside this rectification work, to minimise the chance of any damage to the pool.

Quotes have been obtained from 3 separate contractors for removal of the cotton and rubber trees, addressing any soil issues, and replanting with mature specimens of the adopted planting scheme. There has been a large difference noted between the 3 original quotes and further quotations have been requested as a comparison.

It is proposed that, for the poolside area, the cotton are removed ahead of the retiling work commencing. The replanting will then take place after the retiling work is completed.

The rubber trees will be removed and replanted with Eumundii quandong, without the need to wait for the retiling work to be completed.

### Other Garden Issues

Other areas of gardening that the subcommittee plan to address in the coming months include:

- Replanting Dianella at the western-most section of the flame tree garden bed
- Tidying up/replanting in the southern breezeway planter boxes

Replanting the bamboo in the planter box on the western side of the breezeway is to be put to owners as a motion at the upcoming Annual General Meeting, following previous discussions amongst the Executive Committee.

## By-Law Compliance

*Members:*                      **Chris French \***                      Karen Hannan

### By-Law Breaches

The By-Law subcommittee recently met to review the outstanding by-law issues.

Our building manager Mick has been doing an excellent job of monitoring ongoing by-law breaches and following up concerns when a by-law breach is reported. Many by-law issues have been resolved through Mick having an informal discussion with residents, without the need to take more formal steps.

As a result of more active monitoring, the Mondrian is maintaining its status as a premium building.

Some by-law issues remain unresolved and have been tabled for further discussion/action in the building managers report.

Mediation was recently held at the CTTT in regard to the non-compliant security screens. No resolution was reached at the CTTT and the subcommittee has commenced an ongoing dialogue with the owners with a view to resolving these outstanding breaches. Further updates will be provided to the Executive Committee in due course.

The non-approved garden sheds in the car park were issued a Notice to Comply at the last Executive Committee Meeting. The Executive Committee needs to discuss the next steps in resolving these outstanding breaches and these have been listed as separate motions on the agenda.

An application to seek an order from the CTTT was resolved at the last Executive Committee Meeting in relation to an uncovered air conditioner. This unit remains uncovered despite a previous agreement being reached to do so at CTTT mediation. The outcome of this application is still pending

### By-Law Revisions

The legal opinion on the By-Laws provided by Beverley Hoskinson-Green ahead of the Extraordinary General Meeting in last November suggested that the wording of By-Law 26 should be changed. These changes are to ensure that the terminology is consistent with the definitions adopted for SP69259. The subcommittee will make these revisions and put them to owners at the upcoming AGM.

Recent concerns about frosting on some windows in the complex were forwarded to the subcommittee. It was noted that By-Law 7 does not specifically address this type of window covering in its current format and that further review of the By-Law may be necessary.

### Hard Flooring By-Law:

The subcommittee is still awaiting the next flooring application to provide an opportunity to undertake acoustic testing to inform an appropriate standard for By-law 6. Unfortunately, this now appears that it will not happen in time for the by-law to be reviewed at the

upcoming AGM in July. This will remain on ongoing item in the report until the review of the by-law is complete.

### Application Forms:

It was noted that the current application forms do not include details on how to pay bond. The forms will be updated in the near future to include these details.

## Pool/Breezeway

*Members:*                      **Michael Brindley \***      Chris French                      Marshall Hardwick

The defect rectification works approved by the insurer will commence over the winter months. These works will be limited to only maintenance works, so as not to affect the conditions of the Swimming Pool Compliance Certificate that was recently issued by City of Sydney Council. While there are further updates to the pool that the subcommittee would like to pursue, these will need to be considered at a future stage once the defect rectification process is completed and there is more certainty in the budget. Any major changes to the pool from this point will require a new Compliance Certificate to be issued, hence why further upgrades other than maintenance work are being deferred at this time.

With regards to the insurance works, Bisazza paper faced mosaic tiles for the pool have been sourced and ordered. We have been assured, by Biltbeta that they have professional tilers that are up to the standard that will be required for laying these paper faced mosaics. The pool wall is to be stripped back to concrete and the surface prepared for tiling. The tiles will then be laid in accordance with Bisazza instructions.

Peter Glass and Associates should have someone out on site next week to discuss the resurfacing of the pool and the adjustment to the skimmer boxes.