



quay
property management ltd

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MINUTES

**ANNUAL GENERAL MEETING
ATRIUM BODY CORPORATE S90396
HELD 1 AUGUST 2014, MOUNT OCEAN SPORTS CLUB, MOUNT MAUNGANUI**

Meeting opened at 3.00pm

CHAIRPERSON Graeme Reardon

PRESENT Graeme Reardon (Chairman), Margaret Reardon, Lynda Firth, Ian Le Page, Elizabeth Le Page, Bob Lancaster, Graham Lincoln, Solita Lincoln, David Barnes, Gerald Clements, Janet Clements, Wayne Buchanan, Michelle Buchanan, William Robinson, Ray Anderson (Manager), Sue Dillon, Louise Terpstra, Frits Lang, Judith Lang, Bryan Norton, Dave Ramage, Bernice Ramage, Peter Manson, David Higson, Lloyd May, Richelle Rowe, Stephen Rowe, Janelle Todd, Steven Todd and David Shea (Body Corporate Administrator).

APOLOGIES Gerrit Scheffel, Fiona Birch, Elizabeth Thynne, Stephen Tappin, Beverly Tappin, Mike Clinch, Terry Downey, Anne Downey, Murray Williams, Joanne Williams, Craig Eaton, Lianne Eaton, Gail Weston, Terry Wood, Dirkje de Vries-Wood, Warren Redshaw, Craig (Florence) Redshaw, Phillip Collier and Lynda Collier.

POSTAL VOTES Gerrit Scheffel, Fiona Birch, Elizabeth Thynne, Stephen & Beverly Tappin, Mike Clinch, Terry & Anne Downey, Craig & Lianne Eaton, Gail Weston, Terry & Dirkje de Vries-Wood, Florinda Edwards Trust, Warren & Craig (Florence) Redshaw and Phillip & Lynda Collier.

PROXY APPOINTMENTS Murray & Joanne Williams to Graeme Reardon.

<u>AGENDA ITEM</u>	<u>DISCUSSION/RESOLUTION</u>	<u>ACTION</u>
1. CHAIRPERSON FOR THE MEETING	<u>Ordinary Resolution</u> <i>That it is confirmed that the chairperson for the meeting shall be Graeme Reardon of Unit 201.</i>	PASSED

2. APOLOGIES AND PROXIES	<p><u>Ordinary Resolution</u> That the apologies, proxies and postal votes received be recorded and accepted.</p> <p>Bill Robinson/Steve Todd</p>	<p>PASSED</p>
3. MINUTES OF THE PREVIOUS MEETING	<p><u>Ordinary Resolution</u> That the minutes of the General Meeting held 30 August 2013 be accepted as a true and correct record of the meeting.</p> <p>Graeme Reardon/Bryan Norton</p>	<p>PASSED</p>
4. MATTERS ARISING	<p>There were no matters arising.</p>	
5. DELEGATIONS	<p><u>Special Resolution</u> That the powers and duties of the Body Corporate that may be delegated are delegated to the Committee.</p> <p>Ian Le Page/Steven Rowe</p> <p><u>Special Resolution</u> That the powers and duties of the Chairperson are delegated to the Committee.</p> <p>Ian Le Page/Steven Todd</p>	<p>PASSED</p> <p>PASSED</p>
6. NOMINATIONS AND ELECTIONS	<p>It was suggested to the meeting that scrutineers be appointed to count written votes for resolution for the appointment of the Body Corporate Chairman, and also the vote dealing with the building management agreement. It was further suggested that the voting papers be handed out, the written vote undertaken and the papers be collected for counting only after any further written vote is taken. This will mean that the meeting will only be paused once while the vote is counted. This was agreed.</p> <p>Moved: That the Scrutineers be Linda Firth (owner of Unit 101) and David Shea (of Quay Property Management Limited – Body Corporate Administrator).</p> <p>Graeme Reardon/Steven Rowe Carried</p> <p><u>Body Corporate Chairman</u></p> <p><u>Ordinary Resolution</u> That Bryan Norton of Unit 506 is elected Chairperson for the Body Corporate until the end of the next Annual General Meeting.</p>	<p>PASSED</p>

	<p>The Body Corporate was also required to decide how many owners should form the Committee and nominate and elect Committee members. At the Body Corporates General Meeting held on 25 November 2011, it was agreed that the maximum number of Committee members is to be six (6) and the minimum three (3) members. Regulation 24 (1)(a) of the Unit Titles Act Regulations 2011 allows Body Corporate to decide how many members must form a Committee by way of resolution at a General Meeting. Given that there were eight nominees rather than six, it was considered prudent to increase the maximum number as per the following proposed resolution.</p> <p><u>Ordinary resolution</u></p> <p><i>That the Body Corporate Committee shall have the maximum of eight (8) and a minimum of three (3) members.</i></p> <p><i>Ian Le Page/Gerald Clements</i></p> <p>Given that the above resolution has been passed, all nominees listed below are elected to the Committee.</p> <p><u>Body Corporate Committee</u></p> <table data-bbox="405 972 847 1256"> <tr><td>Bryan Norton</td><td>Unit 506</td></tr> <tr><td>David Barnes</td><td>Unit 210</td></tr> <tr><td>Graeme Reardon</td><td>Unit 201</td></tr> <tr><td>Ian Le Page</td><td>Unit 102</td></tr> <tr><td>Bill Robinson</td><td>Unit 309</td></tr> <tr><td>Steven Todd</td><td>Unit 311</td></tr> <tr><td>Frits Lang</td><td>Unit 408</td></tr> <tr><td>Bob Lancaster</td><td>Unit 111</td></tr> </table> <p><u>Ordinary Resolution</u></p> <p><i>The Chairperson confirmed that the owners listed above are confirmed as the Committee for the Body Corporate until the end of the next Annual General Meeting.</i></p>	Bryan Norton	Unit 506	David Barnes	Unit 210	Graeme Reardon	Unit 201	Ian Le Page	Unit 102	Bill Robinson	Unit 309	Steven Todd	Unit 311	Frits Lang	Unit 408	Bob Lancaster	Unit 111	<p>PASSED</p>
Bryan Norton	Unit 506																	
David Barnes	Unit 210																	
Graeme Reardon	Unit 201																	
Ian Le Page	Unit 102																	
Bill Robinson	Unit 309																	
Steven Todd	Unit 311																	
Frits Lang	Unit 408																	
Bob Lancaster	Unit 111																	
<p>7. ACCOUNTS/AUDIT</p>	<p><u>Special Resolution</u></p> <p><i>That the Body Corporate has submitted its Financial accounts for Year End 31 March 2014 to BDO Tauranga Limited Accountants without the requirement of verification or review pursuant to section 132 (2) of the Act, and the Body Corporate hereby approves the Financial accounts on this basis.</i></p> <p><i>Steven Todd/Frits Lang</i></p> <p><u>Ordinary Resolution</u></p> <p><i>That the Body Corporate retain the net surplus of \$4,532.00 in revenue reserve.</i></p> <p><i>Graham Lincoln/Steven Todd</i></p>	<p>PASSED</p> <p>PASSED</p>																

	<p><u>Special Resolution</u> <i>That the Body Corporate does not submit its accounts for Year End 31 March 2014 for audit.</i></p> <p><i>Bill Robinson/Graham Lincoln</i></p>	PASSED
<p>8. BUDGET FOR YEAR END 31 MARCH 2015</p>	<p>Bryan Norton advised at present the Sky TV reception is poor on High Definition television sets, however, it is considered necessary to at least have the basic Sky TV package available for the rental pool. If all owners made their own arrangements with Sky TV, the cost would increase significantly for all. Bob Lancaster suggested that Sky TV could be approached to reduce the cost for the Body Corporate. Bryan had however already approached Sky TV and was told that there could be no reduction at all and also that Sky TV wouldn't even really be interested in the business if the Body Corporate registered now. It is noted that all owners can bring their own box from home if visiting Atrium.</p> <p>Bill Robinson suggested that there be a bit more homework undertaken by the Committee who should further report to the Body Corporate.</p> <p>There was a query if Sky TV is cancelled, does TV reception continue? It would appear that this would depend on how modern the sets are.</p> <p>It was suggested that this should not be voted on at this meeting and revisited when more is known. The Committee would need to undertake such investigation and report. On this basis, Ian Le Page agreed to withdraw the following resolution pending further investigation.</p> <p><u>Ordinary Resolution (WITHDRAWN)</u> <i>That the Body Corporate cancels the present contract with Sky Television, reducing the budget by \$12,425.00 plus GST (six months to 31/03/2015) and each unit title owner is responsible to arrange for the TV selection of their choice</i></p> <p>Stephen Rowe queried the inclusion of legal fees in the current budget? This is due to uncertainty around any legal input being required. It is suggested that given such uncertainty, then it is prudent to allow a budget amount. Michelle Buchanan queried the budget not being reduced. Essentially, this is due to including the significant legal fee allowance. This is however, the only significant (uncertain) high cost item in the budget. It would be nice to think that there has been an end to spend on legal fees, and if so, the Body Corporate is able to decide how to deal with any surplus at the next Annual General Meeting.</p> <p><u>Ordinary Resolution</u> <i>That the budget for the twelve month period to 31 March 2015 be approved in the amount of \$310,300.00 plus GST.</i></p> <p><i>Steven Todd/Bill Robinson</i></p>	<p>WITHDRAWN</p> <p>PASSED</p>

<p>9. INSURANCE</p>	<p>There was a query as to whether insurance is put to the market via a broker. It was confirmed that this is already the case.</p> <p><u>Ordinary Resolution</u> <i>That it is confirmed that insurance be renewed with Vero Insurance.</i></p> <p><i>Bob Lancaster/Stephen Rowe</i></p>	<p>PASSED</p>
<p>10. ATRIUM LIFT</p>	<p>Ian Le Page spoke about the background to the lift resolution and the history of the problem. There was considerable discussion on the matter. Ian advised the meeting that essentially there have been opposing views by the Committee and Manager in terms of what is necessary in order for the Atrium to maintain an effective reliable and working lift.</p> <p>The Committee had authorised repairs that had been approved at the last Annual General Meeting, however, after that work had commenced, Otis Elevators found a significant number of other defects, which meant the repair cost had doubled from \$30,000.00 to \$60,000.00. A further \$25,000.00 could also be spent on other upgrades which mean the total repair cost could be up to ¾ of the cost of a new lift. To date, the Body Corporate has spent around \$25,000.00 on repairs.</p> <p>Due to safety concerns, and also advice received from a professional (independent) mechanical engineer, it had been suggested that the Body Corporate would be better to replace with a new lift.</p> <p>There was further discussion on the matter and from this discussion it became evident that there is more investigation required before the Body Corporate agrees to replace with a new lift. All other repair options should be fully investigated, as should options for replacement. The Manager assured the meeting that in the meantime, the existing lift is safe.</p> <p>Accordingly, it was suggested the new Committee should investigate and report back to owners. A decision is able to be made by way of “passing a resolution without general meeting” (postal vote). Accordingly, it was agreed that the following resolution would not be voted on.</p> <p>Moved: That the new Committee to further investigate options for lift replacement or repair and report back to the owners with a view to vote on the best option.</p> <p><i>Steven Todd/Bob Lancaster</i> <i>Carried</i></p> <p><u>Ordinary resolution</u></p> <p><i>That the Body Corporate Committee progresses with the cancellation of the present lift upgrade contract and obtains competitive tenders for the installation of a new replacement lift for the complex. All works to be funded from the Long Term Maintenance Fund.</i></p>	<p>NOT VOTED ON</p>

<p>11. GENERAL BUSINESS</p>	<p>a) <u>Legal Costs - PU 509</u></p> <p><i>Ordinary Resolution</i> <i>That if resolving issues includes incurring legal costs, then unit owners should be made aware of these prior.</i></p> <p><i>Stephen Rowe/Steven Todd</i></p>	<p>PASSED</p>
	<p>b) <u>Mediation – PU 310</u></p> <p>This had been raised as it had been understood that owners had not been made aware of the outcome of the mediation. It was noted however that the result of the mediation has been made known as detailed in minutes of the Committee meeting held 31 January 2014.</p> <p><i>Ordinary Resolution</i> <i>That unit owners be advised of such matters.</i></p>	<p>NOT VOTED ON</p>
	<p>c) <u>Front doors – PU 310</u></p> <p>There had been on-going concern raised that these doors are being left open.</p> <p><i>Ordinary Resolution</i> <i>That the Manager to ensure they are not left open.</i></p> <p><i>Michelle Buchanan/Steven Todd</i></p>	<p>PASSED</p>
	<p>d) <u>Lift Repairs – PU 506</u></p> <p>The background to the following resolution is that owners should be made aware of high cost repairs and maintenance or replacement prior to spending. Given the resolution regarding the lift already passed, it was agreed that this resolution not be voted on.</p> <p><i>Ordinary Resolution</i> <i>That any maintenance costs above \$10,000.00 will be brought to the attention of the Body Corporate owners by way of a special meeting.</i></p>	<p>WITHDRAWN</p>
	<p>e) <u>Management – PU 506</u></p> <p>This resolution deals with why the Body Corporate had to engage lawyers, and why \$12,000.00 had been paid to the Manager. Bob Lancaster explained that further to the mediation, this payment was to assist and encourage the Manager to sell the management agreement. The Committee had agreed to pay \$6,000.00 upon signing of the “Variation of Building Management Agreement” and the other \$6,000.00 when and if the Manager assigns the agreement to an acceptable new Manager by March 2015. Bryan Norton felt however</p>	

	<p>that this should have been dealt with without the need to involve lawyers.</p> <p>It was noted that the Body Corporate has in the past been unable to control who the management agreement may be assigned to. The variation does however give the Body Corporate “full discretion and right to approve the new building Manager as suitable for the role”.</p> <p>There was a query regarding the Managers office being able to be incorporated into the Body Corporate control. It was suggested that this could only be by way of agreement between the Body Corporate and the Manager. The following resolution had been proposed. Given the above however, it was agreed this would not be voted on.</p> <p><u>Ordinary Resolution</u> <i>That disclosure to be made by Committee as to why we have offered Ray Anderson \$12,000.00 payment if the assessment by Committee was that the contract Ray had was redundant.</i></p>	NOT VOTED ON
	<p><u>f) Carparks and storage lockers – PU 311 & 305</u></p> <p>There was a query about bikes/surfboard storage. It was suggested perhaps a bike rack could be put in. This was considered to be a good idea and the Committee will consider options - there is room by the lift that could be suitable. There was discussion on the ongoing issue of items such as old furniture and rubbish being left in the carpark floors. Operational rules try to control this. A problem is that people leave old items when replacing with new. It was suggested that the Managers should control this and remove any items. The Manager agreed and undertook to enforce this.</p> <p><u>Ordinary Resolution</u> <i>That if it doesn't fit in your storage locker, then both residents and Management are to get rid of it.</i></p>	WITHDRAWN
	<p><u>g) Termination of the Building Management Agreement – PU 102</u></p> <p>There was discussion on the following proposed resolution. It was suggested that this would no doubt be a difficult road to go down, and rather than deal with termination now, it would be a better option to wait until the March 2015 deadline to assign the Managers agreement as per the variation (the outcome of the mediation). If the Managers do find a suitable assignee, then the matter is resolved?</p> <p>Judith Lang wanted to record that they both (Judith & Frits) enjoy the Atrium and hopes all the parties will work reasonably together and adhere to good governance. The meeting fully endorsed Judiths' view. Given the above, the proposer agreed to withdraw the resolution.</p>	

	<p><u>Ordinary Resolution</u> <i>That the Body Corporate terminate the Building management Agreement (including all variations) with the present Managers as per Clause 14 of the "Building Management Agreement", and instructs the Committee to take the necessary steps required to terminate.</i></p>	<p>AGREED TO WITHDRAW</p>
	<p><u>h) Sky TV – PU 310</u> This had already been dealt with earlier in the meeting.</p>	
	<p><u>i) Body Corporate Fees – PU 305</u> This had already been dealt with earlier in the meeting.</p>	
	<p><u>j) Upgrade Gym – PU 305</u> Bill Robinson has prepared a report on options to upgrade the gym and had sought input from all. There has been limited response from owners however. Bill advises that some items function but the equipment is generally of poor quality. It is noted at present the gym is locked at times - for review. Options are to do nothing at all or replace the rowing machine only and keep other existing equipment. A rowing machine is \$1,500.00 to purchase new with a guarantee. Leasing is another option that could be considered. To replace all items would cost about \$3,000.00. An alternative option is to replace one item per year? There is also concern with gym windows being left open and salt spray is causing rust. The Manager was asked to spray with a suitable product to control rust and to keep the equipment clean. It was agreed for the Committee to consider and decide on the best option.</p>	
	<p><u>k) Carparks – PU 305</u> This is already covered under the Body Corporate Operational rules. Margaret Reardon wanted to record that the Managers are constantly parking in their carpark. This should cease. There was general agreement on this. Agreed to tow away. The Committee will review this and try and resolve with the Manager.</p>	
	<p><u>l) Pool Heated (seasonal) – PU 305</u> The Committee to consider.</p>	

	<p><u>m) Managers Responsibilities – PU 311</u></p> <p>For new owners, there should be clear guidelines about what the Managers duties actually are. This should be formulated and advised to all owners. The Chairman to liaise with the Manager.</p>	
	<p><u>n) Common areas – PU 310 & PU 311</u></p> <p>The common area is being used for private functions. People are wandering around with alcohol which is not a good image for the complex – PU 310</p> <p>Common areas should not be used to entertain/accommodate large groups. The back areas should never be blocked off with tables and chairs and tents, etc for group gatherings. This is disruptive and unfair to owners facing this area of the complex. Also sets bad precedence if we all started having outdoor gatherings. – PU 311</p> <p>It was agreed that the common area should not be utilised by the Managers or any owner for such event.</p>	
	<p><u>o) Security – PU 311, PU 310 & PU 305</u></p> <p>It was suggested that security should be present on New Years Eve. Frits Lang added that there is a real problem with youths renting or visiting in terms of numbers occupying units and drunken behaviour. It is the owners responsibility to control their guests but the Manager is responsible for letting pool guests. The Committee to look at general New Year control.</p> <p>It is also noted that three of the four security cameras are working – one is rusted and not working however. The system is running through the Managers computer at present.</p>	
CLOSURE	The meeting closed at 5.30pm	