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SP52948 – Examples of repeated work and expenses in BBQ area without warranties

Approved expense of around \$12,000.00 for new BBQ furniture at EC meeting on 5th of December 2012

MINUTES OF EXECUTIVE COMMITTEE MEETING OF STRATA SCHEME NO. 52948
HELD IN THE OFFICES OF RAINE & HORNE STRATA-SYDNEY, LEVEL 2, 51 RAWSON
STREET EPPING ON 5TH DECEMBER 2012 AT 7.30PM.

ITEM 10: To consider the replacement of the external common area furniture in the BBQ area.

The EC reviewed images of various types of outdoor furniture and determined that new outdoor furniture should be of an all aluminium construction and should be bolted down to prevent it from being moved / removed from the property. The EC noted the furniture required includes six (6) three person chairs in a style similar to 'Urban Seat' (with a back and arms at each end) and one long table with fixed benches for the BBQ area. Based on catalog process the cost of purchasing this furniture from Botton & Gardiner is estimated at \$12,000.00 including GST.

The EC authorised the Chairman and the Treasurer to seek alternative quotations and to proceed with the purchase of this furniture at a price not to exceed \$12,000.00 including GST.

Universal Property Services engaged Mr. Steve Carbone as reported to BCS Strata Management and SP52948 EC members in their report on 20th February 2013

The report also documented that Mr. Carbone was going to act as Assistant Manager.

Caretaker.

James is no longer working for me, there were a number of issues that he was unable to correct, (it was nothing to do with his work,) I had no option other than to dismiss James.

I have Steve on board, his hours: 7am to 4pm five days a week and on Saturday from 9am to 3pm (Yasser works Sunday 9am to 3pm) the work carried out by Steve and the knowledge he has in the gardens I know the work will continue. He will be assisting me with the caretaking duties so when I go on annual leave he will manage the complex.

The new outdoor furniture has been delivered, I have had Steve assembling the furniture, there are two of the table settings are up in the BBQ area. The bench seats are being assembled and will be placed around the complex with a chain to secure them in place. The two sandstone bench seats outside the pool area will be cleaned and placed near the BBQ for extra seating. The other timber bench seats (that were in the BBQ area) will be refurbished and place in the lift area in the basement. The table will be refurbished and place on the paved area next to the tennis court near the gazebo they all can be used for picnics ETC.

Howard West repairs in BBQ area in 2011, 2012, and 2015

Cred. Code	Creditor Name	Doc. Ref. No.	Doc. Date	Doc. Total (GST inc.)	Chq. Date	Date Presented	Comment
68671	HOWARD WEST - BUILDER	773	23/11/2011	\$214.50	28/11/2011	28/11/2011	Common area: repairs to lattice in BBQ area, supply and fit timber supports under lattice panels, paint affected areas
68671	HOWARD WEST - BUILDER	867	15/07/2012	\$995.50	23/07/2012	23/07/2012	Lot 74: repair loose tiles to walls of bathroom, relay tiles and grout, BBQ area: remove rotted at rear of BBQ roof structure, supply and install new pin post, paint post
68671	HOWARD WEST - BUILDER	1167	17/04/2015	\$1,078.00	08/05/2015	08/05/2015	Lot 170: Repair kitchen, dining room and laundry walls after plumbers repaired water leak, supply and fit new brickwork to affected areas, supply and fit new cement render as required, remove damaged wall paint, prepare ready for painting, BBQ area: repair leak to roof



HOWARD WEST / BUILDER

TAX INVOICE

17 April 2015

T/as / H&F West
ABN / 30 413 213 905

INVOICE NUMBER / 1167

TO / OWNERS OF SP 52948
MACQUARIE GDNS, NTH RYDE

C / BCS EPPING

ATTENTION / RUSSELL YOUNG

Common area

- Repair leak to BBQ area roof
- Remove existing damaged sealant to roof vent
- Supply and fit new sealant

Unit # 170

- Repair kitchen, dining room and laundry walls after plumbers repaired water leak
- Supply and fit new brickwork to affected areas
- Supply and fit new cement render as required
- Remove damaged wall paint
- Prepare ready for painting

Total cost for labour and materials	\$ 980.00
10 % GST	\$ 98.00
TOTAL COST THIS INVOICE INCLUDING GST	\$ <u>1078.00</u>

BBQ roof area approved for replacement at cost of \$3,710.00 incl. GST at EC meeting on 20th of April 2017

DATE, PLACE & TIME OF MEETING: A meeting of the Strata Committee of The Owners - Strata Plan 52948 was held on 20/04/2017 at 06:00 PM at the offices of Waratah Strata Management, Suite 200, 160 Rowe Street, Eastwood.

3 FINANCIAL REPORT

Resolved that the financial reports for the current financial year were tabled and discussed. Resolved the strata manager is to investigate what is required to provide 100 points of ID necessary to open term deposits with banks other than Macquarie Bank.

Further resolved that the quote provided by Macquarie Maintenance Services to replace the BBQ Area roof at a cost of \$3,710.00 incl. GST be accepted.

Motion By Lot 158 illegally disallowed by Waratah Strata Management at AGM 2018 - Undisclosed costs and warranties for painting of complex including BBQ area, and undeclared alleged expenses for townhouses in amount of \$92,950.00

The alleged expenses for painting project in SP52948 in amount of \$646,200.00 plus GST (totalling \$710,820.00) include undefined details for various structures in amount of \$66,000.00 (including GST). The structures allegedly include garden beds, louvres in the basement, swimming pool area, and similar.

In addition, amount spent on townhouses was allegedly \$92,950.00 (including GST), although they were repainted in 2011 at cost of \$61,490.00 without tender or decision at a general meeting. Waratah Strata Management and Uniqueco Pty Ltd refuse to disclose details of what work was done.

The Owners Corporation SP52948 by ORDINARY RESOLUTION confirms the following:

- Secretary of the EC Mrs. Lorna Zelenzuk and acting Chairperson Mr. Robert Crosbie failed to include this Motion at AGM 2017, in non-compliance with Strata Schemes Management Act 2015, Schedule 1, c(4).
- AGM 2016 on 19th October 2016, which approved expenditure for the painting project in 2017, failed to satisfy quorum:

20 owners (one owns two lots) were present in person and 50 via proxy.

50 proxies were registered in the minutes of the meeting, of which 10 must be declared as invalid because owners were present at the meeting in person. BCS Strata Management did not document it for owners and Waratah Strata Management failed to inform the owners during 2017 and 2018.

Three proxy votes were counted as valid from long-serving EC member Mr. Jeffery Wang who never attends meetings, and received special privileges not to pay legal fees for outstanding levies at the Executive Committee meeting held on 22nd March 2000. The same owner was in arrears with levies and received warning by Strata Manager on 20th October 2014. The amount owing was \$1,450.40. In spite of owner's request to view this payment as per SSMA 1996 S108, BCS Strata Management refused to provide it and Waratah Strata Management did the same at document search on 13th June 2017. There was no proof that this owner was financial at the time of AGM on 26th November 2014.

41 proxies given to EC member Mr. Stan Pogorelsky (Lot 181) who failed to provide evidence that he paid full levies for second gas connection in all years since 2001.

Seven proxies were counted as valid from townhouse owners who received reimbursements for personal water and gas usage without Special Resolution or registered Special By-Law in any period before 6th May 2013, and applied in non-compliance with Special By-Law since 6th May 2013, directly decreasing their voting entitlements and being unfinancial.

- Townhouses were repainted in 2011 at cost of \$61,490.00 without tender or decision at a general meeting.
- Over 20 years, townhouses were fully repainted three times.

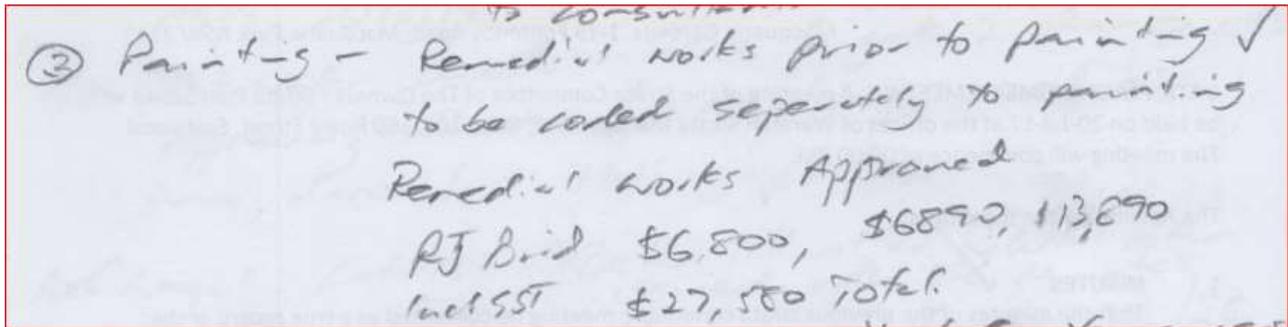
In the same period, building blocks were fully repainted two times.

- BCS Strata Management and EC members failed to respond to enquiries about scope of work for painting of buildings, townhouses, swimming pool, and other structures duly submitted to Secretary of the EC before AGM 2016.
- The Agenda and Minutes of the AGM 2016 held on 4th November 2016 confirm that the tender from Townview Australia Pty Ltd quoted total value for four buildings, townhouses, swimming pool, and other structures at \$572,498.00 + GST.
- The Agenda and Minutes of the AGM 2016 held on 4th November 2016 confirm that the estimated value of the painting contract with Townview Australia Pty Ltd was between \$600,000.00 and \$650,000.00 (inclusive of GST as it was not specifically listed).
- BCS Strata Management and Waratah Strata Management failed to disclose to owners that the full contract with Townview Australia Pty Ltd was in amount of \$630,846.00 (including GST).

- Waratah Strata Management failed to disclose to owners the following breakdown of expenses for the painting project that they were aware of as early as 3rd March 2017:
Block A: \$117,700.00 (including GST)
Block B: \$117,700.00 (including GST)
Block C: \$117,700.00 (including GST)
Block D: \$117,700.00 (including GST)
Various Structures: \$66,000.00 (including GST)
Townhouses: \$92,950.00 (including GST)

Total cost: \$629,750.00 (including GST).

- Motion 3 in the Minutes of EC meeting held on 20th July 2017 shows that around half of the project cost having been paid to date. Allegedly three quotes from RJ Bird Services to carry out remedial repairs required prior to painting were accepted at a total cost of \$27,580.00. No details of the "remedial repairs", and no evidence or statements about multiple quotes being sought from different providers were provided to any owner.



- Motion 3 in the Minutes of EC meeting held on 28th September 2017 shows that the painting project was complete and all accounts had been paid except the 5% retention amounts totalling \$28,187.00 + GST.
- Agenda for the AGM 2017 sent to owners contained information that the total costs for the painting project were \$646,200.00 plus GST (totalling \$710.820.000).
- Waratah Strata Management listed total costs in the Agenda for AGM 2017 on page 25 (Capital Works Fund) as \$610.357,26 (plus GST). If one adds figure of \$28,187.00 (retention amount of 5% as per Motion 3 in Minutes of EC meeting held on 28 September 2017), it totals \$638,544.00 (plus GST).
- The costs listed in the approved Minutes of the AGM 2016 differ from costs listed in the payment schedules dated 3rd March 2017, and also differ from what Waratah Strata Management listed in the agenda for AGM 2017.
- Request to Waratah Strata Management to provide details of the warranties that apply to the painting work has been declined so far.
- Waratah Strata Management failed to provide full details of the tenders for painting work at paid document search of strata files on 13th June 2017.
- BCS Strata Management and EC members failed to provide details of what would be considered for painting on "townhouses, swimming pool, and other structures", as per their agenda and minutes of the AGM 2016 (Director of Waratah Strata and Caretaker Mr. Steve Carbone stated on 1st of March 2017 that these costs were additional to approved figure at AGM 2016, although owners corporation was not notified and did not verify the amount of these costs or scope of the works).
- BCS Strata Management, Waratah Strata Management, and EC members failed to provide evidence lattices in front of townhouses 194, 197, 199, 202, and 216 were common property, making them out-of-scope.
- Some parts of the work is still not complete (louvres in the basement of the buildings from the inside), and some parts of the garden beds already show signs of cracks requiring repairs in the near future.
- If Waratah Strata Management and EC members cannot provide documentary evidence (with photos) of the alleged work done on townhouses in 2017, it means owners corporation exceeded legal limit of expenditure above 10% for any single budget item, as per SSMA 1996 Section 80A and approved decision at AGM 2016 in Motion 6.1 and 6.2, because total cost for painting would have to exclude \$92,950.00 (including GST).
- BCS Strata Management, Waratah Strata Management, and EC members failed to disclose details of the warranties.

BBQ area requiring another roof repair as displayed on notice board on 28th of November 2018



Macquarie Gardens



1 of 10000 Road
4242 0700 New 2115
Phone 22 988 1237
Mobile 0412 21 008
Email customers@macquariegardens.com.au

BBQ AREA



ATTENTION TO ALL RESIDENTS:

When using the BBQ area, please ensure that you clean up after using this area.

The BBQ plate should be cleaned after use.

Any rubbish should be placed in the bins.

This area should be treated like your home.

It would be appreciated, if the area be left clean and rubbish free.



Regards,

Steve (Caretaker)



NO SMOKING

ALL RESIDENTS PLEASE NOTE:

SMOKING AREA



HAS BEEN MOVED TO
THE GAZEBO AREA.

THIS IS ADJACENT TO THE
TENNIS COURTS.



PLEASE REFRAIN FROM
SMOKING IN BBQ AREA.

Regards,

Steve (Caretaker/Building Manager)

ALL RESIDENTS PLEASE NOTE:

Due to the torrential
rain the walls in the
BBQ area have
bubbled.

The walls need to be
dry before water
proofing and repairs
can be made.

Regards,

Steve, Building Manager

BBQ area requiring another roof repair as displayed on notice board on 23rd of December 2018



Macquarie Gardens
111 Victoria Road
Macquarie NSW 2107
Phone: (02) 9888 4111
Mobile: (02) 2124 4444
Email: macquarie@macquarie.com.au

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