

Edgewater Service Ltd

C/- BBC Strata Management, 42/738 Burke Road, Camberwell, VIC. 3124
www.edgewater Towers.com.au

EDGEWATER SERVICE LIMITED
12 MARINE PARADE, ST KILDA

MINUTES OF THE 2017 ANNUAL GENERAL MEETING OF THE MEMBERS OF EDGEWATER SERVICE LIMITED

HELD AT

THE ST KILDA SOLDIERS' AND SAILORS' MEMORIAL HALL BUILDING

1ST. FLOOR

88-90A ACLAND STREET, ST KILDA

WEDNESDAY 29 NOVEMBER, 2017 AT 7:30 PM

PRESENT:

<u>NAME</u>	<u>APARTMENT</u>
Ty Brierley	GF
John Van Der Laan	2A
Adela McMurray	2E
Mr D Shaw	2G
Elyse Donaldson	2H
Russell Jessop	3A
Mr B Meiklejohn	3G
Linsay King	4A
Kristine Slodyczka	4B
Mart Brickles	4G
Mrs A Leighton	5A
Mrs A Leighton	5B
Ebble Van Der Kooi	5C
Ms D Kilsby	5D
Kim Douglass	5H
Mr D Townsend	6G
Mr Ged Dunne	7E
Brenda Bisland & Noel Buckley	7G
Ms Patricia Lever	9B
Sym & Susan Kohn	9H
Colin Trewern	10A
Ann Zavod	10B
Nick Lykopoulos	10D
JCW Bebe	10F
Robin Hamilton-Coates	10G
April Wilkinson	11A
Nicholas Fowell	11E
Margaret Wilson	11G
Ann Stock	12A
Mr A Schwarz	12D

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PROXIES:

<u>NAME</u>	<u>APARTMENT</u>
Mr G Verginis & Ms M Sign In favour of Mark Brickles	4H

APOLOGIES: Shane Jenkins GH

IN ATTENDANCE: Anne McVean – BBC Strata Management

CHAIRPERSON: **IT WAS RESOLVED** to appoint Sym Kohn to act as the Chairperson of the Meeting.

MINUTES OF PREVIOUS ANNUAL GENERAL MEETING **IT WAS RESOLVED** that the minutes of the Annual General Meeting held on 5th December 2016 as presented to the Meeting, be confirmed as a true and accurate account of proceedings at that Meeting.

APPOINTMENT OF DIRECTORS **IT WAS RESOLVED** that Russell Jessop, John Van Der Laan and Don Shaw having retired in accordance with the Service Agreement, and being eligible and having offered themselves for re-election, were declared elected unopposed.

It is noted that the following Directors remain in office having previously been appointed.

<u>Name</u>	<u>Apartment</u>
Sym Kohn	9H
Ty Brierley	GF
Mark Brickles	4G

MANAGING DIRECTORS REPORT: Ty Brierley presented the MD's Report (attached)

CHAIRMAN'S REPORT: Sym Kohn, presented the Chairman's Report (attached)

FINANCIAL STATEMENTS: The financial statements that were audited by the registered company Auditor Mr Peter Cursio – Cursio & Co, and the new budget were presented at the meeting.

The quarterly fees will be set at \$1,200 Admin and \$50 Sinking per quarter. Commencing the 01/01/18.

APPOINTMENT OF AUDITOR: **IT WAS RESOLVED** to appoint Cursio & Co as the accounting and auditors for the auditing and accounting services required for the Service Company.

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GENERAL BUSINESS:

Parking & Letter Box Security:

It was suggested that the board look at changing the car park numbers and letter box numbers for security reasons.

Roof Access:

It was asked of the members their thoughts on roof access bonds and ideas. Emails can be sent to Anne McVean – info@bbestrata.com.au who will pass this information onto the board members for consideration.

Lift Surround:

The front lift surround needs repairing.

Stairs need painted:

The lower level of stairs need painting.

Strata Conversion:

A general discussion regarding the conversion process occurred and the members were advised (as contained in the MD's report) that there will be a forum in the new year to discuss the conversion and address any questions.

A number of questions were asked and answered.

It was explained that: entitlement and liabilities may change with the conversion however this would be a point of discussion at the forum. The inequality in the water billing was discussed, and the meeting was assured that one or more EGMs would be held to provide a full explanation when details had been worked out. Owners could be asked to select among various alternatives that may be offered.

Short Stays:

These were discussed.

THERE BEING NO FURTHER BUSINESS THE MEETING WAS DECLARED CLOSED AT 9.00 pm

SIGNED and DATED as a correct record



Sym Kohn, Chairman

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IT IS NOTED:

INSURANCE:

The Manager obtain quotes for insurance cover prior to renewal date 20/08/2018 and submit them to the Directors for their decision.

Insurer	CHU Policy No. 13307
Building	\$ 47,107,000
Excess	\$ 500
Water Damage Excess	\$ 2,500
Public or Legal Liability	\$ 20,000,000
Voluntary Worker	\$ 200,000
Fidelity Guarantee	\$ 100,000
Office Bearer's Legal Liability	\$ 5,000,000
Machinery Breakdown	\$ 5,000
Excess	\$ 500

For further information please refer to the policy

PLEASE NOTE IF AN INSURABLE EVENT IS CAUSED BY YOUR APARTMENT i.e. (Burst Hot Water Unit), THEN THE OWNER OF THAT APARTMENT WILL BE LIABLE TO PAY THE EXCESS AS DISCUSSED AT THIS MEETING.

Members are reminded that the Service Company Insurance does not cover contents or owner's chattels, including carpets and floating floors, inside the apartment. Each owner should have Contents Insurance with includes personal & Public Liability. Landlords are advised to have Landlords Contents cover.

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CHAIR'S REPORT Edgewater Service Limited 2017 AGM – November 2017

On behalf of the Board of Edgewater Service Limited (ESL), I'd like to welcome you all to the 2017 AGM.

I'd like to thank all the Board members for their dedicated hard work on behalf of all of us at Edgewater. Current Board members are (in order of longevity)

- John van der Laan,
- Russell Jessop,
- Mark Brickles,
- Ty Brierley
- Don Shaw

Your Board has again been pro-active in managing the projects that were undertaken during the year. The expertise of the Board members, which includes legal, engineering, IT, construction, management, and project planning, all of which are used by the Board to plan, control, and manage our projects, results in substantial savings to the shareholders.

Collectively, we have spent many hundreds of hours on Edgewater matters, which at the rates commanded by the Board members in their professional capacity, has resulted in savings of hundreds of thousands of dollars to shareholders. All of which is reflected in increasing values and record sale results for both one- and two-bedroom apartments. We continue to get positive feedback from real estate agents and potential owners at auctions.

On behalf of the Board, I'd also like to thank Ms. Anne McVean, who has again performed efficiently and cheerfully under often difficult circumstances.

Ongoing and Completed Projects 2016 – 2017:

- Replacement of the waterproof membrane on roof
This has now been completed and we are waiting on the insurance company to repair the damage caused by various leaks. A small number of apartments are still complaining of leaks, but after investigation by the Board and by Gallant, it has been determined that the leaks are from the balcony enclosures – and their repair is the responsibility of the individual owners at their own expense.
- Commencement of the Façade Survey
One of the conditions that applied when permission was granted to enclose balconies, was, and is, that owners assume the responsibility for ALL maintenance of the enclosed balconies. Repairs to the balconies must be carried out by the respective owners at their own expense.

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The façade survey was started recently, and when we receive the defect report, we will pass the relevant information on to owners. We will then develop a plan to schedule repairs for which the service company is responsible, and we will work with owners to develop a schedule for repairs that are the owner's responsibility. Breach notices will be issued for non-compliance issues, such as air conditioning condensers on ledges or straddling balconies and visible external hot water services and piping – none of which would have received permission.

- Abandoned bikes donated to charity
About a dozen abandoned bikes were removed from the laundries and the stairwells and donated to Back2Bikes – a social enterprise that refurbishes bikes for distribution to other charities and to the local community.
- Bike tags
As a result of the bike clean-out, we believe that more bikes have been abandoned. In order to ensure that hooks are not used for dumped bikes, we have distributed bike tags. Any bike that is on a hook and is **not tagged**, will be removed and donated to Back2Bikes.
- Smoke alarm replacement
The smoke alarms in all the apartments were reaching the end of their useful life. As there was a considerable saving in replacing them all at the same time compared to the cost of individual replacement on failure, this option was chosen. 90 owners and residents made their apartments available, and the remaining 11 owners will be charged the additional costs of replacing the smoke alarms as they fail.
- Regulations booklet updated
The regulations booklet has been updated, re-printed, and is now available on the lobby notice board. It is also available on our website. Since the reprint, a number of changes have occurred, and an erratum sheet will be issued for the printed copies and the on-line version will be updated.
- Website www.edgewater Towers.com.au refreshed
The website has been refreshed. It is planned to be completely revamped over the next year or so. A large amount of archival material has been collected and will eventually be collated and uploaded.
- New key pad
After the replacement of the video intercom system last year, the keypad unit at the lobby entrance was replaced as well. To ensure that visitors receive a favourable impression as they enter, new keypad signage was developed to fit in the existing aluminium housing to save costs
- 5th. Open House Melbourne
“As a significant, and extremely popular building in our program we would like you to join us again for the 10 year anniversary of the Open House Weekend”
Victoria Bennett – OHM Program Manager.

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We ran tours every half hour, to keep the disturbance to residents to a minimum. We had over 170 visitors, translating to around 25 people per group, driven, in part, by the excellent coverage by The Age Online – “*Edgewater Towers, a time capsule from the ‘60s*” and a second article headed “*Did St Kilda Man invent the Volkswagen?*”.

We receive very positive feedback and we couldn't do it without the help of a number of resident volunteers: thanks to Mark Brickles, Di Kilsby, Kim Douglass, Irene Condos, Patricia lever, Nick Lykopoulos, and the 2 people who collect and curate the information: Susan Kohn, & Russell Jessop.

- Heritage recognition & Dutch film crew
One of the early residents in Edgewater Towers was an obscure engineer called Josef Ganz, who worked for GMH. He is now being credited as the creator and designer of the Volkswagen. A Dutch film crew, led by Paul Schilperood, who wrote a book about Ganz, timed their visit to Edgewater to coincide with the unveiling of the heritage plaque placed by the City of Port Phillip. The plaque recognizes the significance of Edgewater Towers, the architect Mordechai Benshemesh and commemorates Ganz, as well as Sir Hubert “Oppy” Opperman, who was one of the most distinguished residents of Edgewater.
- Wikipedia page
Continues to generate a lot of interest – especially when an apartment goes on sale, and just before Open House Melbourne.
- Rooftop Project
The project, which we hoped could be completed for Christmas 2017, had to overcome a major hurdle that prevented progress during the year. The building surveyor required proof that the roof slab could support the planned weight for person access (even though it supported the BMU, and had previously supported person access). The council could not (or would not) find any original structural plans, and none were available in the State Library. We tried 3 different concrete scanning methods, none of which worked (and for which we were subsequently not charged), and we ended up putting a swimming pool over apartment 12H, filling it with water to simulate the correct weight, and measuring the consequential movement return of the roof slab.

We gratefully acknowledge the owner of apartment 12H, who allowed us to access her apartment for a number of days so that we could satisfactorily conclude the tests.

Expressions of Interest have been issued for the construction, and tender pricing has been sought from the interested builders, and we hope to commence works before February 2018, so that our planning permit will not expire. With a successful tender, help from the weather, and favourable construction progress, we are hoping that some sort of access will be available by the end of summer.

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- Reduction in outstanding fees

As at the 30th. June 2017, there were only approximately \$9,000 of outstanding fees. The Board would remind you that you should not ignore your fee notices. If any owner has outstanding fees in excess of \$2,000, **and has not made a payment arrangement with the Board**, legal action is commenced automatically. Once legal action has started, it is too late to make any sort of arrangement. We will only accept payment of the outstanding amount in full.

- Sinking Fund

The concept of a sinking fund is to spread the capital cost of major maintenance and repairs over a period of time – typically 10 years. The Board is in the process of developing a 10-year maintenance plan that will form the basis of the amounts to be collected each quarter for the sinking fund. It also serves to ensure that anyone that has owned an apartment in Edgewater, contributes to its upkeep. We have budgeted for a small amount to be contributed to the sinking fund each quarter so that we can all get used to the concept. This becomes a legislated necessity, once we have converted to strata.

Sym Kohn

Chair

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Managing Director's Report ***Edgewater Service Limited*** ***2017 AGM – 29 November 2017***

The last 12 months have been an extremely busy time for the board. We have delivered, or are very close to delivering on all the foreshadowed projects as mentioned at the last AGM.

Improving the building technology has been the greatest achievement this year, with the ground floor and rooftop common areas are now monitored by 4K/HD cameras, new smoke alarms installed and a video intercom system.

To improve the boards functionality, the board restructured so that Sym Kohn recommenced the role of Chairman and I took up the position of Managing Director. This restructure has allowed Sym to focus upon the day to day activities of the building, while I am able to focus upon legal and compliance issues.

The result of this has been immediate, I have renegotiated our lift contract, that will see savings of at least \$20,000 flow through year after year, equating to \$50 per unit per quarter. I will continue my review of all Edgewater contracts and agreements to ensure that we are getting the best possible value for the shareholders.

Whilst lowering fees has been a priority for me since joining the board, with the savings that are being made and the nearing completion of the rooftop project, now is the time for the board to start building the sinking fund so that in the near future we will be able to upgrade the lifts and re-paint the building, without the need to raise a special levy.

I will also be focusing upon the finalisation of agreements with short stay operators and the commencement of locking out those operators who do not sign an agreement with the board.

We continued to lobby Council for lighting to be installed to improve the safety and security of our residents crossing during the evening. We are pleased to report that Council have planned the upgrade to the Peanut Farm reserve to include lighting. The lighting is due to be installed by mid-2018.

I'd like to thank all the Board members for their dedicated hard work on behalf of all residents and shareholders at Edgewater. It is no secret that the Board collectively spends hundreds of unpaid hours on Edgewater issues and projects to improve the amenity for all.

I'll now turn to projects that I have planned for 2017 and will either manager, or jointly manage, with other board members.

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Projects planned for 2017

- **Building appearance.** The enabling works have been completed, which involved re-routing conduits and wires, removing redundant signage and cabling and replacing sources of rust. Shortly, if not by the AGM, the ground floor exterior will be repainted.
- **Lobby painting.** The board has resolved to repaint the lobby area. This is essential in keeping the entrance appealing and vibrant, complimenting the many architectural features of the lobby.
- **Fibre Internet.** As owners and residents have recently been informed, the board has engaged a private contractor to build our own fibre network, quicker, cheaper and more reliable than the NBN Co.

After many frustrating discussions with NBN Co, our building has been put in the 'too hard' basket with no solid plan in place. The latest 'plan' is to install HFC (Hybrid Fibre Coaxial), which means instead of installing fibre inside the building, the NBN Co will use the existing cable network ('pay tv') already installed and will have its speed limited by the speed of the coaxial cable.

The system the board will install is a fibre connection to each level of the building with CAT6 cables taking the fibre connection to each apartment. The installer has developed backhaul software that will guarantee speed fluctuations of no more than 10%, meaning a 100Mbps plan will deliver speeds of at least 90Mbps as opposed to the ADSL like speeds (1 to 20Mbps) many people complain of on the NBN.

- **Security Cameras (CCTV).** The Board has commenced the final stages of the CCTV upgrade, namely installing HD cameras on all levels to provide coverage of the laundries, bike storage areas, lifts, rear pedestrian gate and the bins area.

While the ground and rooftop common areas are completely covered, these remaining areas have never been. Aside from being a preventative measure, this upgrade will also ensure the board is able to respond to issues within the building promptly, for example; unauthorized building works, damage to common areas, bike theft and unauthorized storage on common property.

- **Gas Meter Audit.** The board has received the records from Multinet, however aside from being incomplete, they differ greatly to the internal records the board holds. The board has resolved to engage a contractor, being a licenced plumber and gasfitter, to implement a plan to identify and tag all gas meters. This will ensure you are paying for the correct gas usage and importantly, enable the board to turn off the gas supply to individual apartments in the event of an emergency.
- **Building Audit.** The building audit has been completed and the board is expecting the report shortly. This report is crucial in identifying breaches of the service agreement and also those items that are the responsibility of the board to remedy.

The audit will identify air conditioner condensers, water heaters and other works that have been installed in breach of the rules, which includes unsightly rusting items and those staining the building. Owners will be required to re-site them to an appropriate

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location. The audit will also identify any balconies that have not been installed in accordance with the approved design and/or are a hazard to the safety of the residents.

It is critical that we all work together to improve the external appearance of the building, in time for the re-painting which is scheduled for approximately 2020.

- **Strata Conversion.** As stated last year, this project is the most well overdue project contemplated. The board is now in a position to finalise the 'Strata Information Pack' referred to at the last AGM.

Unfortunately, due to my limited time, this project has not progressed to the stage that I had hoped, but with the completion of a number of projects and the reallocation roles and projects at the board level, I will be ensuring that this project is my main priority.

The Strata Information Pack will be sent to all shareholders in the new year (including costings, proposed rules, plans of survey) and will be followed by a forum with shareholders to answer any questions or misconceptions that may remain.

Projects for 2018 and beyond

Once the rooftop project and strata conversion have occurred, the board will be moving to the next phase of improving the building. As mentioned earlier these projects will be the lift upgrade and the exterior re-painting.

The board collective has many ideas, however what I value the most is the feedback from the owners as to what projects would improve the Edgewater community. I encourage all owners, current and future, to ensure you participate in the upcoming survey so we have this valuable feedback.

While the board has been very effective in achieving outcomes for the owners and residents, the board could benefit from greater diversity. I strongly encourage anyone with an interest (and time) to express your interest in joining the board.

I thank everyone who has attended this AGM and look forward to another productive year at Edgewater Towers.



Ty Brierley
Managing Director
Edgewater Service Limited