



**MINUTES OF
THE 2023 ANNUAL GENERAL MEETING OF
HUME HOUSE BODY CORPORATE NO. 83149
Conducted via Zoom on
Thursday 23 November 2023 at 12'noon**

Web site: www.ypm.co.nz/bc83149 Username: bc83149 Password: bw847y

1.0 Meeting Formalities

1.1 Present

Saya Hashimoto (4) Chairperson	George Pearson (13)
Ben Pearson (31, 32 & 33)	Bas Parsad (15)
Linley Caudwell (6)	Thomas Perry (24)
Ankush Juneja (17)	Nikki Earnshaw (30)
Olivia Krakosky (1)	Sandi Riley (G)
Jo McMillen (B)	Josh Colenso (2)
Malcolm Hodge & Moana Meyer (7)	Brendan Ralph (5)
Martin Cayford (11)	Stephen Hall (26)
Mark Hashimoto (22)	Suzanne Goodhue (28)

Jan Viljoen – YPM

1.2 Proxies

None.

1.3 Postal Votes

None.

1.4 Apologies (other than proxies and postal votes)

Goran Savic (C)
Bas Parsad (15) - lateness

1.5 Quorum

A quorum of 11 was present and the meeting proceeded .

2.0 Previous Minutes

Moved: By ordinary resolution that the Minutes of the AGM held on 30 November 2022 be accepted as a true and accurate record of proceedings.

Ben/Chair/carried

Moved: By ordinary resolution that the Minutes of the EGM held on 29 March 2023 be accepted as a true and accurate record of proceedings.

Chair/Linley/carried

Matters arising not covered elsewhere:
None.

3.0 Body Corporate Management Committee

3.4 Chairpersons Report

With much of the Chairperson Report dedicated to the Project to be discussed under General Business, the rest of the report was taken as read.

3.5 Election of Committee & Chairperson

Jan confirmed nominations received. No new nominations were made.

Committee nominations:

Saya Hashimoto

Ben Pearson

Brendan Ralph

Linley Caudwell

Moved: By ordinary resolution that the nominations for the Committee be accepted.

Sandi/Stephen/carried

3.5.1 Number of Committee members

Moved: By ordinary resolution that the Committee at any time should consist of at least 3 members

Mark/Sandi/carried

3.2.2 Quorum for the Committee

Moved: By ordinary resolution that the number required for the quorum of the committee be set at 3 members.

Linley/Ben/carried

3.2.3 Chairperson nominations:

Saya Hashimoto confirmed her availability for re-election. There were no other nominations.

Moved: By ordinary resolution that Saya Hashimoto be elected as Chairperson.

Linley/Sandi/carried

3.2.4 Delegation of Duties

Moved: By special resolution that the body corporate committee shares the powers and duties of the Body Corporate and Chairperson that are allowed to be delegated.

Thomas/Linley/carried

4.0 Facilities Managers Report

The Facilities Management Report was taken as read.

No Health & Safety incidents, accidents or near misses occurred during the reporting period.

5.0 Administration & Finance

Jan spoke to the Financial Accounts as circulated.

5.1 2023 End of year accounts.

Moved: By ordinary resolution that the financial Accounts to 30 September 2023 be accepted.

Brendan/Linley/carried

5.2 Appointment of an Auditor

Moved: By special resolution that the accounts to 30 September 2024 not be audited/reviewed or undergo a special verification procedure.

Ben/Brendan/carried

5.3 2024 Proposed Budget

Jan pointed out that the proposed budget reflects an increase in levies of circa 7.7%, mainly due to an anticipated increase in insurance premiums.

Moved: By ordinary resolution that the proposed 2024 budget of \$416,364 and levy schedule be approved with quarterly payments on the first day of each quarter by automatic payment, commencing 1 January 2024 and continue until further notice.

Stephen/Brendan/carried

Moved: By ordinary resolution that pursuant to the provisions of Regulation 17 of the Unit Titles Regulations 2011, the body corporate gives its approval for the Committee to enter into all necessary obligations on commercial terms that will give effect to any expenditure provided for in the budget and long-term maintenance plan.

Ben/Linley/carried

5.4 Long Term Maintenance Plan

Jan pointed out that under new UTA Amendment Bill, the Body Corporate will have to obtain a new LTMP covering 30 years. This will be considered by the committee during the coming year. The existing plan will be retained until replaced.

Action: Committee

Moved: By ordinary resolution that the attached Long Term Maintenance Plan be accepted.

Chair/Linley/carried

6.0 General Business

6.1 Windows & Façade Upgrade Project Update

The Chair thanked everyone for their attendance before providing background to the project. It came about following a report from Goleman who inspected a representative sample of windows back in 2021. They found the windows to be near the end of their life, allowing water ingress which is at risk of damaging the structural steel in the concrete. The building consists of three separate parts being the tower, the Annex and the penthouses. Only the tower has steel windows. The rest have aluminium windows. The steel windows on the south are protected from the elements with no reported water ingress. They are also inaccessible and due to these reasons, they are excluded from the project.

The project planning was split into two phases being the preliminary design phase to be followed by the detailed design phase based on owners' vote at the March 2023 EGM between options. This will then be followed by construction. During the first phase, a number of issues were identified:

- The Annex is not compliant with fire regulations and requires installation of sprinklers. This will add circa \$635k to the original cost estimate. This work must be done.
- The façade is showing cracking due to movement during earthquakes. Although the building is designed to allow for this movement, the cracks could lead to water ingress, damaging the structural steel in the concrete causing spalling. To prevent cracking of the exterior whilst still allowing for the movement, a flexible paint coating needs to be applied. This adds a further \$400k to the original cost estimate.
- It was identified that the roof tiles on the Annex contains asbestos. Replacement of these tiles will add a further \$120k to the original cost estimate.

Based on the above information, the committee produced a spreadsheet detailing four options, each with a different scope of works. These options are:

- Option 1 – Consists of the entire scope of work.
- Option 2 – Full scope of work but excluding the penthouses (only)
- Option 3 - Full scope of work but excluding the Annex (only)
- Option 4 - Full scope of work but excluding both the penthouses and Annex.

All of the above include replacement of steel framed windows with double glazed ones, applying the flexible paint to the exterior and fire compliance work.

The Chair next invited owners to ask questions or express opinions.

Q – Could the cost of external crack repairs be claimed from insurance?

A – Though not likely, the Chair undertook to investigate this.

Action: Chair

Q – Given the amounts involved, is there any form of loan financing available?

A – The Body Corporate does not have access to financing. Individual owners will have to arrange their own financing. The banks do offer ‘Sustainability’ loans for environmentally friendly home improvements but these are mostly capped at \$80,000.

Q – What is the timeline for the project?

A – Contractors have been told that construction should commence early 2024. The choice of available contractors is limited in the current market. The proposed special levy has a due date of 1 March’24 to coincide with this timing.

Q – Given the magnitude of the special levies, has the issue of affordability been considered? It presently is also difficult to sell an apartment.

A – Although nobody is happy having to spend this amount of money, it is part of the risk of owning property in an old building. Postponing the project will only result in the eventual cost increasing. The committee has a duty to maintain the building.

Q – With most of the proposed expenditure going to be spent on the tower, how will costs be apportioned?

A – The bulk of the fire compliance costs will be spent on the Annex. The window replacement will also benefit owners to varying degrees with some even excluded. Other owners expressed the opinion that the project will benefit the entire building with owners all being in it together.

‘Sustainability’ loans were again discussed. These are mostly at 0% interest, repayable over three years. It was pointed out that applications should focus on Healthy Homes benefits and should not be declared as home improvements.

It was also pointed out that preserving the structural integrity of the building is the main focus. Option 4 will achieve this. It will also improve the saleability of apartments and ensure that the banks will not flag the building as ‘at risk’ from weather tightness issues which makes selling difficult.

Q – To what extent will construction impact tenants?

A – The project manager estimates the duration of construction to be between 3-6 months. The building will be wrapped during this time but apartments will still be liveable. It will be up to owners to negotiate any compensation with tenants.

6.2 Project Options

The meeting next proceeded to vote on the options. Resolutions were tested by a show of hands.

Moved: By ordinary resolution that the Body Corporate proceed with all the project works described under Option 1 at an estimated cost of \$4,700,000.

Failed

Moved: By ordinary resolution that the Body Corporate proceed with the project works described under Option 2, which exclude the penthouses at an estimated cost of \$4,400,000.

Failed

Moved: By ordinary resolution that the Body Corporate proceed with the project works described under Option 3, which exclude the Annex at an estimated cost of \$4,000,000.

Failed

Moved: By ordinary resolution that the Body Corporate proceed with the project works described under Option 4, which exclude the Annex & penthouses at an estimated cost of \$3,800,000.

**Chair/Mark/carried
Jo opposed**

6.3 Special Levy

Moved: By ordinary resolution that the Body Corporate raise a special levy of \$3.8m in line with the approved project option 4, based on utility interest, payable by 1 March 2024.

Stephen/Brendan/carried
Jo opposed

6.4 Committee Approval

Moved: By ordinary resolution that pursuant to the provisions of Regulation 17 of the Unit Titles Regulations 2011, the body corporate gives its approval for the Committee to enter into all necessary obligations on commercial terms that will give effect to any project expenditures associated with the approved project option.

Malcolm & Moana/Mark/carried

The meeting had some further questions around the timeline to inform tenants, the availability of drawings and 'Sustainability' loan application information. The Chair undertook to obtain and make this information available. The drawings, once obtained, will be published on the YPM website.

Action: Chair/Jan (YPM)

Ben, on behalf of everyone, thanked the Chair for her efforts and involvement in progressing the project this far.

There being no further business the meeting was closed at 1:23pm.

Signed Date
Chairperson