

MINUTES OF THE EXTRAORDINARY GENERAL MEETING

UNIT TITLES ACT 2010

BODY CORPORATE 463208

UNITS 1 – 8, 19 NGAMAHI ROAD, CHRISTCHURCH

And

BODY CORPORATE 467074

UNITS 9 -19, 19 NGA MAHI ROAD, CHRISTCHURCH

Date: Wednesday, 12th June 2024 at 11.00 a.m.

Venue: Skyway Body Corporate Office
12/21 Bealey Avenue, Merivale, Christchurch
Zoom

Attendance: BC 463208

Fiona Archer, Zoom	Unit 3
Mark Frame (Chairperson), Zoom	Unit 4
Mike Hormann, Zoom	Unit 8
Sam Hazlett, Zoom	Unit 8

BC467074

David Leadbetter, in-person	Unit 10
Mong Theng Judy Chang, Zoom	Unit 11
Christopher McGregor-Macdonald Zoom	Unit 11
Gary Reid – Zoom	Unit 12
Leon McKavanagh, in-person	Unit 13
Ray McIntyre (Chairperson), in-person	Units 14 & 16
Wayne Moriarty, in-person	Unit 15 & 17
Darrin Dudson	Unit 19

Richard Johnstone, Zoom	Barrister
-------------------------	-----------

Skyway Body Corporate Services Ltd	
Ann Woods	Managing Director
Anna Gardner	Body Corporate Manager

Apologies: Body Corporate 463208

Kim Gin	Unit 6
---------	--------

No apologies	Body Corporate 467074
--------------	-----------------------

Proxies:

Claude McKavanagh
Unit 13 to Leon McKavanagh

Body Corporate 467074

Postal Vote:

There were no postal received votes for either Body Corporate.

Ann Woods welcomed everyone and thanked them for attending the meeting. She thanked Richard Johnstone, Mark Frame and Ray McIntyre for all the time they put in to the mediation process.

Introduction: This information along with a copy of the Settlement Agreement has been circulated to all members of the Bodies Corporate.

A. The unit owners note the emailed report (circulated via e-mail to all members on 22 May, 2024) dated 21 May 2024 from Richard Johnstone as counsel, and on behalf of Mark Frame and Ray McIntyre, after the mediation conducted with CBC Construction 2010 Limited on Wednesday, 8 May and Tuesday, 21 May 2024, recording that a settlement of the Bodies Corporate claims in respect of the defective exterior cladding and external joinery and resultant damage to 14 units in the 3 buildings had been agreed in principle and subject to contract.

B. The Bodies Corporate have received the settlement agreement, as prepared by Mr Johnstone, which has now been signed for the Bodies Corporate and CBC Construction, providing for a monetary settlement of \$40,000 plus GST to cover costs to make the exterior joinery weathertight and to contribute to remediation costs of damaged interior linings and carpets to 14 units, as well as provision for CBC Construction to arrange for and carry out building works at its cost to rectify the deficient and damaged panel joints of the exterior cladding on the 3 buildings.

Richard Johnstone gave an overview of the mediation and result. Ray, Mark and Richard were particularly pleased that CBC Construction have agreed to remediate all deficient panel joints of the exterior cladding to all buildings at their cost. Richard stated that the monetary settlement is for the external joinery and interior repairs and that it is a contribution only. Although more was wanted, that was the sum which could be obtained. He confirmed that overall we are satisfied with the outcome and believe it is the best result. The settlement agreement accurately records that outcome. Richard advised that the settlement is agreed in principle, however is subject to ratification today by the body corporate.

Ann asked if any members had questions.

There was a query as to the amounts paid in legal fees. Ann advised that the body corporate has budgeted for these costs over the past 2-3 years. The total spend is \$24,154 for legal costs between the two body corporates. Still a few more costs to come through to finalise.

Richard said it was difficult to engage with everyone attending over Zoom, but said the meeting did go reasonably well. Mark added that it was a 4-hour long, drawn-out meeting.

Richard Johnstone clarified that the \$40,000 sum is for the external joinery only, and said although the legal fees seem like a considerable amount, the external cladding work will be entirely covered by CBC Construction, at their cost. Legal costs include the Mediator, venue

and filing fees to get the proceedings underway. Those mediation costs were also shared with CBC Construction.

Richard added that CBC Construction warrant the work for the next 15 years.

Ann queried whether engaging an independent professional to check the panel work during the project would be a good idea to ensure all exterior work is completed to a good standard and so that the bodies corporate don't again end up in a situation with inappropriate workmanship. Mark Frame suggested he would speak to SIKA about this.

It was noted that the painting work is separate from the CBC exterior work. Richard Johnstone said that hopefully the body corporate can time the painting work to take advantage of the mobile scaffolding while it's up for external cladding work. That would be the ideal but isn't guaranteed. The CBC work needs to be completed by September 2024.

Ann agreed that the painting works are due and that if scaffolding costs could be saved this would be great. Mark Frame to have a look at the quoting for that work.

Ordinary Resolutions which require notification:

- a. **"That having considered the settlement agreement signed, and Mr Johnstone's report, the Bodies Corporate now ratify the terms of settlement entered and recorded by the settlement agreement as valid and appropriate for the Bodies Corporate in achieving a resolution of the dispute and litigation with CBC Construction 2010 Limited".**

Units 1-8

Moved: Fiona Archer

Seconded: Mark Frame

Carried

Units 9-19

Moved: Wayne Moriarty

Seconded: David Leadbetter

Carried

- b. **"That the Manager be directed to liaise with the Bodies Corporate lawyers, Maciaszek Brown Law, to receive and distribute the monetary settlement payment and to work with Mark Frame over arrangements of access and site set up for CBC Construction to commence remedial works to the exterior cladding due before 30 September 2024.**

Units 1-8 & 9-19

Moved: Fiona Archer

Seconded: Wayne Moriarty

Carried

- c. **"That upon receipt and clearance of the settlement payment, the Manager will instruct Mr Johnstone to discontinue the District Court proceeding CIV 2023-009-02735".**

Units 1-8 & 9-19

Moved: Fiona Archer

Seconded: Wayne Moriarty

Carried

The Next Steps:

Action 1): Skyway to formally instruct Richard Johnstone on the result of the meeting.

Action 2): Richard Johnstone will then communicate with Cooney Lees Morgan to facilitate payment for the \$40,000 (+G.S.T.) which is due in 3 working days.

Action 3): Mark Frame to liaise with CBC Construction regarding the exterior works in the lead up to September.

Action 4): Mark Frame to review the painting costs for all Units.

Ann again thanked Richard Johnstone, Mark Frame and Ray McIntyre for their time and effort in achieving the outcome they have for everyone.

There being no further queries, Ann thanked the owners for their attendance and drew the meeting to a close at 11.45am.