

Macquarie Gardens is possibly the only large strata complex in NSW that does not have proper 10-year Sinking Fund. Schedule of major works, upgrades, and costings has not existed for 18 years now.

Five building reports were commissioned in period 2010 to 2014. None of them were provided in full detail to any ordinary owner in the complex of 218 lots:

- Napier & Blakeley in July 2012. They warned about roof status and many other problems in the complex. This report was hidden from CTTT and Department of Fair Trading through efforts by corrupt Solicitor, the Executive Committee, and Raine & Horne Strata Sydney BCS. Undisclosed to owners.
- Murdocca & Associates report on Block D internal cracking in April 2010. Undisclosed to owners.
- ThyssenKrupp Elevators report on elevators in December 2013. Undisclosed to owners.
- Vertical Transport Management Services report on elevators in February 2014. Undisclosed to owners.
- Building roof water penetration testing in mid-2014. Undisclosed to owners.

Current examples of mismanagement and even deceitful statements (latest one in minutes of EC meeting on 4th of March 2015) WILL INCUR HIGH SPECIAL LEVIES for all owners, whether anyone likes it or not. Whether owners want to pay for them from their own pocket, or force Strata Agency to reimburse owners through no-cost compensation claim that is guaranteed to be won, is up to each individual. Owners most probably love themselves and their money more than they love strata manager, especially when the strata manager caused significant losses to them.

At the next general meeting, owners will be asked to vote if they want Raine & Horne Strata Sydney (now BCS) to be held liable for long-term mismanagement of common property and funds. The way to win lost funds is quite easy (BCS and EC members were aware of my Motion for the next meeting, but decided not to notify owners):

In the 2004 case of BCS Strata Management vs Robinson, the strata manager attempted to defend their actions by claiming protection under indemnity. The facts of the case are as follows:

Mrs. Robinson had injured herself in a lift,
The floor of the lift did not settle level with the floor of the building. It dropped down some 18cm,
When Mrs. Robinson stepped into the lift, she fell and injured her leg,
Mrs. Robinson sued the Owners Corporation and BCS Strata Management,
Mrs. Robinson won her case in the lower court and it was appealed in the Supreme Court,
Mrs. Robinson claimed that the Owners Corporation and the Strata Manager had breached their duty under section 62 of the Strata Schemes Management Act 1996,
The Owners Corporation and BCS cross claimed against each other. One of the claims by BCS was that they were indemnified under their managing agent's agreement.

The Court of Appeal found that there was no breach of statutory duty.

The Court held that a strata manager could not claim protection under indemnity where the strata manager was sued in their own capacity for their own negligence. Indemnities are almost of little relevance. They provide no protection to the strata manager if sued directly and the strata manager has done something wrong.

Two important outcomes:

No indemnity will protect a strata managing agent from their own negligence,

The protection is only relevant where an Owners Corporation is sued by an injured party and the Owners Corporation makes a claim on the strata manager under a cross claim. In other words, Owners Corporations are prevented from blaming their strata manager where only the Owners Corporation is sued.

Issue 1 – Roofs of the Four Buildings

These are brief extracts from Napier & Blakely's report in July 2012, which was not actioned until January 2015 (at least Block B was repaired at this stage):

Building Structure and Fabric

Key observations include:

- The flat concrete deck roof areas to Blocks A, B, C and D contain large areas of standing water. A number of previous patch repairs have been carried out. The surfaces require preparing and recovering with a liquid applied waterproof membrane within the short to medium term (1-5 years). Block C was observed to be in good overall condition with Block D suffering the most standing water. The falls to the drainage are insufficient and improving the existing falls should also be considered. The internal units were not inspected for any water penetration via the roof slab.



Standing water to flat roof deck, Block A



Standing water to flat roof deck, Block B



Previous patch works evident

The problem with roof membranes and its poorly done repairs was evident since July 2012, but not actioned until January 2015.

Minutes of the EC meeting held on 18th of June 2014 listed the following:

Roof of Building B:

Arising from an observed slow leak into Unit 47 from an area of ponding on the roof, the Strata Manager has sourced two quotes from contractors to address the waterproofing on the roof of this section of Building B. Recognising that this may be the first failure (on the oldest roof) with more to come on other Buildings, contractors are also being asked to inspect and quote on solutions to address the forthcoming needs of the Scheme more broadly.

The Committee **resolved** that a consultant be engaged to review proposals and advise the scheme on a recommended course of action, once the EC is satisfied that the contractors quotes are sufficiently developed to allow long term solutions to be planned and any immediate required repairs carried out.

Problems relating to recurrent repairs to dampness in lower units in Units 49, 103, 146, 151, and 181 were noted.

The Strata Manager is to review works undertaken in respect of this matter and confer with _____ to determine what further works should be undertaken.

It is worth to note that the two alleged quotes were never presented to owners. Only one was found during document viewing as per SSMA 1996 S108 – by Kintyre Building Services Pty Ltd. **Proof that the tenders were not given to owners comes from minutes of the AGM held on 26th of November 2014:**

MOTION 15: That the Owners Corporation accept the quotation (copy attached) for a torch-on membrane from Kintyre Roofing in the amount of \$53,960 plus GST and ratify the EC decision recorded in the EC minutes of 11 Sept 2014 to apply this approach to other tower roofs as required. – **Carried.**

The AGM itself had serious issue with the quorum, which is notorious for this complex for 14 years:

<http://www.nswstratasleuth.id.au/Raine-and-Horne-Strata-Sydney-BCS-Course-101-Lesson-8-How-To-Run-General-Meetings-without-Quorum-for-14-years.pdf>

In spite of numerous owners' complaints, confirmed leakages and water ingress, nothing was done until February 2015, when Block B half-roof was completed. It total, Kintyre Building Services Pty Ltd charged \$59,365.00.

To justify their decision, here is what was written in the minutes of the EC meeting held on 4th of March 2015. Note the false statements about warranty, s proven by the invoice sent to BCS one week before the meeting:

Roof repairs

The Chairman reported on the state of the roof repair and the EC decided that until this was completed no exterior painting work or even type of paint could be agreed. Kintyre Roofing have separated the quote for D block into two half roofs to allow urgent repairs to be commenced as soon as the existing repair is deemed fully complete and satisfactory. Bathroom ventilation duct fan casings on the roof appear to be the source of water ingress that has not previously been diagnosed. This is being addressed and the caretaker has undertaken an immediate program to minimise the risk of this occurring on any other roof. The horizontal ventilation ducts on the roofs will be separately treated from the roof itself to minimise the possibility that these are the cause of ingress. These roof repairs require extended periods of time to carry out the work with no wet days and then require heavy downpours afterwards to ensure that the work has been satisfactory. **The new colour bond capped parapet and final appearance of the roof is very acceptable and the contractors have been very diligent in making this a job that will last 15 years at least.** Roof anchors have been installed for safe working at heights on each roof that is being repaired.

The worst part of this statement is the fact that it gave appearance the completed work was long-term solution for roof on Block B. What owners were not told is the following, as shown in the Kintyre's invoice on 27th of February 2015 (one week before the EC meeting), where they specifically stated five-year warranty:

Kintyre Building Services Pty Ltd

A.B.N. 65 062 739 039 Licence No: 79326C

Level 1, 15 Mobbs Lane
Carlingford, NSW 2118

Ph: 9868 7919 Fax: 9868 6903 Email: admin@kintyre.net.au

Tax Invoice

Invoice #: 00036682
Date: 27/02/2015

INVOICE TO:

The Owners-STRATA PLAN
C/- Russell Young
BCS Epping
Locked Bag 22
Haymarket NSW 1238

JOB ADDRESS:

The Owners-STRATA PLAN
North Ryde NSW 2113

Amount

Supplied and installed permanent anchor points to allow for static line harness access to roof perimeter

Hi-pressure cleaned the dirt and grime build-up from the concrete substrate

Supplied and installed one coat of primer to the concrete substrate

Supplied and installed a new 40mm hob around the perimeter of the concrete substrate

Supplied and installed a 2 x layer torch on membrane to entire concrete substrate consisting of roll base and mineral top

Supplied and installed new Colorbond perimeter capping to provide external finish

This quotation includes an allowance to hoist all materials to the roof externally and removal of all job spoils from site on completion

PLEASE NOTE - The torch on membrane comes with a 15 year material warranty. In discussions with the manufacturers they have advised that a liquid membrane applied to this roof would come with a 5 year material warranty due to excessive cracking and water ponding on the existing concrete substrate.

\$59,356.00

It also states that another building, Block D, now requires "urgent repairs", which is actually an overdue admission of neglect because Napier & Blakeley warned about roofs in the complex in July 2012 and many owners had suffered water ingress on top floors since then.

Owners were not told that Block D will also incur significant expenses, as shown in Kintyre's quote on 4th of March 2015 (no other competitive quote sought by Raine & Horne Strata Sydney BCS):

BLOCK D (U 98-145): Following our on-site meeting with Bruce and our subsequent inspection of the Northern membrane roof, we provide the following recommendation.

Supply and install permanent anchor points to allow for static line harness access to roof perimeter

Hi-pressure clean the dirt and grime build-up from the concrete substrate

Supply and install one coat of primer to the concrete substrate

Supply and install a 2 x layer torch on membrane to entire concrete substrate consisting of roll base and mineral top

Supply and install new Colorbond perimeter capping to provide external finish

This quotation includes an allowance to hoist all materials to the roof externally and removal of all job spoils from site on completion

THE ATTACHED QUOTATION PRICE IS PER HALF OF TOWER BUILDING

PLEASE NOTE - The torch on membrane comes with a 15 year material warranty. In discussions with the manufacturers they have advised that a liquid membrane applied to this roof would come with a 5 year material warranty due to excessive cracking and water ponding on the existing concrete substrate

\$59,356.00

This is clear confirmation of long-term maintenance neglect, kept secret from owners corporation by the EC and Raine & Horne Strata Sydney BCS at this stage.

The owners were also not told that Kintyre ran another large job on the roofs in March 2012, without decision at the general meeting or any details provided to owners corporation:

Kintyre Building Services Pty

A.B.N 65 062 739 039

Licence No: 79326C

Level 1, 15 Mobbs Lane

Tax Invoice

Phone: 9868 7919
Fax: 9868 6903

Invoice #: 00026576
Date: 27/03/2012

INVOICE TO:

The Owners-STRATA PLAN
C/- Gary Webb
BCMS Pty Ltd
Locked Bag 22
Haymarket NSW 1238

JOB ADDRESS:

The Owners-STRATA PLAN
15 Mobbs Lane
North Ryde NSW 2113

Description

Amount

BLOCKS A, B, C & D: (TOWNHOUSES 194 - 219):

Re bed and re pointed all ridge capping on these buildings, using new sand and cement mixture and flexible pointing mix (coloured Terracotta)

Re pointed all gable ends using flexible pointing mix (coloured Grey)

Supplied and installed (240) new tiles replacing the existing broken and damaged tiles, balance has be left on site for future use.

Re-fitted timber trim that has fallen off under the gable on centre of the roof of Block B.

\$28,892.00

Work carried out as per our quotations No's: 26473, 26435, 26436 & 26437

Because the balance sheets given to owners at the AGMs are simple, manipulated accounting figures (full financial statements have not been given to any owner in 15 years of Raine & Horne Strata Sydney BCS management of the complex), majority are not even aware that this single company, just for the last three and a half years charged owners corporation close to \$105,000.00. This service provider has been operating in the complex for more than 10 years.

Cred. Code	Creditor Name	Doc. Ref. No.	Doc. Date	Doc. Total (GST inc.)	Chq. Date	Date Presented
21266	KINTYRE BUILDING SERVICES	36682	27/02/2015	\$35,613.60	10/03/2015	10/03/2015
21266	KINTYRE BUILDING SERVICES	38411	29/01/2015	\$242.00	18/02/2015	18/02/2015
21266	KINTYRE BUILDING SERVICES	38226	19/01/2015	\$583.00	10/02/2015	10/02/2015
21266	KINTYRE BUILDING SERVICES	38330	19/01/2015	\$23,742.40	09/02/2015	09/02/2015
21266	KINTYRE BUILDING SERVICES	37365	21/11/2014	\$851.40	10/12/2014	10/12/2014
21266	KINTYRE BUILDING SERVICES	36588	16/09/2014	\$572.00	29/09/2014	29/09/2014
21266	KINTYRE BUILDING SERVICES	35599	6/06/2014	\$330.00	23/06/2014	23/06/2014
21266	KINTYRE BUILDING SERVICES	35128	15/04/2014	\$330.00	14/05/2014	14/05/2014
21266	KINTYRE BUILDING SERVICES	34618	19/03/2014	\$550.00	31/03/2014	31/03/2014
21266	KINTYRE BUILDING SERVICES	33978	14/01/2014	\$220.00	23/01/2014	23/01/2014
21266	KINTYRE BUILDING SERVICES	33540	9/12/2013	\$396.00	20/12/2013	20/12/2013
21266	KINTYRE BUILDING SERVICES	33517	29/11/2013	\$860.20	06/12/2013	06/12/2013
21266	KINTYRE BUILDING SERVICES	32301	19/07/2013	\$264.00	29/07/2013	29/07/2013
21266	KINTYRE BUILDING SERVICES	31854	28/06/2013	\$363.00	03/07/2013	03/07/2013
21266	KINTYRE BUILDING SERVICES	31263	29/04/2013	\$264.00	02/05/2013	02/05/2013
21266	KINTYRE BUILDING SERVICES	31144	3/04/2013	\$891.00	11/04/2013	11/04/2013
21266	KINTYRE BUILDING SERVICES	30725	27/02/2013	\$983.40	13/03/2013	13/03/2013
21266	KINTYRE BUILDING SERVICES	29590	10/10/2012	\$264.00	25/10/2012	25/10/2012
21266	KINTYRE BUILDING SERVICES	27266	20/07/2012	\$264.00	06/08/2012	06/08/2012
21266	KINTYRE BUILDING SERVICES	27720	18/04/2012	\$616.00	26/04/2012	26/04/2012
21266	KINTYRE BUILDING SERVICES	26576	27/03/2012	\$28,892.00	05/04/2012	05/04/2012
21266	KINTYRE BUILDING SERVICES	26597	8/03/2012	\$511.50	26/03/2012	26/03/2012
21266	KINTYRE BUILDING SERVICES	26973	7/03/2012	\$550.00	26/03/2012	26/03/2012
21266	KINTYRE BUILDING SERVICES	27167	8/03/2012	\$1,419.00	14/03/2012	14/03/2012
21266	KINTYRE BUILDING SERVICES	26499	25/01/2012	\$242.00	15/02/2012	15/02/2012
21266	KINTYRE BUILDING SERVICES	26214	24/01/2012	\$286.00	30/01/2012	30/01/2012
21266	KINTYRE BUILDING SERVICES	25933	17/01/2012	\$875.60	19/01/2012	19/01/2012
21266	KINTYRE BUILDING SERVICES	26111	10/01/2012	\$979.00	12/01/2012	12/01/2012
21266	KINTYRE BUILDING SERVICES	25934	9/12/2011	\$440.00	19/12/2011	19/12/2011
21266	KINTYRE BUILDING SERVICES	25143	13/10/2011	\$440.00	24/10/2011	24/10/2011
1266	KINTYRE BUILDING SERVICES	24942	16/09/2011	\$1,451.00	23/09/2011	23/09/2011
21266	KINTYRE BUILDING SERVICES	24707	29/08/2011	\$242.00	01/09/2011	01/09/2011
21266	KINTYRE BUILDING SERVICES	24471	17/08/2011	\$440.00	25/08/2011	25/08/2011
Total				\$104,968.10		

In spite of urgent and overdue need to repair roof membranes of Block A and C as well, EC and Raine & Horne Strata Sydney BCS deliberately keep owners corporation uninformed.

In is therefore unavoidable that not only the roof membrane of Block B be repaired immediately, but also Blocks A and C too. And who is going to pay for the previous neglects and higher repair costs (plus, instead of 15-year warranties, only 5-years now)?

Issue 2 – Overdue repairs to number of Lots due to water ingress, poor previous work, and concrete cancer

The minutes of EC meeting held on 4th of March 2015 listed the following outcome:

CONTRACTOR TO UNDERTAKE WORKS TO ADDRESS WATER PENETRATION:

Motion

10.1 To determine whether to accept a quote from a contractor in respect of works specified in Integrated Consultancy Group's report.

Proposals received at the time of issuing this Notice are from;

- 1) Biltbeta for the value of \$63,173.88 (incl GST), and
- 2) Remtech for approximately \$104,000 (incl GST)

The quotations were not accepted and concern was expressed at the wide variation in price for identically specified works. The chairman was asked to pursue further quotations for a single example apartment (not belonging to an EC member) and to arrange for this to include the rectification to the external building pillar.

The report in question was completed by Integrated Consultancy Group on 4th of November 2014 (four months ago), and showed significant damages inside the following properties:

As per your work order 483265 dated 20/10/14 I attended site on the 30/10/14 in company with the Building Manager, Ms Ruth Luka and carried out an inspection of ground floor Units 49, 103, 146, 150 & 151 plus Townhouse 200 in order to ascertain the following:

- Inspect, investigate and determine the source of the water entry within the nominated units.
- Determine the most appropriate and cost efficient remedial methodology.

Weather conditions at the time of the inspection were fine and sunny however there had been sufficient recent heavy rain storms to ensure that if water entry was occurring that some level of moisture should show up when using diagnostic equipment such as moisture meters.

The report highlighted need for significant repairs and also the fact that previous repairs were incomplete and unsuccessful. Not only lot of work, both externally and internally is required, but other issues surfaced, like concrete cancer:

While carrying out the inspection from the paved patio area of Unit 150, it was noticed that the round concrete column forming one corner of the sunken enclosed patio was suffering from concrete spalling (concrete cancer) at the base.

Close inspection of the damage area showed a circular perimeter bar was exposed along with what appeared to be lots of small pieces of tie wire and other metallic pieces such as nails etc.

Unless remedial actions are taken the corrosion will continue to the point where the repairs are costly and may require the input of a Structural Engineer if some of the more structural steel bars start to corrode.

These issues are not new. Raine & Horne Strata Sydney BCS uses companies that provide inadequate services and, hence, require repeated attention and cost. For example:

TAX INVOICE

21 July 2014

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

INVOICE NUMBER / 1118

TO / OWNERS OF SP 52948
MACQUARIE GDNS, NTH RYDE

C / RAINE AND HORNE STRATA

ATTENTION / RUSSELL YOUNG

Unit # 157

- Repair living room wall after plumbers repaired water leak in upper level unit
- Supply and fit new access panels to wall

Unit # 181

- Repair living room wall after plumbers repaired water leak
- Supply and fit new access panels
- Repair damage to adjacent walls

Unit # 149 & # 150

- Check units for damage after water leak

Total cost for labour and materials \$ 980.00

10 % GST \$ 98.00

TOTAL COST THIS INVOICE INCLUDING GST \$ 1078.00

Notable is also the flooding caused in Lot 157 recently:

SYDNEY WET CARPET AND STRUCTURE DRYING EXPERTS

A.B.N. 25 061 442 839

Flood, Fire, Storm, and Water Damage Emergency Service

DRYING & RESTORING BUILDING INTERNAL STRUCTURE AND CONTENTS

PO Box 708
Rosebery NSW 1445

Phone: (02) 9667 4777
Fax No: (02) 9313 4499

TAX INVOICE

Strata Plan 52948
Raine & Horne Strata Sydney
Locked Bag 22
HAYMARKET NSW 1238

Invoice No: 00003563

Date: 10-12-14

Due Date: 10-01-15

DESCRIPTION	AMOUNT	CODE
INVOICE FOR RESTORATION OF WATER DAMAGED AREAS		
Premises: 157/1-15 Fontenoy Road, Macquarie Park	\$2,750.00	GST

What owners of these Lots (and many others that silently suffer, like Lot 191 which had five-six repairs in last two years) is that owners corporation MUST repair the damage to their properties caused by poor maintenance of common property PROMPTLY. Neither the Chairperson, nor the rest of the EC and Raine & Horne Strata Sydney BCS have any power to delay the repairs. Owners are simply misinformed into believing that they have to wait for actions.

Issue 3 – BigAir wireless ISP still running illegally in the complex

Thirteen months after the Solicitor issued official request to BigAir Wireless ISP to remove all of its equipment from Macquarie Garden, Strata Manager and the EC still do not know what actions to take!? They keep on giving appearance that they are attending to this serious 10-year old problem, where in fact they are doing absolutely nothing (at exclusively owners corporation expense). I forced this item to be on the agenda for EC meeting held on 4th of March 2015. More details and photos of the facilities are now published on internet:

Raine-and-Horne-Strata-Sydney-BCS-Course-101-Lesson-7-How-To-Mismanage-Contract-with-Wireless-ISP-and-Cause-Financial-Losses-to-Owners-Corporation-for-Ten-Years.pdf

Macquarie-Gardens-photos/gallery/index.php?/category/7

31 January 2014

Attention: Mr Stephen Bull
BigAir Group Limited
Level 1, 59 Buckingham Street
Surry Hills NSW 2010

WITHOUT PREJUDICE SAVE AS TO COSTS

URGENT

Also by Email: facilities@bigair.net.au

Dear Sir

**THE OWNERS - STRATA PLAN NO 52948
TELECOMMUNICATIONS INSTALLATION
1-15 FONTENOY RD, MACQUARIE PARK 2113**
Our Ref: 131862

We refer to your correspondence dated 15 January 2014.

With respect, it is our client's opinion that the offer which has been proposed is grossly inadequate and has no regard to interest.

In our letters dated 15 November 2013 and 13 December 2013 respectively, we informed you that the Owners Corporation has accepted your company's repudiation and terminated the contract.

You are required, therefore, to remove all your equipment and reinstate our client's property to its original condition to its reasonable satisfaction within seven (7) business days of the date of this letter.

In addition, the Owners Corporation will not be entertaining any further negotiations with BigAir. In this regard, from a review of your alleged revenue, it is noted that there will be no or minimum loss to BigAir.

If the equipment is not removed by close of business on 4 February 2014, the Owners Corporation may commence action against you without any further notice to you.

Please kindly confirm once the equipment has been removed.



**Ian McKnight
Partner**

Partners:

Colin Grace
Daniel Radman
James Nickless
Ian McKnight
Peter Ton

New South Wales
Level 5, 287 Elizabeth Street
Sydney NSW 2000
PO Box 20727
World Square NSW 2002
DX 11508 Sydney Downtown

PH 02 9284 2700
FX 02 9284 2799

Queensland
Level 10, 333 Ann Street
Brisbane QLD 4000

PH 07 3232 1119
FX 07 3232 1200

Victoria
Level 22, HMYT Tower, 40 City Road
Southbank VIC 3006

PH 03 9674 0474
FX 03 9674 0400

EN enquiries@gracelawyers.com
W www.gracelawyers.com.au
ABN 55 116 196 500

Issue 4 - Elevator maintenance

Not only significant investment is required now, but as well owners corporation risks litigation for insufficient maintenance of the facilities. For example, owners are not advised about occasional passenger entrapment in elevators.

Status about elevators is even more interesting, when one analyses Napier & Blakeley report commissioned in July 2012:

There is one passenger lift in each of the four residential towers making a total of four passenger lifts in these premises.

Each lift has a load of 1156kg or 17 persons at a speed of 1.5 metres per second. Each of these passenger lifts were installed to meet the requirements of the Lift Code and the Building Code of Australia applicable at the time the buildings were constructed.

The lifts were manufactured and installed by Liftronic Pty Ltd and are currently being serviced by ThyssenKrupp Elevator. The lift system is variable speed AC design and of 'Daldoss' manufacture.

Due to issues with diminishing spare parts over time, the major operating equipment such as the power and control system, power door operators and landing door lock assemblies should be upgraded in over the medium to long term (approx 5 years).

The lift installation satisfied the regulations under which the lifts were originally installed, however it does not satisfy current requirements due to changes in those regulations, but the work to make the installation comply with current codes could be spread over the long term (6 to 10 years).

There was no evidence on site that a Hazard & Risk assessment on the lift installation has been carried out. We also note the item registrations which are required annually by the OH&S Act for the equipment is recently out of date and should be in the process of renewal if not already done so.

How serious their findings are shows the report for elevator maintenance:

The lifts were installed around 1995. If the lifts were required to comply with modern day standards, a number of non-compliances with the Lift Code (AS1735.2 - 2001) would be noted. Specifically, the areas of non-compliance are as noted below.

BCA - Building Regulations 2011

Areas of Non Compliance:

- The lifts do not have voice announcer.
- The lift cars do not have handrails in accordance with AS 1735 Part 12.
- The car button panels do not comply with AS 1735 Part 12.
- The landing button panels do not comply with AS 1735 Part 12.

AS 1735.2 – 2001 (Lift Code)

- Dual acting brakes are not provided on the hoist machines.
- Upward runaway protection is not provided.
- Pit buffer switches are not provided.
- Governor idler switches are not provided.
- Well access devices are not provided to each landing door.
- Alarm/Communication system is not provided on top of lift car and in the pits.
- Man clearance signage in the pits is not provided.

It should be noted that providing dual acting brakes would only be addressed by replacement of the hoist machines. Dependant on budgets, this may be addressed when upgrading the Power/Control system.

Work Health & Safety Act 2011

Under the latest changes to the regulations governing lifts and in particular the Work Health and Safety (WH&S) Regulation 2011, which occurred as from September 1, 2001, the building owner has become more responsible for all plant in a building.

Whilst the Lift Code is not retrospective the risk analysis required by the new regulations will involve the 2001 edition of the Lift Code. The building owner is required to conduct a risk analysis and subsequently have a plan in place for the elimination or control of all identified

hazards associated with the lifts. There was no evidence on site that there has been a hazard & risk assessment on the lifts completed. If not already done, an analysis should be done and a plan put into place to eliminate or minimise any known risks.

In addition, this same regulation requires owners of plant effecting public safety such as lifts to obtain Item Registration annually for that Plant. We note the item registrations on site for the equipment is recently out of date and should be in the process of renewal if not already done so.

Full details of elevator's management and delays in repairs and proper maintenance are listed separately:

Raine-and-Horne-Strata-Sydney-BCS-Course-101-Lesson-5-How-To-Avoid-Proper-Elevator-Maintenance-and-Mismanage-Contracts-Effectively.pdf

Raine-and-Horne-Strata-Sydney-BCS-Course-101-Lesson-18-False-Warranties-and-Lack-of-Maintenance.pdf

Issue 5 - Exterior of buildings

Photos show their status:

Macquarie-Gardens-photos/gallery/

The last ones taken in March 2015 after heavy rain highlight the water ingress issues.

In addition, last painting project in 2005/2006 exceeded EC-approved value by \$110,000.00 of which \$43,000.00 are still unaccounted for (as of March 2015). Strata Manager at the time – Mr. John Fry - deceived EC members into believing they had right to approve almost half-a-million dollar investment without general meeting. Full details are in:

Raine-and-Horne-Strata-Sydney-BCS-Course-101-Lesson-1-How-To-Run-Rigged-Tender-Successfully.pdf

Raine & Horne Strata Sydney BCS ran rigged building painting tender where two companies had the exactly the same price up to a cent (AU\$446,380.00). Third quote was in amount of AU\$480,010.00. Strata Manager persuaded Executive Committee (EC) members to vote without general meeting and select the company he had preferred. The general meeting was scheduled only two weeks after the vote, without providing owners any details.

Even more, the Chairperson's note before the Annual General Meeting (AGM) 2004 falsely stated that the winning contract was AU\$446,380.00, plus GST, whereas the real quote was INCLUSIVE of GST.

The final expenses grew to AU\$556,640.00, of which AU\$43,160.00 is still unaccounted for (10 years later!), and BCS failed to provide any financial statements in spite of two requests as per SSMA 1996 S108.

The poor quality of the painting is proven through three additional facts:

- **Professional Dulux consultant resigned after several months as he was unhappy with the wall preparation before painting. He felt that his advice were ignored by painters and Raine & Horne Strata Sydney BCS and pointless for him to continue, so without charging for his services, he left the assignment.**
- Photos of the exterior of the buildings and garden beds taken over several years:

Macquarie-Gardens-photos/gallery/

- The painting project had five year warranty only, as listed in painter's tender but undisclosed to owners corporation:

All work to be carried out in a tradesmanlike manner.
Paint brand to be selected, eg; Dulux, ~~EXXEL~~, ~~EXIGEX~~, ~~PAKKEI~~,
Dropsheets to be used in all areas.
All round insurance for accidents and public liability.
All work has **5 Year Guarantee**.
Occupational Health & Safety Work Cover No C3524502 & C3524503.

All Exterior Surfaces will be accessed from a Swinging Stage and
is Supplied by Licensed Scaffold Contractors in accordance with
Work Cover regulations, therefore we do not need th have access
at any Stage through the Units unless the enclosed Balconies need
to be done.

Exclude any Colourbond, Powdercoated or Anadized Window Frames and
Handrails.

The Chairperson, however, with full support from Raine & Horne Strata Sydney BCS, provided the following false information in agenda for the AGM 2004:

Last year at the AGM members were advised that quotes received for painting and external repairs exceeded \$600,000. With patient negotiation and re-tendering an appropriate scope of work and cost has recently been agreed. The committee has approved a contract to repaint all the lower blocks with the accompanying repairs to cracks, leaks etc for \$464,000 plus GST. All four blocks will be painted the one colour (the current yellow shade rather than the current pink hue). After painting is completed next year (it will take some months) repainting is not expected to be required for 8 to 10 years. The sinking fund balance at the next year end (31st August 2005) is expected to be approximately \$214,000 and consistent with the long term plan approved at the AGM in 2001. This is a very satisfactory outcome.

The complex is in generally considered to be in good condition which will be further improved by the painting. Sales evidence suggests property values continue to be enhanced by the excellent state of the grounds and the stable financial position.

The trick for the 24.7% cost "blowout" from the originally approved value of \$446,380.00 was to remove 10% limit on any single item in the budget as (as per SSMA 1996, Section 80A), which allowed the Strata Manager to keep increasing the costs without general meetings.

The painting project is now overdue and must proceed promptly, due to excessive water ingress and cracking of the surfaces. But, as "approved" at AGM 2014, Raine & Horne Strata Sydney BCS and EC want to exclude owners corporation from making the decision on the tender, no matter how large the quote is (they do not even intend to provide details of the quotes for owners to review!). Is there anyone who does not want to know where \$600,000.00-\$700,000.00 is spent and how?

Issue 6 – Garden beds

Garden beds have been in poor condition for many years. Occasionally, there were attempts to make improvements but they were done in such way that they were short-lived and require constant repairs.

At the EC meeting held on 28th of August 2013, which was attended by seven members of the EC, Strata Manager, and two ordinary members of the owners corporation, the following was reported for 218 owners in the complex:

MOTION 7: To consider quotations for the re-painting of the central courtyard area.
The meeting reviewed quotations for the re-painting of the central courtyard area from 2 contractors.
Resolved to approve the quotation from Pierre Brush, in the amount of \$5,170.00 including GST to re-paint the central courtyard area.

The photos of the complex taken in March 2015, including some for garden beds, show the need for much of the work to be redone soon:

Macquarie-Gardens-photos/gallery/index.php?/category/1

Owners were also not told, or shown in any financial statements, that the budgeted and approved costs were doubled from those given in the minutes of the EC meeting:

Cred. Code	Creditor Name	Doc. Ref. No.	Doc. Date	Doc. Total (GST inc.)	Chq. Date
37988	PIERRE BRUSH PAINTER	125/13	11/11/2013	\$5,500.00	19/11/2013
37988	PIERRE BRUSH PAINTER	115/13	8/10/2013	\$5,170.00	16/10/2013
		Total		\$10,670.00	

Issue 7 – Fallen tree and close call to hurt property and lives of others

A week ago, large branches fell off trees on our common property and almost hit the bust stop and cars parked on Fontenoy Road. Had they hit any person or cars on the street, we would have been in troubled waters for poor management of trees (as many require pruning of branches hanging over our property). We were extremely lucky this time:



More photos are here:

Macquarie-Gardens-photos/gallery/index.php?/category/9

Issue 8 – Proof that pergolas are common property is still missing

In spite of all efforts, the EC and Raine & Horne Strata Sydney BCS not only failed to provide any evidence, but also refuse to even reply.

The document must be provided if it exists, and pergolas are indeed registered as common property. Oral statements by some members of the EC are worthless. Any decision made at general meetings has only two years for registration.

I notified NSW LPI about Chairperson's intention to introduce Special By-Law to retrospectively "approve" this registration and justify around \$110,000.00 spent on pergolas in three major works over the years.

More details are here:

[Raine-and-Horne-Strata-Sydney-BCS-Course-101-Lesson-10-How-To-Mismanage-Admin-Fund-for-Private-Property.pdf](#)

Issue 9 – Undisclosed case with the Department of Fair Trading

This was reported in the minutes of EC meeting held on 4th of March 2015:

REIMBURSEMENT FOR KEY NOT RECEIVED – A ADEBIYI:

Motion

4.1 To consider a request for reimbursement for an access key which was ordered and claimed not to have been received, by A Adebiyi.

The reimbursement was approved and it is noted that new hand delivery methods coordinated between the managing agent and caretaker have been introduced to eliminate such disputes in future.

What owners were not told is that even Department of Fair Trading got involved in this case as early as September 2014:

From: Bruce Wang [mailto:bruce@tracyyap.com.au]

Sent: Thursday, 11 September 2014 1:40 PM

To: Russell Young

Subject: 180/1 Fontenoy Rd. Macquarie Park

Dear Russell,

Just to inform you that we received phone call from Fair Trading in regards to the swipe key matter for 180/1 Fontenoy Rd. Macquarie Park.

Fair Trading officer stated that they have spoken to you and you will submit a request to reimburse the fund back to the tenant in the general meeting - Of course, the general meeting will take some time.

Raine & Horne Strata Sydney BCS is known for hiding legal issues in this and other complexes. The question is, when the next big case happens, will owners know about it?

Issue 10 – Delayed payments for common funds

Raine & Horne Strata Sydney BCS, with full approval of the EC, is engaged in regular delayed payments to vendors and parties. It achieves two goals:

- **Hides real status of owners corporation accounts,**
- **Defers payments into another financial year or quarter where convenient.**

Examples of this financial mismanagement are here:

[Raine-and-Horne-Strata-Sydney-BCS-Course-101-Lesson-19-Delaying-Payments-from-Common-Funds.pdf](#)

Issue 11 – Full financial details for FY 2014 and recovery of excessive reimbursements to townhouses still not provided

In spite of all efforts, the EC member and Raine & Horne Strata Sydney still refuse to provide access to documents that I paid for as per SSMA 1996 Section 108. I am finalizing evidence against illegal hiding documents that are common property of all owners. In the latest attempt, I asked Strata manager and the Branch Manager to confirm the "delivery of documents" to me. **They read it but failed to respond. Immediate action will follow as owners corporation MUST provide me with those documents, there is no alternative. The fact that Mr. Russell Young offered to pay me back because he knew that he did not give access to documents on 17th of March 2014 is strong proof of corruption. If there is nothing to hide, why would financial statements be made secret?**

Subject: REQUEST FOR WRITTEN CONFIRMATION BCS refused access to document viewing for Lot 158 on 17Nov2014

Date: Sun, 15 Mar 2015 15:30:17 +1100

To: Russell Young <Russell.Young@bcssm.com.au>

CC: Billy Cheung <Billy.Cheung@bcssm.com.au>

Hello Russell,

The minutes of EC meeting held on 4 March 2015 gave me incredibly powerful information. Thank you.

I now give your office deadline by Tuesday afternoon, 17 March 2015, to provide written response to this email:

a. Did you provide access to documents as specified in my PAID search for document viewing on 17 November 2014?

b. Did you, in oral conversation, offer to reimburse me for \$108 because BCS failed to provide access to documents on the day?

Not responding to this email will not delay the actions.

On 26/11/14 21:59, Lot 158 wrote:

Re: THANK YOU FOR NON COMPLIANCE WITH LAW SP52948 - Various matters and tender process
To management of BCS,

Thank you for organising one of the most corrupt AGMs for Strata Plan 52948 tonight.

Lack of professional actions by Mr. Young and Cheung amounted to full non-compliance with your duties and obligations expected of a strata manager.

They even failed to provide access to the evidence of the quorum of AGM 2014 and directly proved that at the beginning of the meeting, due to unfinancial owners from townhouses, the meeting was invalid and Chairperson was not entitled to run it or vote! In his own words, Mr. Copland did not repay for illegal water and gas usage and neither did any townhouse owner.

And then colluded with EC to "approve" Motion 19 for retrospective "correction" of your direct involvement in non-compliance of Special By-Law 13. That was to provide direct benefits to Chairperson and selective townhouse owners.

Therefore, I did not provide "allegations" as Mr. Cheung likes to call it, I actually proved the "real value" of the EC and BCS co-operation.