

**MINUTES OF A COMMITTEE MEETING OF CATHEDRAL PLACE COMMUNITY
BODY CORPORATE MCP 106902 HELD AT THE MEETING ROOM, CATHEDRAL
PLACE ON MONDAY 21 MAY 2007 AT 6.00 PM**

Representation: Mr Peter Zunker Cathedral Place 'A' – Notre Dame
Mr Pat Brown Cathedral Place 'B/C' – Oxford & Cambridge
Mr Tony Rich Cathedral Place 'D/E' – Canterbury & Westminster
Mr Ken Morrisby Cathedral Place 'G/H' – Kensington & Sandringham
Mr John Gilliland Cathedral Village
Mr Conrad Beal Body Corporate Manager, Representing Archers
Body Corporate Management Pty Ltd

Apologies: Barry Budd - Cathedral Place 'F' – Duhig – he is sick.

Quorum: It was noted that a quorum was declared constituted there was more than half (50%) of all members of the committee being present.

Chairman: The members elected Conrad Beal to chair the meeting, and he agreed to chair the meeting.

Proxy: Tony Rich presented a proxy from Barry Budd, Cathedral Place 'F' – Duhig to himself.

Conrad Beal has checked the proxy appointment requirements for CBC Committee Meetings. A copy of his findings has been circulated to members.

Section 185 (10) states : "A member of the executive committee may, with the consent of the executive committee, appoint: (a) a member of the body corporate to act in the member's place as a member of the executive committee at any meeting of the executive committee".

The meeting considered the acceptance of the proxy. It was considered that a member can appoint another member to be their proxy.

The Chairman ruled that Barry Budd can appoint Tony Rich as his proxy

Confirmation of Minutes of previous meetings: The minutes of various Committee Meetings were discussed and corrections made as required

RESOLVED that the Minutes of the meeting held on 3 May 2007 with amendments to remove "Proxy from Ken Morrisby to Conrad Beal" and "That CPM is to ensure that approval is obtained before engaging a contractor, and that CBC is to pay this invoice" be accepted as a true and correct record of
Carried 6 For, 0 Against.

RESOLVED that the Minutes of the meeting held on 16 February 2007 at 7.47 pm following the EGM with amendments to clarify wording of motion "Reduction of trip Hazard" and amend resolution for "Invoice Approvals" to read "RESOLVED that Cathedral Village be requested to pay this invoice and that John Gilliland to follow up work involved with John Cipollone and consider payment of invoice by Cathedral Village" be accepted as a true and correct record of
Carried 6 For, 0 Against.

RESOLVED that the Minutes of the meeting held on 2 April 2007 with amendments to remove "Tony Rich advised the meeting that Peter Townley had said that" from Motion "Approval of Legal Action, Engagement of Legal Practitioners" and add the word "contact" after "Ken Morrisby" in motion "Tendering Process" be accepted as a true and correct record of
Carried 6 For, 0 Against.

The Chairman ruled that the minutes for the Committee meetings held on 14th

February at 5.00 pm and 16th February 2007 at 4.30 pm and the Records of Flying Minutes dated 17 April 2007 and 18 May 2007 are a part of a dispute lodged with the Commissioner for Body Corporate & Community Management and therefore can not be voted on until the Order is received in relation to CBC Committee voting representation.

Tender Process:

Selecting the independent supervisor/reviewer of the tendering

Ken Morrisby advised that he had come up with some contractors who could be engaged by the CBC to independently supervise the tendering process.

Members recommended the following to be considered:-

- a. Leary & Partners
- b. Star Building Services
- c. David Midwood
- d. Rider Hunt
- e. Wilde & Woodhouse

There was discussion on the need for an independent person to supervise the tendering process what that person would be engaged to do.

RESOLVED that :-

1. That an independent contractor be engaged to supervise the tender process using the Evaluation Plan (and any recommended and agreed changes to the plan), which will involve the following :-
 - a. Prepare tender documents
 - b. Issue tender documents to the respondents from the Expressions Of Interest
 - c. Develop a ranking system (evaluation criteria)
 - d. Evaluate and score tenders received
 - e. Recommend two tenders
2. The Body Corporate Manager approach the above contractors and any other contractor he deems appropriate and obtain a quote and submission from those for consideration by the Committee at the next meeting to discuss the tender process; and that
3. The cost to be discussed at that meeting.

Carried 6 For, 0 Against.

Finalising the scope of works

It was discussed how best to finalise the duties to be included in the agreement to be sent with the tender documents.

An excerpt (spreadsheet) from the "Linkhorn document" which details the duties which would make up the content of Schedule 2 'Caretaker's Duties' of the Caretaking Agreement., a review of the duties performed by the Caretaker, was presented by John Gilliland.

(Peter Zunker brought up other items that should be considered before any consultants were engaged, and these included if the caretaker should be required to live on site and required to own property in the complex, the length of time of the contract, who controls contractors on site and where they would operate from if the Zunker's where not the successful tenderer.)

RESOLVED that :-

1. The spreadsheet be used as the basis for the content of Schedule 2 'Caretaker's Duties' of the Caretaking Agreement; and that
2. Peter Zunker, as the best qualified person on the Committee to do so, review the duties and provide his amendment recommendations for review at the next meeting to discuss the tender process.

Carried 6 For, 0 Against.

Score sheet

It was discussed how a ranking system (evaluation criteria) could be implemented to enable the selection process to rank tenderers and to allow two to be selected in the final part of the process.

RESOLVED that :-

1. A ranking system will be utilised; and that
2. The incumbent, Cathedral Place Management, would be an important
3. part of the ranking; and that
4. The independent supervisor will be requested to advise on how best to develop that ranking system

Carried 6 For, 0 Against.

Finalising the Agreement (contract)

A version of the new Caretaking Agreement went out in the Expression Of Interest stage.

RESOLVED that :-

1. A copy of the Caretaking Agreement will have to go with the tender documents; and that
2. The Caretaking Agreement that will be sent may well be further amended during the tendering process; and that
3. A copy of the current version of the new Caretaking Agreement be distributed to all members by the Body Corporate Manager for each member to review and provide any further amendments they recommend at the next meeting to discuss the tender process.

Carried 6 For, 0 Against

Timetable

It was discussed how a timetable should be implemented to ensure all action could take place within the time constraints of each part of the process and meet the November 2008 date when the current Caretaking Agreement ends.

It was discussed and agreed that no member had a problem with the incumbent, Cathedral Place Management.

RESOLVED that the following timetable will apply :-

1. The appointment of the independent supervisor by the end of June 2007; and that
2. All tender documents to be settled by August 2007; and that
3. Tendering process to be agreed to by November 2007; and that
4. Tenders (incl prices) to be in by March 2008; and that
5. Two recommended tenders to be considered in April 2008; and that
6. Settlement in June or July 2008; and that
7. Contractor who is given the Agreement be in place by November 2008

Carried 6 For, 0 Against

Tender review process

Members raised the importance of the subsidiary bodies corporate having the opportunity to have input into the process before the CBC has it's final vote on the tender. All members agreed that this is an important step in the process.

RESOLVED that the subsidiary bodies corporate will have the opportunity to have input into the process before the CBC has it's final vote on the tender.

Carried 6 For, 0 Against

Preliminary criteria that needs to be resolved before tendering system starts

Peter Zunker raised various issues which he considered the Committee should consider before any money was expended on the tendering process (and they included:-

1. Cathedral Village is not currently part of the Caretaking Agreement with the CBC. The requirements of the residential bodies corporate are different to the requirements of the commercial lot holders. Consideration should be given to having separate contracts.

John Gilliland responded that one contract was necessary so that the operation of the car park could be dealt with.

2. Cathedral Village has not signed a Management Agreement with the CBC, and therefore would be under no obligation to be bound by an agreement signed by the CBC for caretaking.

John Gilliland advised that Cathedral Village would not sign the agreement while the motion to extend the CPM contract was to be voted on.

Peter Zunker said that the motion only related to the residential bodies corporate and therefore it did not have a bearing on the signing of the agreement between the Village and the CBC.

There was discussion that the tendering process would not commence until all the subsidiaries that are to be party to the contract will have signed the management agreement with the CBC.

John Gilliland advised that Cathedral Village will consider the situation once the successful contractor is known.

3. Indemnity Deed (Secrecy of information)

Peter Zunker suggested that :-

- a. The CBC should release those representatives who have signed the secrecy document as it may have legal implications if they gave feedback to their lot holders.
- b. With the current arrangements there does not seem to be a need for John Gilliland and Ken Morrisby to be held to the Acknowledgement and Indemnity Deed.

John Gilliland and Ken Morrisby will consider the situation.

4. Motions have been passed at general meetings by subsidiaries on extension of agreement with CPM in four of the six subsidiaries. Peter Zunker noted that John Gilliland does not have such a motion and therefore he is under no obligation to the lot holders he represents. Barry Budd also should vote no in accordance with the wishes of his Lot holders. The other representatives may need to consider their positions and if they wish to vote against the wishes of their lot holders they should consider submitting a motion to reverse the extension motion at the general meeting of Lot holders.

The members noted Peter Zunker's comments

5. What the situation would be if a contractor other than CPM won the tender, as the office freehold was owned by CPM.

The possible situation and possible scenarios to handle the situation were discussed.

6. The effect of the change to By-law 29 and the proposed reversal of the By-law means that the CBC should not be advertising that the letting business is included in the operation being tendered for, until this has been settled. Peter Zunker advised the meeting that Stephen Berry has advised the B & C annual general meeting that commercial lot holders were considering a class action if the by law was reversed, as it restricted the ability of a commercial lot holder to operate a letting business on the scheme.

Pat Brown, who attended this meeting, confirmed this was correct.

The possible situation and possible scenarios to handle the situation were discussed. It was agreed that the tender always has not and can not include the Letting Agreement.

Electricity and other Charging:

Peter Zunker raised various issues regarding charging for electricity, the budget and the calculation of levies.

It was agreed by all present that the number of lots upon which levy charges are paid is 650.

There was discussion regarding the charging for electricity and other common property items. This would be dealt with at the next meeting.)

Next meeting:

The next meeting is to be held on the 29th May at 6.00:to consider the matters on the agenda items of the meeting of 3rd May 2007.

The meeting was closed at 8.00 pm

Confirmed.

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Chairman