



May 2021

UPDATING THE LTMP

By law, people who own property in an Owners Corporation must contribute an amount towards the administration of the OC and, for larger OCs, towards a Long Term Maintenance Plan (LTMP). At Ardoch, 78% of these contributions goes towards everyday administration (repairs & maintenance, utilities, gardens & grounds, etc); and 22% goes towards the LTMP fund.

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Some trees are causing major structural damage to nearby buildings at Ardoch

ARDOCH WEBSITE



Check the Ardoch website (www.ardochvillage.org.au) for the latest information for owners.

REPAINTING THE BUILDINGS

The repainting project is progressing, albeit not without impediments.

It turns out some owners had previously used the wrong type of paint (acrylic instead of mineral) to 'touch up' certain areas and this required discussions with the contractor (and a variation to the contract) about how to manage these areas.

Also, as the project progressed it was reported that moisture is seeping through some external bluestone stairs, causing damp to structures

OWNERS CORP ACT AMENDED

The Victorian Owners Corporation Act has been amended following extensive consultation. Among the changes:

- OC Managers' contracts can no longer be automatically rolled over but must be limited to 3 years.
- committees may have no more than 7 members unless owners approve a larger committee (up to 12) at the AGM
- OC managers must take reasonable steps to ensure competitive supply of goods and services
- OC managers must disclose any commissions
- OCs can now dispose of goods abandoned on common property
- residents are responsible for guests' behaviour
- OCs can take legal proceedings up to \$100K by ordinary resolution (not special resolution)
- lot owners may bring an action to VCAT even where there has been no special resolution passed - but then must prove to VCAT why they should be permitted to take the action.

These new changes come into effect 1 Dec 2021.

UPDATING THE LTMP

However, as we pointed out in our last newsletter, the LTMP does not go into the details of actual projects but only provides a defensible basis for calculating the quantum of LTMP contributions.

To understand the actual projects that are needed to maintain the capital value of the Ardoch estate, the OC committee has created a new Five Year Maintenance Plan, which lists all known projects that are needed in the medium term. This has never been done before at Ardoch.

As we move through the big repainting project, it's become clear there are major repairs needed that were not obvious when the last LTMP was put together in 2019.

For example, some of the older style buildings are showing signs of structural damage caused by factors such as trees growing too close to the building, and broken underground pipes causing subsidence.

Such structural damage should be fixed before the building is repainted. And the possibility of similar structural damage to other buildings needs to be assessed so preventative action can be taken.

Preliminary analysis indicates the accumulated funds in the LTMP may not be sufficient to address the sources of the structural damage and to complete the repainting project.

The committee has therefore commissioned Rider Levitt Bucknall (quantity surveyors) to update the LTMP with these now-known projects in mind.

Their report will be ready in July. The committee will use the report to inform its recommendation for quarterly contributions at the September AGM.

REPAINTING THE BUILDINGS

below the stairs. The committee agreed that the stairs should be properly sealed and caulked to prevent further damage before repainting the underlying structures, so this also necessitated a variation to the contract.

Then there are some areas, such as the rear of 7 Ardoch, where actions must be taken by private owners to properly seal their rear balconies before the external balustrade walls and underside of the rear balconies can be repainted.

And there are a small number of areas where 'drummy render' has been discovered. This needs to be properly repaired before repainting.

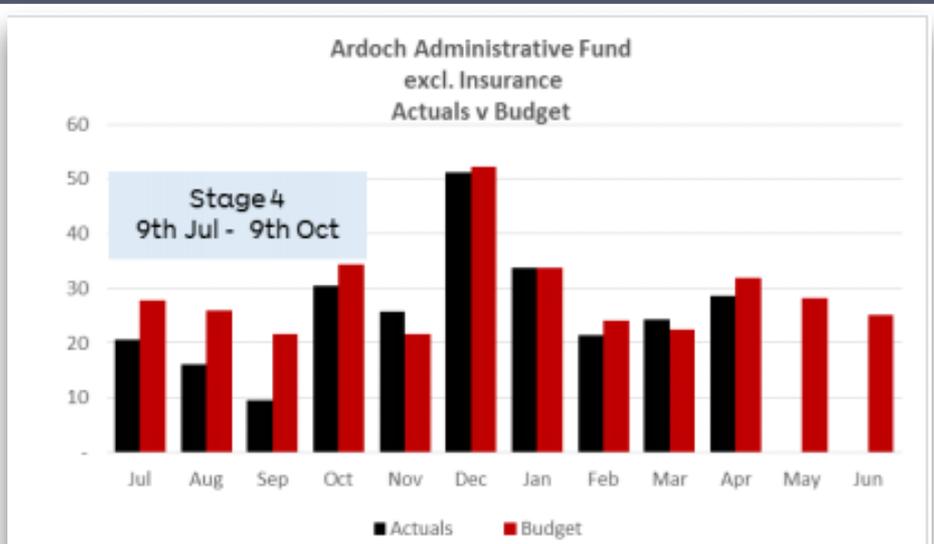
On top of these issues (some of which are to be expected in a project this large), the supply of paint from Dulux has been somewhat sporadic due to general increased industry demand.

Nevertheless, the work is progressing and it's terrific to see what a fresh coat of paint can do!



Freshly painted wall (left) compared with 20 year old faded wall (right)

FINANCIAL REPORTS



The rate of expenditure from the Administrative Fund is tracking well against budget.