

DISCOVERY BAY HILLGROVE VILLAGE OWNERS' COMMITTEE
Minutes of Meeting No 2 2014-2015
held on 24 November 2014, 7:30 pm in Discovery Bay Office Centre

Present:

Mr Edwin Rainbow	(ER)	Chairperson
Mr Lau Man Kit	(LMK)	Vice Chairperson
Ms Alice Li	(AL)	Member
Mr Chung Kwok Wah	(CKW)	Member
Mr Fok Chau Lun	(FCL)	Member
Mr Michael McGuire	(MM)	Member
Mr Nigel JH Reid	(NR)	Member
Ms Nikki Wepener	(NW)	Member
Mr Tze Bo King	(TBK)	Member
Mr G H Koo	(GH)	Manager – Estate, City Management (CM)
Mr Sam Lo	(SL)	Manager – Contracts, CM
Mr Desmond Lam	(DL)	Senior Officer – Contracts, CM
Ms Cherie Lau	(CL)	Assistant Officer – Estate, CM

Absent with Apologies:

Fine Faith Limited	(FF)	Member
Mr Lam Wai Man	(LWM)	Member
Ms Lo Yuk Shan Connie	(LYS)	Member
Mr Martin Keen	(MK)	Member
Ms. Umehara Yukiko	(UY)	Member

1. Confirmation of Previous Meeting Minutes

The meeting minutes of Village Owners' Committee (VOC) Meeting No 1 of 23 October 2014 was confirmed.

2. Matters Arising

2.1 Dog Bin Relocation

CM advised that a site walk had been conducted before the meeting to locate the preferred spots for dog bins. A proposal was presented where the existing bin would be relocated to the lawn near the walkway towards Tai Pak Bay, and two new bins were placed at the rear of Brilliance Court and the driveway entrance. After discussion, the one behind Brilliance Court would be deferred for further observation after installation of the first two. LMK commented that the estimated labour cost was likely on the high side and CM would verify the final cost against actual man hours of work done.

2.2 Guard Bilingual Ability

CM advised that an English-speaking guard would be on board by mid of December.

3. Management Report by City Management

CM briefed the Committee on the recent management operations as follows:

3.1 Tender Analysis and Recommendation on Tender for Visual Tree Risk Assessment 2014 – The VOC Paper was issued to the Committee and no adverse comment was received. CM would proceed with the award of the contract accordingly.

ER. Noted that several (thought to be 4 – please include the drawing with minutes) are in City designated land and costs should be apportioned accordingly. It is not only a question of cost but also potential liability arising from trees not on Hillgrove designated land.

3.2 Fire Drill – The annual fire drill was proposed on Saturday 6 December. (Post-meeting note: As Fire Services Department was unable to attend the fire drill as requested, the drill would be postponed to Saturday 3 January 2015.)

4. Re-tender of Consultancy Services

SL introduced CM's Senior Officer – Contracts, Desmond Lam, who would be responsible for the upcoming condition survey / renovation in Hillgrove.

SL briefed the Committee about the lead time of this exercise. The whole process would last for about twenty-one (21) months plus a defect liability period of further twelve (12) months from now on. NW suggested starting the building condition questionnaires to owners earlier, say, from March 2015, so that the consultant was able to collect as much information as possible.

For the tenderer list, CM advised that the list of Building Surveying Branch under Hong Kong Institute of Surveyors would be adopted. LMK believed that as the project might involve improvement of building fabrics which architectural input would be needed, it was preferred to include the list of architects under Architectural Services Department. CM would combine the two lists together for issuing express of interest.

NR suggested placing newspaper advertisements to attract more consultancy firms, out of the two lists above, to participate in the tender exercise. The Committee agreed. CM would place the advertisement in The Standard and Sing Tao Daily.

In drafting the scope of work, SL asked if the provisions of mandatory window and building inspection would be included in this project. Members opined that Hillgrove

was yet to receive notification from Government on window inspection and the buildings were less than thirty (30) years of age, thus, these inspections were not urgently required. CM would remove the related provisions from the draft.

After issuing management notice to form the Renovation Working Group (RWG), CM received several responses / nominations from the owners. At the meeting, NR and NW nominated themselves to join the RWG. The nominations were accepted by the Committee.

5. Review on Decoration / Renovation Deposit

The Committee felt that decorations in various flats would impose additional workload to both security and cleaning teams, and it would be reasonable to charge the respective owners for reimbursement of this extra work according to the user-pay principle. After reference to the charges in other similar villages, it was unanimously agreed to apply a charge of HK\$1,000.00 for each new application for decoration.

6. Report of Financial Status

NR reported on the observations and proposed solutions on the financial status of the village accounts, as follows. **Nigel do you have any comments ?**

Financial Position

As at 30 September, a deficit of about HK\$278,000 was recorded. By the end of this financial year, a sum of HK\$600,000 was being transferred to Reserve Fund. The total fund consisted of accumulative surplus and Reserve Fund would be about HK\$7 million by 31 March 2015.

Principle to deal with Village Account

Three (3) rules would be applied:

- i. To maintain quality services
- ii. To achieve a breakeven of income and expenditure
- iii. To manage the transfer to Reserve Fund which accommodated capital expenses

Management Fee Level

According to the record, Hillgrove's existing rates remained unchanged for at least seven (7) years. However, those of other villages in Discovery Bay were being reviewed or increased constantly over the period.

Factors of Hillgrove's Deficit

Certain unfavourable conditions were taken into consideration. While there were about four (4) months ahead before the end of the current financial year, a breakeven for this period would unlikely be achieved. Major contracts such as security and cleaning services became due in 2015 and 2016 respectively might cause a huge increase in expenditure. Major items, say, staff cost and repairs & maintenance, city infrastructure maintenance, would account for a substantial portion of the expenses.

Solution

The were options offered for consideration to achieve a balanced budget in the ensuring financial years (to be decided at the next VOC):

- A. To increase the management fee in January and July 2015 at a rate to be confirmed;
- B. To increase the management fee in January or February 2015 at a rate which would remain unchanged for a period of about fourteen (14) to fifteen (15) months; or
- C. To increase the management fee in April, preferably less than ten (10) percent while the deficit would be offset by accumulative surplus.

Review by Hillgrove Finance Sub-Committee (HGFSC)

NR suggested that the above study needed to be further reviewed by HGFSC and a meeting would be held in January 2015 tentatively for discussion. AL and MK volunteered to join HGFSC and were welcomed by the Committee.

Long Outstanding Debts

CM advised that there was no provision of bad debt in the village account and NR would follow up with CM on the actions against the default owner.

NR was excused at 9:40 pm.

7. Report of City Owners' Committee (COC) Meeting on 8 October 2014

There was no COC to report, The next COC Meeting scheduled for mid December

8. Community Events

The COC/VOC Christmas Part was scheduled on 19 December in Discovery Bay Auberge.

9. Date of Next Annual General Meeting

The next Annual General Meeting would be scheduled in a Thursday evening of November 2015. We had a provisional date – I have no note ?

10. Any Other Business

10.1 Building Management Ordinance Workshop

ER asked if any Members would like to join the above Workshop on 6 December. Members who were interested might contact CM Cherie for reservation. The Workshop was to deal with the proposed amendments in the Ordinance relate to the resolutions of renovations and procurement.

10.2 Decoration Drilling after 5 pm during Weekdays or on Saturdays / Sundays

NW enquired about CM's action against drilling during the above period which noisy work was not permitted. CM would visit the flat in question and demanded the decorator to cease any site work, and would call for Police's assistance if necessary.

10.3 Declaration of Interest

ER presented a draft declaration of interest applicable to Hillgrove VOC and its working groups for reference. ER recommended the declaration as it avoided conflict of interest when Members dealing with village matters. This declaration would be applied whenever a group of Members was prepared to handle a particular subject in future. (Draft being attached for reference.)

Mr Fok Chau Lun agreed to represent HV at the PLG

11. Date of Next Meeting

The next meeting was scheduled on Monday 26 January 2015.

There being no other business, the meeting was adjourned at 10:30 pm.

Chairperson