



Dear Owners,

Re: Storm Damage January 2020 – Update

The Executive Committee kindly provides the following update on the status of the roof rectification works following the catastrophic hail event of January 2020. Firstly, we thank you for your patience and ongoing support throughout this period.

As reported at the Annual General Meeting November 2021, over the previous twelve months the EC has been in negotiation with our insurance broker, insurer, and potential service providers. The major obstacle had been that the Executive Committee was not prepared to sign a services contract (insurer-backed) that shifted risk of inadequate or incomplete services provision to Landmark owners. Those items were resolved in Landmark's favour. At this time the mechanical services scope of work was also being finalised and it was anticipated remediation work would commence by end of 2021.

Post the Annual General Meeting the Insurer advised that they were altering the contract to separate the Bowen Drive and Blackall Street works into 2 separate contracts. The Insurer via the insurance broker, has advised that there are multiple factors behind this decision including risk mitigation to enable change of service provider in the event the first stage works are problematic or not completed satisfactory. However, the main driver behind this decision is the difference in the scope of work, particularly relating to the mechanical services works such as air-conditioning units. As there are no roof mounted air conditioning units on Bowen Drive the mechanical services works is less complex enabling scoping of the works to be finalised and thus enabling commencement of Bowen Drive.

The Contract for the Bowen Drive works was signed early December 2021 and mobilisation for commencement of works is scheduled 11 February 2022. The following is a brief outline of the key dates for the works subject to materials and subcontract availability:

- Measurement, verification, mobilisation and dilapidation report - 42 Days from 11/02/2022
 - Materials have an extensive lead time (186 days);
- Commencement of Works - 13/04/2022 (Construction Duration 126 Days)
 - 3 Bowen Drive - 13/04/22 to 24/5/22
 - 5 Bowen Drive - 18/5/22 to 7/7/22
 - 7 Bowen Drive - 1/7/22 to 24/8/22
 - 9 Bowen Drive - 17/8/22 to 13/10/22
- Completion Bowen Drive - 13/10/22



Unfortunately, for Blackall Street, due to significantly larger scope of works for mechanical services associated with the roof mounted air conditioning units, it is likely that we may not see commencement of roof remediation works on Blackall Street buildings until late 2022 or early 2023.

The mechanical services report has recommended, and the insurer has accepted liability for replacement of all original McQuay roof mounted air-conditioning units. The replacement of the air-conditioning units also includes the full replacement of the internal unit and associated components and pipework. The EC has requested, and the insurer has accepted liability for immediate replacement of air-conditioning units that have failed post hail event of January 2020 for the Blackall St units, to ensure units have heating and cooling in advance of remediation of the Blackall Street roof.

Clearly this delay in the commencement of Blackall Street is not ideal and as such the Executive Committee is continuing discussions with the insurance broker to attempt to improve the timelines. However, this is dependent on ensuring the scope of work is clearly defined, planned and executed to minimise disruption by ensuring the works are completed to the highest possible standard. We are also continuing discussions to ensure that units are remediated as far as reasonably practicable given the ongoing nature of the works. Those units that sustained inundation or internal damage during the hail event January 2020 will be contacted by Canberra Strata to confirm the status of initial repairs and ascertain if there have been any ongoing issues.

At the end of the day, the intention is to ensure that integrity of the buildings is maintained if not improved from original construction. Therefore, apart from separating the works the insurer has also engaged a Building Consultant who is an expert in providing advice to the insurance sector to oversee the works. Additionally, the Executive Committee is in the process of engaging with personnel with extensive building experience from the Landmark Community to assist the Executive Committee in monitoring the progress of the works.

We shall continue to provide further updates throughout the remediation project.

Kind Regards

Landmark Executive Committee



Frequently Asked Questions

Will there be an Information session with owners, Executive Committee and insurance representatives?

- Yes, time and date to be advised once the information session is locked in;

Why has the work taken so long to begin? What has the negotiation been about?

- There several contract items that required resolution including.
 - The insurer was named a party on the contract, thus resulting in all risk being placed on the Owner's Corporation
 - Defect Liability Period was insufficient
 - Care of landscaping
 - Notification period for access to dwellings
- In addition to the contract matters, a full assessment and evaluation of condition and damage to mechanical services was required to be undertaken to ascertain and confirm the scope of work and costing associated with this equipment, which includes the roof mounted air conditioner units.
- Engineering specifications were required to be drafted to enable pricing for the works.
- Works approvals including DA approval were dependent on signed contract
- Responsibility for monitoring the progress of works including valuing of progress claims. The insurer appointed consultant Q-Tech, named as the responsible party.
- Progress updates and progress meetings negotiated to be fortnightly as opposed to monthly. Weekly updates to be provided to advise of departures from schedule or emerging risks to the progress of works.

What is the insurer's obligation to complete the repairs in a timely manner?

- There isn't an obligation on the insurer, however all parties will want to complete the repairs in a timely matter as payments will be dependent on completion of stages.
- The focus has been on ensuring the repairs are completed accurately and to a quality standard rather than rushing through and dealing with things as they arise. This has caused delays with the commencement of the project, however, has eliminated the majority of issues prior to commencement which should mean a relatively simple construction process.
- Furthermore, the Executive Committee, Canberra Strata and the broker have successfully obtained approval to have ongoing supervision and oversight by Q-Tech Building Consultants and Project Managers throughout the full duration of repairs until works are completed and Final Inspection reports completed for each building
- Obviously, there could be issues that arise once the project starts, however we believe these will be communicated and resolved effectively and in a timely manner.

Why is Bowen Drive work being done first?

- Blackall Street buildings have additional mechanical equipment that Bowen Drive does not have such as roof-mounted air conditioner units. As a result, the assessment and planning for Blackall Street is more extensive taking additional time. Hence why Bowen Drive has commenced first.

Why aren't the building being assessed and prioritised so that most impacted is completed first?

- The Bowen Drive buildings are being undertaken in sequence from 3 to 9 Bowen Drive. The Executive Committee is continuing discussions with the Insurer in relation to sequencing of works for Blackall Street.



Why can't we have different contractors working on Bowen Drive and Blackall Street concurrently?

- There are various reasons including:
 - interfacing risk between two separate contracts and the ability to monitoring concurrent works.
 - Due to high volume of work there are limited roofing resources available.
 - Landmark Apartments also has limited space available for site amenities and laydown areas for materials.
 - Oversight and supervision of the works undertaken concurrently would result in the supervision of both Paynter Dixon and Q-Tech Building Consultants being diluted.

Is there a register of damage, how do I know if my unit is on it?

- Yes, there is. All Unit Owners that sustained damage because of the initial hailstorm will be contacted by Canberra Strata to ascertain the current status of the repairs to those units.
- If you are not contacted by Canberra Strata and have damage as a result of the hailstorm January 2020, then please contact Canberra Strata to discuss.
- The Executive Committee is continuing discussions with the Insurer to ensure that units are remediated as far as reasonably practicable given the ongoing nature of the works.

I have a problem with my apartment, who do I speak to?

- Please contact Canberra Strata with description of the damage accompanied by photos and how it is may be related to the January 2020 event.

If I have repair work done by someone else, can I claim the cost on the Landmark insurance?

- If a unit has already had works undertaken, please arrange to send via Canberra Strata a copy of the invoice including scope along with applicable photos for review and verification by the insurer/assessor for acceptance.
- If works have not been undertaken, the insurance broker recommends using the insurer's preferred repairer as if a cash settlement was to occur the insurer would offer the cash settlement based on the cost that would have been charged by the insurer's preferred repairer. Given the scale of the works, we would expect that the insurer's preferred repairer costs would be extremely competitive, and the unit owner could be financially penalised if they choose to appoint their own trades.
- If a unit owner prefers to engage their own contractor, please submit a quote and scope for review by the insurer/assessor and they will advise a cash settlement amount and the unit owner can make an informed decision as to how they wish to proceed

Will the work and scaffolding impact the gardens, who will be responsible for any damage?

- Paynter Dixon have been advised of the value of our gardens and to take due care throughout the works. Any damage sustained as part of the remediation works will be covered as part of the initial insurance event.
- Prior to the commencement of works a full dilapidation report will be prepared to record the status of the gardens prior to works commencing.
- The Executive Committee has encouraged Paynter Dixon to liaise with gardening contractor throughout the works to assist with minimising impact to landscaping where practicable. However, safety for residents, and contractors performing the works will be the highest priority
- Inspections will be undertaken throughout the works.



Will I lose services, electrical, air conditioning, television etc whilst repairs are being undertaken on my building?

- Yes, there will be disruption to services to facilitate the works.
- Paynter Dixon will endeavour to keep these to a minimum; however, all roof mounted services will need to be temporarily decommissioned and removed during the works.
- Paynter Dixon will provide notice in such cases where disruption will occur and for how long.

I am a Blackall Street unit owner; how can I tell if my air conditioner will be replaced?

- As highlighted above the Insurer has accepted liability for full replacement of all roof mounted air conditioning units. Please contact Canberra Strata to ascertain if the air conditioning is roof mounted.

Will workmen have access to our secure corridors?

- Yes, the scope of work will require access to corridors and all care will be taken to keep noise and disruption to a minimum.

I live on a top floor; will I have to move out during the work?

- At this stage no owners will have to vacate as the roof will be replaced in sections, which shall only remain open to the elements during daytime whilst the works are being completed on that section.
- Consultation with Payton Dixon is continuing to fully understand this and will be clearly communicated in advance.