

Extraordinary General Meeting (EGM) report January 2022

New builds at East Bay have increased and there has been a marked increase in the market value of both land and established houses. We currently have 32 homes either occupied or under active construction.

I am pleased to report that the Committee continues to deliver ongoing improvements which will further enhance the quality of life for both current and future residents.

The Committee needs to consider Lot Holders interests in relation to a number of aspects of the community scheme which have the potential to seriously impact the legal and financial wellbeing of Lot Holders. To resolve these the Committee is proposing a number of solutions and necessary changes to our By-laws.

As per previous communications SA Health raised concerns about the original water treatment design and potential health risks to residents. The Committee decided to eliminate these risks and to explore a more manageable alternative. After years of work the Committee has received approval from SA Health and the District Council Lower Eyre Peninsula to construct a new low risk and low-cost alternative ecological waste water treatment system.

The improved design is completely scalable and its capacity can be increased in line with house constructions.

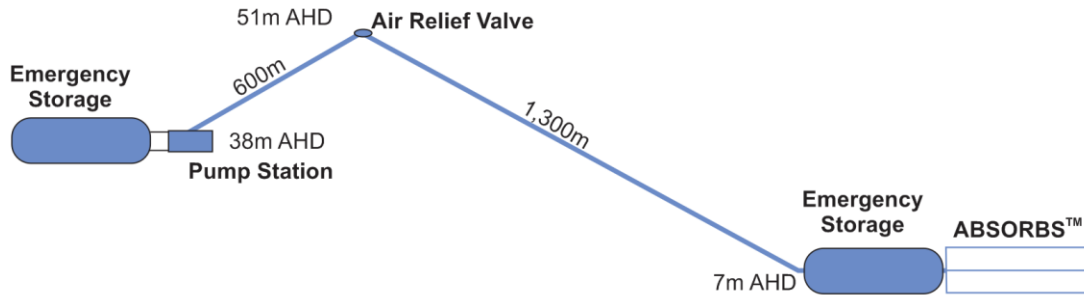
What Changes have been made to the Water Treatment Design

The removal of the requirement to treat and re-use recycled sewage was a major change in the future direction of Point Boston. The recycled water distribution was constantly under repair with significant water losses forcing the Committee to decommission the underground pipe network as replacement would have been a significant cost to Lot Holders. Likewise, the Biolytix waste systems on each lot have proved problematic and costly to maintain and run.

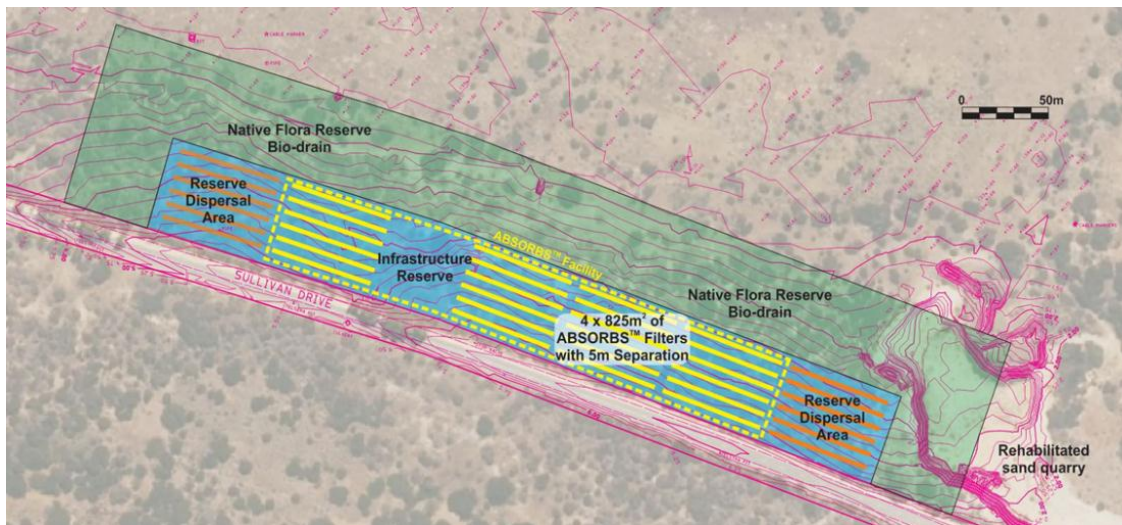
Around 90% of the existing common effluent system has been retained. Unlike the original design, Arris Pty Ltd have developed a bespoke "ABSORBS" system for Point Boston. In very basic terms instead of utilising a high energy mechanical filtration system the 'ABSORBS' uses large sand filters containing plants. This new 'plant based' system uses very little electricity. The original design had an enormous energy requirement compared to the new design which should have no ongoing electricity costs. Our aim is to power the entire system using a small solar array. In addition, there will be minimal maintenance and the potential health risks from re-using recycled sewage have been eradicated. Unlike the original design the operation of the facility will require little oversight meaning there will be no requirement for the presence of dedicated employees. The decommissioning of the recycled water infrastructure will significantly reduce the

Corporations maintenance and capital expenditure. Arris Pty Ltd have provided the below schematics and comparison details.

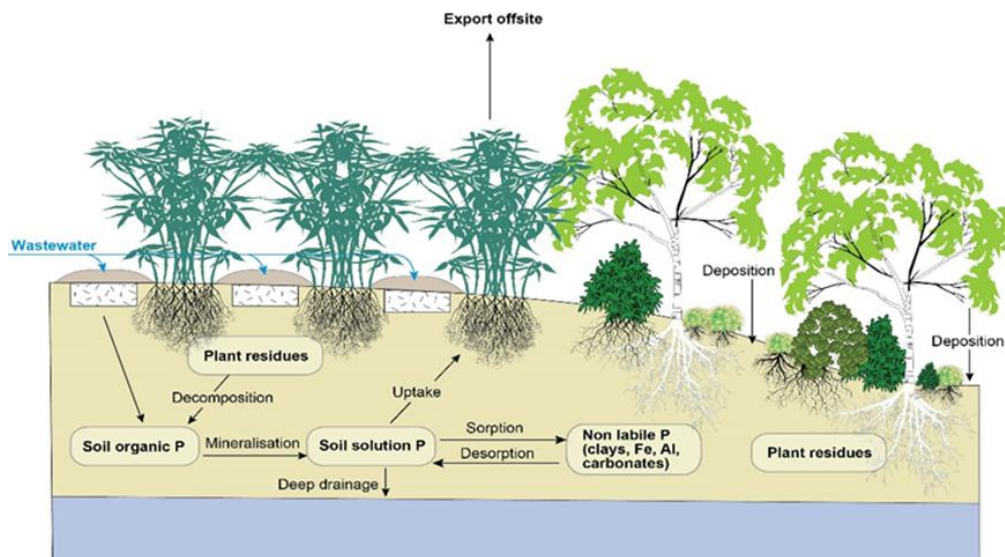
Layout Schematic



Location and design of new ABSORB beds



Phosphorus cycle



Comparing the Cost of each system (per Lot)

Current onsite construction cost (including 'Biolytix', dual water pipe system, second water meter) **\$17,800**

New onsite construction cost (using Advanced Septic tank and no recycled water) **\$8,200**

*New design provides an estimated **\$9,600** construction stage saving*

Ongoing Lot Holder and Corporation Cost

No quarterly service costs \$320/yr
Virtually no energy \$380/yr
Repairs and maintenance \$200/yr

Annual savings **\$900/yr**

Additional Comparisons which affect ongoing Corporation costs:

Activity	New System	Current System
Labour	Virtually None Required	Full time service
Chemical Requirements	None	High requirement to clean membranes Disinfection chemicals
Energy costs	None	High energy requirement
Analytical costs	None	High compliance testing costs
R & M	Very low	High due consumable costs

Changes to our By-Laws

Over the years we have listened to both positive and negative comments. As a result of the feedback and the opportunities now presented by the new water treatment design, we have decided to simplify the current By-Laws, Design Guidelines and Plumbing Guide.

For comparison purposes a copy of the current By-laws is available on our website www.pointbostoncommunity.com

Due to system redundancies, duplications and some conflicts nine (9) By-Laws have been repealed and others amended. I would like to draw your attention to some key changes which I would like you to be aware of:

- All references to reticulated recycled water have been removed.
- To protect our wildlife all pet cats will be subject to a nighttime curfew where they must remain within a Lot between 7pm and 7am

- The Corporation will not be installing internet and television services
- Rainwater tank overflow absorption pits have been increased to two cubic metres and be filled with forty-millimeter (40mm) rock to reduce the load on our stormwater infrastructure.
- The minimum total volume of rainwater tanks required for each dwelling will be:

• One bedroom	-	22,000 L
• Two bedrooms	-	44,000 L
• Three bedrooms (and above)	-	66,000 L
- New builders will pay an **\$8,000 sewage connection fee** to the Point Boston Community Corporation for each **new connection** to the Corporations waste water treatment system. This fee will be payable for connections from the 1st March 2022. This will ensure that sufficient funds are available for each expansion stage of the water treatment facility. The Corporation chose this figure based on the estimated \$9,600 saved during construction and the \$900 per year annual savings from reduced maintenance and compliance.

New Developer Proposal

As you will be aware from previous communications the remaining Development Lots (Development Lots 3002, 3004, 3005 and 3006) are under contract to Mr Scott Rowlands. There have been ongoing discussions around Mr Rowlands vision for future developments at Point Boston. I will detail the four proposals which have been discussed by the committee which now require your consideration.

The Point Boston Management Committee notes -

Mr Rowlands (the Developer) wishes to develop by way of 'Torrens titles' rather than Community Title.

The relevant development allotments are currently community titled allotments and form part of CC 25691 Inc. To enable the relevant development allotments to be 'reclassified' as Torrens title allotments, the Scheme Description of CC 25691 Inc will need to be amended which will require CC 25691 Inc to pass certain resolutions in accordance with the Community Titles Act.

The Management Committee supports Mr Rowlands development plans and recommends the following resolution.

That Community Corporation 25691 Inc. lot holders resolve that -

1. they support the request by Mr Rowlands and/or his associated legal entity (Mr Rowlands) to excise the relevant development allotments from Community Corporation 25691 Inc and the subsequent intention to re-classify/divide the relevant development allotments from Community Titles to Torrens titles provided that -

- 1.1 there is no cost to Community Corporation 25691,
- 1.2 the ownership of Development Lot 3002 is transferred to Community Corporation 25691
- 1.3 Mr Rowlands will -
 - 1.3.1 be responsible for all costs associated with the exclusion of the land from the Community Title system and paying all relevant legal, surveying, conveyancing costs etc.
 - 1.3.2 transfer Lot 3002 to Community Corporation 25691 for consideration of a fee of \$1.00 and otherwise free of cost to the Community Corporation, subject to CC 25691 Inc resolving to accept the transfer of Lot 3002 to it. CC 25691 Inc reserves the right to have Lot 3002 transferred to it as a Torrens Title or Community Title allotment.
 - 1.3.3 The CC 25691 must nominate its ownership preference (Torrens Title or Community Title) within 21 days of being asked to do so by Mr Rowlands.

2. They support Mr Rowlands intention to construct two roads to each relevant development allotment (excluding Lot 3002) together with the completion of a second road to the area referred to as East Bay or Stage 1 at no cost to Community Corporation 25691 Inc or the Lot holders of East Bay or Stage 1 on the basis that all roads to Lot 3004, 3005 and 3006 and any other infrastructure constructed in connection with the development of those lots would ultimately become the property of the local Council should the application for Torrens Titles be approved. (the location of the roads to each development lot and the additional road to “East Bay” is marked on the attached Map, (marked **Annexure A**). *Please note that the exact location may vary during the approval process.*

3. they support Mr Rowlands proposal to construct a public boat ramp at Point Boston (subject to the necessary approvals) at no cost to Community Corporation 25691 Inc or the Lot holders of East Bay or Stage 1 on the basis that the infrastructure constructed in connection with the development of a boat ramp would ultimately become the property of the local Council. (the location of the proposed boat ramp is marked on the attached Map (marked **Annexure A**))

In summary the management committee supports these proposals because –

- The current 207 Lot holders would become the sole owners of the current and future common property at Point Boston.

- The Corporation is relieved of substantial financial and legal risk through not being responsible for the management and maintenance of an additional 1000 homes and associated infrastructure, which would have been the responsibility of a volunteer committee. (Community Corporations were not designed to be of this scale)
- The Developer would build assets such as roads and potentially a boat ramp which would become Council owned and maintained but accessible to the whole community.
- The additional roads and fire breaks would significantly decrease the fire risk to East Bay (stage 1) residents.
- The current 207 East Bay Lot holders would jointly own the 'tourist' Development Lot 3002 at no initial or ongoing cost. This would compensate the Corporation for the additional land the Developer requires to construct a second road to each Development Lot.
- A second road exiting East Bay would be built by the Developer at no cost to the Corporation. This provides additional egress during an emergency and would be required if residents wished to explore East Bay becoming Torrens titled.
- Noting that Development Lot 3003 (Peninsula Club) is owned by a third party and is not a party to these negotiations.

Should Lot holders unanimously vote in favour of Mr Rowlands proposal. Consent would also be required from all interested parties such as banks who may have a mortgage registered against each lot.

The Corporation is in a good financial position. We continue to maintain the initial vision for the Point Boston development albeit on a more manageable scale.

Please take the time to either attend the online meeting or return you proxy vote to Steve Geyer our Corporation Manager at Whittles.

Ian Crossland
Presiding Member
Point Boston Community Corporation No. 25691 Inc.