

RIVERHORSE VALLEY BUSINESS ESTATE MANAGEMENT ASSOCIATION



ANNUAL GENERAL MEETING – 26 JULY 2012

CHAIRMAN'S REPORT
2012

INTRODUCTION

Good afternoon and thank you all for attending this, your Management Association's 8th Annual General Meeting. The meeting covers the financial year ending 28 February 2012.

Stuart Edwards and Company served as auditors for this period and have prepared the audited financial statements. These will be reviewed under Item 6 of the Agenda.

We sadly said good bye to Gerald Waller who passed away recently and who was synonymous with the Estate since construction began. His presence on the Estate and indeed at these AGM meetings will be missed. Estate Management sent flowers and condolences to the Waller family and noted how well attended his funeral was.

The core function of the Association is to create, enhance and protect the value of property ownership and occupation in the Riverhorse Valley Business Estate. This function is achieved by the estate management team under direction by the Board of Directors. The estate management team carries out the day to day administration of the estate, including the facilitating and recording the minutes of all committee and departmental meetings, and the enforcement of the estate's rules and codes. Further to this, estate management regulates and monitors all of our contracted service providers in respect of safeguarding, landscape maintenance, general maintenance, and environmental management. It also lobbies authorities on behalf of owners, businesses, and users of Riverhorse Valley for amongst other things, improvements to access, policing, and city provided services.

DIRECTORS

Directors' meetings are held four times each financial year. During this period, your board comprised the following:

Name	Date of Appointment	Company / Property	Subcommittees
Barry Gould	20 November 2007	CAPCO	Environmental Committee
Trevor Pierce-Jones	7 December 2010	SID-Urban Management	Design Review Panel
Simphiwe Maphumulo	01 July 2008	Garlicke & Bousfield	
Niresh Bechan	28 February 2009	eThekwini Hospital	Chairman
Hilton Fortmann	15 May 2009	Zest Electrical	Safeguarding Committee
Rob Thomson	14 February 2007	Zenprop	Finance Committee
Mark Bray	23 June 2011	JT Ross	

Cyril Gwala of Tongaat Hulett resigned during this period on 23rd June 2011, and Mark Bray of JT Ross was elected as an additional director.

The Articles of Association allow for a total of ten directors, and I would encourage members to get to know the board directors who represent your interests in running the Association. The current Board has been a committed and diligent group in the execution of their fiduciary duties and I would like to thank them for their time and efforts this past year.

SUB COMMITTEES

Four subcommittees deal with specific aspects of the Association's activities, namely:

Finance:	Rob Thomson, Dhiran Maharaj (Ballito Ests), Management, SID-Urban
Safeguarding:	Hilton Fortmann, Rob Anderson, Management, SID-Urban
Environmental Management:	Barry Gould, Di Hansen, Management, SID-Urban
Design Review / Consent to Transfer:	Trevor Pierce-Jones, Martin Friedrichs, Management

STATUS OF THE ESTATE

The growth of the Business Estate can be measured by the platform areas used for levy calculations. The levy paying area has grown since development commenced from:

01/08/2006 584,644 m² @ R 0.20 / m² R 116 928.80

To its current status:

28/02/2012 1,225,820 m² @ R 0.45 / m² R 551 619.00

No increase in the levy rate is recorded for the current financial year. The levy rate has not increased since 2009 which highlights the growth of the Estate, and the quality of our members and their commitment to the Association. Furthermore I am extremely pleased to report that levy payments and finances in general are in a very good condition due to that quality and commitment.

The audited financial statements will be considered in more detail later in this meeting.

PROGRESS REPORT

Safeguarding

With the installation of 2 new CCTV cameras in Island Circle, there are now 11 CCTV cameras that are operational on the Estate. The last remaining camera mast will be erected in the Quarry Area on Portion 134, the new Mass Discounter's site. The erection of the final mast is anticipated before the end of the year.

Further to this, and as with the case of Island Circle, CCTV coverage has become restricted in certain areas due to construction of new buildings which have limited previously existing fields of view. As construction on the Estate is nearing completion, a final audit of obscured areas is currently underway to ascertain the necessity to add further cameras to eliminate these blind spots.

The cameras are monitored 24 hours / 7 days a week by our control room staff, and are supported by the reaction officers in the response vehicle. The control room hotline number is 031 564-3931, and is available 24/7 for reporting of security or other matters by members, tenants, visitors, and members of the public. Emergency/ Control Room business cards are regularly distributed to all members and tenants for easy access to this important number. Liaison between owners and tenants, our private security, SAPS and Metro police by way of our monthly Safeguarding Management meetings, further contribute to ensuring a safe environment within Riverhorse Valley.

The Management Association has worked to create good relations with surrounding SAPS and Metro stations achieved by continuous cooperation and respect. Recently, interactions with upper level SAPS management have seen a drive to improve service delivery and attendance of SAPS members where it has been lacking. RHBEMA is also represented @ DCCI (Durban Chamber of Commerce) Justice & Safety Committee which meets every 6 weeks, receiving crime intelligence and trends from SAPS, Metro, Business Against Crime & other managed precincts within eThekweni to assist in establishing trends, threats and solutions.

Reviewing the monthly incident reports for the last year and comparing them to the previous 2010/ 2011 year, indications are again that incidents of crime on the estate are very low. The majority of criminal incidents are perpetrated in the public areas, and upon members of the public such as muggings and assaults. Incidents against members and their properties are thankfully the lowest incidents, and the remaining incidents are those of by-law transgressions and vehicular accidents.

An overall assessment of safeguarding and security in the current climate in South Africa and the over laden, and sometimes incompetence of the national and local police services, is that private security is an absolute necessity, which is to be combined with best practice safeguarding techniques and equipment to minimize the threat of criminal incident.

Environmental Management

Landscaping on the Estate is an important daily function on the Estate which enhances the aesthetic appearance of the public spaces and creates additional value in terms of the member's property values. This combined with the members mandatory landscaping commitment of their own properties is what sets the Estate above unmanaged precincts. Apart from the daily maintenance, Servest, the landscaping contractor is constantly faced with the added challenges of reinstating damages from vehicles, trenching works and construction. Further to this, Estate Management is continually working with them to improve the already high standard, and, identify new areas where additional landscaping and landscaped features will add further value.

Autoflow, the irrigation contractor is technical support to Servest's operations as water is a vital component to the landscaping. Their maintenance of the 2 pump houses (East and West) which are fed by the Umhlangane Road, and which in turn feed the main lines housing sprinklers, dripper lines and hose pipe points, keeps the water running.

Our remaining 2 service providers assist with the Estate's commitment to the environment. Oricol handles the street cleansing, and recycling of all waste generated and collected on the Estate, whilst GI Services incorporating S Thutani handle the maintenance and eradication of invasive vegetation in the Umhlangane River, watercourses and banks. The long term threat of invasive plant species is a constant problem and its potential impact requires stringent preventative measures to be taken.

GI Services also maintain and empty the Estate's 2 trash booms which are installed across the river to draw rubbish aside before it gets entangled in the river vegetation. At present both booms are out of commission due to sustaining damage from the river due to recent heavy weather. Due to their effectiveness, their reinstatement is a high priority.

Projects

Umhlangane Sports Field -The Management Association's joint venture with eThekweni's Parks, Leisure, and Cemeteries Department to rehabilitate the Umhlangane Sports field which shares a boundary with Mr. Price, is nearing completion and it is anticipated that the field will be formally handed over to the City before the end of August for its ongoing administration.

Wetland rehabilitation -The Management Association's partnership with eThekweni's Coastal, Stormwater & Drainage Department and the Durban Green Corridor to rehabilitate the wetland area within RHVBE (currently herringboned ditches within the riverine public open space) is awaiting confirmation of budget funding from the City to commence Phase1 which is the excavation of the aforementioned ditches. The project is the result of a report which concluded that the rehabilitation of the wetland area is viable, and the Management Association together with the City is compiling a proposal to access private and public funding options.

Durban Green Corridor Program – this initiative runs the full length of the Umgeni River into the Duzi River all the way up to Nagel Dam and also includes all tributaries of these two rivers. The aim is to involve all conservancies and role players in this corridor to work together to link up and create continuous trails along its entirety. The trails will be used for conservation and education as well as recreational and sports functions.

Trails – The Management Association has undertaken to investigate the creation of trails within the Estate to accommodate running, cycling and walking. With guidance from the board of directors, a scoping report was commissioned to determine the feasibility; the conclusion of the report was that it is indeed feasible and possible to create these trails. As this project coincides closely with the Durban Green Corridor Project, the City want to involve themselves in terms of funding and the project will commence by early August.

Reforestation – The project to reforest the wetland and riverine areas with indigenous tree species over the course of 3 years commenced in spring 2011 with Phase 1 and saw the planting of 1200 trees made up of 31 indigenous species. Phase 2 will commence in August 2012 and aims at 1500 trees and even more species.

Design Review Committee

The Design Review Committee continues to meet on a regular basis with developers and / or their architects to consider design, signage and landscaping issues. New development activity continues and the ongoing role of the Association in maintaining the aesthetic standards established through the development period and guided by the Development Code is a crucial one.

The issues of signage and landscaping remain a concern and audits are being conducted on both items in an effort to bring those contravening these issues back in line with the guidelines set by the Development Code.

Inner Transportation Plan

EThekweni Transport Authority (ETA) concluded meetings with Newlands East, Kenville and Effingham Taxi Associations to decide on taxi routes for RHVBE and importantly for the implementation of a circular inner public transportation route. The taxi associations have submitted their formal applications which have been gazette and formalised. The Management Association has in response also submitted proposals for locations for new lay byes as well as for taxi drop off and collection points.

Informal Traders

The Management Association is continuing its efforts to integrate the 18 informal traders on the Estate in a way that is both aesthetically better and in keeping with the by-laws that govern them. Our lobbying for formal shelters to create uniformity has resulted in the request being put forward for budget approval in the upcoming 2012/ 2013 budget year. In terms of enforcement we have no authority over the traders, but Estate Security conduct weekly inspections of every site, and any transgressions are forwarded in writing to Metro Police for their attendance. Unfortunately their attendance is not regular and we do have a couple of traders who take advantage of this, however, we will continue with our inspections and written reports to Metro until attendance is forthcoming.

General

Construction of the bridge over the N2, Umhlangane River, and Effingham rail line, and the associated widening of Queen Nandi Drive through to North Coast Road commenced in January this year. The time frame for completion was 18 months, however upon recent liaison with the contractor it appears as though the project is ahead of schedule, and completion is expected by the end of April 2013. Further to this, it is expected that the MR 577 link road between Queen Nandi Drive and Pinetown will be opened for usage in the latter part of 2012.

The installation of traffic lights at the Corobrik and Effingham Roads intersection as lobbied for by the Management Association is complete and it is hoped that this will help with congestion and road safety in that area, being an intersection that has had a high number of traffic accidents in the past.

Furthermore, due to concerns regarding congestion during peak times, and safety concerns, the Management Association lobbied ETA for the intersection at Newlands East Drive and Riverhorse Road to be managed by traffic signals. The proposal was successful and has been included for budget approval for the upcoming 2012/ 2013 budget year.

RHVBE has also been working on 3 projects to raise the estate's profile; those are:

- RHVBE Website – www.riverhorsevalley.co.za is complete and the site has gone live, although work on the site will be ongoing.
- Way-finding signage – the proposal to have Riverhorse Valley represented as a suburb (on existing signage poles) at the top of both North and South bound freeway off-ramps has been submitted to eThekweni Transport Authority (ETA) and SANRAL. The proposal has been accepted and we await ETA's confirmation that the signs have been included in the upcoming 2012/ 2013 budget for installation.
- A request made at 2010's AGM, for the Management Association to investigate the possibility of landscaping the verges on either side of the N2 where it passes through the estate. Unfortunately this was rejected by SANRAL due to the safety and liability concerns of private contractors working within a national reserve. The Management Association is looking at the next tier down by pursuing a proposal to augment the cutting and

landscaping of Queen Nandi Drive where it passes through the estate. The proposal has been received positively by the City and meetings are ongoing

Auditors

This year's audit was carried out by Stuart Edwards & Co. and your directors recommend their re-appointment.

Thank You

Thank you to the staff and management for continuing to ensure that the Association grows in strength, and again to the board of directors for their guidance and commitment this past year.