

# RIVERHORSE VALLEY BUSINESS ESTATE MANAGEMENT ASSOCIATION



ANNUAL GENERAL MEETING – 3 OCTOBER 2013

CHAIRMAN'S REPORT  
2013

## INTRODUCTION

Good afternoon and thank you all for attending this, your Management Association's 9<sup>th</sup> Annual General Meeting. The meeting covers the financial year ending 28 February 2013.

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

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
Rob Thomson	14 February 2007	Zenprop	Finance Committee
Simphiwe Maphumulo	01 July 2008	Garlicke & Bousfield	
Niresh Bechan	28 February 2009	eThekwini Hospital	Chairman
Mark Bray	23 June 2011	JT Ross	
Dion Raman		Standard Bank	Safeguarding Committee

Hilton Fortmann of Zest Motors, Trevor Pierce-Jones of SID-Urban Management, and Barry Gould of CAPCO resigned during this period, and Dion Raman of Standard Bank was elected as an additional director.

Special mention must be made of Barry Gould who has served this board since November 2007; we thank him for invaluable service and commitment, and his contribution as Chairman of the Environmental sub-committee. Thank you very much Barry and we wish you well at CAPCO and all future endeavours.

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.

Further to this, it has been a year where we have seen the number of board members reduced significantly, and I would request that any members who are interested in the management association and its workings, and who feel that they could contribute to the Estate; that they give serious consideration to joining our board of directors.

## SUB COMMITTEES

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

<b>Finance:</b>	Rob Thomson, Soma Govender (Highgate Financial Services), Estate Management, Urban Management
<b>Safeguarding:</b>	Dion Raman, Rob Anderson, Estate Management, Urban Management
<b>Environmental Management:</b>	Di Hansen, Estate Management, Urban Management
<b>Design Review / Consent to Transfer:</b>	Martin Friedrichs, Estate Management

The resignation of Trevor Pierce-Jones of SID-Urban Management should also be noted. Trevor who acted as management consultant to the management association, and sat on the board of directors also gave a long and valued service to the Estate dating back to 2007 when he worked for Tongaat Hulett Developments who were the developers of the Estate.

Trevor left South Africa in March for new challenges in Perth, Australia, and we wish him and his family all the best in their new adventures.

In saying farewell to Trevor, we welcome Brian Wright of Urban Management who takes over the management consulting duties. Brian brings with him experience in setting up and establishing the Umhlanga UIP (Urban Improvement Precinct), and further to being elected by the Riverhorse Valley Management Association, Brian has also added Bridge City, Ridge Side, and more recently the new Cornubia Development to his consulting portfolio. We look forward to a long a fruitful collaboration with Brian and his team.

## 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 m<sup>2</sup>      @ R 0.20 / m<sup>2</sup>      R 116 928.80

To its current status:

28/02/2013      1,225,820 m<sup>2</sup>      @ R 0.45 / m<sup>2</sup> (since 2009)      R 551 619.00

Levy payments and finances in general are in a very good condition which we contribute to the commitment of our members in paying their levies and buying into the Riverhorse Valley ethos and standard, as well the conservative, but savvy investment of our savings by the board of directors.

Despite the levies and finances being healthy, with annual increases for contractors and service providers and all pricing in general, the finance committee and board of directors has established that the Estate is currently just ahead of breaking even with its monthly commitments and expenses, with the situation due to change to being below break-even during the course of 2014. As such, best practise dictates that a levy increase is required for the coming year to keep the finances healthy and to maintain regular savings. The board will be reviewing a draft budget for the coming year at the next board meeting in December and will make a decision on the required increase to come into effect as of 1 March 2014.

Finally it should be noted that the accounting services have reverted back to Highgate Financial Services since May of this year following an unsuccessful year with Ballito Estates. We welcome Highgate Estate back and compliment them in already delivering a smoother service.

## PROGRESS REPORT

### **Safeguarding**

The last remaining camera mast which was planned for during the development of the Estate has been erected in the Quarry Area on Portion 134, the new Mass Discounter's site. This brings the Estate to its full complement of 10 mast mounted CCTV cameras, and 12 cameras in total.

It is anticipated that at least a further 2 CCTV cameras will be required in the near future as camera coverage has become obscured due to construction of new buildings which have limited previously existing fields of view. As all sites on the Estate are approaching completion in terms of building, a final audit will be taken to determine all blind spots on the Estate and camera requirements to eliminate them.

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 031 569 3125, and is available 24/7 for reporting of security and any other matters by members, tenants, and members of the public. Emergency/ Control Room

business cards, and more recently stickers for phone handsets have been distributed to all members and tenants for easy access to this important number.

Feedback from the Safeguarding Committee and their monthly meetings where they review crime statistics, view camera footage of incidents, and discuss general safeguarding issues as well improving service standards and best practise is that crime within the Estate during the last year has been kept to a minimum, especially when compared to surrounding areas. In efforts to have a better understanding of, and gather important statistics and information from the surrounding areas, the Management Association also attends the monthly Business Policing Forums that are held at Greenwood Park Police Station.

The management association continually strives to improve service delivery and attendance of SAPS members by cultivating good relations with surrounding SAPS and Metro stations. Where service has been lacking the management association liaises directly with the management structures of the stations concerned in an effort to achieve the desired standards through continuous cooperation and mutual respect.

Lastly, in reviewing the audited financials, it will be noted that 2013 has been a heavy year in terms of security equipment maintenance and upgrades. This should be no cause for alarm as the security network of equipment on the Estate including cameras and control room equipment is in approximately its 7<sup>th</sup> and 8<sup>th</sup> years of operation, and as the standard life expectancy of equipment of this nature is between 5 and 6 years, our equipment has performed beyond this expectancy, and replacements and upgrades at this stage are to be expected.

## **Environmental Management**

Landscaping on the Estate is conceivably the most important daily function on the Estate as it is the most visible component and the aesthetic appearance of the public spaces also creates and enhances member's property values. This combined with our members mandatory landscaping commitment on their own properties is what sets the Estate above unmanaged precincts. Apart from the daily landscape maintenance, there are also irrigation, alien invasive control and public open space maintenance components adding further value to our commitment to environmental management.

Furthermore the Estate is constantly faced with the added challenges of reinstating damaged verges by vehicles parking on them, trenching works, and construction. Estate management continually works to address these challenges and also improve the already high standard and identify new areas where additional landscaping and landscaped features will add further value. We thank our contractors for their hard work and high standard. Those contractors are:

Servest – Landscaping

Oricol – Street Cleansing and Recycling

GI Services incorporating S. Thutani Services – Alien Invasive Species Control and Public Open Space Maintenance

## **Projects**

**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 commencing its first phase. Phase 1 of the project has been able to commence as the contract between eThekweni Municipality and the City of Bremen has been finalized and signed by the City Manager. The funds from the Sister City partnership with the City of Bremen will fund the rehabilitation project. Tenders for phase 1 to excavate the ridge and furrow left over from when the area was under sugar cane were submitted in June, and the first site meetings to determine the first area for levelling was held in early August.

**Trails** – The Management Association has undertaken the creation of trails within the Estate to accommodate running, cycling and walking. As this project coincides closely with the Durban Green Corridor Project, the Green Corridor have indicated the possibility of co-funding aspects of the project where possible. In proposing the trails to the City's Department of Environmental Health, it has been established that an Environmental Management Plan (EMP) will be required before approval can be considered. EMP proposals have been obtained and will be tabled for discussion at the next board meeting in December.

**Reforestation** – The project to reforest the wetland and riverine areas with indigenous tree species over the course of 3 years commenced in spring 2011. To date 1600 trees have been planted, ranging across 35 indigenous species.

2013 sees the final phase of the project and a further 400 trees are to be planted during the course of October to complete the project.

### **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**

A recent collaboration with eThekweni Transport Authority (ETA), stemming out of the Management Associations liaisons' with them regarding planning for public transport in Riverhorse Valley specifically in regards to bus routes for the area resulted in ETA's Strategic Planning Department coming to the Estate and delivering a presentation on the City's long terms plans for public transport for the entire greater Durban area. The plan known as The Integrated Rapid Public Transport Network (IRPTN) will see the upgrading and streamlining of all public transport services within the City, and more interestingly a move to reduce all mini-bus taxi dependence by 2016.

ETA also indicated at the presentation that they will be reviewing the Riverhorse Valley area in terms of public transport, specifically regarding bus services to the area, and that it anticipates that by March 2014 a plan will be ready to roll out to improve the situation and reduce the dependence on train and taxi transport.

### **Informal Traders**

The Management Association is continuing its efforts to address the challenges and integrate the 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 22 shelters being supplied by the City from surplus stock. Those shelters will require refurbishments, and once completed will create uniformity and eliminate the knock up structures used at present. RHVBEMA will be engaging with the traders and eThekweni's Economic Development Department to best assess the requirements for the shelters so that roll out and usage can commence hopefully before the end of the year.

### **General**

The widening and upgrade of Queen Nandi Drive is in its final stages of completion with the final phase from Chris Hani Road (North Coast Road) to Rosary Road anticipated during the next 6 weeks. The final phase should have been completed even sooner, but recent strikes in the civil's industry delayed the project.

More positive news in alleviating traffic issues around the Estate is that the MR 577 link road between Queen Nandi Drive and Pinetown is anticipated to be completed and open for usage by March 2014.

The Management Association's lobbying to ETA for traffic signals at the intersection of Musa Dladla Drive (Newlands East Drive) and Riverhorse Road was successful and installation is currently underway.

RHVBEMA has also been working on the following projects to raise the estate's profile:

- 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, and at all points of entry and exit to the Estate has been submitted to eThekweni Transport Authority (ETA). The proposal was accepted and ETA confirmed that the installation of the signs would come online with the completion of the upgrade of Queen Nandi Drive.
- The management association submitted a proposal to the City to augment the cutting and landscaping of Queen Nandi Drive where it passes through the estate. The proposal which was put forward as a result of queries by members of the Estate that Queen Nandi Drive be given the same look and feel as the rest of the Estate has

been received positively by the City and the Management Association will be installing landscaped features and doing regular landscape maintenance on Queen Nandi Drive under the City's adopt-a-spot initiative.

### **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.