

# RIVERHORSE VALLEY BUSINESS ESTATE MANAGEMENT ASSOCIATION



**ANNUAL GENERAL MEETING – 19 AUGUST 2015**

**CHAIRMAN'S REPORT  
2015**

## INTRODUCTION

Good afternoon and thank you all for attending this, your Management Association's 11<sup>th</sup> Annual General Meeting. Thank you too for our Estate Manager, Bruce Macaulay, for his preparation of this comprehensive report which covers the financial year ended 28 February 2015.

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

The core function of the management 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 director's 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 all the 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	Finance Committee
Gregory De Bruin	21 August 2014	Bidvest	

The Memorandum of Incorporation allows for a total of ten directors, and I would encourage members to get to know the board directors who represent your interests in the running of 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 my fellow directors for their time and efforts during this past year.

I would like to 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, Estate Management, Soma Govender (Highgate Financial Services), Urban Management
<b>Safeguarding:</b>	Estate Management, Rob Anderson (Rob Anderson and Associates), Urban Management
<b>Environmental Management:</b>	Estate Management, Di Hansen, Urban Management
<b>Design Review / Consent to Transfer:</b>	Keith Pearson, Estate Management

## FEEDBACK ON THE STATUS OF THE ESTATE

The growth of the Business Estate can be measured by the total Platform areas of all the sites, which area is used as the basis for levy calculations. The Total levy paying area has grown since development commenced in the estate on:

01/08/2006 – from 584,644 m<sup>2</sup>@ a starting levy of R 0.20 / m<sup>2</sup> = R 116 928.80excl VAT per month

To the current status, as at the culmination of the previous financial year, on:

28/02/2015 - 1,225,820 m<sup>2</sup>@ R 0.48 / m<sup>2</sup> = Total Income of R 588 394 excl VAT per month

No levy increase was required in the current financial year end.

The Association's Levy receipts and finances are, in general, very sound which we contribute to the on-going commitment of our members in paying their levies timeously and thereby buying into Riverhorse Valley's premier Business estate ethos and quality standard, as well the conservative, but savvy investment of our savings by our board of directors.

The Association did experience an attempted fraud on its Standard Bank current account through infiltration of Standard Bank's protocols, but thankfully this was thwarted. The management association has reviewed its own security protocols and communicated these to Standard Bank together with our disappointment over its seemingly careless handling of the incident.

## **PROGRESS REPORT ON THE VARIOUS ASPECTS OF THE ASSOCIATION**

### **Safeguarding**

At present the Estate has a complement of 10 mast-mounted CCTV cameras, and 13 cameras in total. The cameras are monitored 24 hours / 7 days a week by our control room staff, and are supported by the reaction officers in the estate's dedicated response vehicle. The control room hotline number is 031 569 3125, and is available 24/7 for the 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 are continually being distributed to all members and tenants for easy access to this important number.

It is anticipated that at least one more CCTV camera will be required in the near future as camera coverage has become obscured due to construction which has over the years cut off previously existing fields of view, creating blind spots. Development on the Estate is fast approaching completion in terms of building, and a final audit of CCTV coverage will be undertaken to determine any remaining blind spots on the estate and the requirements to address them.

Further to the completion of the camera audit and finalising the optimum number of cameras to adequately cover the estate, another upgrade to the CCTV network is also currently underway. The estate's CCTV network operates on radio signal to transmit images back to the control room. Over the years as the estate has developed and more and more businesses have come online, the radio signals and CCTV images have become subject to the interference caused by those business's communications. Through extensive interrogation of the problem, the safeguarding committee, its role players, and the board of directors have concluded that a conversion to fibre optic cabling is the best and indeed the only solution as the fibre optic cabling gives the estate its own dedicated transmitting capability without any possibility of outside interference to compromise the quality of the CCTV images being delivered to the control room and thereby once again ensuring the network is at as optimum a level as possible.

The Management Association continually strives to improve service delivery and security by cultivating good relations with surrounding SAPS and Metro Police stations, and attendance to both community and business policing forums. 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. In line with this, the management association is focusing on developing its relations with Metro Police North Division based in KwaMashu in the hopes of bettering the attendance on long standing issues such as illegal truck parking, off-loading in public roads and the blockage of business entrances by taxis.

Through liaison with Metro Police and in partnership with Bridge City Management Association, a dedicated Metro presence has been established and accommodated at the Bridge City management offices. Although accommodated as a permanent presence at Bridge City, the intention as agreed upon with Metro Management is that those Metro officers stationed at Bridge City will also serve Riverhorse Valley with weekly inspections or by attendance when required. This attendance will assist in enforcement and prevention of the aforementioned illegal parking issues as well as any other traffic violations.

Lastly, as the security of our members is a top priority, the management association has conducted an audit of all security service providers on the estate. The audit is to ensure that the security service providers on the estate are

registered with the Private Security Industry Regulatory Authority (PSIRA) and in good standing with the Security Association of South Africa (SASA). These items are extremely important as without these registrations and checks the service provider is not legally allowed to operate, and there are also potential insurance concerns in the event of claims as a result of criminal incidents. The results of the audit will be made available to members, or members may contact the management offices directly to obtain them.

## Environmental Management

Landscaping on the Estate is conceivably, next to security, 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 member's commitment to the landscaping of their own properties, is what elevates our business estate above other unmanaged precincts. Apart from on-going daily landscape maintenance, there are also irrigation, alien invasive control and public open space maintenance components that add further value to our commitment to our precinct's environmental management.

The Estate is also constantly facing the added challenges of reinstating damaged verges caused by vehicles parking on them, trenching works, and construction. Estate management continually works to address these challenges and also improve the already high standards by identifying new areas where additional landscaping and landscaped features will add further value. We thank our contractors for their hard work and high standards of service. These contractors are:

Servest – Landscaping

Oricol – Street Cleaning and Recycling

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

**Awards** – As landscaping and environmental and greening awareness are so important within the Estate, the annual landscape awards initiative was launched in 2013, and 2015 is the 3<sup>rd</sup> and unfortunately the least attended year in its existence.

Despite this year's attendance, the environmental committee believes that the awards are a worthwhile cause to persevere with. The belief amongst the committee is that the award registrations may not be reaching the right people within the respective companies on the estate, or that there may not be time to commit to the registration and judging. As such the committee will be approaching the registration and judging from a different perspective in 2016. For 2016 instead of approaching the members to register for judging, the management association will be approaching the landscape service providers on the estate to register on behalf of their clients, and will handle all requirements relating to registration and judging. The service provider will first need to obtain the members permission for entry into the awards, and likewise members will still be able to provide their own entries

## Projects

**Wetland rehabilitation** - Four phases of ridge and furrow levelling (each consisting of 1 hectare) have now been completed on the eastern side of the Umhlangane River. All further phases will commence in the latter part of August or early September 2015 and will move to the western side of the Umhlangane River.

The service level agreement (SLA) between RHVBEMA and the Coastal and Storm Water Management Department of the eThekweni Municipality is also in the process of being finalised between the parties and is also expected to be concluded by late August or early September 2015.

The SLA will allow the management association to undertake smaller projects within the main project such as alien invasive plant removal and replanting. All work undertaken under the SLA will be fully recovered from the funding for the project which is supplied via the Sister City's partnership between the municipalities of Bremen and eThekweni.

**Trails** –At the final board of directors meeting of 2013 the board members took the decision due to the association's limited experience in the establishment, management and maintenance of trails, that progression of the project would require a possible operational partnership with a party with expertise in this field.

Despite interest from a party with the necessary credentials for this operational partnership, their proposal has not been forthcoming, and as such the management association has decided to shelve the project until 2016.

**Reforestation**–The project to reforest the wetland and riverine areas with indigenous tree species over the course of 4 years commenced in spring 2011. To date 2057 trees have now been planted, ranging across 35 indigenous species. A

full audit of the trees planted was concluded at the end of 2014 to determine the loss ratio of the 1900 trees planted in the project up until that time, and turn determined a final phase of the project to reinstate the recorded loss and fill any previously unplanted areas.

## **Design Review Committee**

This report unfortunately begins with the sad news that Martin Friedrichs, the design review architect for the management association's design review committee passed away on 28<sup>th</sup> June 2015 after a courageous fight against cancer. Martin had served as the design review architect since 2006, and was a well liked and well respected member of the management association's team. Our thanks to Martin for his years of loyal service and our condolences to the Friedrichs family on his passing.

The Design Review Committee continues its duties to maintain design, signage and landscaping standards on the estate. New development activity continues and the ongoing role of the Association in maintaining the aesthetic standards established through the development period as 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. A comprehensive audit was conducted in 2014 to deal with, not only signage and landscaping issues, but to revisit any design review matters that may have been overlooked since reviewing final development approvals for completed properties, as well matters that may have arisen in recent property developments or upgrades by members. Members will, in due course, be contacted by the Design Review Committee to assist in finalising these matters.

The progress of this audit has obviously been affected by the passing of Martin Friedrichs, but the management association will continue with the audit, and notifications will be going out to members concerned before the end of the year.

With Martin's passing we welcome Keith Pearson into the design review architect role. Keith is an experienced architect and furthermore has experience in management associations and their workings having been involved in the Umhlanga Ridge Management Association. We wish Keith well in the position and hope his tenure with us is a happy one.

## **Inner Transportation Plan**

The management association has received confirmation from the Economic Development Department that under the "Go Durban" public transportation project (formerly IRPTN) that there will be bus routes running from east to west, and returning, from the INK (Inanda, Ntuzuma, KwaMashu) area to Chris Hani Road (North Coast Road) into Durban. This bodes well for commuters as one of the main reasons for the dependency on taxi transport to date is that there has been no reliable public transport along the east west corridor to and from Riverhorse Valley. As the north south corridor is adequately serviced by trains, this addition was originally planned for a later stage or corridor of the project, however it has now been brought forward and into the earlier planned corridors as a result of the management associations liaisons and interactions with ETA to address and balance the public transport issue with having other more reliable, not to mention safer, regular, and hopefully more affordable options for our commuters than the reliance on taxis. Dates for implementation as yet have not been determined.

## **Informal Traders**

Meetings regarding the finalisation of the overarching management plan governing all informal trading in all areas of the municipality are ongoing.

Furthermore the role players are finalising procedures to survey and allocate trading sites, as well as the leases, trading permits, and trading licences that will be attached to those trading sites.

Finally, the roles off SBSU and the management associations (where present) are to be defined in terms of management and enforcement.

Once workable templates of the aforementioned plans and protocols are defined, workshops and training will be the final steps in implementing the informal trading management plan and strategy on the ground.

## **General**

**Way-finding signage** –The management association is pleased to report that way-finding signage showing Riverhorse Valley has finally been installed after 3 years of lobbying to the City. The management association will now focus its efforts on motivations to SANRAL for Riverhorse Valley representation on N2 freeway signage.

**Tenders** – Further to the levy increase of 2014, as a measure of best practise and corporate governance all service provider contracts will be going through a tender process. The security service providers are in the process of being concluded, following which all environmental and horticultural contracts will commence.

### **Auditors**

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

### **Thank You**

I would like to extend my personal thanks to the Association's very competent and willing management and staff for continuing to ensure that the Association grows in strength, and, again, to my fellow board members for their guidance and commitment during the past year. In closing, I would again like to extend an invitation to any members, who feel that they would like to make a contribution to the running of the Estate and Association, to consider standing as a director.

Should you wish to ask anything reported on by myself here, or in general about the estate, I would invite you to raise these matters later in the Agenda under General, where I, or my very competent management team, would be happy to respond.

**Mark Bray - Chairman**