HOME OWNERS ASSOCIATION, ATLANTIC SANDS & SHORES, LAAIPLEK
MINUTES OF THE ELEVENTH ANNUAL GENERAL MEETING, HELD AT THE NG CHURCH HALL, ON 7 MAY 2022

1. WELCOME

In the absence of R du Plessis, the appointed chairperson, Marius Duvenhage acted as chairperson of the meeting.

The chairperson welcomes everybody present and thanked them for making the time available to attend the meeting.

2. ATTENDANCE REGISTER

The attendance register was signed by all owners present in person or by proxy. The register is kept on record for future reference.

Owners representing 34 individual properties were present in person and the Investor represents 241 erven. 25 Proxies were received.

3. PROXIES AND APOLOGIES

The proxies and apologies received are recorded on the attendance register.
Three apologies were received from Renier van Jaarsveld, R du Plessis and F de Villiers

4. QUORUM

The owners present in person and proxies received represent a quorum and the meeting was duly constituted.

5. NOTICE

The notice is taken as received and read by all owners present.

6. APPROVAL OF THE PREVIOUS MINUTES

The minutes of the annual general meeting held on 1 May 2021 are approved as a true reflection of the discussions and decisions at the meeting. Dr Horn proposed, and J Dippenaar seconded the approval of the minutes.

7. MATTERS ARISING FROM THE PREVIOUS MINUTES

7.1 Boardwalk

The municipality has decided to remove the boardwalk along the beach front due to regular damage and vandalism of the facility. Part of it had been removed but owners will still be able to get access to the beach over the dune with walkways. J Greyling reported that the Municipality will remove the posts and remaining planks during the week of 9 May 2022. J Greyling will collect all the planks stored on Atlantic property and will arrange for delivery of same to the Municipality.

Managing agent (MA) will request the Municipality to repair the remaining damaged walkways.

7.2 Estate office and entrances

Managing agent (MA) reported that architect Renier van Jaarsveld has done a provisional design for an estate manager's office on erf 4397 located to the right of the southern entrance.

It was planned to provide a third lane on this erf so two can be used for access and one for exit purposes, but there are too many under civil services, which limits the lanes to two.

The estate manager's office is not a critical priority right now, but it will be kept on the agenda to ensure it receives attention when necessary.

MA advised that the trustees are investigating the opening up of the second lanes at the entrances to South and North and the third lane at Shores. Owners will be informed about the outcome of this once finalised.

7.3 Security

7.3.1 Security fence/cameras

Managing agent reported that the trustees have obtained proposals and quotations from three service providers to install cameras along the full length of the perimeter fence at North and Shores. The cost of approximately R3,0 million is too high and it was resolved to proceed with the installation of an electrical fence on top of the palisade fence along the main road at North and Shores. The beachfront palisade fence is too low to install an electrical fence and an alternative had to be considered for this section of the palisade fence.

A survey was done amongst beachfront owners to determine whether they want security cameras or clear view fence installed. The vote was against the clear view fence.

The trustees must now investigate the installation of cameras as vagrants jump over the low palisade fence.

Quotations have also been obtained to install an electrical fence on top of the full perimeter fence at SOUTH. Due to the cost involved the trustees asked Johan Greyling to do a cost estimate for material and labour to install the fence. Johan has got the expertise to install the fence but he will ask an independent party to issue a COC. Once the cost is available the trustees will pursue the matter.

7.3.2 Access remotes

Owners can get access by means of the cell-to-gate system or access remotes. The cell phone system does have problems, especially if there is a power failure or poor signal.

In response to an enquiry from an owner the MA advised that the number of remotes per household is limited to four.

7.4 Control architect and architectural guidelines

7.4.1 M Pawson is of the opinion the plan scrutiny fee charged by the two control architects, as well as the long time it takes to approve plans is not acceptable; it is difficult to get hold of them to expedite approval of plans.

It was resolved that the trustees must investigate the appointment of another control architect. Until such time the existing two architects will continue to provide the service.

7.4.2 Architectural guidelines

Some owners are of the opinion that two sets of architectural guidelines are used by the different architects. MA advised there is only one set of guidelines which are applicable.

P Naude proposed that the guidelines be revised to make provision for a wider range of building materials and designs to suit all owners. MA advised that the architectural guidelines are an integral part of the constitution and any amendments require a special resolution for which proper notification must be given in terms of the constitution. Some owners indicated they do not have a copy of the constitution. MA undertook to forward the full set of documents to all owners.

Owners must submit their proposals of amendments to the architectural guidelines. To be e-mailed to the MA, **propex.accounts@lantic.net,** who will escalate it to the trustees to compile a final document for approval at a special general meeting. Once approved by owners at the meeting it can be submitted to the municipality for their final approval and official stamp, where after it can be implemented.

All these documents are available on the website, **www atlanticsands.co.za;** see under "Documents".

7.5 HOA consent to transfer

Paul Naude enquired what the consent to transfer entails. MA explained that when a property is sold the HOA must issue a certificate which authorises the conveyancer to transfer the property into the name of the purchaser. MA must ensure that all levies due and payable to the HOA have been paid prior to the consent being issued.

MA explained it is normal practice that when a property is sold in an estate like Atlantic, the control architect or someone else appointed by the HOA does a pre-sales inspection to determine whether any additions have been done subsequent to completion of the house. If any additions are not shown on a plan approved by the HOA and the Municipality, the consent is withheld until such time the amended plans have been approved by all parties.

Paul Naude is of the opinion that it is not the HOA's responsibility to do these pre-sales inspections as the Municipality insists on as-built plans before they issue a clearance certificate.

Mr Joubert advised that all rules in connection with building operations must be clearly defined. Then there will be no uncertainty who is responsible for what, such as the control architect is not responsible for building quality, correct roof pitch, etc., but only for the aesthetics. He further argues that all rules must be enforced consistently.

Some owners, however, are of the opinion that the roof is part of the approved plan and the control architect must then also check the correct roof pitch has been built.

It was resolved that owners must submit their lists of poor building work to the trustees who will attend to it.

7.6 Stone cladding and IBR roof sheets

Paul Naude argued that the control architects do not apply the architectural guidelines consistently. Some owners are allowed to use stone cladding on walls and IBR roof sheets, whilst others are not. MA advised if an item or finish is not covered in the guidelines it is within the architect's professional discretion to consider it.

Any materials not specified in the guidelines must be included in the amended guidelines.

7.7 Dispute resolution

Paul Naude suggested that a dispute resolution process be put in place to resolve any issues between owners/HOA/control architect.

MA advised the constitution makes provision for arbitration, alternatively any such issues must be mediated/arbitrated by CSOS.

7.8 Height of boundary walls/building lines

Paul Naude said there seems to be uncertainty about the permissible height of boundary walls and the control architects' interpretation thereof. It must be clarified in the architectural guidelines.

The building of a boundary wall along the palisade fence along the main road must also be specified in the architectural guidelines.

The 3,0 meter vs 10,0 meter building line at beachfront properties must also be clarified in the guidelines.

7.9 Sewer pumps

Paul Naude reported that the sewer system is a big frustration at present. The pumps are not working and the municipality is pumping out the tanks at very awkward times.

MA advised that the Municipality is responsible to reinstate the damaged pumps as part of the agreement to convert Atlantic to a private estate. MA is corresponding with the Municipality regularly and the latest feedback received from them on 21 April 2022 is that the electrical equipment cupboards for two pump stations are being assembled. It should be ready for installation towards the end of May 2022. MA asked them to prioritise the installation of the pump nearest to erf 4086 in Shores.

The Municipality has also budgeted for another four electrical cupboards in the new financial year commencing July 2022. Manufacturing takes about 8 weeks. They will also budget for the fencing off of the pump stations in future budgets.

7.10 Alternative building methods

Paul Naude enquired what transpired from previously proposed alternative building methods. MA advised that a proposal was received and it was submitted to the trustees, but nothing has been resolved. For now, only what is allowed in the existing architectural guidelines may be used.

8. CHARPERSON'S REPORT

8.1 Report

The report was not sent out to all owners but it was read at the meeting and will be filed for future reference.

8.2 Matters pursuant to the report – appointment of the estate manager

The report confirms the appointment of Johan Greyling as full time estate manager on a one year contract.

His duties include the enforcing of building rules and management of security and access procedures.

Mr E Joubert asked who approved the appointment of the estate manager and why was he appointed.

MA and M Duvenhage, as existing trustee, explained that an estate of Atlantic's size justifies a full time estate manager to exercise better control over builders, estate rules, maintenance and general management of the estate.

Late Jerry Lewis provided the service free of charge but not to the full extent as will be the case of the full time manager.

MA agent expressed the HOA's appreciation for the good work done by late Jerry.

M Pawson asked why she has been instructed by Johan to install the shade cloth netting on her building sites but others are not complying. Marius Duvenhage said in the past it was difficult to enforce this and other building rules as there was no fulltime estate manager, but with Johan in a full time position it will be better managed and enforced.

9. FINANCIAL STATEMENTS

The audited financial statements for the period ending 28 February 2022 distributed to all owners were discussed.

Paul Naude enquired about the long overdue outstanding levies. MA advised that all debtors older than 90 days have been handed over for collection, but unfortunately the legal process is very slow.

The owner of erf 4498 is paying off his debt in monthly instalments.

When a property is sold MA ensures that all outstanding levies have been paid prior to issuing the Consent to Transfer.

Paul Naude asked where the current balance of the "kerb fee" is reflected in the financial statements. MA advised the amount of R80000.00 is shown under Other Income in the income statement.

The financial statements were approved as proposed by P Naude and seconded by J Greyling.

10. LEVY AND EXPENSE BUDGET

Managing agent explained the process followed to approve the budget and levies.

Managing agent prepares the budget based on actual expenses incurred at that time; the draft budget and proposed levies are submitted to the trustees for their consideration and managing agent meets with the trustees to agree on any amendments and in-principle approval of the budget and levies payable as from the commencement of the new financial period, being 1 March of each year.

The budget and levies approved in principle are submitted to the AGM for final approval by the owners. If the budget approved requires a different levy structure, it will be implemented as from the date agreed at the meeting.
The following items were discussed as part of the budget and levies:

10.1 Levy shortfall
Mr E Joubert advised that a long term shortfall in levies recovered could erode the reserve fund. MA advised that the levy contribution could still be increased to cover the shortfall, but owners decided against it.
Owners must take note of the risk associated with the shortfall.

10.2 Security
MA advised that TOP Security has expressed the need to appoint an additional guard to assist with the checking in and out of builders in the morning and afternoon.
The trustees to be elected must investigate and decide on this, as well as the broader scope of security requirements, as Security is a major expense, as pointed out by Mr E Joubert. The cost of security and services provided must be optimised.
An owner suggested that if cameras are installed it must be considered to lease the equipment.
MA reported that Johan Greyling is busy preparing a cost estimate for material to install an electric fence for the full length of the palisade fence at South.
An owner enquired whether TOP Security can provide an alarm monitoring service then they can monitor all alarms at Atlantic and react when necessary, seeing they are on site. The trustees must investigate.

10.3 Street lights
Johan Greyling reported that he is co-ordinating the repairs/replacement of defective street lights with the Municipality. The Municipality is responsible for the maintenance of street lights.
An owner suggested that the lamp posts be numbered. The number on the lamppost can then be used when a defective light is reported. Mr E Joubert suggested that solar street lights be considered. It is more economical in the long term and there are no cables which can be stolen. Johan Greyling will take this up with the Municipality.

10.4 Investor Levies
Marietjie Pawson asked whether the investor is prepared to pay the full levy on the unsold erven. Winston Ollewagen representing the investor replied to the negative. The investor's contribution towards levies is regulated in the constitution.

The budget of R2 320 171.00 and levies payable as from 1 March 2022 and tabled at the meeting were approved, proposed by P. Naude and seconded by Mr Riddell.

The current levy payable is R403.00 per erf for individual owners and R163.00 per for the investor.

11. INSURANCE

The infrastructure is insured for R7 237 000.00.00 and it was decided to keep the amount unchanged for the current financial year.

It was approved that Fidelity Fund and Computer Fraud cover should be R 3 253 832.00, inclusive of the currently bank balances and the full levies for the current financial year.

12. AUDITORS.

Theron du Plessis Inc. is appointed as auditors for the 2022/2023 financial year.

13. ELECTION OF MANAGEMENT COMMITTEE

The appointment of trustees terminates at each AGM. Existing trustees may be re-elected if they are available.

Clause 11.1 of the constitution stipulates the number of trustees to be appointed; clause 14.3 stipulates the co-opting of trustees; clause 34.1 stipulates the number of trustees the investor is entitled to. As at date of the meeting the investor holds 241 erven of the total of 592 erven in the estate. The investor is therefore entitled to three (3) trustees.

The following investor representatives have been nominated:

Gary Harrod
Terence Wallace
Winston Ollewagen

The following owners have been nominated as trustees:

P Naude
M Duvenhage
J Dippenaar
R du Plessis (not available for re-election)
WJ van Graan

The nomination of WJ van Graan was submitted at the meeting and not 48 hours prior to the meeting as stipulated on the nomination form.

MA advised that in terms of clause 11.1 a minimum of four and a maximum of six trustees must be appointed. Paul Naude said owners want to appoint six owner trustees to have two representatives at each of Shores, North and South and they want to co-opt additional trustees.

The following trustees have been appointed:

<u>Investor</u>
Gary Harrod
Terence Wallace
Winston Ollewagen

<u>Owners</u>
P Naude
M Duvenhage

J Dippenaar

Due to the late nomination WJ van Graan will have to be co-opted as a trustee. The trustees will attend to the co-opting of any additional trustees.

14. DOMICILLIUM OF THE HOA

It was decided that the auditor's address will be taken as the domicilium, namely:
Theron du Plessis Inc.
Buena Vista office park
Cnr Durban and Kendal Road,
Durbanville
7550

15. APPOINTMENT OF A MANAGING AGENT & LEVY CLEARANCE

The managing agent is appointed by the trustees and the appointment of Devman Props CC, trading as Propex Property Services is recorded.
It is approved that H. Truter, M. Terblanche and L. Burke from the managing agent's office are authorised to sign all documentation pertaining to the Consent to Transfer and bond waiver when a property is sold.

Mr E Joubert queried MA's performance in the administration of the HOA, he wanted to know who makes all the rules and who implements the rules.
MA replied as follows:
The HOA comprises all the owners collectively and the owners elect and appoint the trustees who are responsible for the management of the affairs of the HOA on behalf of the owners. MA does not take any decisions but only execute instructions issued by the trustees to the MA. If MA communicates with an owner regarding the transgression of any rule, it is done on behalf of the trustees in terms of the constitution and any applicable rules.

16. LEVY COLLECTION POLICY AND INTEREST RATE CHARGED ON LEVIES IN ARREARS

The levy collection policy and interest rate charged on arrear levies are approved as follows:

The monthly levy is payable in advance at the beginning of a month for that specific month.
A levy statement is issued to all owners each month.
Accounts outstanding for thirty days are being followed up and if still unpaid at sixty days a final demand is sent out. If the amount is not paid within the time period set in the final demand, the account is handed over for collection and all cost is for the account of the owner.
Interest at 15,5% per annum will be debited on all levies outstanding for 30 days and longer.

17. GENERAL

Paul Naude submitted a list of items for discussion under General. Some of these items have already been discussed under another heading above.

17.1 Architectural guidelines

It was discussed that the architectural guidelines must be amended to clarify any uncertainties in the interpretation by the two control architects. Various suggestions have been expressed to allow carports, flat roofs, cowls on braai chimneys, etc.

It was resolved that owners must submit their suggestions regarding additions or amendments to the guidelines to MA at email **propex.accounts@lantic.net** who will compile a document for consideration by the trustees.

17.2 Registration of builders/clause 2.4 of the Architectural guidelines

This condition is not applied at present

In order to ensure that only builders who provide good quality building work it is necessary that builders be screened and registered with the HOA. The trustees must attend to this.

Mr E Joubert asked what criteria will be applied in the accreditation process.

He is prepared to assist the trustees with this.

17.3 Tidiness of building sites

Some builders do not keep their sites tidy.

It is part of the estate manager’s duties to manage this.

17.4 Speed limit in main road

Owners are concerned about the speed limit in the main road between Laaiplek and Dwarskersbos. It is not safe for vehicles exiting Atlantic.

MA will contact the traffic authorities to look into the matter.

17.5 Identification of the estate entrances

The trustees have asked a local signage company to design new signage for the estate. The sign was submitted at the meeting and it was approved.

MA it will liaise with the signage company to manufacture the signs to be put up against the wall at the four way crossing, South, North and Shores.

17.6 Parking/holding area for builders signing in

Builders are currently waiting in the public access road to the beach. Proper signage must be put up to direct builders in the right direction. MA will take it up with the municipal traffic authority as the HOA cannot erect any signage on Municipal property.

17.7 Beachfront houses – small windows facing the beach

Paul Naude queried why beachfront houses must install smaller windows facing the sea. MA is not aware of any such requirement in the guidelines. If it is the case it must be addressed in the architectural guidelines

17.8 South – access to the beach

Owners at South want a direct access to the beach as is the case at North. MA explains that South does not border onto the beach, the adjoining land is municipal and private property. A pedestrian gate can be considered on the POS erf 4389 which is next to the public access road to the beach.

17.9 Painting of street names on kerbs

Me Van Graan asked that the street names on the kerbs be painted. Johan Greyling will attend to this and the painting of all traffic signs on the street surfaces.

17.10 Procurement policy

MA undertook to submit a proposed procurement policy to the trustees for their consideration.

As there was no further business to discuss the meeting adjourned at 12h30.

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CHAIRPERSON DATE

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TRUSTEE DATE