



**MINUTES**  
**ARABELLA COUNTRY ESTATE HOMEOWNERS ASSOCIATION**  
**ANNUAL GENERAL MEETING**  
**HELD ON FRIDAY 6TH DECEMBER 2019 AT 18H00 AT THE ARABELLA HOTEL AND SPA, ORCA ROOM**

Board of Directors present: Mr Geoff Anderson (HO Director) (Chairperson)  
 Mr Steve Argyle (HO Director)  
 Mr Dirk Uys (Estate Manager)  
 Mr Mara de Lima (HPF)  
 Ms Rosa van Onselen (HPF)  
 Mr Riaan Erasmus (HPF)

Alternate Directors: Ms Anneli van Zyl (HOA)  
 Mr Wayne Siepman (HPF)

Members: 65 Erven represented in person and by proxy

Apologies: 17 Apologies noted and kept on file

### 1. Welcome and Apologies

Mr Geoff Anderson welcomed and thanked everyone in attendance and requested that all proxies (one vote per plot) must be handed in prior to the start of the meeting. It was confirmed that there was a quorum and the meeting started. GA introduced the Board members and advised that Steve Argyle would be standing down once a new HO Director was elected. In attendance for HPF was Mara de Lima (CEO), Rosa van Onselen (Legal Secretary) and Riaan Erasmus who is new to the HOA Board. Also, in attendance was Dirk Uys, Michelle Wood and Lida Louw as well as himself. Keith Randall was not present as he has moved over to Tsogo Sun and has resigned as a Director of the HOA Board. He will however still be involved with the Phase 2 property and will keep in touch regarding any developments.

*Not sure what this means*

GA confirmed that everyone had received their documentation for the meeting. The Agenda was amended this year to ensure a more efficient flow to the meeting.

### 2. Introduction and Agenda

1. Welcome and Apologies
2. Introduction and Agenda
3. Chairperson's Report
4. Resolutions
5. General
  - a. Levy
  - b. Operational Reports
  - c. Draft Meeting Calendar

d. General

### 3. Chairman's Report

The report from the Chairman has been circulated. Resolutions will be dealt with first. If there is anything that will affect the resolutions, these matters can be discussed. Once the Resolutions have been voted on, outstanding issues from last year's minutes will be addressed while the votes are being counted.

### 4. Resolutions

#### 1. ORDINARY RESOLUTION NUMBER 1

"RESOLVED THAT the minutes of the Annual General Meeting of the Company held on 7 December 2018 be and are hereby approved."

(The percentage of voting rights required for Ordinary Resolution Number 1 to be adopted: more than 50% (fifty percent) of the voting rights exercised on this resolution.)

**Explanatory Note:** The 2018 Annual General Meeting was held on 7 December 2018. The minutes of that Annual General Meeting are attached to this notice as *Annexure "A"*. Members are required to consider the minutes and will be asked to approve them at the annual general meeting.

Proposed : Chris Levan

Seconded : David Sowden

Resolution approved and carried

#### 4.2 ORDINARY RESOLUTION NUMBER 2

"RESOLVED THAT the Audited Annual Financial Statements of the Company, and the directors' report for the year ended 31 December 2018 be and are hereby confirmed and adopted."

(The percentage of voting rights required for Ordinary Resolution Number 2 to be adopted: more than 50% (fifty percent) of the voting rights exercised on this resolution.)

**Explanatory Note:** The Audited Annual Financial Statements of the Company, incorporating the reports of the auditors and the directors, for the financial year ended 31 December 2018 as approved by the Board of Directors of the Company on 30 May 2019 will be presented to the members as required in terms of section 30(3) of the Companies Act and are attached to this notice as *Annexure "B"*. Members are required to consider these audited financial statements and will be asked to approve and adopt them at the annual general meeting

Proposed : Marius Rossouw

Seconded :David Sowden

Resolution approved and carried

#### 4.3 ORDINARY RESOLUTION NUMBER 3

"RESOLVED THAT BNP Chartered Accountants are hereby appointed as auditors of the Company for the ensuing year until the conclusion of the next annual general meeting and that the auditors' remuneration be determined by the Board of Directors."

(The percentage of voting rights required for Ordinary Resolution Number 3 to be adopted: more than 50% (fifty percent) of the voting rights exercised on this resolution.)

Proposed : David Sowden

Seconded : Ad de kok  
Resolution approved and carried

#### 4.4 ORDINARY RESOLUTION NUMBER 4

"RESOLVED THAT the proposed capital expenditure for the financial period 1 January 2020 to 31 December 2020 are hereby approved." *Annexure C*

(The percentage of voting rights required for Ordinary Resolution Number 4 to be adopted: more than 50% (fifty percent) of the voting rights exercised on this resolution.)

Proposed : Nigel Everingham  
Seconded: Brian Marshall  
Resolution approved and carried

#### 4.5 ORDINARY RESOLUTION NUMBER 5

"RESOLVED THAT the Home Owner Representative Directors' remuneration to the amount of R100 188 (as required by our MOI, paragraph 31.1) for the financial period 1 January 2020 to 31 December 2020 are hereby approved."

(The percentage of voting rights required for Ordinary Resolution Number 5 to be adopted: more than 50% (fifty percent) of the voting rights exercised on this resolution.)

Proposed : David Sowden  
Seconded : Nigel Everingham / Marius Rossouw  
Resolution approved and carried

#### 4.6 ORDINARY RESOLUTION NUMBER 6

"RESOLVED THAT the directors proposed by residential owners being eligible, offer her/himself for election and one is to be hereby elected as a director of the Company."

(The percentage of voting rights required for Ordinary Resolution Number 5 to be adopted: more than 50% (fifty percent) of the voting rights exercised on this resolution.)

**Explanatory Note:** In terms of the constitutional documents of the Company, residential owners are entitled to appoint 2 (two) directors to the board of directors of the Company. The term of office of the aforesaid directors is two years. A director can stand for two consecutive terms. One of the home owner representative directors, Stephan Argyle, has reached the end of his first year term. Accordingly, residential owners will be asked to vote for the appointment of 1 (one) director. The nomination, name and curriculum vitae of the candidates for the position is attached as *Annexure "D"*.  
Question posed to nominees and answered and circulated. Select one of the two

Ockert van Jaarsveld – elected as HO Director for 2020  
Resolution approved and carried

#### 4.7 ORDINARY RESOLUTION NUMBER 7

"RESOLVED THAT the directors and company secretary of the Company be and are hereby authorised to do all such things and sign all documents and take all such action as they consider necessary to implement the resolutions set out in the notice convening the annual general meeting at which this Ordinary Resolution Number 6 will be considered."

(The percentage of voting rights required for Ordinary Resolution Number 6 to be adopted: more than 50% (fifty percent) of the voting rights exercised on this resolution.)

Was there a proposer + Secunder for resolution 4.7 ?

Approved

Resolution approved and carried

All seven resolutions were approved and carried.

**Matters Arising from 2018 AGM:**

- Trade Name

Response :

HPF are still negotiating. They have made an offer to Schoëburger who came back with a higher figure. The HOA will not approach Schoëburger until HPF advise that they can go no further with their negotiations. If they do not reach a satisfactory result, the HOA will request Uli Reiter to try and negotiate the purchase of the tradename for the HOA. The HOA in the interim have registered the name in two classes and with permission from HPF, the registration will proceed in the two categories. This will however take some time and will be advertised.

- Phase 2 Update

Response :

HPF have taken all the actions to safeguard their rights for the approvals obtained, and have extended Land Use and environmental rights. HPF, in the current economic climate, will not move forward with the development at this time.

- Eskom/Alternative Power

Response:

The pilot project has been completed and the Board approved the SSEG Policy. The HOA will credit 70% of the selling rate to those home owners feeding back into the grid.

Alternative Energy

- Pilot project completed and Board approved SSEG Policy
- 4 HO's already feeding into our Grid
- 11 HO's have solar systems/ energy storage capacity
- Estate Investigated Solar as Alternative

❖ HO's & Infrastructure

	Total kWh Required	Solar	System	m <sup>2</sup>	Cost	Storage	System	Storage	Cost	Total Cost
Alt A	2.4MWh (Offgrid)	1.2MWp	1MW	16000	R9869793	2MWh	Tesla	1MWh	R20866292	R30736085
Alt B	2.4MWh (Offgrid)	1.2MWp	1MW	16000	R9869793	2MWh	Alpha	1MWh	R19031050	R28900843
Alt C	2.4MWh (Grid Tie)	1.2MWp	1MW	16000	R9869793			No		R9869793

❖ Total Estate

	Total kWh Required	Solar	System	m <sup>2</sup>	Cost	Storage	System	Storage	Cost	Total Cost
Alt A	8.9MWh(Offgrid)	5MWp	3MW	80000	R75504000	7MWh	Tesla	5MWh	R48725261	R124229261
Alt B	8.9MWh(Offgrid)	5MWp	3MW	80000	R75504000	7MWh	Alpha	5MWh	R45577625	R121081625
Alt C	8.9MWh (Grid Tie)	5MWp	3MW	80000	R75504000			No		R75504000

We will continue to investigate options.

## Comments:

- David Sowden raised his concern that a lot of home owners will need to go down the route of the 15 HO who already have alternative energy supplies. What is the preferred view of home owners for the future?
- Geoff Anderson - We could ask individual home owners what their preference would be.
- Dirk Uys - The individual route would be more expensive. Would home owners want to go this route?
- *Is this the correct name?* Peter Considine - This matter should be discussed with the option of someone else to carry the capital cost and home owners pay the user rate.
- Brain Slade - Would the cost include stored electricity? He did not see the electricity situation being as bleak as other members.
- Geoff Anderson - This is the detail that would need to be investigated.
- Willy Klingenberg - If 200 houses went for this solution at a cost of R30m and is financed, what would the monthly cost be for each home?
- Geoff Anderson - We would have to look at options and financing.
- David Sowden - This is a very complicated matter and would take some time to finalize and find the right solution.
- Mick Cronin - Isolators on geysers and air cons could be introduced to reduce costs in the interim.
- Albert Lubbe - The biggest cost would be storage. After 4 - 5 years there will be a further cost to replace batteries and these costs will be continuous/ongoing
- Brian Slade - The negative prognosis put forward by David Sowden is extreme and does not necessitate the expenditure and this is not required.

- MOI

## Response:

Bill Cuthbert raised issues at the last AGM regarding the MOI. There has been correspondence between HPF, HOA and Bill Cuthbert, Gail Witcomb and Albert Lubbe on behalf of the home owners.

There was a meeting with HPF, Bill Cuthbert and a select group of home owners prior to the AGM with GA and SA in attendance for a while. There was a willingness and keenness from both parties to work on the situation and try and find an acceptable solution.

Bill Cuthbert presented the following:

**“REPORT TO THE 2019 AGM**

As you may recall, issues concerning the MOI were raised, by me, at last year's AGM.

Since then there has been correspondence between me, representing concerned Homeowners, and HPF. This includes an open letter sent on 01 Nov.

This resulted in HPF offering a meeting this afternoon and this offer was accepted - HO representatives were Gail Witcomb, Albert and myself. Geoff and Steve A were in attendance as HO Directors - as observers rather than as participants Gail, Albert and I feel that today's meeting with HPF was productive because we all agreed that changes to the MOI are appropriate, and we also agreed a way forward to identify the changes.

During the meeting we talked about the areas of change we believe are necessary, and both parties agreed that a small group comprising 1 or 2 representatives each from HPF and the Homeowners be set up to work together to propose a number of changes to the MOI that would address the basis of our concerns.

The output of this group would be a report to the Board identifying which clauses in the MOI we want to change and what the proposed changes would be. The report to the Board is to be made within the next 6 months, if not sooner.

Going forward, if the Board accept the recommendations in the report, the next step will be for them to raise Special Resolutions to enable the changes. The immediate question for Homeowners, but not for tonight is: who should represent Homeowners on this small working group?"

## 5. General

### a. Levy

In terms of or MOI paragraph 13.4 and 13.5, members are hereby advised that an itemised estimate of the anticipated income and expenditure for the ensuing financial year has been approved by the Board at the meeting of 7 November 2019. A 2% increase on the 2019 Levies of Home Owners for 2020 is hereby advised.

The charge for water has been increased; it was thought that a 2% levy increase would be too low but the board agreed that due to the increase in water costs this would be in order.

### b. Operational Reports

- Security Committee

Brian Slade advised that in accordance with the Security committee report, if any changes are made to the gate house, the changes must only be done if HPF share the costs.

Geoff Anderson advised that any expenditure on the main entrance will be brought to the meeting and it will be for the members at an AGM to either accept or reject the project.

Brian Slade reaffirmed that this must not be done unless HPF contribute pro-rata.

Geoff Anderson advised that HPF do make a contribution to all Capex expenditure. If an additional contribution is to be considered this will have to be discussed with HPF.

### c. Calendar

The meeting calendar will be uploaded onto the portal and has been included in the AGM documentation.

### d. General

- Plot Size

Mick Cronin - In relation to the Capex, we had a levy situation eight years ago and never really discussed how Capex should be collected taking into consideration two houses exactly the same on 600m<sup>2</sup> and 900m<sup>2</sup> from an infrastructure point of view. Some pay more than others. The equitable thing to do is to review funding of Capex.

Geoff Anderson suggested that Mick Cronin submit a proposal to circulate to the ARMC and for distribution for comment. The ARMC have recently been considering and looking at fixed costs, etc.

- AFS

Chris Dunn wanted to know why he could not have page 16 of the AFS and a copy of the line items on the Operational budget.

Geoff Anderson advised that the document distributed for the October Budget Information Meeting included the forecast and is a detailed document of all income and expenditure. The auditor prepared the schedule of expenses, shown in the page 16, for his own use.

You are welcome to come up to the estate office and look at the document as has been arranged.

- House 125

David Sowden requested an update on the current status and steps being taken regarding the unsatisfactory situation at house 125.

Geoff Anderson did not want to get into a discussion regarding individual home owners and advised that the matter is being dealt with.

Gary Murphy took this opportunity to make the following comments:

- i. It took six months for plans to come through from HOA for the new roof structure plan required. He made the comment that William Lane had advised on what should be done and this was done. DU has refused to authorize plans, even though the neighbours gave permission for the build. The Council have also authorized them.
- ii. We are currently involved in a legal situation.
- iii. There are three transgressions.
- iv. This will go to court.
- v. He advised that Brian Slade had approached him with options, one of which was that if he paid a specific penalty this would settle the matter.
- vi. Brian Slade objected very strongly to this statement.

Sonja Murphy suggested that this matter should be discussed as everyone was walking past the property and making comments.

Steve Argyle was asked to comment but stated that it would not be appropriate to discuss the matter at the meeting and he did not feel comfortable doing so.

Marlene van Jaarsveld advised the meeting that they did not give permission for unauthorized building over the building line.

Geoff Anderson assured the meeting that this matter is being handled by the Aesthetics Committee and the council.

- General

Gary Murphy commented that in his opinion consolidated plots, pay one levy. Hotel should pay for 32 plots.

Geoff Anderson advised that there is a formula for charging levies.

Geoff Anderson thanked everyone for attending the meeting. Steve Argyle was acknowledged for his contribution towards the HOA and for the time given.

The meeting closed.