



Moditlo Estate Home Owners Association NPC

Registration Nr: 2002/013524/08

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Minutes of a Board of Directors meeting held on 22 March 2024 at Moditlo Estate Main Gate Offices / Board Room

1. **OPENING AND QUORUM:**

The meeting was declared open as due notice was given, and a quorum was present.

2. **ATTENDANCE AND APOLOGIES:**

Wimpie Pieterse (Chairperson)

Mark Timko (Vice-Chairperson)

Alan Hiatt

Craig Carnaby

Godfrey Phillips

Lorna Zoghby

Pieter Janeke

Piet Scheepers

ALSO IN ATTENDANCE:

Annelie Roets (Estate Manager)

Riaan Hugo (Operational Manager)

René Riekert (Administrative Assistant)

APOLOGIES:

None

3. **DECLARATION OF INTEREST:**

The directors present confirmed that they have declared any personal interest or financial gain – where applicable – on the agenda as adopted.

4. **ADDITIONAL ITEMS:**

Wimpie stated that as the Board of Directors are part of the Moditlo Estate Home Owners' Association, they are attending this meeting in their capacity as stand owners, and that decisions taken should be to the benefit of both all parties involved, as there is a close relationship between stand owners and landowners.

a. **Proposals – Advocacy Group**

Annelie stated that herself and Mark had a meeting with Guy Morgan, John Stroebel and Kristen Furseth (representing the Advocacy Group) and they clarified that the Steering Committee was not set up to steer the Board of Directors, but to steer the Advocacy Group, which in turn will submit proposals (on behalf of the members) to the Board, in stead of the Board receiving proposals from sixty members of the HOA. Godfrey stated that the committee should not be recognised by the Board until they have been legitimised, to which Annelie replied that they do not have to be legitimised, as according to the MOI, 10% of the voting rights can requisition a meeting. Mark stated that this could be a good opportunity to build trust between the Board of Directors and the members of the HOA. Annelie stated that this item was added to the agenda only to clarify the purpose of the Advocacy Group and Steering Committee, and not to make any decisions regarding the proposals received from them, as that would be handled at the next Special General Meeting.

b. **Portfolio Directors**

Annelie stated that there should be a formal vote that the Directors feel that portfolios are allocated to them, to which all agreed. The portfolios were discussed and agreed upon as follows:

Finance – Wimpie

Governance – Alan

Operations – Mark & Craig

Media & Marketing – Alan

Security – Wimpie & Craig

Liaison Members – Lorna

Staff issues / Administration – Godfrey

Landownership issues / Conservancy relations / Lodges – Pieter & Piet

Pieter stated that, should a Director have to make a proposal / decision under his / her portfolio, he / she cannot be held responsible alone should there be repercussions, and his / her input in the matter should be forwarded to the Board first to enable the Board to make a decision as a unit, and the Board should support the decisions made by the majority of the BoD. The Directors agreed to Pieter's statement.

c. **Rule Changes in General (Wimpie)**

Wimpie stated that certain contents of the MOI, Rules and Regulations and the Architectural Guidelines should be clarified, as there are several grey areas in the governance documents. Annelie state that herself and Allan will peruse the documents.

d. **Coert Keyser – Mono Pitch further information as per AGM**

Annelie stated that Coert did submit the additional information that was requested in the AGM (approved in principal with additional information) held on the 3rd of February 2024, and he requested that the information be presented to the members and that an electronic voting be done on his proposal before the SGM which will take place in June 2024, as there are members who are currently waiting for the outcome of this before they can proceed with the drafting of their building plans. The Board agreed that she can proceed with the formal proposal.

5. **APPROVAL OF THE MINUTES OF THE PREVIOUS BOD MEETING – 2 FEBRUARY 2024:**

The minutes were presented, proposed, approved, and seconded by Allan and Lorna and at the meeting.

6. **MATTERS ARISING:**

a. **Operations:**

1. **Water – Monitoring System**

Riaan stated that the installation of this system will be an advantage for the estate and stated that he obtained a quote that amounted to approximately R650 000. Mark stated that he agreed with Riaan, as the system will send real-time data, and can be programmed to send warning notifications should the level of the reservoir drop below a certain level of water inside the reservoir, and the Operational team can immediately investigate the cause of the drop in level. Riaan stated that the initial cost for the system is expensive, as it is for the base station and the radio system, but to expand it after installation, is much less, and can be paid from the monthly operational budget. He also stated that, when the Kapama line is in place, they can install magnetic flow meters at to also monitor leaks. Riaan proposed that the funds allocated to the paving on the budget (R800 000,00) rather be utilised towards the electrical upgrade and the water monitoring system. Wimpie replied that, should funds be allocated to a certain section of the budget, and they want to use the funds for a different section, that according to the MOI, it needs to be presented to the members of the HOA and be voted on in a Special General Meeting. Annelie queried that, as there were funds in the budget (operational side) allocated to supplementing of water, which was used for the trucking of water, can some of those funds not be used for the water system, to which Wimpie replied that, as the new water tariff was not implemented, and the recovery of the electricity usage by the HOA is also not covered by the monthly amount, the HOA is substantially off on their income. Mark replied that, in the minutes of the previous Board meeting, it was stated that the Board members agreed that voting would not take place, as it was only to make the members of the HOA aware of future costs that will be incurred, to which Wimpie replied that it was approved in the budget for this financial year.

2. **Water – Kapama Project**

Riaan stated that to date they had very good and positive feedback from Kapama. They have done testbits (on Kapama's side and on Moditlo's side) of which the results were good. Ian Oliver informed Riaan that they can do horizontal drilling and not impact drilling which will save costs involved. Ian committed to try and get approval from Transnet and / or Spoornet to make use of the existing culverts which will also save circa R1 800 000 of the costs. Should they get approval, then only the servitude application will need to be submitted, if not they will need to appoint a contractor for the drilling.

3. **Water – Boreholes**

Riaan stated that five spots were identified for drilling, but these were unfortunately either situated on privately owned stands, or too far from the infrastructure. He stated that he will wait for further instructions from the Board if they should proceed with the drilling of boreholes.

4. **Roads – feedback**

Riaan stated that the primary roads are, despite a few places where there are some damages, still in a good condition. The following refurbishments was agreed with the contractor, and himself and Annelie have signed the appointment letter earlier in the week:

- Nyala / Bromvoël junction – they need to lift the road and put a hump in, as there are always a lot of mud in that area.
- Nyala / Groenvlerkduifie – the water that flows from the top always washes the road away.

- Moditlo River northern embankment – there is always mud there.
- They will extend the Silver Cluster built with another 200m to Red Bushwillow's turn-off.
- They will build 120m Annaboom Tree, which will be a proper road build.

Wimpie stated that attention should be given to repetitive issues that occur after maintenance to the roads were done. Mark stated that, although there might be more projects that were identified, it is a matter of prioritisation. Pieter proposed that a cement trench be built at the lowest point where the repetitive issues occur, to which Riaan replied that himself and the contractor have also looked at that option, and that will be proposed at the next AGM.

5. **Electrical Infrastructure – upgrades**

Riaan stated that there have been several problems in the Riversdale area, specifically Kroonkiewiet, Bospatrys, and down to Hoep-Hoep (two circuits that feeds from mini sub-9) due to the deterioration of the cable to the transformer. André van der Merwe (Leopardo Electrical) suggested that they do the upgrade from the transformer to the two-carousel step-down transformer, as that is the area where the most problems occur. Riaan stated that he obtained a quote for this upgrade, as well as 100m cable at Kierieklapper Road for the low voltage cable, which amounts to approximately R670 000.

6. **Fences**

Riaan proposed that, as the HOA have an obligation to maintain the fences, and the fence from the Main Gate to the Staff Village is quite dilapidated, upgrade be done on that fence.

b. **Two Track Traversing**

After a discussion ensued regarding the closure of the two tracks, the Board of Directors agreed that Pieter will have a meeting with Bernard Koppes and request a three-month grace period to attend to this matter.

c. **Access Gate Feedback**

Annelie stated that they did experience a few issues with the facial recognition system, but she does have an appointment with the technician to discuss these issues and will request him that the issues should be resolved before the complete switch over to the facial recognition system.

7. **FINANCES:**

a. **General Finances**

Wimpie stated that there is a shortfall on the recovery of the electricity as it was not recovered through the levy amount, but should be recovered through the electricity account, which did not happen. The current shortfall amounts to R300 / stand per month. He proposed that only the electricity users be billed for the electricity used by the estate, and the users of the water be billed for the water used by the estate, and not the owners who have only vacant stands. Alan stated that there might be consequences, as according to the MOI, members of the HOA should be treated equally, and might dispute not being equally invoiced. Wimpie then stated that they could also make it part of the admin levy, to which Annelie queried if that was not the original budget for the levy, increased to R2 200, to include the recovery of the electricity. Wimpie then proposed that Annelie and himself re-do the budget and circulate it to the Board when finished. Annelie then stated that they can unfortunately not give Riaan answers until they have rerun the budget, to which Riaan replied that the Board should keep in mind that the quoted that he

obtained are only valid for thirty days. Wimpie stated that they should however continue with the drilling of the boreholes.

8. **LEGAL:**

a. **Legal Opinion – Proxies and Electronic meeting**

Annelie confirmed that she forwarded the legal opinion of the HOA's Legal Advisor regarding the proxies and electronic meetings to the Board members, which states that proxies can be handed in just before the commencement of the AGM. She proposed that a thirty-minute break be provided for in the agenda to verify ownership and good standing of the proxies received at the meeting. Wimpie stated that the Act does not stipulate a specific time, and that a proxy can be handed in during the meeting also, to which Annelie replied that the meeting will then have to be stopped, and they will also have to verify ownership and good standing of that proxy. Mark queried that, if members listen and be a part of the meeting, can voting not take place after the meeting, to which Annelie replied that unfortunately, according to South African Law and the Companies Act, votes need to be counted during the meeting, to establish if 50% of the votes have approved the resolution.

Annelie further stated that, according to the legal opinion, it is not compulsory that the meeting have to be an electronic meeting, but should the HOA have an electronic meeting, and one or more member could not participate during the meeting and stated that his / her rights have been infringed, the meeting can then be declared null and void, and the law also state that members should be able to talk to each other, without the Chair Person being aware of it. Pieter stated that the Board should propose at the SGM that the meeting will be livestreamed, but they will not be able to accommodate participation remotely during the meeting, and that should be agreed upon.

b. **CSOS Application – MEHOA / P van der Merwe – way forward**

Annelie stated that the outcome of this application was that the CSOS stated that they do not see Dr Van der Merwe as a vexatious litigator, and that it was misconceived. The Legal Advisor informed Annelie that the Board will have to decide should they want to appeal, or if they accept this outcome. Should the Board want to pursue it further, the first step will be to appeal to the CSOS. Majority of the Board of Directors voted that they should proceed to appeal to the CSOS and pursue this matter.

c. **CSOS – Case – PVDA / MEHOA – Donga - feedback**

Annelie explained to Mark the history of this case and stated that it was referred for adjudication, but she has not received any feedback from CSOS yet. After a discussion ensued, Wimpie proposed that Mark, Craig, and Riaan identify the three of four low lying areas on the roads, and they need to determine what can be done and what the costs involved will be. The Board agreed to this approach.

d. **Collection of arrear levies feedback**

Annelie stated that the institution that own 24 stands on Moditlo Estate, was in arrears with approximately R500 000, have sold majority of the stands, and are now in credit after they paid the clearance figures for the transfer to proceed in the Deeds Office. She further stated that the Mr Koppes, owner of Stand 251 Moditlo Lux, have also paid approximately R600 000 of the arrears and he also informed her that he paid a further R150 000 the morning before the meeting.

9. **NEXT MEETING:**

The Chairperson then formally closed the meeting, and a date for the next meeting will be provided.