

Mutual Heights

Darling Street, Cape Town
<http://www.mutualheights.net>

News from your Trustees

Edition 20

February 2011

Dear Fellow Owner,

It has been a long time since the last newsletter, and for that I apologise. However, we have been busy with the remedial works and I am happy to report that at last we have reached the first milestones: work is finally starting on the re-caulking of the walls, and summons have been served on the developer and the construction company that undertook most of the work. More about both of these things below. First, the AGM.

Annual General Meeting - Levies

We are planning to have the next Annual General Meeting in May (date to be advised). Do please let us know about any issues that you want to include on the agenda.

The meeting will be asked to approve a levy increase of 14% this year. Trustees discussed this increase at some length; the excess "over inflation" is necessitated almost entirely by the rising cost of electricity and municipal services, and this increase is solely intended to cover *routine* expenditures. What led us to finally agree (provisionally) to 14% was the realisation the resulting rate for owners *per square metre* is still in line with comparable buildings in the CBD.

As in previous years, the levy increase will be applied forthwith (ahead of the AGM) to avoid back dating the increase after the year has started – look out for your March statements.

The Damp Project

Following encouraging opinion from Senior Counsel last year, towards the end of the year summons were served on the developer (Old Mutual Properties) and the contractor (Murray & Roberts) on the grounds that contractual commitment to waterproofing the building had not been fulfilled, and that the general legal requirement to "do the job properly" had not been fulfilled. As I indicated last year, this could be a long process but we have a strategy to deal with it. For the moment we have sufficient funds to pay for the early legal costs and for limited work that will secure the needs of the worst affected apartments. At this time there is no intention to call for a special levy.

The work has started, and a limited portion of the Longmarket Street elevation (at the ninth and eighth levels) will be re-caulked and other details attended to. The work will be undertaken on ropes, thereby avoiding the inconvenience, cost and security risk that would arise if we were to erect scaffolding over this whole side of the building.

Other issues

Internet

The Internet service provider, Dynacomm, made proposals last year to change the basis of the service, and the cut over to "credit card payments for data bundles" has happened without significant problems. We hope that this new service will work well for you, especially for those owners who work with short lets. Please note that this service is now based on a *contract between "users" and Dynacomm*; the Body Corporate is *not* now directly involved. Hence, all queries and communications must be directed to Dynacomm and not to the Mutual Heights management office.

Some early comments indicate perceptions that the cost of the service is high, but we are assured that when you take the TOTAL cost of "cheaper" alternatives the prices charged by Dynacomm are competitive (and the convenience is of course a major plus point). As before, anyone wishing to use alternative Internet services is free to do so.

Wind

Here we are again, in the middle of summer, with the southeaster howling round our building. Residents are urged to take care with their windows at this time of year - leaving windows open has caused damage and broken glass high up in the building - think of the risks to pedestrians below. Occupants on the lower units on the "Wellington" side know all about the strength of the wind, as their access to their units is open to the wind, and doors have even been blown off their hinges.

Please would *everyone* take care to close doors carefully - both your own and communal doors - and also ensure that all your windows are closed when you leave, even for a short time. Thank you.

Air conditioning

The hot weather has reminded us that there are days when it is really good to have air conditioning. Not all units have air conditioning, and as some of us have learned it is not easy to find out how to get it, and when you do the cost is high. This is partly because of the design of the "new" system that was incorporated into the building at the time of the conversion. We have met with the consulting engineers involved and we have also identified a competent supplier who is able to specify and install (although we have not been through a complete installation cycle yet). More on this later.

Geysers

Please be reminded that geysers are the single most costly electrical appliances, and if you do not switch the geyser off when you are away, and if you do not have a programmable timer to limit the time that it is switched on, then you are spending your money needlessly. In particular, using electricity at peak periods costs us more and everybody's electricity bill will reduce if you confine your water heating to off-peak periods.

We are considering inviting bids for a one-time contract with a reputable plumber to come to check all geysers (and install timers when requested), at the best possible cost. If you are interested, and are prepared to commit, then please let the office know so that we can get quotes based on the number of interested parties. You will then be asked to commit to the cost, and make access to your apartment available *at a time that suits the plumber* - that is key to making this service economical!

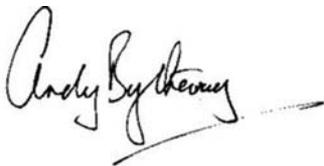
Energy management

We have commissioned a full energy management study of the building, and we will let you know the outcome. It will cover a range of issues and hopefully we will be able to reduce the very high cost of electricity by the simple device of using much less of it (and possibly by adopting a new tariff structure).

Annual party

In view of the need to conserve our funds, there will be no celebration this year.

With warm regards,
on behalf of the Trustees,

A handwritten signature in black ink, appearing to read "Andy Bytheway", with a horizontal line extending to the right.

(Professor) Andy Bytheway,
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