



Mutual Heights

News from your Trustees

Edition 44: 1st May 2019

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2019 AGM

First, please be advised that the provisional date for the next Annual General Meeting is

25th June 2019.

Diarise it now if you are an owner and you want to be there, but please understand that the date may have to be changed if there are factors beyond our control.

Watch out for the documentation package and the proxy forms that you will be invited to submit if you cannot attend.

Building manager appointed

Dayyaan Ismail has been appointed as our new Building Manager.

He is your primary point of contact in all matters concerning the fabric and maintenance of the building, including matters relating to the lifts (see next item):

Email: mutualheights@propertyexponents.co.za

Cell: 067 027 2447

Trustees wish him well and look forward to working with him in the coming months and years.



[I have conveyed our collective thanks to Colin Larkan for his considerable contribution over the last three years - Andy.]

The Lift project

In the last newsletter (Edition 43, December 2018) we noted that the Lift Project is the next "big one", and that proves to be the case. It is going to be expensive, it is going to take time, and it will disrupt our use of the building.

If you live or work in the building, you will be aware that the lifts are increasingly unreliable but we have made progress since the beginning of the year.

Problem procedure

First, please note that in the event of any problem with the lifts, the procedure is as follows:

- 1. First, tell our security staff, they are on duty 24 hours per day. They will do what they can to assist, immediately:
021 465 2528.**
- 2. Then, if you need to phone OTIS for urgent emergency assistance, telephone:
021 460 6600.**
- 3. If need to report any further details about the incident, tell the Building Manager.**

Project plan

The lift project management team has met and established a plan, and is in touch with the lift 'industry'.

The project is proceeding in stages:

1. Establish the lift replacement/refurbishment project and plan financing and budgets
2. Appoint an experienced project manager to develop specifications and manage the tendering process
3. Issue an ITT (Invitation to Tender) for the work to viable lift contractors
4. Evaluate tenders and appoint the contractor
5. Manage the progress of the project and assure quality
6. Oversee the commissioning and acceptance of the new lifts
7. Monitor the operation of the new lifts during the warranty period

We are currently at Stage 2.

Impact

Experience elsewhere makes it clear that this project will take time, and there will be considerable disturbance to those of us using the building – we are going to have to be careful and we are going to have to be patient. Anyone receiving this newsletter who has experience in managing large projects like this, or who has ideas how to minimise the impact, is invited to contact us to share their experience and ideas.

Please keep an eye on the web site for further information.

- **'Recent Advisories'** (top right corner of the home page) tells you about the current situation, day to day;
- **'Maintenance'** → **'View current items'** (on the main menu) lists all the current maintenance items including specific work that has been commissioned on the lifts.

Maintenance plan

Dayyaan has undertaken an audit of the condition of the building and has set out a list of the work that now needs doing. He will be working with trustees to set out a 10-year plan for maintenance, including allowances for routine and sporadic work, in all the main categories (electrical, plumbing, painting, and so on). If you have any views about the short or long-term maintenance that is needed, please tell him directly.

The 10-year plan will be presented at the AGM.

Geysers

It is time to remind everyone that the hot water geysers installed more than 10 years ago are failing, and the consequences of failure can extend far beyond the geyser itself. Water damage from failed geysers is the primary reason why **our building insurance premium has roughly doubled in the last year or two**. Our prior insurers refused to renew our cover at any level of premium, and we had a difficult time finding an insurance company that would provide cover.

We are investigating whether there is an underwriting opportunity that will acknowledge the reduction in risk if owners can provide evidence that their installed geyser has been inspected, and that vacuum breakers and sacrificial anodes have been checked and replaced if necessary; if an owner can NOT provide evidence that this was done BEFORE any incident, then surely it is entirely reasonable that they should bear the whole cost of the new geyser AND the consequential damage.

What do you think? We would be interested to know.

Smart metering

For more than a year, with Property Exponents, trustees have been investigating extending the 'smart metering' that we have for water consumption, to include electricity usage. The reasons to do this are different.

Clearly, to manage water aggressively in order to preserve a precious resource requires that we know, sometimes from moment to moment, what water is being used in a section; investing in 'internet-connected' water meters has been extremely helpful in this regard.

The issues with electricity usage are different. First, it is clear that the existing meters are unreliable and the office has to deal with queries about unexpected electricity accounts. Second, there are sections of the building – the common areas – that are not metered at all. Hence, in order to recover the total cost of electricity usage owners have to contribute to more than usage in their own sections, they have to pay for a portion of the substantial cost of running the lifts, the lights, ventilators, and other equipment on the roof and elsewhere.

Property Exponents have extensive experience elsewhere, in comparable buildings, and the short story is that in the current regime the recovery of the cost of electricity includes some crude rules for the allocation of costs. With smart metering elsewhere, very significant savings have been achieved that actually reduce the longer-term costs. Further, owners have the option to switch between pre-paid and post-paid billing so that tenants and short stay visitors can be required to pay for actual usage on a regular basis.

Trustees are persuaded that despite the costs, smart electricity metering will reduce medium- and long-term costs and provide owners with additional, useful facilities. We have therefore decided to go ahead with the project. This will include the introduction of meters for ALL usage, eliminating huge uncertainties and enabling pro-active energy management at a time when the costs are spiralling.

Property exponents have indicated they will provide more complete details of the financial justification if it is needed. Contact Clint Riddin at finance@propertyexponents.co.za.

Visitor management

We continue to keep a close eye on the occupation of the building, and the web site continues to capture the details of people who need access to the building who are not owners. At the time of writing, in little more than one year, 529 people have passed through the building as short-stay visitors, tenants, family members, or contractors.

Let's remind ourselves of the rules.

If you are an owner:

- **Anyone that you allow to occupy your section when you are NOT in residence MUST be registered, using the web site or (in the event of difficulties) via the office. Typically this includes short-stay visitors and tenants, but any kind of involvement can be recorded.**
- **You have the option to appoint an agent to manage your section, but you MUST advise the office in writing that you have made that appointment; we expect that there will be only ONE agent appointed for any particular section. The office will make arrangements for agents to have access to the requisite visitor and tenant registration facilities on the web site.**
- **The appointed agent MUST then arrange to register all those who will be in residence in your section, again using the web site or (in the event of difficulties) via the office.**

The records indicate that there are owners who accommodate tenants and visitors who are not registered. It is our intention to work towards a much stricter regime:

- Arriving short-stay visitors and new tenants will be expected to be registered at least 48 hours BEFORE they first arrive at the building. They will then be on the list of all

persons that have access to the building, day by day, and all they will have to do is sign.

- Persons arriving at the building for the first time who are NOT in the list will be delayed, and under some circumstances (for example out-of-hours, when Jose the concierge is not on duty and when the owner or agent cannot be contacted) they may be refused access to the building.

Nobody will enjoy a situation where someone who has been travelling for many hours, from Europe or from other places in the world, is prevented from arriving at their ultimate destination and has to find alternative accommodation late at night.

We will keep you informed.

Conduct rules

You may recall from last year that we failed to gain agreement for a new resolution that would permit trustees to apply penalties to levy accounts in the event that our conduct rules are broken. We are pursuing this, and it will be dealt with again at the forthcoming AGM.

Did you diarise that? Do it now:

AGM: 25th June 2019

With good wishes,
on behalf of the Trustees,



Andy Bytheway,
Chairman of the Trustees,
Mutual Heights,
Cape Town.

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Check out "Mutual Building" on Wikipedia:
http://en.wikipedia.org/wiki/Mutual_Building