

Mutual Heights Body Corporate

Tenth annual Chairman's report: June 2016

Introduction

This report concerns the management of the building and the activities of your trustees for the period August 2015 to June 2016.

The first meeting of trustees was immediately after the 2015 AGM in July last year, at which I was re-appointed chairperson. We then continued to meet as needed as trustees, but there were many other meetings relating to the litigation with Old Mutual, that was the key feature of the year. More about this follows below.

Composition of the Trustees

At the 2105 AGM Jonas Thulin resigned ahead of his move to Sweden – we are indebted to Jonas's attention to the details of his work as trustee, especially in dealing with some of the internet and technology issues that we faced. We wish him well in his new role. Sarah Ward joined the trustees and we are fortunate to have her with us – she works for the City of Cape Town and has a strong involvement in environmental and energy management. Hence, in the period of this report, your trustees have been:

- Andrew Bytheway (Chairman)
- Simon Hudson
- Jared Lamb
- Mark Mallin
- Sarah Ward

Our thanks go to them all for the time and effort involved. We all are the beneficiaries.

Financial matters

Our operational budgets have worked well, and are reported elsewhere. The exceptional financial issue for the past 12 months has been the cost of litigation, the ongoing cost of emergency and other damp-related works, and – happily – the need to decide where to lodge the funds that came from Old Mutual as settlement. After all costs are dealt with the balance is about R20m, and that is now lodged in a high-interest call account. Trustees are of course delighted that our eight-year effort to settle this matter has come to such a satisfactory result.

The fabric of the building

Work on urgent damp problems continued and for the purposes of the court case certain inner parts of the building were exposed in anticipation of a visit by the Judge and the legal teams. In the event that never happened, because of the decision to settle 'out of court'. As I write this, we are discussing three tenders that have been submitted for the work that now needs to be done, and I expect that a decision will be made before the AGM. We have asked contractors to tender on the basis that work will actually begin in September, when the worst of the winter weather is past.

A number of other building projects work have arisen during the year, for example on the 4th, 7th and 10th levels. This has caused problems for those living adjacent to the works and we need to discuss the need to contain this work, and perhaps to introduce new rules that will (for example) penalise projects that go on longer than intended, and restrict noisy work to just mornings. Please think about this before coming to the AGM so that your experiences and feelings can be shared and understood.

The main work, so far as trustees are concerned, falls into two categories:

- Completing the external work on the granite joints.
- Setting up processes to deal with ad hoc work on damp that arises for other reasons.

Completing the granite joints

If all goes to plan, this work will commence in September this year and proceed for about six months. It will be done in the same way as previously, mostly by rope access. About 10% of the building has been done, and so you can judge the extent of the work that remains. Bear in mind (if you had forgotten or were not aware) it is estimated that there are almost 40Km of joints to be re-sealed. The vertical flashings that cover the joints between the windows and the granite will also be replaced.

For this work, about one third of the settlement funds will be committed.

Ad hoc problems

The remainder of the money is to be remain invested for future purposes, principally for ad hoc work such as the replacement of window components that are corroded (I am thinking of those steel mullions), or the re-lining of the cast iron storm water pipes, or other needs. Each of instance of work will be evaluated individually as a separate project. The first example of this ad hoc work is the replacement of certain steel mullions on the tenth level, that have suffered from being at the bottom of the cavities behind (cavities that have carried water that was getting in as a result of the poor granite joints above). This problem was exposed as the refurbishment of the tenth level proceeded.

Routine maintenance management

Because of the focus on the litigation, and the need to conserve the funds that we did have, There is a backlog of work to be done. The interior of the building has not been painted for ten years; carpets have not been replaced, parquet floor needs re-fixing and there is general wear and tear to be dealt with. When the management team sat down and tabulated all the jobs that are to be done, there were many more than one hundred.

New building manager, new maintenance management system

It was decided to appoint a Building Manager (welcome, Colin Larkan!) and we have implemented a system that allows him to manage the work, the contractors appointed to undertake it, and priorities that are to be applied. As you may have noticed from the recent newsletters, you can see this list in different ways if you go to <http://www.mutualheights.info>; you will also find that you can report maintenance work that you consider needs doing. That is preferable to sending email or voice messages, that might or might not get onto the lists – if you log it in the system, *it will be dealt with*.

Community

Communications

We circulated newsletters in November and December 2015, and in February and May this year (newsletters 31 to 36). The 'old' web site is still updated sporadically (<http://www.mutualheights.net>) but the February survey of internet and web needs suggests that we can start to make plans for new fibre-based services to access the internet, and a redesigned web site more in line with the modern idiom. I attach a copy of the first analysis of the survey results, for your information. Trustees are now beginning to discuss the options available to us, about which you will hear more in due course. Do please let us know if you have ideas, especially if you are involved in the internet services sector.

Safety, Security & Services

The management team continues to manage our service providers well although we have had one or two issues this year, such as the fracas in the atrium that turned into a shouting match in the street. It has been suggested that we need a 'lock down' plan for the building, in the event that miscreants are trying to escape, and we will be very interested to hear your opinions. Does anyone work in a building with such a plan? How does it impact on one's work?

Trustees have not yet discussed in detail the idea of a much fuller 'conciierge' service, discussed last year. That needs to be attended to.

Final words

I thanked my fellow trustees at the start, let me now thank Clint Riddin, Charles Keefer, Kirk Odgers, Colin Larkan and all their staff in the background for their work. On your behalf, I extend our collective thanks to the whole management team.

With warm regards,
on behalf of the Trustees,

A handwritten signature in black ink that reads "Andy Bytheway". The signature is written in a cursive style with a long horizontal stroke extending to the right.

(Professor) Andy Bytheway

Chairman of the Trustees, Mutual Heights, Cape Town.

info@mutualheights.net

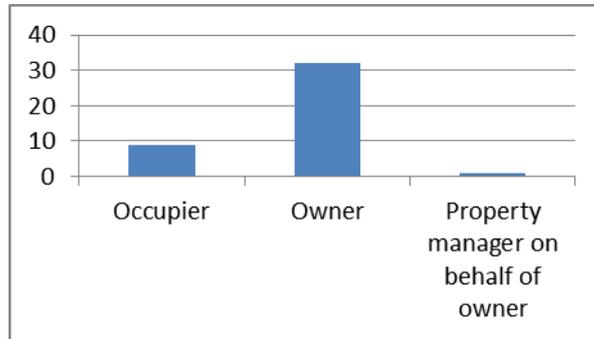
<http://www.mutualheights.net>

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

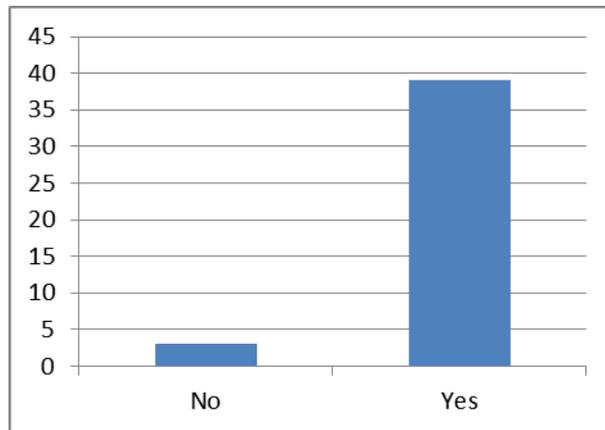
Mutual Heights 2016 internet services and web survey

This report summarises the results of the survey initiated in March 2016.

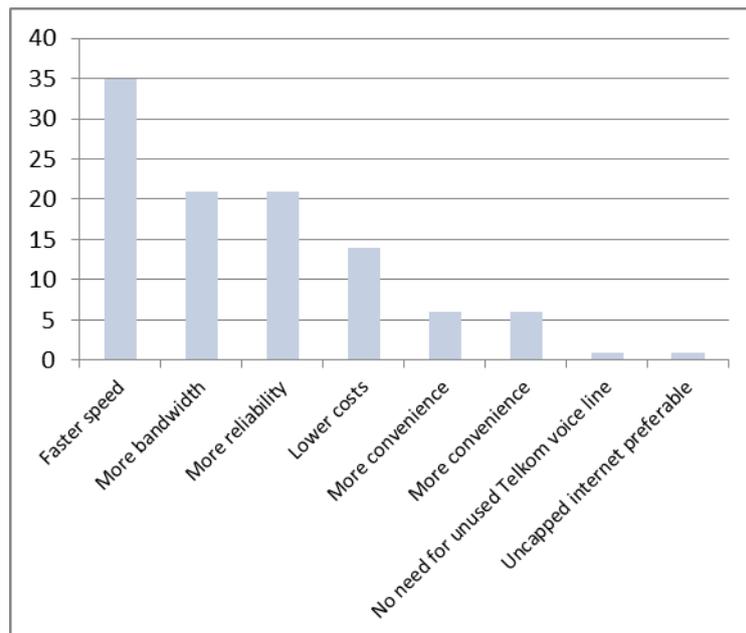
Role of respondents



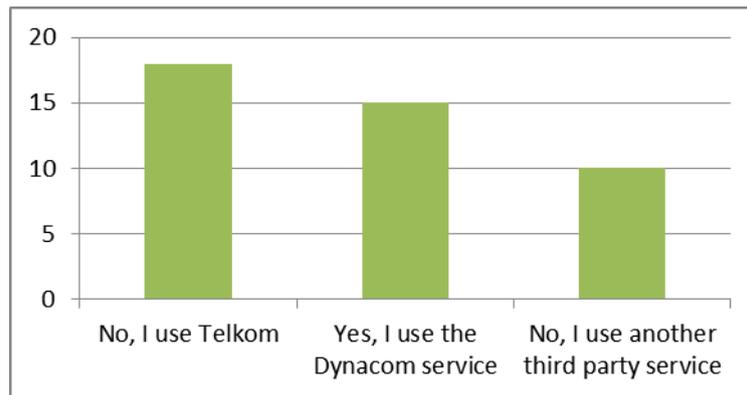
Interest in fibre services



Benefits sought



Source of services

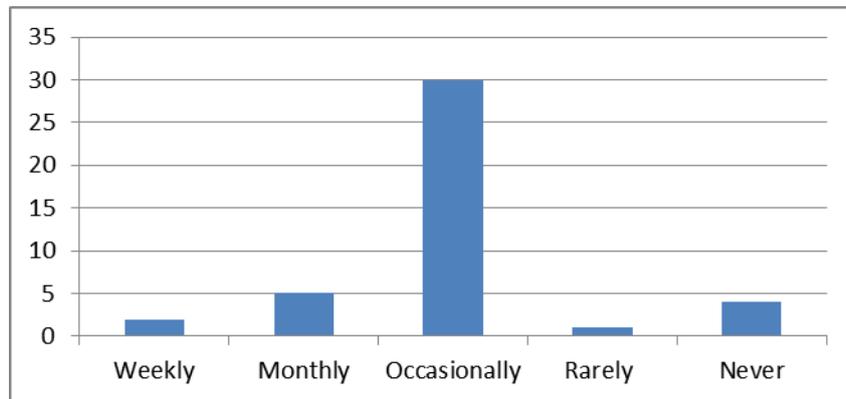


Comments on choice of service:

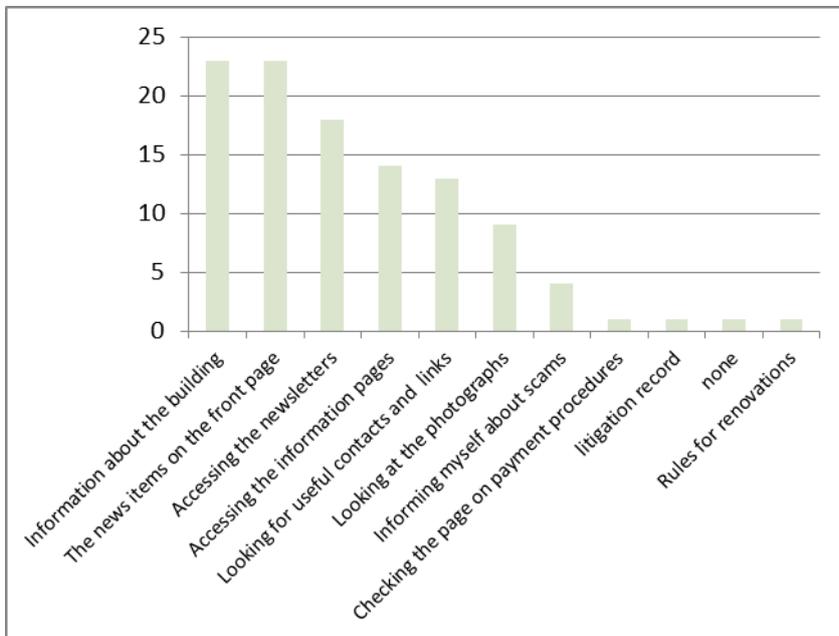
- Dynacomm is slow and getting connected (by voucher) is really tedious. We installed Telkom in order to get away from all that but we still have a credit at Dynacomm
- "Dynacomm is an extremely unreliable provider and has not stayed current with modern internet demands.
- Telkom service is not consistent or competitive and cannot be negotiated with (very poor customer service). Telkom's service attention goes to bulk buyers or ISP's.
- Third party ISP's are entirely customer focussed and so provide competitive service usually offering products that meet specific demands and stay current with data usage demands /trends."
- Convenience.
- Easier to load data etc this way.
- I started with Dynacomm because it is very complicated for a foreigner to have a data plan here with Vodacom or other providers. Eventually I managed to have a data plan with Vodacom but still use Dynacomm when the capped bundle has expired, or during load shedding, because the Dynacomm router still works.
- I used Dynacomm initially until I could get a Telkom data line into the apartment. Since then I've been with Afrihost on one of their capped and unshaped packages. It's the best option I could find re the cheap & fast balance to the service.
- I wanted uncapped internet, which Dynacomm didn't offer.
- Dynacomm was prepaid at the time I tried it and it didn't seem user friendly
- I've always used Telkom
- Trying to optimise speed using ADSL line. And in fact did not know about Dynacomm
- we chose the service so that we didn't have to have a line re installed, however the service is really bad, times out, is extremely slow and to recharge the account generally doesn't work
- I do most of my internet at work and don't require a subscription service
- I was not aware that there was another option such as Dynacom
- it's portable
- They have a better bandwidth
- Cheaper and better.
- It's an ADSL line, with wifi router, allowing for multiple devices to be connected at any given time.
- There are no landline costs (None of which I'm aware of.) I conveniently have an uncapped internet elsewhere, where I can do much larger downloads.
- The most economical, convenient and secure service
- I use it in conjunction with a 3G vodacom usb.
- I found that often Dynacomm has cheaper pay-as-you-go rates and often has a quicker, smoother signal in comparison to my other internet system which struggles to get a signal within the dense buildings. "
- We have short term rentals in the apartments and they can buy data from Dynacomm cheaper than they can from local cell networks. The problem is, Dynacomm's service does not accept foreign credit cards, so very often the service does not work. Fibre would be a much better long term solution for us.
- Living both in Robertson and Cape Town I need the flexibility that a 3G service offers.
- Convenient
- We have used Dynacomm but they are expensive. We now have an ADSL line from Telkom and use AfriHost as service provider.
- We use Dynacomm, because there is not other internet provider in the building.
- It is easy to buy data as needed and is not expensive. I use only a gig per month at R69/G so see no need to pay R500 for uncapped when I don't need it.

- To improve reliability and bandwidth.
- Convenience
- Pay as you go wifi is easier to access than the Telkom process.
- Although it's also limiting in terms of speed and costs
- Pay as you go wifi is easier to access than the Telkom process.
- Although it's also limiting in terms of speed and costs
- They are out of necessity. Fibre would serve me way better.
- Cost effectiveness
- Not very fast
- Not stable
- Complicated payment facilities
- Easy to control data usage. You pay for what you use.
- Dynacomm was much more expensive and one had to be connected - i.e. not wireless (this is what i understood) - I need wireless

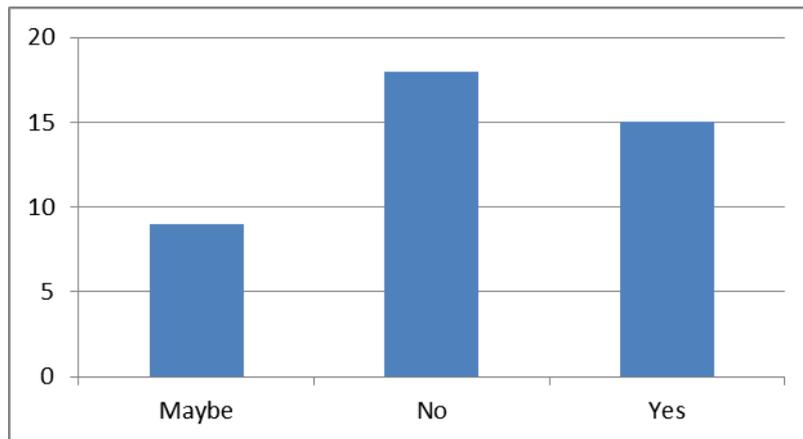
Frequency of access



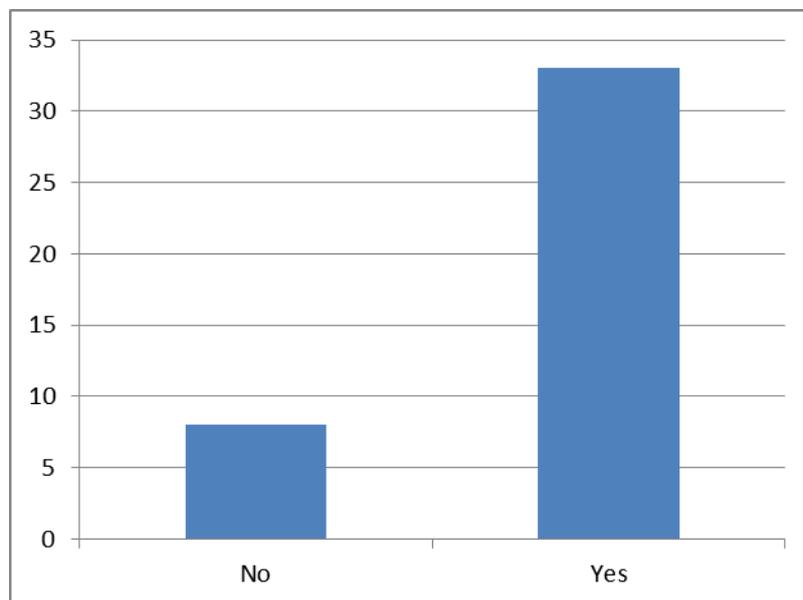
Information used



Willing to help



Would you buy the specified package?

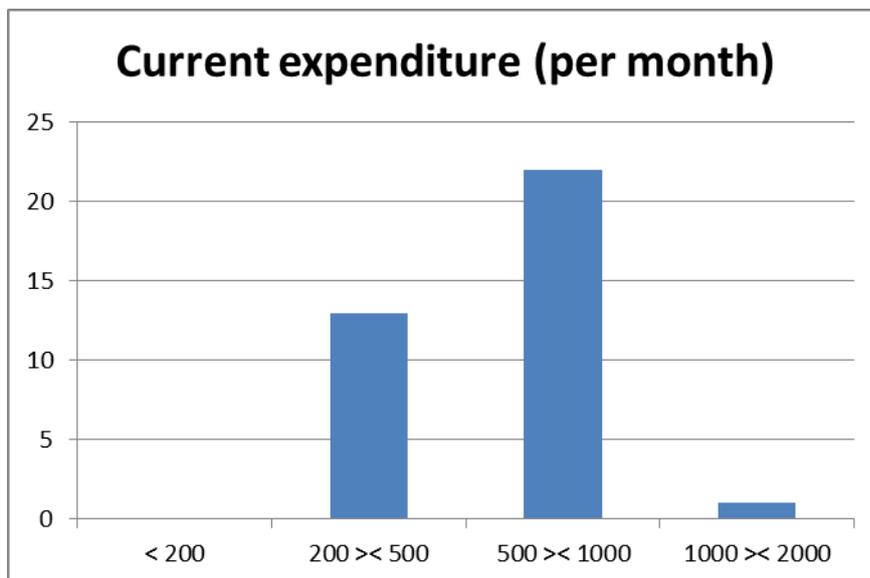


Move to the social web?

- Facebook - most people have a Facebook account (I assume). Whatsapp could be a neat alternative or supplementary means of short communications. I really like the idea of a social platform that allows and encourages residents to meet each other.
- Facebook for the greater access, but I would still have a webpage as a point of ref.
- Facebook seems good
- FB Group
- I am not a very keen user of social networks other than groups on my telephone. I am concerned about privacy and also about too much activity to monitor.
- I am not on Facebook nor any other social media platform.
- I do not use any social network as I'm strongly against it.
- I do not use social media
- I do not want to get involved with the social web.
- I don't know enough about other networking sites - only Facebook.. The problem with having Facebook as the platform for the kind of services you list above, is that it is very difficult to search (in practice impossible, as it's so much hassle). So, if you want to find some information that was put up some time in the past, you have to really put effort in. Whereas it's easy to make a website searchable (e.g tabs for different broad headings, a search box, a site map ... You can even embed a dedicated search engine (eg google) in the website that can cope with sophisticated search terms.
- "I don't think it's either or.

- You can't let go of the website because it's the most easily accessible and consistent. Social media sites come and go which means you have to keep moving to the popular one at the time. You also can't expect all residents to sign up to the various social media sites just to access building info.
- I think upgrading the website and then having a Facebook page is a better solution. You can also keep all the dialogue and discussions on Facebook. "
- I don't use facebook.
- I like the Facebook option....downside is the security and privacy....unless you can allow Friends only, with an identification.
- I like the site i think its straight forward, and easy to access from all platforms
- I think that a FB page or even an App would be much more effective for the MH community - to build better information exchange and communication between residents. FB page would be a group page (not open).
- If we switched to a social networking site such as Facebook in order to maintain our community information, which ones would you suggest, and what would they offer that we need?
- Its not a business that needs marketing. And i dont think i want the community that free and open. I quite like doing my own thing and keeping it private. Website is fine
- na
- No, I don't like the idea of Facebook for our building
- "No. I am not a Facebook user and would prefer not being required to be in order to have access to information relevant to me.
-
- I would prefer an independent site."
- No. it is too public.
- Not keen to do this as I am trying to avoid getting involved in social networking sites.
- Not sure. Emails I think work quite well as a means of communication. The only platform I think would be viable if you switched would be Facebook, but the content is then open to the public. Which could be a good or a bad thing.
- Please don't - I mean this is the nicest way possible. I don't believe we need to advertise or acquire any data whatsoever - we're not in the business of marketing. A website to house all the relevant information we need, should work just fine.
- prefer you NOT to
- Sorry, but I have a deep rooted aversion to all socila networking sites, and never access any of them.
- Yes, facebook would be fine. Wordpress is even better, and free.

Current monthly spend



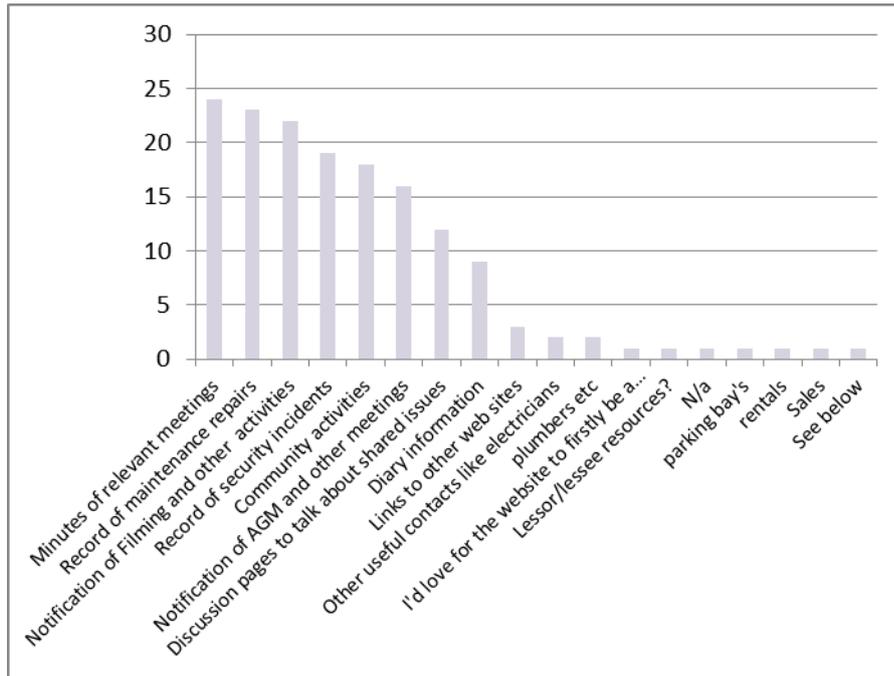
Comments on spending more

- Would you be prepared to pay more? Please help by explaining your feelings about this.
- We need video streaming. R500 per month
- No. There is an opportunity to negotiate with third party ISP's or Telkom directly for bulk bandwidth sales considering the number of users in the Mutual Heights. If existing infrastructure is used to give GUARANTEED

bandwidth to each apartment the body corporate could negotiate a preferential rates (possibly including IT support).

- I am hesitant to use the existing network if it is not constantly managed by professionals. Dynacomm's management has been weak. If this does not change I will continue to choose using my own provider.
- Not really. The flat is my holiday home, so I only visit for a few weeks each year and greater cost for an improved service is not essential.
- R1000 p/m max
- Paying more to have more data is fine. The cost per Gb must be competitive.
- Yes, if it means I get fibre I would pay more as fibre is a faster service - I could always need a faster internet connection.
- Significantly higher speeds (and reliably so) could induce me.
- YES! But only if it is faster and uncapped.
- more money for more reliability is a win
- Yes, Fiber is faster and more convenient.
- If you get what you pay for.
- yes i would, we are willing to pay up to R900 per month for internet
- depends on what is on offer
- Yes provided it was uncapped and the speed was fast.
- About R1000 a month for the internet would be my maximum. As a visiting American pointed out, we seem to treat Mb like gold dust in these parts.
- No
- No... its already too expensive (for what you get /Rand) by any sensible international standard
- No internet in this country is already more expensive than other parts of the world and more reliable
- No, I'm not prepared to pay more. It's a rental apartment, and I am happy with my Telkom connection. Don't want to be caught in any 'building schemes' that in the long run will cost more as can be seen by the current communal 'service providers' to Mutual Heights.
- "Yes, but this is all dependent on what fibre has to offer.
- We currently make use of a 10meg line, uncapped, and this seems to be okay for now. We have experienced some issues but mostly with the router. So far no problems with Telkom or our data provider."
- I'm willing to pay up to R1000.00 for 50GB unshaped without a cut-off at the end of the month. I'd be willing to pay slightly more if it's uncapped.
- No - it is expensive as is
- I would be prepared to pay slightly more if I was receiving a reliable, quicker internet service. A value for money situation
- Yes, but only if the internet is fast, reliable and uncapped. DSTV is always causing problems and if we had fiber internet, we could make use of on demand viewing services like Netflix or Showmax.
- Yes. If band width improved
- We are paying a total of R525 per month for weekender telephone plan, DSL line and AfriHost all together. We could pay a little more depending on if there are advantages. We can do without the landline phone
- Yes, but not substantially more. Especially not R500 for a service I don't need if I could spend only R70 pm for reliable connection.
- No.
- If it met my needs and was more convenient
- Yes, if various speed options are available.
- Yes. But not too much. What I currently have caters for my needs but speed can be an issue on some occasions.
- not much more
- If it is better and faster , Yes
- I would pay more if it is much faster and has greater bandwidth - but not too much more.
- happy not to have DSTV!!

Additional information needed



Our thanks to all respondents, your input is really appreciated.

Trustees will deliberate and prepare a firm plan for future internet and web services, but any further comments will be welcome.

Andy Bytheway
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4 April 2016