

NEWS FROM THE JHA BOARD – AUGUST 2018

Introduction

This is a rather hefty Newsletter to send out, so much so that it could be helpful to list the items you will read about below:

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You will see that it raises a number of developments that have been on our radar for a while. The Board considered it prudent to share as much information with you as possible in preparation for the AGM in September, hence the rather weighty document you are receiving. Please keep in mind that our first priority at the AGM is to deal with the formal aspects of our business, such as approving the financial statements and the budget. It would therefore be impossible to address all the issues raised in the Newsletter, as well as items arising from the previous AGM, at the September meeting. Nevertheless, the more information we have, the more focused our discussion could be, however brief it may be.

Two items take up a lot of space in the Newsletter: an update on the state of affairs with the CCTV cameras; and a report on an investigation with regard to solar electricity at Jakkalsfontein. The Board has given an indication of how it proposes to go ahead with these items, but will be happy to take direction from homeowners.

A final introductory note: the cameras and the solar proposal are two of the “big cost” items that are on our horizon. A third one is road surfacing, which could cost us well in excess of R2 million. Obviously we as homeowners will have to give careful consideration of how we go about these budget items. At the moment, the Board has chosen to follow a conservative approach for the 2018/19 budget cycle, in that we have decided to dedicate some funds to all three items, without committing the JHA to substantial expenditure at this stage.

Date AGM

You will receive formal notification soon, but please note that the annual general meeting of the Homeowners Association will take place on 29 September at 09.00 at the Resort Centre. The annual general meeting of the Trust will follow immediately after, as per the usual practice.

Please consider putting your name forward, or approach someone to put his/her name forward, to the Board for 2018/19.

Beach clean-up

You are reminded that we plan to clean up our beach area on September the 15th as part of International Beach Cleanup day (weather permitting). Further details will follow.

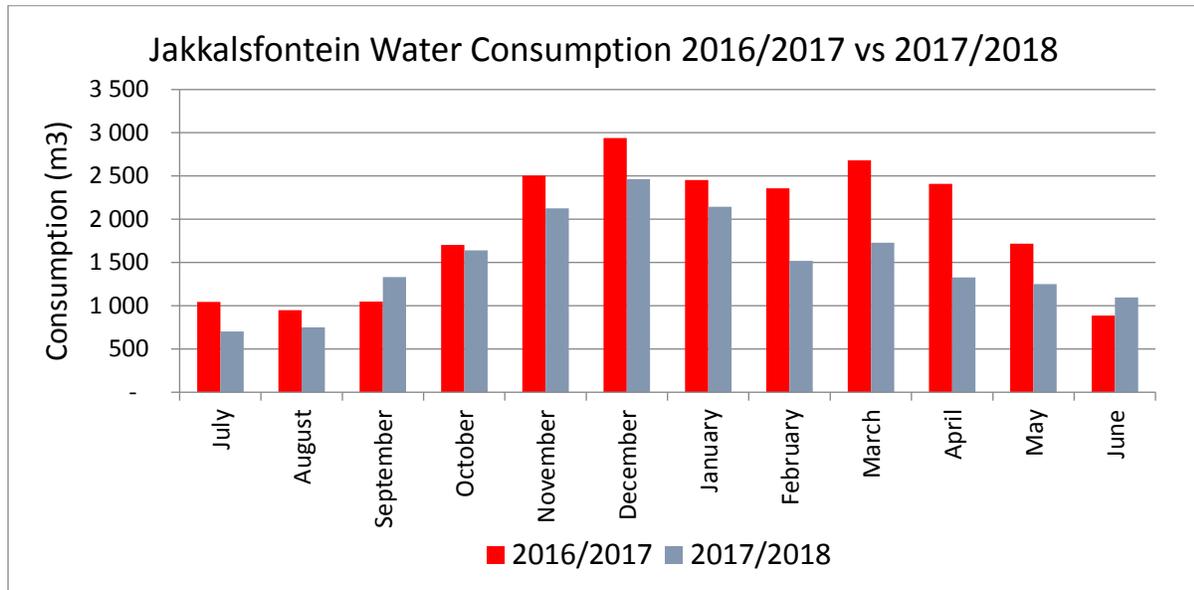
Water usage

This is what our water usage pattern looks like over the last two years:

WATER USAGE COMPARRISON JULY TO JUNE 2017 VS 2018

| Month | Litres 2016/2017 | Month | Litres 2017/2018 | Increase/(Decrease) R | % change |
|-------------------------|-------------------|--------|-------------------|--------------------------|-------------|
| Jul-16 | 1,045,750 | Jul-17 | 702,000 | (343,750) | -33% |
| Aug-16 | 947,336 | Aug-17 | 749,833 | (197,503) | -21% |
| Sep-16 | 1,047,166 | Sep-17 | 1,330,000 | 282,834 | 27% |
| Oct-16 | 1,702,000 | Oct-17 | 1,639,000 | (63,000) | -4% |
| Nov-16 | 2,506,000 | Nov-17 | 2,127,000 | (379,000) | -15% |
| Dec-16 | 2,940,000 | Dec-17 | 2,465,000 | (475,000) | -16% |
| Jan-17 | 2,454,000 | Jan-18 | 2,146,000 | (308,000) | -13% |
| Feb-17 | 2,358,000 | Feb-18 | 1,518,000 | (840,000) | -36% |
| Mar-17 | 2,682,000 | Mar-18 | 1,727,000 | (955,000) | -36% |
| Apr-17 | 2,410,000 | Apr-18 | 1,327,000 | (1,083,000) | -45% |
| May-17 | 1,717,000 | May-18 | 1,249,000 | (468,000) | -27% |
| Jun-17 | 887,000 | Jun-18 | 1,096,000 | 209,000 | 24% |
| Total Litres | 22,696,252 | | 18,075,833 | (4,620,419) | -20% |

We used substantially less water in 2017/18 than in 2016/17.



Homeowners have asked that we consider giving regular updates on the rainfall received on the Reserve during the year. We are happy to do so, and will use the four (minimum) Newsletters to report on this. The numbers below are a start.

| Month | 2016 | 2017 | 2018 |
|--------------|--------------|------------|--------------|
| Jan | 10 | 6 | 8 |
| Feb | 1.5 | 0 | 6 |
| Mar | 15.5 | 4.5 | 3 |
| Apr | 20 | 13.5 | 26 |
| May | 6 | 6.5 | 51 |
| Jun | 57 | 66 | 115.5 |
| Jul | 99 | 65 | 38 |
| Aug | 36 | 42 | |
| Sep | 20 | 11 | |
| Oct | 26 | 21 | |
| Nov | 2 | 26.5 | |
| Dec | 9.5 | 12 | |
| Total | 302.5 | 274 | 247.5 |

Architectural Review Committee

The Committee requests that homeowners who plan to conduct building operations on their properties follow the steps outlined below (these are based on the Building Manual). We believe it would improve the service the Committee can provide to you, and would enable us to address potential disagreements quite early on in the process.

1. Homeowners must inform the admin office prior to performing any building/ building maintenance related work on their property.
2. Upon notification the homeowner will be provided with relevant guideline documents to be perused and signed.
3. The documentation includes procedures for the submission and approval of building plans.
4. Building plans are scrutinised by a professional architect under contract with the JHA.
5. If approved by Jakkalsfontein's ARC, the approved plans are to be collected at the admin office by the homeowner, who then submits them to the Swartland Municipality. Only when Swartland has given approval for the building operations may the owner start to build. Commencing to build without a municipality-approved plan is illegal.

NOTE: You are not required to submit plans for alterations defined as "Minor work", but the admin office should be informed of all such work.

Legal matters

Homeowners may know that Jakkalsfontein is subject to the provisions of the Subdivision of Agricultural Land Act. The effect of this is that transfer of any portion at Jakkalsfontein may not be given to two or more persons, unless they are married in community of property, or to more than one legal entity, unless the consent of the Minister of Agriculture is obtained.

It was decided to apply to the Minister to exempt Jakkalsfontein from the provisions of the Act to allow transfers of portions to more than one owner. The Department of Agriculture of the Western Cape Government and Swartland Municipality supported our application. Our application was submitted to the Minister of Agriculture on or about 28 March 2017. Following many communications with the Department to expedite the consideration of the application, we were notified that our request was turned down. The Board does not agree with the decision as well as the reason for the decision and the Department will be requested to furnish documentation considered in reaching its decision to allow the Board to decide what, if any, steps are to be taken.

Outstanding levies

Although the number and amounts of outstanding levies are improving, legal steps have had to be taken in a few instances and the attorneys of the Board recently received instructions to

initiate legal proceedings against four homeowners. Homeowners are urged to take steps to pay any amounts owed to the JHA prior to the AGM, as those with levies outstanding will not be able to vote at the AGM.

Security

The previous newsletters contained brief summaries of what is happening with regard to the security project. Since we are moving to the September AGM, we thought it appropriate to provide more detail in this newsletter.

During December 2016 the JHA approved a three-pronged approach to improve Jakkalsfontein's security, namely:

- Installation of perimeter cameras to warn trackers equipped with electronic tablets of unauthorised human intrusion (R500 000)
- Appointment of four trackers equipped with, amongst others, night vision cameras (R155 000)
- Installation of a communication network to enable GPS tracking of an alarm button activated by a homeowner (R120 000)

It was decided that a phased approach will be followed, with the understanding that the second and third phases would not get underway without a careful consideration of the success of the first phase.

Phase 1 was completed towards the end of 2017. In terms of camera surveillance, we have three static dual thermal cameras which provide day- and night vision situated along the R27 boundary. A further three rotating cameras are positioned at the main entrance gate, Vygevallei borehole, and Rondeberg boundary respectively. These cameras are able to rotate, tilt, and zoom in or out, providing day and night images (infra-red). Two short range static "bullet" cameras are mounted at the water treatment plant and the Rondeberg boundary respectively. The three original gate access control cameras feed into the new CCTV system.

All cameras and recorders are conventionally supplied with 220 V electricity with battery back-up, except the camera station on the Rondeberg boundary, which is supplied by solar power.

Phases 2 and 3 were envisaged as an investment mainly in additional surveillance equipment: 5 dual thermal cameras with a 1000m human detection capability; 8 dual thermal cameras with a 500m human detection capability; and 3 wide area/infra-red cameras.

The following challenges and shortcomings were identified during Phase 1 of this project:

a. Excessive false alarms

A combination of wind and large and heavy owl boxes mounted on timber masts resulted in excessive camera movement, which caused numerous false alarms. This problem was addressed through the removal of the owl boxes and replacement of the masts. Unfortunately, camera

movement cannot be completely eliminated, as extremely strong wind conditions still cause the cameras to move enough to send false alarms. Furthermore, after stabilisation of the masts, it became clear that the movement of vegetation caused by wind contributes to the activation of false alarms. This was addressed by masking vegetation adjacent to firebreaks.

All nature reserves possess nocturnal wildlife, which tends to favour short-mown areas such as firebreaks for grazing purposes. The thermal cameras which were installed are unable to distinguish between humans and wildlife, which means that animals frequently trigger false alarms. It is simply impossible for security staff to attend to all these false alarms.

b. Limited range to identify human beings

Originally the proposal was to position the thermal cameras roughly 500m and 1000m apart. This distance is not sufficient to identify human intrusion. This means that it is not possible to distinguish whether thermal images received from the cameras are caused by humans or animals.

This could be overcome by either doubling the number of camera positions, or installing a specified number of thermal cameras with a specifically human identification range of 1000m. Both these options of course have cost implications.

c. Power supply

Power needs to be supplied to cameras and associated equipment, either through solar panels, or an underground electricity cable. The implementation of Phase 1 has demonstrated that four not two solar panels are required to ensure that each camera station operates for 24 hours. Based on a quotation recently received the cost of four solar panels amounts to roughly R25 000. The implication therefore is that if more cameras are installed that have to rely on solar power, the cost would be considerable, especially when one adds batteries and inverters.

The cost to install an underground electrical cable of roughly 15 km length will amount to roughly R1.4 million (based on a quotation received at R90 000/km). Due to the distance involved, switchgear and transformers are likely to be required (cost not included).

d. CCTV screen monitoring staff

An option to overcome the problem of excessive false alarms is to appoint two staff members to monitor CCTV cameras outside normal gate office hours from a workstation based at the admin office complex. The reason for not proposing the main gate office as a workstation is that the safety of such staff member could be at risk due to the remote location and easy accessibility from the R27.

However, the appointment of two additional staff members to monitor the cameras after hours is premature at this stage. Their presence would make more sense if there is complete camera coverage of Jakkalsfontein's perimeter. Furthermore, there are the additional costs involved in

having dedicated staff to monitor CCTV screens, especially if one considers how many staff members are required to monitor quite a few screens for say 12 hours at a time. It stands to reason that nature reserves such as ours will be more challenging environments to monitor on an ongoing basis, compared to relatively "quiet" environments such as factory yards and building interiors.

e. Cost summary

Phase 1 was quoted at R620 000 excluding tracker equipment. At present we have spent an estimated R700 000 on Phase 1, which includes problem-solving and improvements.

f. Recommendation

From what is summarised above, it should be clear that we have learned quite valuable lessons already: that equipment often does not operate as envisaged; that operational expenses (staffing, training, repairs and maintenance) should form an integral part of planning our security interventions; and that costs may be considerably higher than what was originally anticipated.

The Board therefore recommends that we continue to improve Phase 1, utilising what we have at present to the best of our ability. Further discussion of Phases 2 and 3 therefore is postponed to a later stage, but not later than the middle of 2019, dependent on the kind of evidence we are able to gather to make an informed decision possible. We furthermore will consider the expansion of our current practices, budget permitting of course. Among these are the following:

- That alternatives to detect unauthorised human movement during the night on the Reserve be investigated. Needless to say such a system needs to be reasonably "immune" to being triggered by wildlife. One such option is the expansion of Jakkalsfontein's camera traps. The new generation camera trap is able to send an alarm and photograph to the tracker's tablets and cell phones.
- That an additional long range night vision camera (R40 000) be purchased for use by the trackers.

We are in the process of registering with the Private Security Industry Regulating Authority (we have obtained legal advice that Jakkalsfontein is compelled to do this). Unfortunately, this has quite substantial administrative and financial consequences: our trackers for example have to be certified, and we have to pay an annual registration fee of approx. R50 000.

At the 2017 AGM, the Board was requested to report monthly on security-related incidents at Jakkalsfontein. We have done so, but as you have seen, this meant that you received regular reports basically stating that "nothing has happened". We intend to stop this practice, and replace it with summary reports in the newsletters from the Board. You can be assured that any security-related incident will be reported promptly and reliably. The security-related WhatsApp

group works well, allowing us to warn or inform homeowners almost in real time of what is happening at Jakkalsfontein.

Last week our staff did a security check-up of all the houses on the Reserve. At nine houses they found at least a window or a door open or unlocked. Homeowners are requested to be vigilant with regard to securing their own property.

Solar power at Jakkalsfontein

We have obtained a feasibility report from Energy Partners, a large reputable energy company in the Western Cape, on the possibility of a “solar farm” on the Reserve. Their report, briefly summarised, indicates that this is indeed a feasible way forward for Jakkalsfontein. The site provisionally identified is behind the reservoir and staff houses. This site is suitable for supplying all of Jakkalsfontein. Preliminary costing for the project is approximately R1.5m. This study was done at risk and with no charge to JHA.

We therefore are ready to approach a consultant to verify the report from Energy Partners before we proceed. The scope for the consultant will, as requested, be open for comments from homeowners, and ultimately for their approval as well.

Homeowners are reminded that roughly 50% of the costs billed by Eskom is for electricity consumption. The remainder of costs is for availability, administration and other. As the Reserve will not be able to go “off-grid” completely, this implies that we can save only on 50% of costs of electricity being consumed. Nevertheless, initial projections indicate that we can pay back the initial financing of the project (mechanism to be determined) in eight or nine years, and that in 20 years’ time we could accumulate in excess of R5m (based on certain assumptions of course).

Homeowners with solar panels on their roofs could in principle “sell” their excess electricity to Jakkalsfontein as well. A reminder is in order though: the current Design Manual does not allow for any photovoltaic (PV) panels (not to be confused with solar hot water heater panels) to be mounted on roofs. Furthermore, due to the importance of the curved design of the major roof elements at Jakkalsfontein and the requirement that they blend in with the dunes, it is unlikely that the Manual could be changed to allow for the number of roof-mounted PV panels that would be required to make it possible for a home to go completely off the grid. (Homeowners can also opt for a grid-tied system, not fully off-grid). Apart from the upcoming proposal for a solar farm, the Board is considering allowing PV panels to be mounted on flat garage roofs where they are not visible from the ground level. This is still likely to limit the number of PV panels that may be needed for a full off-grid system.

Johann Louw
Chair: JHA Board