

REQUEST FOR A SPECIAL GENERAL MEETING TO DISCUSS THE IMMENANT WATER PROBLEM AND THE POSSIBILITY OF OBTAINING INSURANCE AGAINST LOSS AND HARDSHIP DUE TO THIS DISASTER

We have all been made aware of the fact that we are presently in the grips of a serious drought, which drought could be with us for longer than 1 year.

What are the implications of the draught on us the homeowners?

Property values as well as the lifestyle we all enjoy will reduce. We could be facing a situation where our taps run dry and we will be forced to buy water or to collect same from tankers supplied by government at certain strategical points.

The vineyards will suffer and ultimately die due to lack of hydration. Verges and gardens will die. Each homeowner will be forced to change at least the verge so as create the uniformity required. The cost of this will in most cases exceed R10000 per house.

We believe the loss of the gardens will have a significant negative financial impact on each home owner.

WHAT IS BEING DONE (PHASE 1)

A water committee has been established for the sole purpose of limiting or if possible eliminating the possibility of this happening.

Proposals are presently being awaited for a system or systems that should be able to provide adequate water to the vineyards, landscaping, verges and if possible domestic gardens. The priority remains the vineyards in order to secure production of grapes and then the subsequent wines. (Croydon Vineyard Estate without vineyards).

SOURCES OF WATER

OPTION 1

This water will be sourced from our existing boreholes (**Tests are presently being done to determine volumes, flow rates and quality**) and the possibility of us having to drill further holes to supply adequate water is presently being investigated. The system that is being investigated is one where separate lines will be supplied for vine irrigation, water for verges and for domestic irrigation (At an

additional cost per household of + R2000). In the event of there not being water for domestic use this line can be connected at a small additional cost to each home owner. **OUR** water can thus be used where council cannot supply. This will lower our dependence on council. The cost per kilolitre should be competitive with council rates on the lower scale. **Total cost of this installation will be in the order of R3306100 in total or R16127 per house.**

OPTION 2

Treated effluent water could be sourced from Council. This will be achieved by extending the existing pipeline from Sitari through the Olive Estate and into our holding dams. From there it will be distributed through the estates irrigation system. This water as far as we know will be of adequate quality to be used for the vineyards, landscaping, verges and possibly gardens.

The estimated cost for this installation including connection points to each house is R3800000 or **R18536** per house.

OPTION 3

Each home owner can do what they believe feasible, which will in most probability cost in excess of **R50000** for the installation of tanks and then +-R1000 per 9000litres of water delivered by tanker.

CONCLUSION

With the envisaged (OPTION 1) system in place our estate could become the destination of choice for new buyers who require security of water supply for the Vineyards, landscaping and domestic gardens. The possibility of water being available for domestic use (Excluding drinking) will also be investigated.

Should it be found that we can supply adequate water from our existing boreholes (Provision has been made for 1 additional borehole in our estimate) and assuming that the home owners agree to this proposal a method of funding the installation will have to be agreed upon by the home owner's.

If the home owners decide on OPTION 2 we believe the negative could be that Council could at any time reduce the quantity of water available. This could happen sooner than later should council decide to treat the effluent further and reuse the water in their water recovery proposals.

We believe we are fortunate to have options where others don't.

We suggest that a special levy be implemented of R16127 per house for the capital expenditure as per the above option 1. All efforts will be made to reduce this cost should this be possible, once a professional team has been appointed and specifications have been drawn up and priced.