

DRAKENSTEIN MUNICIPALITY

MINUTES OF A SPECIAL MEETING OF THE MUNICIPAL COUNCIL HELD IN THE WELLINGTON TOWN HALL ON WEDNESDAY, 20 APRIL 2011 AT 14:00.

PRESENT: Councillors (see attached schedule)

Senior Officials:	Mr T Matthee	(Acting Municipal Manager)
	Mr C Petersen	(Executive Director: Financial Services)
	Dr P Naidoo	(Executive Director: Strategic Services)
	Mr L Coetzee	(Executive Director: Infrastructure & Planning)
	Mr K Mrali	(Executive Director: Corporate Governance)
	Mr A Marais	(Head: Corporate Governance)
	Mr K R Gordon	(Manager: Administrative Services)



MINUTES: COUNCIL/RAAD/IBHUNGA
20 APRIL 2011

1. CONSIDERATION OF APPLICATIONS BY COUNCILLORS FOR LEAVE OF ABSENCE FROM COUNCIL/COMMITTEE MEETINGS

OORWEGING VAN AANSOEKE DEUR RAADSLEDE VIR VERLOF VAN AFWESIGHEID VAN RAAD/KOMITTEEVERGADERINGS

The following applications for leave of absence were approved:

Clr C S Jochims - 20 April 2011

Clr E J van Zyl - 25 – 29 April 2011

Clr J N H Stoffels requested and was allowed to be excused at 16:30.

2. STATEMENTS AND COMMUNICATIONS BY THE SPEAKER

1. The Speaker announced that a letter dated 8 April 2011 was received from the Western Cape Community informing the Municipality that Clr A Theo ceased to hold office as a councillor as the Party has withdrawn and replaced him with Ms Christina Albertus. The Speaker further mentioned that in terms of a legal opinion neither Clr A Theo nor Ms M C Albertus may attend any business of Council as the Chief Electoral Officer has not yet declared the filling of the vacancy in writing in terms of the provisions of the Local Government: Municipal Structures Act, 1998.
2. The Speaker congratulated Councillors who celebrated their birthdays during April and May 2011.
3. The Speaker announced that the former Head: Electrical Services, Mr H A L Louw, of the disestablished Paarl Municipality has passed away. A moment of silence was observed.
4. The Speaker announced that Council would be in recess from 5 May 2011 until the local government elections on 18 May 2011.
5. The Speaker announced that he will be retiring as Councillor of the Municipality after the local government elections on 18 May 2011.

3. MUNICIPAL EMPLOYEES DEBT

The Democratic Alliance indicated that it could not support the recommendation that municipal employees be beneficiaries of the debt relief programme as the Code of Conduct for Municipal Staff members as contained in the Local Government: Municipal Systems Act, 2000 was very clear as to the responsibilities of municipal employees. The DA's view was supported by the FF+ and ID.

The recommendation of the Executive Mayor and Mayoral Committee was put to the vote and carried by 31 to 25 votes.

RESOLVED

1. that municipal employees be included in the Debt Relief Initiative Programme on a Rand to Rand basis in respect of debt older than 30 June 2010; and

MINUTES: COUNCIL/RAAD/IBHUNGA
20 APRIL 2011

2. that the closing date for consumers to benefit from the Debt Relief Initiative Programme be extended from 30 May 2011 to 17 June 2011 to accommodate consumers that receive remuneration and allowances on the 15th of the month.

(The DA, ID and FF+ requested that their counter vote to the above be recorded).

Meeting: Special Council – 20/04/2011 Ref no: 5/15/1 Coll no:		Submitted by Directorate: Financial Services Author/s: C Petersen Referred from: EM&MC-13/04/2011	
<u>CLAUSE:</u>	<u>ACTION:</u> Implement decision	<u>RESPONSIBLE DEPT:</u> ED: Financial Services	<u>DUE DATE:</u>

4. EXTERNAL LOAN
EKSTERNE LENINGS

UNANIMOUSLY RESOLVED

1. that the decision of the Bid Adjudication Committee be noted;
2. that the taking up of the loan to the amount of R108 534 000 be approved; and
3. that the Municipal Manager and Executive Director: Financial Services be authorised to sign the loan agreements with the financial institutions.

Meeting: Council – 20/04/2011 Ref no: 5/5/1 Coll no: 102601		Submitted by Directorate: Financial Services Author/s: C Petersen Referred from: EM&MC-13/04/2011	
<u>CLAUSE:</u>	<u>ACTION:</u> Implement decision	<u>RESPONSIBLE DEPT:</u> ED: Financial Services	<u>DUE DATE:</u>

MINUTES: COUNCIL/RAAD/IBHUNGA
20 APRIL 2011

5. ADJUSTMENT BUDGET FOR THE 2010/2011 FINANCIAL YEAR

UNANIMOUSLY RESOLVED

1. that the following projects be carried over to the new financial year:-

VOTE NO	VOTE DESCRIPTION	AMOUNT BUDGET 2010/11	CARRY OVER AMOUNT
305040617900	UPGRADING OF CIVIC CENTRE (LIFTS)	2,787,118	1,400,000
308540607800	AIR CONDITIONING: MBEKWENI HALL	700,000	588,684
430540619800	PAARL EAST MULTI PURPOSE CENTRE	13,095,624	8,000,000
480540654200	DEVELOPMENT OF NEW CEMETRY	1,000,000	545,360
605040652700	EMERGENCY LAND	1,000,000	250,000
605040656400	LAND ACQUISITION AND BULK SERVICES	10,000,000	5,647,209
812541021300	ROADS:OR TAMBO,NEW REST & NEWTON	3,000,000	1,000,000
823563300200	BERGRIVER POLLUTION PROJECT	6,500,000	4,600,000
842541020100	WATER TREATMENT WORKS : PAARL MOUNTAIN	8,741,000	400,000
842541021900	GROENHEUWEL HIGH PRESSURE WATER MAIN	2,000,000	1,200,000
TOTAL			23,631,253

**MINUTES: COUNCIL/RAAD/IBHUNGA
20 APRIL 2011**

2. that the New Adjustment Capital Budget for the 2010/2011 financial year be approved per function as follows:

FUNCTION NAME	BUDGET BEFORE CARRY OVER 2010/2011	CARRY OVER 10/11	NEW ADJUSTMENT BUDGET 2010/2011
Executive and Council	253,449	0	253,449
Budget and Treasury Office	698,688	0	698,688
Corporate Services	24,428,763	(1,988,684)	22,440,079
Planning and Development	1,151,233	0	1,151,233
Health	380,963	0	380,963
Community and Social Services	24,045,465	(8,545,360)	15,500,105
Housing	16,342,058	(5,897,209)	10,444,849
Public Safety	1,987,749	0	1,987,749
Sport and Recreation	20,803,636	0	20,803,636
Waste Management	4,025,000	0	4,025,000
Waste Water Management	87,610,500	(4,600,000)	83,010,500
Road Transport	26,996,000	(1,000,000)	25,996,000
Water	41,286,000	(1,600,000)	39,686,000
Electricity	28,558,270	0	28,558,270
TOTAL CAPITAL BUDGET	278,567,774	(23,631,253)	254,936,521

3. that in terms of section 28 of the Local Government: Municipal Finance Management Act, 2003 (Act No 56 of 2003), the amendments proposed for incorporation into the 2010/2011 adjustment budget as set out in the Annexures to the departmental report, be approved.

Meeting: Spec Council – 20/04/2011 Ref no: 5/2/2 2010/2011 Coll no:	Submitted by Directorate: Financial Services Author/s: C Petersen Referred from: EM&MC-13/04/2011		
CLAUSE:	ACTION: Implement decision	RESPONSIBLE DEPT: ED: Financial Services	DUE DATE:

6. INTEGRATED DEVELOPMENT PLAN (IDP) REVIEW REPORT: 2011/2012 FINANCIAL YEAR
GEÏNTEGREERDE ONTWIKKELINGSPLAN: OORSIGVERSLAG: 2011/2012 FINANSIËLE JAAR

UNANIMOUSLY RESOLVED

- that the Integrated Development Plan (IDP) Review Report for the 2011/2012 financial year be adopted;
- that the IDP Review Report for the 2011/2012 financial year be publicised; and
- that the public comments on the IDP Review Report for the 2011/2012 financial year, be noted.

Meeting: Special Council – 20/04//2011 Ref no: 2/25 Coll no: 103165	Submitted by Directorate: Strategic Services Author/s: NG Ndolela Referred from: EM&MC-13/04/2011		
CLAUSE:	ACTION: Implement decision	RESPONSIBLE DEPT: ED: Strategic Services	DUE DATE:

MINUTES: COUNCIL/RAAD/IBHUNGA
20 APRIL 2011

7. MEDIUM TERM CAPITAL AND OPERATIONAL BUDGET FOR 2011/2012 – 2013/2014 FINANCIAL YEARS

MEDIUM TERMYN KAPITALE EN OPERASIONELE BEGROTING VIR 2011/2012-2013/2014 FINANSIËLE JARE

The Executive Mayor delivered her budget speech after which the Executive Director: Financial Services highlighted key issues in the budget. All parties were then provided with an opportunity to speak on the budget (Budget speeches attached). The following parties were in support of the budget:

1. ANC
2. WCC
3. ACDP
4. NPP
5. Independent

The DA indicated that it would abstain from voting on the budget for the reasons set out in their budget speech submission. The ID and FF+ indicated that they would also abstain from voting.

The proposal of the Executive Mayor and Mayoral Committee was put to the vote and carried by 31 to none.

RESOLVED

1. that the following proposed MTREF (Medium Term Revenue and Expenditure Framework) for the 2011-2014 financial years, be approved:

1.1 Operating Revenue Budget per Function

FUNCTION	Approved Budget 2011/2012	Projected Budget 2012/2013	Projected Budget 2013/2014
EXECUTIVE AND COUNCIL	(9,623,212)	(10,295,702)	(11,067,881)
BUDGET AND TREASURY OFFICE	(182,521,397)	(194,998,516)	(208,428,450)
CORPORATE SERVICES	(5,115,438)	(5,201,398)	(5,291,755)
PLANNING AND DEVELOPMENT	(5,974,269)	(6,419,822)	(6,899,984)
HEALTH	(881)	(947)	(1,018)
COMMUNITY AND SOCIAL SERVICES	(3,202,336)	(1,834,221)	(1,969,093)
HOUSING	(84,040,795)	(82,650,983)	(88,849,793)
PUBLIC SAFETY	(20,663,058)	(23,505,081)	(25,093,354)
SPORT AND RECREATION	(2,509,851)	(2,698,085)	(2,900,441)
WASTE MANAGEMENT	(74,295,865)	(80,778,803)	(87,684,250)
WASTE WATER MANAGEMENT	(98,638,427)	(101,516,267)	(109,708,574)
ROAD TRANSPORT	(342,660)	(368,358)	(395,985)
WATER	(102,961,849)	(115,325,038)	(128,959,630)
ELECTRICITY	(651,489,868)	(802,023,754)	(975,188,934)
TOTAL REVENUE	(1,241,379,906)	(1,427,616,975)	(1,652,439,142)

MINUTES: COUNCIL/RAAD/IBHUNGA
20 APRIL 2011

1.2 Operating Expenditure
Budget per Function

FUNCTION	Approved Budget 2011/2012	Projected Budget 2012/2013	Projected Budget 2013/2014
EXECUTIVE AND COUNCIL	33,256,069	39,745,582	43,577,003
BUDGET AND TREASURY OFFICE	51,393,986	54,115,592	59,100,676
CORPORATE SERVICES	69,436,874	72,610,022	79,461,705
PLANNING AND DEVELOPMENT	31,508,830	36,711,010	38,764,911
HEALTH	6,577,017	7,428,081	8,150,380
COMMUNITY AND SOCIAL SERVICES	23,282,676	26,398,299	28,617,881
HOUSING	116,187,336	118,372,933	127,504,819
PUBLIC SAFETY	50,144,632	56,858,978	62,531,779
SPORT AND RECREATION	57,382,986	63,797,146	69,775,071
WASTE MANAGEMENT	60,604,059	65,524,970	70,978,761
WASTE WATER MANAGEMENT	61,548,833	66,383,874	77,240,963
ROAD TRANSPORT	88,696,033	97,138,663	103,731,361
WATER	63,388,750	69,853,486	74,466,290
ELECTRICITY	523,378,585	651,665,088	807,501,604
TOTAL EXPENDITURE	1,236,786,666	1,426,603,724	1,651,403,204

MINUTES: COUNCIL/RAAD/IBHUNGA
20 APRIL 2011

1.3 Capital Budget per Function

GFS FUNCTION	Approved Budget 2011/2012	Projected Budget 2012/2013	Projected Budget 2013/2014
EXECUTIVE AND COUNCIL	153,805	143,983	170,872
BUDGET AND TREASURY OFFICE	1,076,316	502,222	731,569
CORPORATE SERVICES	26,769,067	27,533,280	26,907,017
PLANNING AND DEVELOPMENT	1,198,916	432,567	468,497
HEALTH	243,750	238,000	529,800
COMMUNITY AND SOCIAL SERVICES	23,923,711	5,810,107	4,509,694
HOUSING	19,763,259	14,902,500	16,527,500
PUBLIC SAFETY	1,832,635	1,973,000	3,618,000
SPORT AND RECREATION	10,816,840	9,203,000	9,641,650
WASTE MANAGEMENT	13,251,388	7,157,500	7,955,000
WASTE WATER MANAGEMENT	144,743,013	109,685,500	115,428,500
ROAD TRANSPORT	26,273,230	25,762,000	26,853,000
WATER	55,810,550	91,667,000	98,990,000
ELECTRICITY	37,166,375	36,667,000	39,992,000
TOTAL CAPITAL BUDGET	363,022,855	331,677,659	352,323,099

1.4 Capital Budget Funding Source

FUNDING SOURCE	Approved Budget 2011/2012	Projected Budget 2012/2013	Projected Budget 2013/2014
OWN FUNDS	155,431,855	138,043,659	147,755,099
EXTERNAL LOAN (NEW LOAN)	137,000,000	137,000,000	146,000,000
EXTERNAL LOAN (EXISTING LOAN)	7,200,000	0	0
GRANTS	63,391,000	56,634,000	58,568,000
TOTAL FUNDING	363,022,855	331,677,659	352,323,099

**MINUTES: COUNCIL/RAAD/IBHUNGA
20 APRIL 2011**

1.5 Proposed tariffs

Percentage Increases on Tariff	Approved 2010/2011	Approved 2011/2012	Proposed 2012/2013	Proposed 2013/2014
Property Rates	5.00%	5.00%	5.50%	5.50%
Refuse Removal	7.00%	7.00%	7.50%	7.50%
Sanitation	7.00%	7.00%	7.50%	7.50%
Water	10.00%	10.00%	11.00%	11.50%
Water (Pre paid)		0.00%	11.00%	11.50%
Electricity (Pre paid)	20.00%	17.00%	21.00%	21.50%
Electricity (Conventional)	20.00%	19.00%	21.00%	21.50%
Sundry Tariff	7.50%	7.50%	7.50%	7.50%

2. that the new prepaid water meter system whereby +/- 1000 consumers can apply for the installation be approved and that 50% of the cost of the meter be subsidized excluding the installation cost;
3. that the annual budget of Drakenstein Municipality for the 2011/2012 financial year, and indicative estimates for the two outer financial years 2012/2013 and 2013/2014 as set out in the schedules contained in Annexure E to the departmental report (pg. 95-108), be approved:
 - o Schedule 1: Capital expenditure by GFS (Government Financial Statistics) classification
 - o Schedule 2: Capital funding by source
 - o Schedule 3: Operating expenditure by item
 - o Schedule 4: Operating expenditure by GFS classification
 - o Schedule 5: Operating revenue by source
4. that the tariffs reflected in the tariff book (Annexure F to the departmental report (pg.109-192) for the 2011/2012 financial year be approved;
5. that the budget related policies and attached amendments accompanying the budget documents be approved.
6. that the Municipal Annual Budget and MTREF (Medium Term Revenue and Expenditure Framework) and supporting Tables be approved.

(The DA, ID, FF+ abstained from voting on this matter).

Meeting: Council – 20/04/2011 Ref no: 5/2/2 – 2011/2012 Coll no:		Submitted by Directorate: Financial Services Author/s: C Petersen Referred from: EM&MC-13/04/2011	
<u>CLAUSE:</u>	<u>ACTION:</u> Implement decision	<u>RESPONSIBLE DEPT:</u> ED: Financial Services	<u>DUE DATE:</u>

MINUTES: COUNCIL/RAAD/IBHUNGA
20 APRIL 2011

The meeting ended at 16:27.

I confirmed that the above minutes is a correct and true reflection of the meeting held on 20 April 2011.

CHAIRPERSON:

DATE:

Confirmed on with / without amendments.