

DRAKENSTEIN MUNICIPALITY

MINUTES OF AN ORDINARY MEETING OF THE MUNICIPAL COUNCIL HELD IN THE COUNCIL CHAMBERS, CIVIC CENTRE, BERG RIVER BOULEVARD, PAARL, ON WEDNESDAY, 31 MAY 2017 AT 14:00.

PRESENT: Councillors (see attendance register)

Senior Officials:	Dr J H Leibbrandt	(Municipal Manager)
	Mr S Johaar	(Executive Manager: Corporate Services)
	Mr G Boshoff	(Executive Manager: Community Services)
	Mr D Hattingh	(Executive Manager: Infrastructure Services)
	Mr J Carstens	(Chief Financial Officer)
	Ms L Waring	(Executive Manager: Planning and Economic Development)
	Mr A V Marais	(Senior Manager: Legal and Administration)
	Mr F P Goosen	(Manager: Administrative Support Services)

ABSENT: Councillors (see attendance register)



Handwritten signature and date:
28 June 2017

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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/KOMITEEVERGADERINGS
UKUQWALASELWA KWEZICELO ZOCEBA ZOKUNGABIKO KWIBHUNGA/ KWINTLANGANISO ZEBHUNGA

The following applications for leave were approved in terms of the Rules of Order of Council:

- 1) Cllr S X Jonas - 31 May 2017;
- 2) Cllr N D Mkabile - 31 May 2017; and
- 3) Cllr S C Rens - 31 May 2017.

2. CONFIRMATION OF MINUTES
BEKRAGTIGING VAN NOTULE
UKUQINISEKISWA KWEMIZUZU

2.1 COUNCIL 26 APRIL 2017

The minutes of the Ordinary meeting of the Municipal Council held on 26 April 2017 was **confirmed as correct**; and

2.2 COUNCIL 29 MARCH 2017

RESOLVED

1. That item 7.3 be amended by inserting the following preamble to the resolution:-

"The ANC and EFF raised several questions regarding the tender awards. The questions related to:
 - 1) the appointment of Price Waterhouse Coopers for the rendering of Human Resources related work;
 - 2) the appointment of Dr Leibbrandt as consultant;
 - 3) why certain of the entries on the tender awards report do not contain the tender amounts.

The Chief Financial Officer and Executive Manager: Corporate Services responded to the questions raised and furnished information and reasons for the tender awards."

2. That item 7.4 be amended by inserting the following preamble to the resolution:-

"This matter was considered together with item 7.3"
3. That item 7.10 be amended by inserting the following preamble to the resolution:-

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"The EFF raised several questions regarding the proposed lease. The party also questioned the recommendation since in their view, the tenants are in arrears and do not always make the hall available for use by the community. The Executive Mayor responded to the questions raised."

2.1 IMPLEMENTATION OF COUNCIL DECISIONS
IMPLEMENTERING VAN RAADSBSLUITE
UKUMISELWA KWEZIGQIBO ZEBHUNGA

Noted.

3. MINUTES: MAYORAL COMMITTEE
NOTULES: BURGEMEESTERSKOMITEE
IMIZUZU: NEKOMITI KASODOLOPHU WESIGQEBA

Noted.

4. STATEMENTS AND COMMUNICATIONS BY THE EXECUTIVE MAYOR / DEPUTY EXECUTIVE MAYOR
VERKLARINGS EN MEDEDELINGS DEUR DIE UITVOERENDE BURGEMEESTER/UITVOERENDE ONDERBURGEMEESTER
INGXELO KUNYE NOQHAKAMSHELWANO NGU SODOLOPHU WESIGQEBA / ISEKELA LIKASODOLOPHU WESIGQEBA

1. the Executive Mayor informed Council of the awards received from PMR Africa; and
2. the Executive Deputy Mayor informed Council of the progress with regards to the Tools of Trade and that information regarding laptops / tablets are in the process of being finalised.

5. STATEMENTS AND COMMUNICATIONS BY THE SPEAKER
VERKLARINGS EN MEDEDELINGS DEUR DIE SPEAKER
INGXELO KUNYE NOQHAKAMSHELWANO NGU SOMLOMO

The Speaker made the following announcements:

1. Council will be in recess from 03-14 Jul 2017.
2. All ward projects should be finalized in June.
3. Public meeting should be held in the month of June to prioritize new ward projects of 2017/18 financial year. An official letter will be sent from the Speaker's Office.
4. Proposed Ward Committee meeting dates for the 2017/18 financial year must be submitted to the office of the Speaker.
5. Each ward councillor must nominate a ward committee member to serve on the Gender Forum.

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6. Disaster Management training will be conducted by the Cape Winelands District Municipality. Only 10 councillors can be accommodated on a "first come, first serve" basis.
7. The remaining dates for the training by the Nelson Mandela Metropolitan University on behalf of the Department of Local Government in the council chambers from 08h30- 17h00 are as follows:
- 31 July 2017– Oversight Committees and the functioning of Municipal Accounting in Local Government.
 - 1 August 2017 – Role of Councillors in the appointment and discipline of senior officials: section 62 Appeals and duties of Commissioners of Oath.
 - 7 & 8 August 2017- Code of Conduct and Procedures for Disciplinary Hearings and Investigations.
 - 4 September 2017 - Delegation of Powers and Public Participation and Communication.

Councillors were urged to attend the last 2 sessions.

8. Councillors were reminded to submit memory sticks timeously.
9. Congratulated councillors who celebrated their birthdays in May.

5.1	DECLARATION OF INTERESTS BY COUNCILLORS / OFFICIALS
	VERKLARING VAN BELANGE DEUR RAADSLEDE / AMPTENARE
	UKUBHENGEZA KOMDLA NGOCEBA/ AMAGOSA

No declarations were made.

6.	STATUTORY MATTERS
	STATUTÊRE SAKE
	IMIBA YOMTHETO

None.

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**7. CONSIDERATION OF REPORTS BY THE MAYORAL COMMITTEE
OORWEGING VAN VERSLAE DEUR DIE BURGEMEESTERSKOMITEE
UKUQWALASELWA KWEENGXELO YIKOMITI KASODOLOPHU WESIGQEBA**

**7.1 AUDIT COMMITTEE FEE INCREASE 2017/18
OUDIT KOMITEE FOOI VERHOGING 2017/18
UKWANDISWA KOMRHUMO WEKOMITI YOPHICOTHO-ZINCWADI 2017/18**

UNANIMOUSLY RESOLVED

that the following in respect of the remuneration of Audit Committee members as from 01 July 2017 be approved:-

1. that a remuneration rate of R1060/ hour be paid to the chairperson for attending an Audit Committee meeting and R850/ hour be paid to ordinary Audit Committee members;
2. that preparation time be paid up to 2 hours at a rate of half the hourly meeting rate per hour, which is R530 for the chairperson and R425 for an ordinary member;
3. that members be paid the preparation rate per hour for attending a conference/ workshop, pre-approved by the Municipal Manager;
4. that for any ad hoc meeting attended by Audit Committee members with a municipal official, remuneration be at the preparation rate per hour; and
5. that no person working for any organ of state will be remunerated for serving in the Audit Committee. If a person gets appointed subsequent to being appointed as an Audit Committee member, he or she will be given an opportunity to serve free of charge or resign.

Meeting: Council – 31/05/2017	Submitted by Directorate: Office of the Municipal Manager		
Ref No: 3/3/1/3/9/1	Author/s: Rozan Jaftha		
Coll Nr: 1214837	Referred from: MC - 24/05/2017		
PAR: 1-5	ACTION: Implement decision	RESPONSIBLE DEPT: Office of the Municipal Manager (IA)	DUE DATE:

**7.2 TABLING OF THE FINAL INTEGRATED DEVELOPMENT PLAN (IDP) 2017/2022
VOORLEGGING VAN FINALE GEINTEGREERDE ONTWIKKELINGSPLAN (GOP) 2017/2022
UKUBEKWA KOYILO ELIDIBENEYO LOPHUHLISO ELOKUGQIBELA(IDPO KA 2017/2022**

UNANIMOUSLY RESOLVED

1. that the Final Integrated Development Plan (IDP) 2017/2022 and Vision 2032, (Annexure A to the departmental report) be adopted;
2. that the public inputs on the Draft 2017/2022 IDP, (Annexure B to the departmental report) be noted;

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3. that it **be noted** that the Draft top Layer Service Delivery and Budget Implementation Plan (SDBIP) 2017/2018 as incorporated into Chapter 5 of the Final IDP 2017/2022 contains only non-financial information;
4. that it **be noted** that the Executive Mayor may, within 28 days after the Budget has been approved, add, amend or remove Key Performance Indicators (KPI's) and Targets on the Draft Top Layer Service Delivery and Budget Implementation Plan 2017/18 in accordance with Section 53(1)(ii) of the Municipal Finance Management Act;
5. that the Annual Review of the Drakenstein Spatial Development Framework (2016/2017) attached as Annexure C to the departmental report as part of the Integrated Development Plan 2017/2022 in terms of Section 26(e) of the Local Government: Municipal Systems Act, Act No.32 of 2000, be approved;
6. that the IDP and amended SDF be submitted to the MEC for Local Government, within 10 days of the Council resolution; and
7. that an advertisement be placed on the official website of the Municipality, municipal notice boards and in the local newspapers to notify the public of the adoption of the Final Integrated Development Plan (IDP) 2017/2022 and Spatial Development Framework.


Meeting: Ref No: Coll Nr:	Council – 31/05/2017 2/2/5 1222473	Submitted by Directorate: Author/s: Referred from:	Office of the Municipal Manager Faith Qebenya MC - 24/05/2017
PAR: 1-7	ACTION: Implement decision	RESPONSIBLE DEPT: Office of the Municipal Manager (IDP)	DUE DATE:

7.3 TENDERS, QUOTATIONS AND CONTRACTS: SUPPLY CHAIN MANAGEMENT: NOTIFICATION OF MONTHLY TENDER AWARDS: APRIL 2017
TENDERS, KWOTASIES EN KONTRAKTE: VOORSIENINGSKANAALBESTUUR: TENDERTOEKENNINGS VIR APRIL 2017
ITHENDA, ISINIKI MAXABISO KUNYE NEZIVUMELWANO: ULAWULO LOTHUNGELWANO LWEZIBONELELO: ISAZISO SONIKEZELO LWETHENDA: APRIL 2017

UNANIMOUSLY RESOLVED

that it be noted that no tenders and contracts were adjudicated by the Bid Adjudication Committee for the month of April 2017.

Meeting: Ref No: Coll Nr:	Council – 31/05/2017 8/1/2/1 1219820	Submitted by Directorate: Author/s: Referred from:	Financial Services Heinrich Vergotine MC- 24/05/2017
PAR:	ACTION:	RESPONSIBLE DEPT:	DUE DATE:



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7.4	FINANCE: LOCAL GOVERNMENT: MUNICIPAL FINANCE MANAGEMENT ACT: SECTION 71 MONTHLY BUDGET MONITORING REPORT FOR APRIL 2017
	FINANSIES: WET OP PLAASLIKE REGERING: MUNISIPALE FINANSIËLE BESTUUR: SEKSIE 71 MAANDELIKSE BEGROTING VERSLAGDOENING VIR APRIL 2017
	EZEZIMALI: UMTHETHO WOKULAWULWA KWEMALI ZIKAMASIPALA: ICANDELO 71 NGENYANGA INGXELO YOKONGAMELA KOHLAHLA LWABIWO MALI YENYANGA KA APRIL 2017

UNANIMOUSLY RESOLVED

1. that it be noted that the variance between the actual operating revenue (R 1,720,911,598) and the pro rata budgeted operating revenue (R 1,737,606,715) has a negative variance of R 16,695,118 or 0.96%;
2. that it be noted that the variance between the actual operating expenditure (R 1,480,552,986) and the pro rata budgeted operating expenditure (R 1,631,563,681) has a positive variance of R 151,010,693 or 9.26%;
3. that it be noted that the actual and committed capital expenditure of R 617,042,452 and the pro rata budgeted capital expenditure of R 606,721,627 realised over spending of R 10,320,826 or 1.70%;
4. that it be noted that the actual and committed capital expenditure of R 617,042,452 compared with the capital expenditure budget represent a spending percentage of 84.8% after ten months of the financial year;
5. that it be noted that external borrowings amounted to R 835,985,157 as at 30 April 2017 and that it represents 40.72% of Drakenstein's total budgeted operating revenue of R 2,053,136,666 for the 2016/2017 financial year;
6. that it be noted that of the R 187,018,781 grants received during the current financial year an amount of R 178,768,442 or 95.59% have been utilised as at 30 April 2017. The amount of R 178,768,442 is made up of operating expenditure of R 120,587,041 and capital expenditure of R 58,181,401 utilised on operating and capital projects / programmes;
7. that it be noted that the actual employee related cost expenditure of R 381,578,788 compared with the pro rata budgeted expenditure of R 393,543,504 relates to a positive variance of R 11,964,717 or 3.04%;
8. that it be noted that total outstanding debtors as at 30 April 2017 amounted to R 285,626,840 and that 30 days and older debt constitutes 60.2% of total outstanding debtors;
9. that it be noted that domestic consumers owe the municipality R 184,546,862 or 64.6% of the municipality's total debtor's book;
10. that it be noted that outstanding creditors amounted to R 13,799 as at 30 April 2017;
11. that it be noted that the primary bank account had a positive bank balance at 30 April 2017 which amounted to R 19,354,846; and

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12. that it be noted that total investments in cash and shares amounted to R 206,628,257 as at 30 April 2017 at the five local banks and Eskom.

Meeting: Council – 31/05/2017 Ref No: 91/1/4 Coll Nr: 1221659		Submitted by Directorate: Financial Services Author/s: A Viola Referred from: MC - 24/05/2017	
PAR: 1-12	ACTION: Implement decision	RESPONSIBLE DEPT: Chief Financial Officer	DUE DATE:

7.5 APPROVAL OF THE 1ST 2016/2017 OPERATING SPECIAL ADJUSTMENTS BUDGET
GOEDKEURING VAN DIE 1ST 2016/2017 SPESIALE BEDRYFS AANSUIWERINGSBEGROTING
ULWAMKELO LOLUNGELELWANISO OLULODWA LOHLAHLLO LWABIWOMALI LOKUSEBENZA LOKU-1 LOWAMA-2016/2017

The ANC expressed concern that the net effect of the R9.6 million returned to the Provincial Human Settlements Department would mean that ±200 housing opportunities would be lost in the current financial year. The Executive Manager: Community Services elaborated on the challenges in the Fairyland / Siyahhlala area in respect of illegal occupation of land that resulted in the Housing Department not being able to spend the allocation, and indicated that the R9.6 million would be provided for in the next financial year.

UNANIMOUSLY RESOLVED

- that the operating expenditure of R 2,072,441,032 approved by Council in February 2017 be decreased with R 9,600,000 to R 2,062,841,032 for the 2016/2017 financial year as set out in Table 1 of the departmental report; and
- that the operating revenue of R 2,053,136,666 (capital grants included) approved by Council in February 2017 be decreased with R 9,600,000 to R 2,043,536,666 for the 2016/2017 financial year as set out in Table 2 of the departmental report.

Meeting: Council – 31/05/2017 Ref No: 5/2/2/ (2016/2017) Coll Nr: 1222460		Submitted by Directorate: Financial Services Author/s: Cindy Lategan Referred from: MC - 24/05/2017	
PAR: 1-2	ACTION: Implement decision	RESPONSIBLE DEPT: Chief Financial Officer	DUE DATE:

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7.6	APPROVAL OF THE 2017/2018 OPERATING AND CAPITAL BUDGET, FUNDING SOURCES, RATES, FEES, CHARGES, TARIFFS AND BUDGET RELATED POLICIES
	GOEDKEURING VAN DIE 2017/2018 BEDRYFS EN KAPITAAL BEGROTING, BEFONDSINGSBRONNE, BELASTING, FOOIE, HEFFINGS, TARIWE EN BEGROTINGSVERWANTE BELEIDE
	ULWAMKELO LOHLAHLA LWABIWO-MALI LOKUSEBENZA NEZAKHIWO, IMITHOMBO YENKXASO-MALI, IMILINGANISELO, IMIRHUMO IINTLAWULO, IIRHAFU NEMIGAQO-NKQUBO ENXULUMENE NOHLAHLA LWABIWO-MALI

The Executive Mayor tabled the budget and highlighted the important features of the budget as at out in the enclosed budget speech.

All parties present in Council except the ANC supported the adoption of the budget.

The ANC indicated that it could not support the budget, inter alia, for the following reasons:-

- 1) Concerns with regard to the sustainability of external loans, a view in their opinion supported by Provincial Treasury;
- 2) The cost to service external loans;
- 3) The proposed property rates which were not properly communicated to rate payers;
- 4) The budget was silent on how it would support black businesses in general and young black people in particular; and
- 5) Roll-over of Capital Projects.

The Executive Mayor and Executive Deputy Mayor responded to the concerns and inter alia mentioned that a follow-up meeting were held with Provincial Treasury after the LGMTEC meeting, in which Council's approach to Infrastructure investment and future increased income from such investment was explained to and accepted by Provincial Treasury. Reference was again made to Council's long-term financial plan to improve the financial position and the ratio's referred to.

After further discussion, the recommendation of the Mayoral Committee was put to the vote and the budget was adopted by 47 votes to 13 votes, with no abstentions.

RESOLVED

1. that Council approves the tabled 2017/2022 MTREF's capital budget expenditure of R 633,141,543 for the 2017/2018 financial year as well as for the four outer years' capital expenditure as set out per GFS votes in the table below.

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2017/2022 MTREF HIGH LEVEL CAPITAL BUDGET PER GOVERNMENT FINANCIAL STATISTICS (GFS) VOTES						
GFS Description	2017/2018 Capital Budget	2018/2019 Indicative Capital Budget	2019/2020 Indicative Capital Budget	2020/2021 Indicative Capital Budget	2021/2022 Indicative Capital Budget	2022/2023 Budget Needs and Onwards
Community and Social Services: Core Function - Cemeteries, Funeral Parlours and Crematoriums	1 650 000	-	-	-	-	9 450 000
Community and Social Services: Core Function - Community Halls and Facilities	-	-	-	-	1 250 000	13 880 500
Community and Social Services: Core Function - Libraries and Archives	-	-	3 239 726	-	-	35 295 774
Community and Social Services: Non-core Function - Agricultural	200 000	-	-	-	-	-
Community and Social Services: Non-core Function - Cultural Matters	2 032 994	2 565 894	4 659 439	4 510 000	1 400 000	4 445 334
Energy Sources: Core Function - Electricity	97 660 450	84 337 699	72 848 934	63 702 318	11 159 574	932 597 098
Environmental Protection: Non-core Function - Indigenous Forests	300 000	500 000	-	-	350 000	1 075 000
Executive and Council: Core Function - Mayor and Council	4 620 000	4 950 000	5 280 000	5 610 000	-	-15 385 000
Executive and Council: Core Function - Municipal Manager, Town Secretary and Chief Executive	5 218 379	10 064 490	9 007 774	12 657 500	11 985 000	8 503 473
Finance and Administration: Core Function - Administrative and Corporate Support	7 440 268	621 148	70 000	-	200 000	19 673 924
Finance and Administration: Core Function - Finance	-	-	-	-	-	1 110 000
Finance and Administration: Core Function - Fleet Management	5 857 530	7 920 000	8 281 000	9 442 000	37 650 000	355 017 720
Finance and Administration: Core Function - Human Resources	-	637 417	45 000	-	-	62 053
Finance and Administration: Core Function - Information Technology	5 920 000	4 025 000	3 525 000	5 025 000	4 775 000	11 190 000
Finance and Administration: Core Function - Legal Services	-	-	-	-	-	40 000
Finance and Administration: Core Function - Marketing, Customer Relations, Publicity and Media Co-ordination	-	-	-	-	-	3 460 760
Finance and Administration: Core Function - Property Services	2 800 000	3 000 000	3 000 000	-	150 000	44 040 000
Finance and Administration: Core Function - Supply Chain Management	1 500 000	-	-	-	-	1 500 000
Housing: Non-core Function - Housing	22 109 000	1 600 000	2 000 000	-	13 696 000	205 218 600
Internal Audit: Core Function - Governance Function	-	-	-	-	-	1 151 000
Planning and Development: Core Function - Corporate Wide Strategic Planning (IDPs, LEDs)	-	-	-	-	-	12 000
Planning and Development: Core Function - Economic Development/Planning	250 000	-	-	-	-	85 000
Planning and Development: Core Function - Town Planning, Building Regulations and Enforcement, and City	-	-	-	-	-	543 500
Public Safety: Core Function - Civil Defence	-	-	-	2 300 000	400 000	5 920 634
Public Safety: Core Function - Fire Fighting and Protection	-	45 000	-	-	1 175 000	68 951 500
Road Transport: Core Function - Police Forces, Traffic and Street Parking Control	200 000	732 050	-	-	4 155 000	64 201 307
Road Transport: Core Function - Roads	65 794 649	85 814 383	53 260 984	115 000	50 265 000	857 378 492
Sport and Recreation: Core Function - Community Parks (Including Nurseries)	365 000	1 625 000	785 000	203 500	1 650 000	9 660 000
Sport and Recreation: Core Function - Recreational Facilities	1 200 000	2 180 000	-	1 500 000	1 300 000	4 300 000
Sport and Recreation: Core Function - Sports Grounds and Stadiums	25 493 554	18 601 220	15 135 984	8 360 000	3 350 000	147 940 142
Waste Management: Core Function - Solid Waste Removal	-	5 237 106	7 720 866	7 550 000	6 000 000	10 198 861
Waste Water Management: Core Function - Sewerage	-	-	-	-	-	20 360 380
Waste Water Management: Core Function - Waste Water Treatment	256 745 942	117 501 499	73 722 293	9 950 000	110 000 000	487 399 620
Water Management: Core Function - Water Distribution	125 792 777	86 291 403	75 646 133	188 506 188	83 520 930	1 175 872 765
Grand Total	633 141 543	438 169 309	338 228 133	339 431 504	344 431 504	4 581 935 731

2. that Council approves the following single and / or multi-year capital projects in the five year 2017/2022 MTREF that exceeds the amount of R 50 million referred to in Regulation 13(2)(c) of the Municipal Budget and Reporting Regulations –

- 2.1 Wellington WWTW rehabilitation and upgrading project (R 172,799,464);
- 2.2 Paarl WWTW rehabilitation and upgrading project (R 178,244,304);
- 2.3 New Simondium Bulk Sewer (Pearl Valley pump station included) (R 50,500,000);
- 2.4 Strawberry King Bulk Water Supply project (R 102,618,718);
- 2.5 Upgrading of Sewerage Systems (R 60,958,978);
- 2.6 Upgrading of Berg River Boulevard North project (R 90,557,518); and
- 2.7 Replace existing 66KV cables between Dalweiding, Palmiet and Parys Substation project (R 51,430,966).

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3. that Council takes note that the estimated costs of the above-mentioned capital projects over the next five years are set out in detail in Annexure D to the departmental report.
4. that Council approves the tabled 2017/2022 MTREF's capital budget expenditure funding sources of R 633,141,543 for the 2017/2018 financial year as well as the four outer years' capital expenditure funding sources as set out in the table below.

2017/2022 MTREF HIGH LEVEL CAPITAL BUDGET PER FUNDING SOURCE						
Description	2017/2018 Capital Budget	2018/2019 Indicative Capital Budget	2019/2020 Indicative Capital Budget	2020/2021 Indicative Capital Budget	2021/2022 Indicative Capital Budget	2022/2023 Budget Needs and Onwards
CRR	40 000 000	45 000 000	50 000 000	55 000 000	60 000 000	776 961 861
External Loan	508 794 176	324 211 416	250 851 565	245 000 000	245 000 000	3 354 758 830
Grants	84 347 367	68 957 893	37 376 568	39 431 504	39 431 504	450 215 040
Grand Total	633 141 543	438 169 309	338 228 133	339 431 504	344 431 504	4 581 935 731

5. that Council takes note that R 4,581,935,731 of the capital programme and identified IDP needs could not be accommodated in the 2017/2022 MTREF Capital Budget of the next five years.
6. that Council approves the tabled 2017/2022 MTREF's operating budget revenue of R 2,201,862,847 for the 2017/2018 financial year as well as for the four outer years' operating revenue as set out per GFS votes in the table below.

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2017/2022 MEDIUM TERM OPERATING REVENUE PER GFS CATEGORIES					
GFS Vote Description	2017/2018 Operating Budget	2018/2019 Indicative Operating Budget	2019/2020 Indicative Operating Budget	2020/2021 Indicative Operating Budget	2021/2022 Indicative Operating Budget
Community and Social Services: Core Function - Cemeteries, Funeral Parlours and Crematoriums	(2 283 477)	(2 511 825)	(2 763 008)	(3 039 309)	(3 343 238)
Community and Social Services: Core Function - Community Halls and Facilities	(542 686)	(596 955)	(656 651)	(722 315)	(794 546)
Community and Social Services: Non-core Function - Agricultural	(21 962)	(24 158)	(26 573)	(29 231)	(32 154)
Community and Social Services: Non-core Function - Cultural Matters	-	-	-	-	-
Community and Social Services: Non-core Function - Libraries and Archives	(251 456)	(276 600)	(304 260)	(334 688)	(368 157)
Energy Sources: Core Function - Electricity	(1 088 169 648)	(1 151 638 744)	(1 218 324 262)	(1 285 703 958)	(1 356 904 049)
Executive and Council: Core Function - Mayor and Council	(22 558 235)	(24 802 959)	(27 272 156)	(29 988 271)	(32 975 997)
Executive and Council: Core Function - Municipal Manager, Town Secretary and Chief Executive	-	-	-	-	-
Finance and Administration: Core Function - Administrative and Corporate Support	(139 381 838)	(153 602 976)	(162 391 977)	(175 876 415)	(191 183 771)
Finance and Administration: Core Function - Asset Management	(275 000)	(302 500)	(332 750)	(366 025)	(402 628)
Finance and Administration: Core Function - Budget and Treasury Office	-	-	-	-	-
Finance and Administration: Core Function - Finance	(266 250 381)	(288 716 067)	(313 688 593)	(340 243 264)	(368 835 464)
Finance and Administration: Core Function - Fleet Management	(1 198)	(1 318)	(1 449)	(1 594)	(1 754)
Finance and Administration: Core Function - Human Resources	(1 679 033)	(1 761 453)	(1 888 341)	(2 001 641)	(2 121 740)
Finance and Administration: Core Function - Property Services	(1 820 889)	(1 980 286)	(2 153 844)	(2 344 820)	(2 554 956)
Finance and Administration: Core Function - Supply Chain Management	-	-	-	-	-
Housing: Non-core Function - Housing	(112 863 663)	(169 544 628)	(91 269 590)	(94 548 649)	(98 155 614)
Planning and Development: Core Function - Corporate Wide Strategic Planning (IDPs, LEDs)	-	-	-	-	-
Planning and Development: Core Function - Economic Development/Planning	(323 148)	(355 463)	(391 010)	(430 110)	(473 122)
Planning and Development: Core Function - Town Planning, Building Regulations and Enforcement	(709 951)	(780 946)	(859 041)	(944 945)	(1 039 439)
Public Safety: Core Function - Fire Fighting and Protection	(350 734)	(385 608)	(424 388)	(466 826)	(513 509)
Road Transport: Core Function - Police Forces, Traffic and Street Parking Control	(75 247 854)	(76 887 301)	(78 690 690)	(80 674 424)	(82 856 524)
Road Transport: Core Function - Roads	(43 185 003)	(38 591 803)	(650 983)	(716 081)	(787 690)
Sport and Recreation: Core Function - Community Parks (including Nurseries)	(408 899)	(449 789)	(494 767)	(544 244)	(598 668)
Sport and Recreation: Core Function - Recreational Facilities	(3 527 983)	(3 880 780)	(4 268 859)	(4 695 745)	(5 165 319)
Sport and Recreation: Core Function - Sports Grounds and Stadiums	(304 549)	(335 004)	(368 504)	(405 355)	(445 891)
Waste Management: Core Function - Solid Waste Disposal (Landfill Sites)	(673 691)	(740 242)	(813 368)	(893 721)	(982 011)
Waste Management: Core Function - Solid Waste Removal	(47 420 726)	(56 019 065)	(61 400 245)	(65 295 178)	(69 471 967)
Waste Management: Core Function - Street Cleaning	(197 487)	(217 196)	(238 874)	(262 714)	(288 934)
Waste Water Management: Core Function - Sewerage	(1 550 952)	(1 783 595)	(1 979 790)	(2 197 567)	(2 439 300)
Waste Water Management: Core Function - Waste Water Treatment	(157 679 281)	(175 114 076)	(192 178 300)	(210 619 893)	(226 537 875)
Water Management: Core Function - Water Distribution	(234 543 123)	(236 264 219)	(251 636 868)	(266 667 340)	(284 407 766)
Grand Total:	(2 201 862 847)	(2 387 585 756)	(2 415 869 141)	(2 570 014 323)	(2 733 682 083)

7. that Council approves the tabled 2017/2022 MTREF's operating budget expenditure of R 2,182,693,374 for the 2017/2018 financial year as well as for the four outer years' operating revenue as set out per GFS votes in the table below.

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2017/2022 MEDIUM TERM OPERATING EXPENDITURE PER GFS CATEGORIES					
GFS Vote Description	2017/2018 Operating Budget	2018/2019 Indicative Operating Budget	2019/2020 Indicative Operating Budget	2020/2021 Indicative Operating Budget	2021/2022 Indicative Operating Budget
Community and Social Services: Core Function - Aged Care	654 693	706 741	762 220	822 054	886 586
Community and Social Services: Core Function - Cemeteries, Funeral Parlours and Crematoriums	4 730 839	5 061 462	5 394 787	5 773 647	6 181 826
Community and Social Services: Core Function - Child Care Facilities	249 375	264 567	280 727	297 852	316 021
Community and Social Services: Core Function - Community Halls and Facilities	10 227 212	10 811 722	11 422 919	12 089 866	12 807 085
Community and Social Services: Non-core Function - Agricultural	6 724 348	7 214 951	7 737 182	8 297 034	8 898 669
Community and Social Services: Non-core Function - Cultural Matters	7 621 439	8 142 384	8 679 853	9 276 328	9 914 700
Community and Social Services: Non-core Function - Disaster Management	2 854 861	3 081 823	3 323 745	3 584 659	3 866 055
Community and Social Services: Non-core Function - Libraries and Archives	3 374 272	3 591 546	3 797 024	4 046 510	4 315 276
Energy Sources: Core Function - Electricity	881 873 031	900 099 360	953 040 931	1 010 704 038	1 072 151 900
Environmental Protection: Core Function - Biodiversity and Landscape	943 564	1 016 904	1 095 048	1 179 222	1 269 897
Executive and Council: Core Function - Mayor and Council	49 080 630	52 420 877	56 025 507	59 884 148	63 967 792
Executive and Council: Core Function - Municipal Manager, Town Secretary and Chief Executive	39 786 736	42 534 372	50 162 021	57 863 630	58 761 929
Finance and Administration: Core Function - Administrative and Corporate Support	101 170 047	108 444 792	116 594 895	125 622 123	134 426 105
Finance and Administration: Core Function - Asset Management	7 767 005	162 354 543	180 943 066	189 172 917	194 820 225
Finance and Administration: Core Function - Budget and Treasury Office	1 690 110	1 813 564	1 942 793	2 084 140	2 236 175
Finance and Administration: Core Function - Finance	57 580 059	63 349 004	68 151 195	73 240 427	77 157 507
Finance and Administration: Core Function - Fleet Management	27 683 693	16 746 021	17 892 063	19 171 176	20 598 273
Finance and Administration: Core Function - Human Resources	10 540 213	11 132 778	11 756 268	12 415 402	13 114 263
Finance and Administration: Core Function - Information Technology	11 054 970	11 751 578	12 416 730	13 213 278	14 070 250
Finance and Administration: Core Function - Legal Services	(675 132)	(728 932)	(786 303)	(848 162)	(914 883)
Finance and Administration: Core Function - Marketing, Customer Relations, Publicity and Media	2 745 170	2 944 034	3 152 270	3 379 607	3 624 200
Finance and Administration: Core Function - Property Services	26 222 119	27 856 074	29 378 177	31 247 422	33 262 472
Finance and Administration: Core Function - Supply Chain Management	3 812 773	4 183 513	4 467 305	4 777 031	5 110 320
Finance and Administration: Core Function - Valuation Service	1 980 079	2 111 132	2 250 397	2 397 377	2 555 813
Finance and Administration: Non-core Function - Risk Management	2 072 263	2 223 164	2 383 787	2 555 979	2 740 982
Housing: Non-core Function - Housing	148 006 600	213 080 023	136 286 081	141 360 509	146 810 413
Internal Audit: Core Function - Governance Function	3 601 344	3 863 055	4 140 491	4 438 381	4 759 417
Other: Core Function - Tourism	408 330	440 793	475 396	512 714	552 963
Planning and Development: Core Function - Corporate Wide Strategic Planning (IDPs, LEDs)	3 238 844	3 451 850	3 674 727	3 912 784	4 169 911
Planning and Development: Core Function - Economic Development/Planning	11 236 197	12 049 712	12 909 618	13 835 128	14 833 196
Planning and Development: Core Function - Project Management Unit	487 099	525 717	566 879	611 265	659 128
Planning and Development: Core Function - Town Planning, Building Regulations and Enforcement	9 725 107	10 482 601	11 283 724	12 153 940	13 092 430
Public Safety: Core Function - Fire Fighting and Protection	36 361 651	39 067 986	41 947 826	45 072 374	48 411 158
Road Transport: Core Function - Police Forces, Traffic and Street Parking Control	81 133 367	83 241 174	85 669 898	88 285 386	91 093 742
Road Transport: Core Function - Pounds	238 016	252 535	267 940	284 085	301 413
Road Transport: Core Function - Roads	135 839 964	123 318 921	130 134 019	138 519 437	147 570 675
Road Transport: Non-core Function - Road and Traffic Regulation	3 406 268	3 677 065	3 965 714	4 277 022	4 612 767
Sport and Recreation: Core Function - Community Parks (including Nurseries)	32 946 086	35 246 438	37 783 196	40 530 282	43 480 993
Sport and Recreation: Core Function - Recreational Facilities	21 367 130	22 903 651	24 504 467	26 260 152	28 150 244
Sport and Recreation: Core Function - Sports Grounds and Stadiums	24 922 580	26 352 721	27 867 225	29 491 272	31 306 109
Waste Management: Core Function - Solid Waste Disposal (Landfill Sites)	16 964 819	17 261 279	18 254 675	19 401 855	20 636 386
Waste Management: Core Function - Solid Waste Removal	68 503 082	70 166 118	74 677 638	79 544 400	84 741 896
Waste Management: Core Function - Street Cleaning	27 397 626	26 603 688	28 370 096	30 245 040	32 257 019
Waste Water Management: Core Function - Public Toilets	6 034 481	6 493 846	6 980 265	7 507 161	8 074 454
Waste Water Management: Core Function - Sewerage	32 201 131	34 725 569	37 399 878	40 301 421	43 430 415
Waste Water Management: Core Function - Waste Water Treatment	112 702 519	89 571 874	94 907 533	101 195 867	107 974 543
Water Management: Core Function - Water Distribution	143 480 164	147 828 677	157 080 412	167 481 454	178 637 939
Water Management: Core Function - Water Treatment	625 600	675 336	728 349	785 524	847 188
Grand Total	2 182 693 374	2 420 407 623	2 492 140 774	2 648 255 178	2 802 543 237

8. that Council takes note that the tabled 2017/2018 MTREF realises a budgeted operating surplus of R 19,169,473 for the 2017/2018 financial year as set out in the table below.
9. that Council takes note that after capital grants are counted back the tabled 2017/2018 operating budget realises a budgeted deficit of R 65,177,894 as set out in the table below.

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10. that Council takes note that after non-cash expenditure items [off-setting depreciation, losses on sale of assets, impairment of assets, employee benefits (leave provision), ex gratia pensioners' provision, employee benefits (medical provision) and employee benefits (long service awards provision)] as well as redemption on external borrowings are taken into account the tabled 2017/2018 operating budget realises a budgeted cash surplus of R 2,099,398 as set out in the table below.

2017/2022 MEDIUM TERM REVENUE AND EXPENDITURE FRAMEWORK (MTREF)					
Description:	Final Draft 2017/2018 Operating Budget (rounded)	Draft 2018/2019 Indicative Operating Budget (rounded)	Draft 2019/2020 Indicative Operating Budget (rounded)	Draft 2020/2021 Indicative Operating Budget (rounded)	Draft 2021/22 Indicative Operating Budget (rounded)
Total Operating Revenue	(2 201 862 847)	(2 387 585 756)	(2 415 869 141)	(2 570 014 323)	(2 733 682 083)
Total Operating Expenditure	2 182 693 374	2 420 407 623	2 492 140 774	2 648 255 178	2 802 543 237
Operating (Surplus) / Deficit	(19 169 473)	32 821 867	76 271 633	78 240 855	68 861 154
Less: Capital Expenditure Grants	(84 347 367)	(68 957 893)	(37 376 568)	(39 431 504)	(39 431 504)
Revised Operating (Surplus) / Deficit	65 177 894	101 779 760	113 648 201	117 672 359	108 292 658
Less: Depreciation =	(188 506 431)	(199 673 156)	(206 139 186)	(218 211 259)	(220 211 259)
Plus: Redemption on External Loans =	152 332 556	163 955 368	177 447 355	198 788 738	220 641 047
Less: Losses on Sale of Assets =	(2 000 000)	(2 000 000)	(2 000 000)	(2 000 000)	(2 000 000)
Less: Impairment on Assets =	(2 000 000)	(2 000 000)	(2 000 000)	(2 000 000)	(2 000 000)
Less: Contribution to Employee Benefits (Leave) Provision =	(4 038 379)	(4 370 991)	(4 726 571)	(5 111 078)	(5 526 864)
Less: Contribution to Employee Benefits (Ex Gratia Pensioners) Provision =	(274 000)	(270 000)	(266 058)	(262 174)	(258 347)
Less: Contribution to Employee Benefits (Medical) Provision =	(16 561 000)	(17 880 000)	(19 304 052)	(20 841 522)	(22 477 581)
Less: Contribution to Employee Benefits (Long Service Awards) Provision =	(6 230 038)	(6 670 563)	(7 142 237)	(7 647 264)	(8 188 001)
Revised Cash Deficit / (Surplus) =	(2 099 398)	(32 870 418)	(49 517 432)	(60 387 800)	(68 271 533)
Plus: Additional revenue not budgeted for:					
Kliprug Substation =	(41 407 400)	(66 219 969)	(74 919 563)	(88 345 527)	(123 292 171)
N1 Substation =	-	(7 054 306)	(19 928 625)	(44 868 287)	(83 900 796)
BNG Housing Project =	-	(4 555 812)	(9 763 488)	(15 604 031)	(22 174 434)
Erf 16161 =	-	(1 501 118)	(13 328 762)	(22 651 855)	(24 045 226)
Less: Additional expenditure =	-	6 555 618	21 510 438	41 562 087	65 060 229
Estimated Cash Deficit / (Surplus) =	(43 506 798)	(99 005 159)	(139 212 543)	(169 519 333)	(220 000 747)

11. that Council take note that the estimated cash surplus for 2017/2018 projects to R 43,506,798 and for the four outer years grow to R 120,080,747 after taking additional revenue due to possible growth into consideration.
12. that Council takes note that any actual cash surpluses at year-end will be used to boost Drakenstein's Capital Replacement Reserve to be utilised for future infrastructure assets investment.
13. that Council approves the following tariff increases as set out in the 2017/2018 Tariff List document (Appendix C to the departmental report) in the revenue streams of property rates, fees, charges and tariffs with effect from 1 July 2017:-
- 13.1 new proposed property rates revenue stream increase of approximately 9.49% subject to another round of public participation;
- 13.2 Water revenue stream increase of approximately 8.0%;

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- 13.3 Sewerage / sanitation revenue stream increase of approximately 15.0% to ensure that this economic service's costs and revenue move towards a break-even point;
- 13.4 Refuse removal revenue stream increase of approximately 9.7%;
- 13.5 Electricity revenue stream increase of approximately 1.75% for life line consumers;
- 13.6 Electricity revenue stream increase of approximately 1.88% for all other consumers;
- 13.7 Rental revenue stream increase of approximately 7.5%; and
- 13.8 Sundry revenue stream increases of 10% as set out in the Tariff List.
14. that Council takes note of the following envisaged tariff increases in the revenue streams of property rates, fees, charges and tariffs over the four outer years of the 2017/2022 MTREF period as set out in the table below.

2017/2022 MTREF TARIFF INCREASES					
DESCRIPTION	2017/2018	2018/2019	2019/2020	2020/2021	2021/2022
Property rates revenue increase	9.49%	8.7%	8.6%	8.6%	8.6%
Refuse removal services tariff increase (PPP)	9.7%	9.7%	9.7%	9.7%	9.7%
Sanitation services tariff increase	15.00%	15.00%	15.00%	15.00%	15.00%
Water services tariff increase	8.00%	8.00%	8.00%	8.00%	8.00%
Electricity life line consumers tariff increase	1.75%	5.7%	5.6%	5.6%	5.6%
Electricity other consumers tariff increase	1.88%	5.7%	5.6%	5.6%	5.6%
Housing rental tariff increase	7.5%	7.5%	7.5%	7.5%	7.5%
Other tariffs on average (Excluding special requests)	10.00%	10.00%	10.00%	10.00%	10.00%

15. that Council approves the annual budget of Drakenstein Municipality for the 2017/2018 financial year as well as the indicative estimates for the four outer financial years (2018/2019 to 2021/2022) as set out in Schedules A1 to A10 and Schedules SA1 to SA38 in Annexure D to the tabled 2017/2022 MTREF Budget Report.

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16. that the following new budget related policy as part of Appendix B (Budget Related Policies Document) to this item be approved –
- 16.1 Funding and Reserves Policy
 - 16.2 Unclaimed Deposits Policy
17. that the following reviewed budget related policies with its amendments be approved (effective 1 July 2017) as part of Appendix B (Budget Related Policies Document) to this item –
- 17.1 Cash and Investment Policy;
 - 17.2 Unauthorised, Irregular, Fruitless- and Wasteful Policy;
 - 17.3 Asset Management Policy;
 - 17.4 Financial Asset Management Policy;
 - 17.5 Insurance Policy;
 - 17.6 Supply Chain Management Policy;
 - 17.7 Stock Management Policy;
 - 17.8 Customer Care, Credit Control, Debt Collection and Indigent Support Policy;
 - 17.9 Tariff Policy;
 - 17.10 Property Rates Policy;
 - 17.11 Asset Transfer Policy;
 - 17.12 Electricity Losses Policy;
 - 17.13 Electrical Infrastructure Maintenance Policy;
 - 17.14 Petty Cash Policy; and
 - 17.15 Travel and Subsistence Policy.
18. that all other budget related policies reviewed and attached as part of Appendix B (Budget Related Policies Document) to this item be left unchanged;
19. that Council takes note that Drakenstein's investments and cash as at 30 April 2017 amounted to R 226,269,482.36 made up of investments with –
- 19.1 Nedbank primary bank account (R 19,354,846.00);
 - 19.2 FNB traffic account (R 15,798.66)
 - 19.3 ABSA investments (R 85,965,037.68);
 - 19.4 Nedbank investments (R 5,194,805.74);
 - 19.5 Standard Bank investments (R 18,379,006.58);
 - 19.6 FNB investment (R 97,223,525.80); and



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- 19.7 Eskom (R 136,461.90)
20. that Council takes note of the proposed total cost to municipality expenses for the salary, allowances and benefits of the Executive Mayor, Speaker, Deputy Executive Mayor, Chief Whip, Mayoral Committee members, Chairperson of MPAC, ordinary councillors, Municipal Manager, Chief Financial Officer and Executive Managers as set out in Table SA23 (Appendix D to this item).
21. that Council takes note that Drakenstein Municipality do not have any current service delivery agreements, including material amendments to existing service delivery agreements, with any service provider who renders any power or function on behalf of Drakenstein Municipality as defined in section 1 of the Municipal Systems Act.
22. that Council takes note that Drakenstein Municipality do not have any municipal entities.
23. that Council approves the measurable performance objectives for revenue from each source and for each vote in the budget, taking into account the municipality's integrated development plan, as set out in Table 32 (Appendix D to the departmental report).
24. that Council approves the recommendations as set out in Appendix A (Written Comments Received on the 2017/2018 Tabled Budget) to the departmental report as Council's views on the written comments received during the public participation process on the 2017/2018 Tabled Budget.
25. that Council takes note that the approved electricity tariffs are subject to the approval of it by the National Energy Regulator of South Africa.
26. that a public participation meeting be arranged in June 2017 to consult with the public the newly proposed property rates tariff before Council can finally approve any new property rates tariff early in July 2017.

Meeting: Council – 31/05/2017		Submitted by Directorate: Financial Services	
Ref No: 5/2/2/ (2017/2018)		Author/s: Cindy Lategan	
Coll Nr:		Referred from: MC - 24/05/2017	
<u>PAR:</u>	<u>ACTION:</u>	<u>RESPONSIBLE DEPT:</u>	<u>DUE DATE:</u>
1-25 26	Implement decision Arrange public participation meetings	Chief Financial Officer IDP	June

18(r)



DRAKENSTEIN MUNICIPALITY

**EXECUTIVE MAYOR'S
BUDGET SPEECH**

31 MAY 2017

18(b)

Speaker;
Deputy Mayor;
Chief Whip;
Members of the Mayoral Committee;
Ordinary members of Council;
Municipal Manager and senior management;
Ward Committee Members;

Members of the public;
Members of the media present; and



Cllr Conrad Poole Executive
Mayor

All protocol observed

INTRODUCTION

Speaker, it is with great pleasure that I submit the proposed final budget for the 2017/2018 financial year based on the comments received from the public and other stake holders during the public participation process.

The public participation process started with IDP and Budget road shows at all 33 wards, an intensive workshop with major stakeholders, a meeting with the top 100 electricity consumers and a sector meeting with government departments and other stakeholders. The closing date for written comments on the reviewed IDP and tabled budget was 28 April 2017.

Compared with the 66 written comments received on the 2013/2014 tabled budget, the 13 received on the 2014/2015 tabled budget, the eight (8) received on the 2015/2016 tabled budget, the 11 received on the 2016/2017 tabled budget and now a single one (1) comment received from the local community and outside stakeholders on the 2017/2018 tabled budget; it is a clear indication that the public's confidence is growing in present leadership in Council and the highly skilled and committed executive management team of Council.

The one (1) written comment we received was from the Provincial Treasury in the Western Cape who must play a monitoring roll and their letter and our response to their letter through the yearly LG MTEC3 engagement that was held on 11 May 2017 is documented in Appendix A (Written Comments Received on the 2017/2018 Tabled Budget) attached to the budget item.

Provincial Treasury's main concern is our aggressive approach towards investment into bulk infrastructure and the high levels of borrowing. Drakenstein conservatively and purposefully do not budget for growth opportunities and additional revenues in the operating budget. However, Drakenstein uses these additional revenues for financial and sustainability projections ten years in the future and this information forms part of our long-term financial plan projections as set out in Chapter 6 of the Integrated Development Plan (IDP). I will elaborate a bit more on this topic later in my budget speech.



Also documented in Annexure A is a proposal from the Mayoral Committee to bring forward the starting date of the upgrading of the Van der Stel Street capital project to the 2017/2018 financial year's capital budget. There is simply too much traffic congestions that needs to be relieved.

The Mayoral Committee also proposes higher cemetery tariffs for the burial of persons living outside Drakenstein in Drakenstein's cemeteries. The reason for this move is that we are running out of burial space and we need every available space for our own people.

There was an outcry at the public meetings for better service delivery. For this purpose we need to fill critical vacant positions. Therefore the Mayoral Committee propose that the advertised property rates tariff be amended.

Speaker, Drakenstein Municipality has no control or influence over the valuation process of properties. This is done by an independent valuer (service provider). The average value of properties in Drakenstein will increase by approximately 25.6%. During the tabling of the draft budget (29 March 2017) it was proposed to decrease the existing property rates tariff by 17.5% to realise a property revenue stream increase of 5.6% but, due to the needs identified during the IDP Public Participation sessions with the community it was decided to decrease it by only 13.93%. Our property revenue stream will now increase by 9.49%.

Speaker, important to note that all residential properties will receive an automatic rebate on property on the first R 180,000 of the property valuation. (Previous financial year it was R 160,000). For pensioners, physically and mentally disabled persons, a rebate that varies from 20% to 100% will be granted to owners of ratable property based on the total gross income of the applicant and/or his/her spouse. Retired persons seventy years and older, who do not qualify for any other rebates will qualify for an additional rebate of a maximum of 10% as per the Property Rates Policy.

If Council should accept this new property rates tariff proposal we will have to communicate this through a public participation process during June 2017 before we finally approve the property rates tariffs.

Speaker, this budget is aligned to Drakenstein Municipality's IDP with its vision statement, corporate values, key performance areas and its key focus areas.

Speaker, after six years of fiscal discipline we obtained a third clean audit opinion from the Auditor-General giving us a clean bill of health towards our audited annual financial statements, audited annual performance report and compliance with legislation.

Speaker, after six years of striving towards excellence Drakenstein Municipality is recognised as one of the leading Municipalities in South Africa. We as Municipality have also been awarded numerous awards of excellence during the past years.

Drakenstein's vision statement currently is "A Place of Excellence". Simply because Drakenstein is acknowledged as one of 19 secondary cities in South Africa we are changing our vision statement to "A City of Excellence".

Speaker, excellence is a continuously moving target that can be pursued through actions of integrity, being a frontrunner in terms of services provided that are reliable and safe for the intended users, meeting all obligations and continually learning and improving in all spheres to pursue the moving target.

Speaker, Mahatma Gandhi had the following to say about service excellence and I quote:

"A customer is the most important visitor on our premises. He is not dependent on us. We are dependent on him. He is not an interruption in our work. He is the purpose of it. He is not an outsider in our business. He is part of it. We are not doing him a favour by serving him. He is doing us a favour by giving us an opportunity to do so."



18(-1)

Speaker, Mahatma Gandhi also said and I quote:

"Consciously or unconsciously, every one of us does render some service or another. If we cultivate the habit of doing this service deliberately, our desire will steadily grow stronger, and it will make not only for our own happiness, but that of the world at large."

Speaker, present leadership in Council pursue the continuously moving target of excellence, cultivating the habit of repeatedly doing the right things all the time to build a happy Drakenstein at large. This is not an easy task because we must make some difficult choices with our limited resources.

MOVING FORWARD

Speaker, after stabilising Drakenstein Municipality through fiscal discipline and good governance we started in 2015/2016 focussing on the future. Strategically we look at investment in infrastructure that will trigger economic growth so as to ensure a financial sustainable future for generations to come through a legacy that we will leave behind.

Our Long-Term Financial Sustainability Policy, which is best practice in South Africa, defines long-term financial sustainability as follows and I quote:

"Drakenstein's long-term financial operating performance and financial position is sustainable where long-term planning and budgeting as well as infrastructure levels and standards are met without any substantial unplanned increases in property rates and service charges or inconvenient disruptive cuts to services."

Speaker, by means of investing in bulk infrastructure to stimulate economic growth and to ensure long-term financial sustainability we have to utilise all available grant funding from government programmes. Drakenstein is certainly not getting its fair share of conditional grant allocations for bulk infrastructure investment. We have calculated that if Drakenstein received their fair share of grant allocations from the National Fiscus we would not have had to borrow R 122.1 million over the last four financial years and that we will not have to borrow R 396.3 million over the next four financial years for bulk infrastructure. This unnecessarily borrowings of R 518.4 million is pushing our gearing ratio up with 19.2 percentage points to a high of 74.2% in 2019/2020 instead of a more acceptable 55.0%.

Speaker, we have no choice to borrow these funds for bulk infrastructure investment to ensure that the Vlakkeland, Erf 16161 and developments along the R301 north and south of the N1 can take place.

Speaker, Drakenstein's investment needs in bulk waste water infrastructure through the construction or upgrading of waste water treatment works (Wellington, Paarl, Gouda and etcetera), bulk sewer pipelines (Vlakkeland, Paarl South, Amstelhof, Simondium and etcetera) as well as the upgrading of current sewer networks amounts to an estimated R 1.396 billion. Our spending the last four financial years amounts to R 420.8 million and for the five year MTREF an estimated R 555.9 million. This leaves us with unfunded needs of R 419.5 million still to be addressed after the next five years.

Drakenstein's investment needs in bulk water infrastructure through the construction of water treatment works (Newton, Welvanpas, Meulwater, Saron and etcetera), reservoirs (Newton, Welvanpas, Courtrai and etcetera), bulk water pipelines (Strawberry King, Vlakkeland, Windmeul, Ronwe and etcetera), drilling of boreholes as well as the upgrading of current water networks amounts to an estimated R 1.801 billion. Our spending the last four financial years amounts to R 282.6 million and for the five year MTREF an estimated R 504.8 million. This leaves us with unfunded needs of R 1.013 billion still to be addressed after the next five years.

18(e)



Drakenstein's investment needs in bulk electricity infrastructure through the Kliprug substation, N1 substation, Vlakkeland substation, Paarl Mall substation, various other substations and transformers as well as cable networks amounts to an estimated R 1.056 billion. Our spending the last four financial years amounts to R 242.2 million and for the five year MTREF an estimated R 164.3 million. This leaves us with unfunded needs of R 649.9 million still to be addressed after the next five years.

Speaker, if we do not invest in the above capital projects we cannot broaden our tax base and carry-on with the construction and implementation of the much needed low cost housing, social housing and other housing projects to alleviate our housing demand needs.

Speaker, investing in the above-mentioned infrastructure will unlock the Vlakkeland Housing Development Project with about 2,600 housing opportunities over the next five years; the Social and GAP Housing Project on Erf 16161 with about 1,600 housing opportunities over the next five years; and, the 11 high and middle income housing project applications from Boschenmeer to Pearl Valley with about 9,686 housing opportunities over the next ten years.

Speaker, Drakenstein is becoming a very popular residential destination for higher and middle income households due to its close proximity to the City of Cape Town, the international airport in Cape Town, our excellent schools and the beautiful surroundings we live in. Speaker, to broaden our tax base and to stimulate development we have to invest in revenue generating infrastructure projects. Based on the principle of economies of scale such developments will assist the municipality to keep property rates and service charges at affordable and sustainable levels.

Speaker, Drakenstein started in 2015/2016 investing boldly in basic infrastructure services (electricity, water and waste water) that will lead to economic growth. The construction of about 13,886 housing opportunities over the next ten years will stimulate the building industry within Drakenstein and will certainly lead to temporary job opportunities over the next ten years. The approximately 9,686 higher and middle income housing opportunities will also lead to about 14,000 to 17,000 permanent job opportunities that will ease unemployment within Drakenstein.

Standard Bank is prepared to borrow to us R 506 million for the funding of our original 2016/2017 capital budget. The interest rate is generously market related compared with the fact that our gearing ratio will increase over the 50% policy margin. However, they as well as the Development Bank of South Africa were prepared to take Drakenstein's hand because they also believe in our financial model and investment in revenue generating bulk infrastructure. Standard Bank's only condition is that we must manage the gearing ratio below 70% over the next three years what we certainly will do. Our funding model shows that our gearing ratio ten years from now should be in the region of 41.2% even if we do not get additional grant from government programmes. If the National Government did grant us our fair share of grants, this time frame to decrease our gearing ratio would drastically come down.

2017/2022 MEDIUM TERM REVENUE AND EXPENDITURE FRAMEWORK

Speaker, this budget was drawn up in line with guidelines set by political leadership and reflects our determination to reduce poverty, create jobs, expand our economy and build and maintain our infrastructure. We are indeed delivering to our people and it is our target this year to spend at least 97% of our capital budget in our program for Drakenstein to become truly "A City of Excellence".

The budget has been prepared in accordance with National Treasury's circular guidelines and the Municipal Budget and Reporting Regulations, taking cognisance of scarce available resources.

Speaker, as to the revenue of the proposed final 2017/2018 forecasts, I would like to state the following: Affordable revenue streams through affordable property rates and service charges tariffs formed the basis of the operating budgeted revenue.

18(F)

Operating expenditure was reduced to acceptable levels to match the realistically budgeted operating revenue streams. The capital programme's capital project expenditure was also reduced to affordable own funding and external borrowing levels.

Speaker, the new 15 year IDP with its five catalytic zones with its big moves, key initiatives, programmes and projects forms part of a comprehensive suite of plans used by the Municipality to best utilise its available resources for the community's benefit over the 2017/2022 MTREF five year period.

The 2017/2022 MTREF were compiled taking the contents of the new IDP into consideration. An important chapter in the IDP is the Long-Term Financial Plan (Chapter 6) that speaks to our long-term financial sustainability.

Speaker, this IDP informs the budget and the Service Delivery and Budget Implementation Plan (SDBIP). The SDBIP with performance indicators with smart targets are developed to ensure that progress in achieving the objectives as set out in the IDP are achieved.

Total Expenditure

Speaker, our 2017/2018 capital budget expenditure amounts to R 633 million and our operating budget expenditure amounts to R 2.182 billion. Our total budgeted expenditure therefore amounts to R 2.815 billion. Drakenstein, monetary wise, indeed places a huge responsibility on my shoulders and on that of the Accounting Officer to ensure that we as stewards manage the finances of this Municipality in a sound way.

Capital Budget Expenditure

Speaker, the 2017/2018 proposed capital budget of R 633 million will be spent on new capital projects amounting to R 264 million (41.7%) and on the replacement of current infrastructure amounting to R 369 million (58.3%). National Treasury for sustainability purposes is recommending a spending percentage of 40% to replace or refurbish current infrastructure. Simply because investment in the replacement and refurbishment of infrastructure over the last fifteen years have been neglected, the percentage of 58.3% is much higher than what National Treasury advises.

Speaker, we have been very mindful of the needs of our communities and this budget acknowledges that there is still a huge need for upgrading in our previously disadvantaged and informal settlement areas. Speaker, therefore R 470 million (74.1%) of the amount of R 633 million in the 2017/2018 capital budget will be spend directly and indirectly in the previously disadvantaged areas.

Speaker, an amount of R 158 million (24.9%) of the 2017/2018 capital budget will be spend directly in the previously disadvantaged areas. Some of the capital projects, to name a few, will be:

- The development of sporting facilities at "Die Kraal", Dal Josaphat, Mbekweni, Newton and Pelican Park (R 29.1 million the last four financial years compared with the R 20.4 million for next year);
- The upgrading of our own rental stock (R 4.4 million the last four financial years compared with the R 1.6 million next year);
- VPUU related capital projects (R 1.6 million the last four financial years compared with the R 1.5 million next year);
- The construction and upgrading of ECD and multi-purpose centres (R 1.1 million the last four financial years compared with the R 2.5 million next year);
- The construction of the Saron and Simondium community hall (R 18.4 million the last four financial years and if the Simondium community is not completed before 30 June some roll-over funds of the unspent portion next year);
- Saron bulk water pipe replacement and water treatment works (R 5.3 million next year);
- Simondium upgrade and bulk water supply (R 1.1 million next year);

18(9)

- The reconstruction of Drommedaris Street (R 4.3 million the last four financial years compared with the R 3.5 million next year);
- The upgrading of the Strawberry King bulk water pipeline as well as electricity substations and networks to ensure that services can be rendered to the Vlakkeland housing project and future housing developments (R 5.9 million the last four financial years compared with the R 19.0 million next year); and
- The electrification of BNG houses and informal houses (R 28.1 million the last four financial years compared with the R 4.8 million next year).

Speaker, of the R 633 million and amount of R 312 million (49.2%) of the 2017/2018 capital budget will be spend on bulk infrastructure capital projects that the previously disadvantaged areas and the future Vlakkeland and other housing projects will benefit indirectly. These capital projects, to name a few, will be:

- The upgrading of main electricity substations and networks (R 19.8 million the last four financial years compared with the R 63.8 million next year);
- The upgrading of the Wellington and Paarl waste water treatment works (R 164.9 million the last four financial years compared with the R 227.3 million next year);
- Courtral reservoir that will also provide water for the Levendal and Brickfields housing projects in future (R 42.2 million the last four financial years compared with the R 18.9 million next year); and
- The upgrading of the Welvanpas water treatment works (R 66.1 million the last four financial years compared with the R 21.3 million next year).

Speaker, the estimated costs for the construction of Van der Stel Street from Abattoir Street to Klein Drakenstein Road amounts to R 16.5 million. This project will be financed in the 2017/2018 and 2018/2019 financial years. Phase 2, the upgrading of Van der Stel Street from Klein Drakenstein Road to Langenhoven Avenue, is still subject to the expropriation of the "bessie plantasie" and this will take place at an estimated cost of more than R 17 million to be financed from the 2022/2023 financial year and onwards.

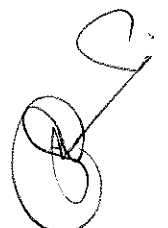
The MTREF proposes capital expenditure of R 633 million for 2017/2018 as well as R 438 million, R 338 million, R 339 million and R 344 million for the four outer financial years. I need to point out that our communities have enormous expectations as expressed in the IDP and we see that requests for such capital project needs for the next 5 years amounts to R 6.675 billion that cannot be accommodated over the next five years. We envisage spending only R 2.093 billion (or 31.36%) of our capital project needs over the five year MTREF period. Our community needs are simply just more than what we can afford and that is why we have to be conservative and prioritise our capital spending. A comprehensive list of all our capital programme needs and requests is included in Annexure D (Annual Budget 2017/2018 to 2021/2022 MTREF) attached to the budget item.

Operating Budget Expenditure

Speaker, the proposed operating budget expenditure for 2017/2018 increases to R 2.182 billion. Our operating expenditure for the four outer financial years will increase to R 2.802 billion in 2021/2022.

Speaker, I want to point out that Drakenstein's repair and maintenance costs for the 2017/2018 financial year amounts to R 181 million or 8.3% of our total operating expenditure of R 2.182 billion. Clearly we are taking the maintenance of our infrastructure seriously and we are spending sufficient of our available funds to maintain our infrastructure.

Speaker, it has been disclosed in our 2015/2016 annual financial statements that our electricity and water distribution losses for the year under review amounted to 8.24% and 13.11% respectively – well below the acceptable norms of 10% and 30%



18(h)

respectively. The Auditor-General has audited these disclosures and could not find any fault with the percentages disclosed. Speaker, there are only a few municipalities in South Africa that can compete with these percentages.

Operating Budget Revenue

The proposed operating budget revenue for 2017/2018 increases to R 2.201 billion. Our operating revenue for the four outer financial years will increase to R 2.733 billion in 2021/2022. This budgeted revenue includes capital conditional grants revenue to finance capital projects.

Operating Budget Results

Speaker, the 2017/2018 operating budget (capital grants excluded) realises an operating deficit of R 65.1 million. After counting non-cash off-setting depreciation and other non-cash transactions of R 67.1 million back, the operating budget projects an operating budgeted cash surplus of R 2.1 million. These revised operating cash surpluses do not include any revenue streams of the envisaged new housing developments. It is wise to budget conservatively for operating revenue streams and to include operating revenue streams that is a certainty. However, if we take the additional revenues of R 41.4 million, as we do in our long-term financial sustainability model, due to growth into consideration the estimated cash surplus amounts to R 43.5 million.

Tariff Increases

The exact percentage increase of each tariff type is reflected in the Tariff List attached as Appendix C to the budget item.

Based on the outcry at the IDP / Budget roadshows for more and better service delivery, the Mayoral Committee proposes a higher property rates tariff as originally communicated with the public to generate additional revenue for the appointment of additional staff members. This will mean that a public participation process on the new proposed property rates tariff will have to take place early during June 2017. An advertisement inviting comments on the new property rates tariff will appear in local newspapers as from tomorrow. A public meeting on this matter will be held on Wednesday 7 June 2017 at 19:00 at the Hugenote Hall and the closing date for written comments will be 30 June 2017. Council will have to finally approve the property rates tariffs early in July 2017 before the yearly billing run.

Except for the proposed changes to cemetery tariffs I earlier also referred to, the rest of the proposed and advertised tariffs remain the same.

Financial Support to Indigent Households

Speaker, Drakenstein Municipality do provide free basic services to poor households (indigent households and child headed families) as a means of poverty alleviation. These households earning R 4,000 or less will in 2017/2018 receive 100 units of free electricity per month, six kilolitres of free water per month, free refuse removal services, free sanitation services, free housing rental services and free property rates. This indigent subsidy (R 467.57 per month VAT included) is credited to the customer's account during the monthly billing run. Currently we have 17,776 registered indigent households receiving support. The indigent subsidy is funded through our equitable share allocation.

Furthermore, pensioners and disabled persons also qualifies for a 100% rebate on property rates and financial assistance of 100% of the indigent subsidy for services rendered if their earnings is also less than R 4,000 per month. Financial assistance or rebates of 80% of the indigent subsidy can be given to those retired and disabled households who earn less than R 4,500 per month; 50% to those who earn less than R 5,250 per month; and, 20% for those who earn less than R 6,000 per month.

18(i)

Speaker, we also acknowledge that all citizens struggle in the present economic climate. Free six kilolitre water per month is therefore given to all households in the Drakenstein area. All households also receive a tax rebate on the first R 180,000 value of their property.

Conclusion

Speaker, the proposed budget of the Municipality is responsive to the economic growth, strategic objectives and the socio-economic needs of the residents of Drakenstein and is a pro-poor budget addressing, through accelerated infrastructure spending, the backlog of the past in especially the poorer communities of Drakenstein. We have paid particular attention to the difficult economic climate as well. The Municipality's strategic objectives are furthermore aligned to the national and the provincial priorities as articulated by the national outcomes and twelve provincial strategic objectives. The Municipality currently has a Spatial Development Framework (SDF) in place that forms part of the Growth Management Strategy.

The budget assumptions are realistically based on available information and the projected cash flow budget is credible and sustainable over the MTREF.

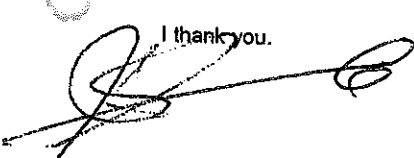
In conclusion, Speaker, I place on record my sincere appreciation to members of the Mayoral Committee and all councillors involved in the public participation processes. I thank the Municipal Manager, Senior Management and all other officials, including fulltime councillor's support staff, which had worked long hours and assisted in facilitating and putting this budget together.

Especially I want to thank Cllr Gert Combrink, the Deputy Executive Mayor and also the Portfolio Holder of Finance, the Chief Financial Officer and his Budget and Treasury Office staff for their highly appreciated effort to compile this budget in the required format under difficult circumstances.

Through hard work, focus and simplicity we have already achieved many possible outcomes and we will continue to do so in our quest to become "*a City of Excellence*".

Speaker, with these remarks, I herewith present Drakenstein's Annual Budget 2017/2018 to 2021/2022 Medium Term Revenue and Expenditure Forecasts report with its 26 recommendations to Council, for consideration and approval.

I thank you.



CLLR CONRAD POOLE
EXECUTIVE MAYOR
DRAKENSTEIN MUNICIPALITY

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7.7 FINANCIAL ASSISTANCE FOR PUBLIC EVENTS POLICY FOR DRAKENSTEIN MUNICIPALITY
FINANSIËLE ONDERSTEUNING VIR OPENBARE FEESTELIKE GELEENTHEDE BELEID VIR DRAKENSTEIN MUNISIPALITEIT
INXASO MALI KUMGAQO NKQUBO WEMIBHIYOZO KAWONKE WONKE KUMASIPALA WASE DRAKENSTEIN

UNANIMOUSLY RESOLVED

1. that the Financial Assistance for Public Events Policy be approved; and
2. that the investigation to centralise Events Management Administration under one Directorate, be approved.

Meeting: Council – 31/05/2017	Submitted by Directorate: Planning and Economic Development
Ref No: 11/6 & 5/13/1/1	Author/s: Cheryl Phillips
Coll Nr: 1210290	Referred from: MC-24/05/2017
PAR: 1-2	ACTION: Implement decision
	RESPONSIBLE DEPT: EM: Planning and Economic Development
	DUE DATE:

7.8 ADOPTION OF THE POLICY FOR THE NAMING AND RENAMING OF STREETS, PUBLIC PLACES, NATURAL AREAS, ARTEFACTS AND COUNCIL-OWNED BUILDINGS AND FACILITIES
AANVAARDING VAN DIE BELEID VIR DIE BENAMING EN HERBENAMING VAN STRATE, OPENBARE PLEKKE, NATUURLIKE GEBIEDE, ARTEFAKTE EN GEBOUE EN FASILITEITE IN RAADSBSIT
ULWAMKELO LOMGAQO-NKQUBO WOKUTHIYWA NOKUTHIYWA NGOKUTSHA KWEZITALATO, IINDAWO ZIKAWONKE-WONKE, IMIMANDLA YENDALO, IMIFANEKISO EQINGQIWEYO, NEZAKHIWO EZIPHANTSI KOLAWULO LWEBHUNGA NEZIBONELELO

UNANIMOUSLY RESOLVED

1. that the policy for the Naming and Renaming of Streets, Public Places, Natural Areas, Artefacts and Council-owned Buildings and Facilities be adopted; and
2. that the criteria for evaluation of names and rules for selection of names be incorporated into the new Land Use Management System.

Meeting: Council – 31/05/2017	Submitted by Directorate: Planning and Economic Development
Ref No: 15/1/4	Author/s: B Bosman
Coll Nr: 1216534	Referred from: MC - 24/05/2017
PAR: 1-2	ACTION: Implement decision
	RESPONSIBLE DEPT: EM: Planning and Economic Development
	DUE DATE:

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7.9	DRAFT DRAKENSTEIN ZONING SCHEME
	KONSEP DRAKENSTEIN SONERINGSKEMA
	UYILO LOKWAHLULWA NGEMIMMANDLA LWASE DRAKENSTEIN

UNANIMOUSLY RESOLVED

that the draft Drakenstein Zoning Scheme (attached as "Annexure A" to the departmental report) be approved for public participation.

Meeting:	Council – 31/05/2017	Submitted by Directorate:	Planning and Economic Development
Ref No:	1/5/2/10	Author/s:	Hamish Louw
Coll Nr:	1220358	Referred from:	MC - 24/05/2017
PAR:	ACTION:	RESPONSIBLE DEPT:	DUE DATE:
	Implement decision	EM: Planning and Economic Development	

7.10	RENEWAL OF LEASE AGREEMENT: HAMBA VANGELI, PORTION OF ERF 589, PHOKENG STREET, MBEKWENI
	HERNUWING VAN HUUROOREENKOMS: HAMBA VANGELI, GEDEELTE VAN ERF 589, PHOKENGSTRAAT, MBEKWENI
	UKUVUSELELWA NGOKUTSHA KWESIVUMELWANO SENGQESHISO: HAMBA VANGELI, ISAHLULO SESIZA ESINGUNOMBOLO 589, EPHOKENG STREET, EMBEKWENI

UNANIMOUSLY RESOLVED

1. that in terms of Regulation 34 of the Municipal Asset Transfer Regulations *in principle* approval be granted for the lease of the Mbekweni Sports Hall situated on a portion of Erf 589, Phokeng Street, Mbekweni, to the Hamba Vangeli subject to the standard lease conditions and the following further conditions:-
 - 1.1 the property will be leased at a subsidized monthly rental of R 543.98 per month (VAT excluded and 8% annual escalation included);
 - 1.2 that the lease endures for a period of two (2) years, after which the renewal thereof might be considered by Council;
 - 1.3 that the property may only be utilised for a fitness centre and related activities;
 - 1.4 that the elderly, local schools and sport club be allowed free access to the facility on a basis/conditions as arranged by the applicant;
 - 1.5 the Lessee will be responsible for paying municipal services;
 - 1.6 no compensation will be payable to the Lessee for improvements made, upon cancellation or expiry of the lease;

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- 1.7 that the proposed lease be advertised for objection and counter offers;
2. that the application for an eviction order against Hamba Vangeli be withdrawn and that the applicant be responsible for the payment of legal costs incurred; and
3. that the property not be put on tender as this property forms part of an entire sports complex and the service is a unique service which is benefiting the whole community.

Meeting: Council – 31/05/2017		Submitted by Directorate: Corporate Services	
Ref No: 15/4/1 (589)MB		Author/s: Nico Marais	
Coll Nr: 1137851		Referred from: MC - 24/05/2017	
PAR:	ACTION:	RESPONSIBLE DEPT:	DUE DATE:
1-3	Implement decision	EM: Corporate Services (Properties)	

7.11 PROPOSED LEASE OF ERF 21110 PAARL (MBEKWENI INDOOR SPORT FACILITY) TO THE HOPE THROUGH ACTION FOUNDATION
VOORGESTELDE VERHURING VAN ERF 21110 PAARL (MBEKWENI BINNENSHUISE SPORTFASILITEIT) AAN DIE HOPE THROUGH ACTION FOUNDATION
INGXELO- ISIPHAKAMISO SOKUQASHISA IERF 21110 EPERE KWI HOPE THROUGH ACTION FOUNDATION- IHOLO LEMIDLALO YANGAPHAKATHI LASEMBEKWENI

UNANIMOUSLY RESOLVED

1. that in terms of Regulation 34 of the Municipal Asset Transfer Regulations **in principle** approval be granted for the lease of Erf 21110 Paarl to the Hope Through Action Foundation (Registration No. 2009/016163/08), for a period of twenty five (25) years, gratis for the entire lease term, for the purposes of managing and operating the indoor sport facility situated on the subject property, as set out in the Memorandum of Understanding, subject to the normal conditions of lease as well as the following conditions:-
 - 1.1 that the proposal be advertised in the press in terms of Regulation 34(2) of the Municipal Asset Transfer Regulations due to the fact that the property exceeds the value of R10m and will be leased for a period in excess of 3 years;
 - 1.2 that the Information Statement attached to the departmental report as required in terms of Regulation 34(3) of the Asset Transfer Regulations be, noted;
 - 1.3 that the lessee be responsible for the payment of all services;
 - 1.4 that the lessee receive a tariff rebate in respect of the "Notify demand" amount payable monthly for electricity;

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- 1.5 that the lessee apply for a rebate to be granted in respect of the property rates and taxes payable due to the fact that it is a notarial lease to be concluded between Hope Through Action and the municipality in respect of the leasing of the subject property;
- 1.6 that the lessee be responsible for the full maintenance of the entire facility, i.e. any maintenance to any services within the property boundaries, whether external to or internal to the building;
- 1.7 that the lessee appoint sufficient staff to ensure the proper management and administering of the facility and the intended programs, at its own cost;
- 1.8 that the Municipality be responsible for insuring the facility at its own cost;
- 1.9 that a Notarial lease be registered at the cost of the lessee;
2. that the Municipality assigns a member from the Community Services Directorate for liaison between HTAF and the Municipality;
3. that the municipality ensures that a new Certificate of Compliance is issued in terms of the OHSA; and
4. that tenders not be called for the lease of the subject property due to the fact that the applicant has constructed the indoor sport facility on the premises at own cost for the upliftment of the youth through various activities and programmes and the fact that they have been successfully managing the facility since 2010 and since the entire maintenance cost of the facility will be borne by the lessee.

Meeting: Council – 31/05/2017 Ref No: 15/4/1 (21110) P Coll Nr: 1138228		Submitted by Directorate: Corporate Services Author/s: Nico Marais Referred from: MC - 24/05/2017	
PAR: 1-4	ACTION: Implement decision	RESPONSIBLE DEPT: EM: Corporate Services (Properties)	DUE DATE:

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7.12	PROPOSED CLOSURE OF PUBLIC ROAD RESERVE 11261, ALKMAAR STREET PAARL AND THE SALE THEREOF TO THE ADJACENT PROPERTY OWNERS
	VOORGESTELDE SLUITING VAN OPENBARE PAD RESERWE 11261, PAARL, EN DIE VERKOOP DAARVAN AAN DIE AANGRENSENDE EIENAARS
	UKUCETYWA KOKUVALWA KOMGAQO OGCINIWEYO KARHULUMENTE ONGUNOMBOLO 11261, ALKMAAR STREET PAARL NOKUTHENGISWA NGOKO KWEPROPATI ESONDELEYO KUBANINI

UNANIMOUSLY RESOLVED

1. that in terms of Section 14 of the Municipal Finance Management Act, **approval *in principle*** be granted for the direct alienation of:-
 - 1.1 Half of Portions A and B abutting erven 11224 and 28924, Paarl, measuring approximately 631m² and 739m², respectively to Oshcor Trust;
 - 1.2 Half of Portions E and F abutting erven 31025 and 5001 Paarl, measuring approximately 693m² and 845m² respectively to the owner of Erf 31025, Paarl (Pople Transport), subject thereto that the owner of erf 5001, Paarl, consent thereto in writing;
 - 1.3 Half of Portions A to F abutting erf 19530, Paarl, measuring approximately 4191m², as well as half of portions C and D abutting erven 5004 and 19815, measuring an additional 1484m² to the owner of erf 19530 (Meadow Feeds), subject thereto that the owners of erven 5004 and 19815, Paarl, consent thereto in writing.
2. that the above alienations be subject to the normal conditions of sale as well as the following conditions:-
 - 2.1 that a market related selling price be determined by an independent valuer;
 - 2.2 that the applicants obtain written approval from Transnet for the removal of the siding before transfer will be registered;
 - 2.3 that the current rail track be demolished by the applicants and the track and sleepers be delivered to the municipal stores auction yard. An audit report is required from a registered professional that all the track materials have been recovered and this report is to include a quantity schedule for all such recovered materials;
 - 2.4 that the Portions to be sold, be subdivided, rezoned from Public Road to Industrial, and consolidated with the applicants' properties and these proposed land use changes be advertised together with the alienation of the land;

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- 2.5 that all costs related to the transfer of the property as well as services and development related costs will be for the applicants' account;
 - 2.6 transfer of the properties must take place within 12 months from signing the Deed of Sale, failure of which the transaction will lapse;
 - 2.7 all statutory requirements must be met by the purchasers at their own costs;
 - 2.8 that the proposal be advertised for objections or counter proposals;
 - 2.9 that the final conditions of sale be subject to the input from the Civil Engineering Department to be considered when the item is re-submitted to Council for final approval.
3. that tenders not be called for the sale of the land since it can only be use by adjacent property owners.

Meeting: Council – 31/05/2017	Submitted by Directorate: Corporate Services
Ref No: 15/A/1 (11261) P	Author/s: Nico Marais
Coll Nr: 1176758	Referred from: MC - 24/05/2017
PAR: 1-3	ACTION: Implement decision
	RESPONSIBLE DEPT: EM: Corporate Services (Properties)
	DUE DATE:

7.13 RENEWAL OF LEASE AGREEMENT – MBEKWENI COMMUNITY HEALTH WORKERS - OLD LIBRARY SITUATED ON ERF 645, MATUKATA STREET
HERNUWING VAN HUURKONTRAK- MBEKWENI COMMUNITY HEALTH WORKERS - OU BIBLIOTEEK GELEË OP ERF 645, MBEKWENI, MATUKATASTRAAT MBEKWENI
UKUHLAZIWA KWESIVUMELWANO SOKUQHESHISA - MBEKWENI COMMUNITY HEALTH WORKERS – OLD LIBRARY EKWISIZA 645 MATUKATA STREET MBEKWENI

UNANIMOUSLY RESOLVED

1. that in terms of Regulation 34 of the Municipal Asset Transfer Regulations **final approval** be granted for the lease of Portion B of the municipal building situated on Erf 645, Mbekweni measuring ± 97 m² in extent to the Mbekweni Community Health Workers, subject to the normal lease conditions as well as the following further conditions:-
 - 1.1 the property be leased at a subsidized rental of **R 291.00** per month (VAT excluded);
 - 1.2 the lease will endure for a period of 1 (one) year, after which the renewal thereof will be considered by Council;

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- 1.3 that the Mbekweni Community Health Workers be responsible for the payment of monthly municipal services account;
 - 1.4 that the portion hereby leased not be used for the provision of shelter or accommodation of whatever nature to any person or group of persons;
 - 1.5 that the lease hereby granted be subject to the Mbekweni Community Health Workers honouring the arrangement made with the Finance Department for the settlement of the arrear rental, failing which the lease will be terminated.
2. that tenders not be called for the lease of the premises due to the fact that the proposed lessee provide much needed social and health services to the surrounding community and has leased the property in the past. The proposal has been advertised in the press for objections or counter offers and none were received.

Meeting: Council – 31/05/2017	Submitted by Directorate: Corporate Services
Ref No: 15/4/1 (645)/MB	Author/s: Nico Marais
Coll Nr: 1198803	Referred from: MC - 24/05/2017
PAR: 1-2	ACTION: Implement decision
	RESPONSIBLE DEPT: EM: Corporate Services (Properties)
	DUE DATE:

7.14 PROPOSED SALE OF THE REMAINDER OF ERF 19544, VOLTA STREET, PAARL (DALJOSAPHAT INDUSTRIAL AREA) TO THE OWNER OF ERF 21886, PAARL, JP FORK TRUCK RENTAL
VOORGESTELDE VERKOOP VAN DIE RESTANT VAN ERF 19544, VOLTA-STRAAT, PAARL (DALJOSAPHAT INDUSTRIËLE AREA) AAN DIE EIENAAR VAN ERF 21886, JP FORK TRUCK RENTAL
INTENGISO ECETYWAYO YENTSALELA YESIZA ESINGUNOMBOLO 19544, E-VOLTA STREET, EPAARL (DALJOSAPHAT INDUSTRIAL AREA) KUMNINI WESIZA ESINGUNOMBOLO 21886, EPAARL, JP FORK TRUCK RENTAL

UNANIMOUSLY RESOLVED

- 1. that in terms of Section 14 of the Municipal Finance Management Act ***in principle*** approval be granted for the alienation of the Remainder of Erf 19544, Paarl, measuring +/- 1340 m² in extent, situated in Volta Street, Daljosaphat Industrial Area to JP Fork Truck Rental, subject to the normal conditions of sale as well as the following further conditions:-
 - 1.1 that the property be sold at a market related selling price of R93 800.00 (VAT excl.) calculated at R70/m²;
 - 1.2 that all costs related to the transfer of the property be borne by the applicant;
 - 1.3 that all administrative and legal requirements are adhered to;
 - 1.4 that the proposed transaction be advertised for objections and counter offers:

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- 1.5 that the Remainder of Erf 19544, Paarl, be consolidated with Erf 21886, Paarl;
- 1.6 that the Remainder of Erf 19544, Paarl, be filled to the same level as the erven abutting Donkervliet Street, to the appropriate flood level height;
- 1.7 that any existing internal/external stormwater system that may require upgrading be responsibility of the applicant;
- 1.8 that access to the Remainder of Erf 19544, Paarl, be obtained from Donkervliet Street, via Erf 21886, Paarl;
- 1.9 that the consolidation of the Remainder of Erf 19544, Paarl, with Erf 21886, Paarl, be registered simultaneously with the registration of transfer of the subject property;
- 1.10 that the existing water connection of Erf 21886, Paarl, be used;
- 1.11 that a reversionary clause be registered against the title of the property in favour of the Municipality should the property not be used for industrial purposes anymore or should the applicant intend to sell the undeveloped property or a portion thereof on payment of an amount equal to the purchase price of the property or a pro-rata purchase price in case of the intended sale of a portion of the undeveloped property or fail to complete the development of the subject property as proposed within 12 months from date of registration; and
2. that the subject property not be sold via public tender process due to the fact that the property is required by an existing industry for expansion purposes, as allowed in terms of the Asset Transfer Policy.

Meeting: Council – 31/05/2017 Ref No: 15/4/1(19544) P Coll Nr: 1212942		Submitted by Directorate: Corporate Services Author/s: Nico Marais Referred from: MC - 24/05/2017	
PAR: 1-2	ACTION: implement decision	RESPONSIBLE DEPT: EM: Corporate Services (Properties)	DUE DATE:

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7.15	PROPOSED SALE OF A PORTION OF ERF 11805, WELLINGTON, TO DIRK LOCHNER TRANSPORT CC
	VOORGESTELDE VERKOOP VAN 'N GEDEELTE VAN ERF 11805, WELLINGTON, AAN DIRK LOCHNER TRANSPORT CC
	INTENGISO ECETYWAYO YESAHLULO SESIZA ESINGUNOMBOLO 11805, EWELLINGTON KUDIRK LOCHNER TRANSPORT CC

UNANIMOUSLY RESOLVED

1. that in terms of Section 14 of the Municipal Finance Management Act, **in principle** approval be granted for the alienation of a portion of Erf 11805, Wellington, measuring $\pm 7000\text{m}^2$, to Dirk Lochner Transport CC subject to the normal conditions of sale as well as the following conditions:-
 - 1.1 the property will be sold at a market related selling price, to be determined by an independent valuer;
 - 1.2 transfer of the property must take place within 12 months from signing the Deed of Sale failing which the transaction will lapse;
 - 1.3 the proposed development of the property must be completed within 24 months from transfer, failing which the Municipality will have the right to insist on the reversal of the transaction at the same purchase price and at the cost of the purchaser;
 - 1.4 development of the property is subject to the Town Planning Requirements of the Wellington Industrial Park. Membership of the Owners Association of the Industrial Park is compulsory;
 - 1.5 that the portion of the erf 11805 to be sold, be subdivided from erf 11805, rezoned from Local Authority to Industrial and consolidated with the applicants property, erf 13188, Wellington. The applicant must lodge the necessary application in this regard;
 - 1.6 that the proposed transaction, be advertised for objections and counter offers;
 - 1.7 that the standard pre-emptive rights be registered against the title of the property in favour of the Drakenstein Municipality;
 - 1.8 all costs related to the transfer of the property as well as services and development related costs will be for the applicant's account;
 - 1.9 that all administrative and legal requirements be adhered to;

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- 1.10 note must be taken of the guidelines contained in the Drakenstein Municipality's Green Building Manual as well as the objectives for development set out in the Statutory Report of the Provincial Spatial Development Framework, which must be incorporated in the design and layout of any development on the property;
- 1.11 that the purchaser takes note of the fact that the sale of this site does not automatically allow Dirk Lochner Transport Company increase in the use of water, electricity, sanitation and traffic volumes. These must be negotiated and, should these be required at volumes in excess to any previous agreements, such services will be provided at the Bulk Infrastructure Contribution Levy (BICL) rates as per the approved tariff listing;
- 1.12 that the technical requirements by Infrastructure Services regarding Electricity and Engineering Services be incorporated into the submission for final approval of the sale.
2. that the direct sale of a portion of erf 11805, Wellington, be to allow for the expansion of Dirk Lochner Transport CC, a major employer in the Wellington Industrial Park and the subsequent creation of additional employment opportunities as well as employment security for the existing employees.

Meeting: Council – 31/05/2017 Ref No: 15/4/1 (34) W Coll Nr: 1214145		Submitted by Directorate: Corporate Services Author/s: Nico Marais Referred from: MC - 24/05/2017	
PAR: 1-2	ACTION: Implement decision	RESPONSIBLE DEPT: EM: Corporate Services (Properties)	DUE DATE:

7.16 REVIEW OF RECORDS MANAGEMENT POLICY
HERSIENING VAN REKORDBESTUURSBELEID
UKUVAVANYWA KOMGAQO-NKQUBO WOLAWULO LWEEREKHODI

UNANIMOUSLY RESOLVED

that the reviewed Records Management Policy be adopted.

Meeting: Council – 31/05/2017 Ref No: 2/5/P Coll Nr: 1214671		Submitted by Directorate: Corporate Services Author/s: FP Goosen Referred from: MC - 24/05/2017	
PAR:	ACTION: Implement decision	RESPONSIBLE DEPT: EM: Corporate Services (Admin)	DUE DATE:

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7.17 RENEWAL OF LEASE AGREEMENT: PORTION OF ERF 1 PAARL MOUNTAIN NATURE RESERVE, SENTECH
HERNUWING VAN HUURKONTRAK: GEDEELTE VAN ERF 1 PAARLBERG NATUURRESERVAAT, SENTECH
UKUHLAZIYWA KWESIVUMELWANO SENGQESHISO: ISAHLULO SESIZA SOKU-1 SEPAARL MOUNTAIN NATURE RESERVE, SENTECH

UNANIMOUSLY RESOLVED

1. that in terms of Regulation 34 of the Asset Transfer Regulations, **final approval** be granted for the renewal of the lease of a portion of Erf 1, Paarl, ± 23 225m² in extent, for the purpose of a transmitting station subject to the following conditions:-
 - 1.1 that the lease endure for a period of 5 (five) years after which renewal thereof will be considered by Council;
 - 1.2 that the property be leased at the rental of R 4260.50 per month, (VAT excluded, 8% per annum escalation included);
 - 1.3 that all administrative and legal requirements be adhered to;
 - 1.4 that the lessee be responsible for payment of all municipal services; and

2. that tenders not be called for due to the fact the the current infrastructure is being used for the purpose of a transmitting station which is a unique service.

Meeting: Council – 31/05/2017	Submitted by Directorate: Corporate Services
Ref No: 15/4/1 (1) P	Author/s: N Marais
Coll Nr: 1215952	Referred from: MC - 24/05/2017
PAR: 1-2	ACTION: Implement decision
	RESPONSIBLE DEPT: EM: Corporate Services (Properties)
	DUE DATE:

7.18 RENEWAL OF LEASE AGREEMENT - MTN , PORTION OF ERF 4399 ALBATROS AND SILVERDALE STREET, WELLINGTON (BERG EN DAL WATER TOWER)
HERNUWING VAN HUURKONTRAK- MTN, GEDEELTE VAN ERF 4399 ALBATROS EN SILVERDALESTRAAT, WELLINGTON (BERG EN DAL WATERTORING)
UKUHLAZIWA KWESIVUMELWANO SOKUQHESHISA - MTN ICEBA LESIZA 4399 ALBATROS NE SILVERDALE STREET E WELLINGTON (BERG EN DAL WATER TOWER)

UNANIMOUSLY RESOLVED

1. that in terms of Regulation 34 of the Asset Transfer Regulations, **final approval** be granted for the renewal of the lease of a portion of Erf 4399, Wellington, ±134m² in extent, for the purpose of a cellular communication base station subject to the following conditions:-

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- 1.1 that the lease will be for a period of 3 (three) years after which renewal thereof will be considered by Council;
 - 1.2 that the property be leased at the rental of R 5 424.06 per month (VAT excluded, 8% per annum escalation included);
 - 1.3 that all administrative and legal requirements be adhered to;
 - 1.4 that the lessee be responsible for payment of all municipal services;
 - 1.5 that approval be granted to MTN to share the existing antenna support structure with Vodacom and Cell C;
 - 1.6 that the generator on site adheres to the requirements in regard to noise pollution; and
2. that tenders not be called for the leasing of the said space. Public competition will not serve a useful purpose since a Telecommunications Service provider requires a space for a base station (antenna) to service a particular area within the jurisdiction of this Municipality, which will also benefit the affected community. Other service providers may also be accommodated on the site.

Meeting: Council – 31/05/2017 Ref No: 15/4/1(4399)W Coll Nr: 1215954	Submitted by Directorate: Corporate Services Author/s: N Marais Referred from: MC - 24/05/2017		
PAR: 1-2	ACTION: Implement decision	RESPONSIBLE DEPT: EM: Corporate Services (Properties)	DUE DATE:

7.19 RENEWAL OF LEASE AGREEMENT IN RESPECT OF A PORTION OF ERF 34, INTERPACE STREET, WELLINGTON TO WELLINGTON SPCA
HUUROOREENKOMS VIR DIE VERHURING VAN 'N GEDEELTE VAN ERF 34, INTERPACESTRAAT, WELLINGTON AAN DIE WELLINGTON DBV
UKUHLAZIYWA KWESIVUMELWANO SENGQESHISO NGOKUBHEKISELELE KWISAHLULO SESIZA ESINGUNOMBOLO 34, KWI- INTERPACE STREET, EWELLINGTON UKUYA KWIWELLINGTON SPCA

UNANIMOUSLY RESOLVED

1. that in terms of regulation 34 of the Municipal Asset Transfer Regulations **final approval** be granted for the renewal of the lease of a portion of Erf 34 Wellington, measuring ± 1486 m² in extent, to the SPCA Wellington, subject to the normal conditions of lease, as well as the following further conditions:-
 - 1.1 that the property be leased free of charge due to the fact that the lessee provides the service of control of small animals on behalf of the Municipality and renders a service for the whole community;

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- 1.2 that the lease endures for a period of two (2) years, whereafter further extension may be considered;
 - 1.3 that the lessee be responsible for the payment of all municipal services;
 - 1.4 that the lease be subject to a notice period of 3 months should the property be required by the Municipality for municipal purposes;
 - 1.5 that the applicant be informed that the land may in future be required for municipal purposes,
 - 1.6 that all administrative and legal requirements be adhered to;
 - 1.7 that a new Electricity Certificate of Compliance be obtained in terms of Section 7(5) of the Electricity Installation Regulations of the OHS Act, Act 85 of 1993, as amended.
2. that the subject property not be put out on tender as the SPCA renders a supporting service to the municipality in respect of the control and impounding of animals in terms of an SLA that was signed with them.

Meeting: Council – 31/05/2017 Ref No: 15/4/1 (34) W Coll Nr: 1215956		Submitted by Directorate: Corporate Services Author/s: N Marais Referred from: MC - 24/05/2017	
<u>PAR:</u> 1-2	<u>ACTION:</u> Implement decision	<u>RESPONSIBLE DEPT:</u> EM: Corporate Services (Properties)	<u>DUE DATE:</u>

7.20	PROPOSED SALE OF A PORTION OF ERF 34, WELLINGTON, TO RHODES FOOD GROUP (PTY)LTD
	VOORGESTELDE VERKOOP VAN 'N GEDEELTE VAN ERF 34, WELLINGTON AAN RHODES FOOD GROUP (PTY)LTD
	INTENGISO ECETYWAYO YESAHLULO SESIZA ESINGUNOMBOLO 34, EWELLINGTON KWIRHODES FOOD GROUP (PTY) LTD

UNANIMOUSLY RESOLVED

1. that in terms of Section 14 of the Municipal Finance Management Act, **in principle** approval be granted for the alienation of a portion of Erf 34, Wellington, measuring 2.56 ha, to Rhodes Food Group (Pty) Ltd subject to the normal conditions of sale as well as the following conditions:-
 - 1.1 the property will be sold at a market related selling price for industrial land, to be determined by an independent valuer;
 - 1.2 transfer of the property must take place within 12 months from signing the Deed of Sale failing which the transaction will lapse;

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- 1.3 the proposed development of the property must be completed within 24 months from transfer, failing which the Municipality will have the right to insist on the reversal of the transaction at the same purchase price and at the cost of the purchaser;
- 1.4 development of the property is subject to the Town Planning Requirements of the Wellington Industrial Park. Membership of the appropriate Owners Association is compulsory. No offensive industry will be allowed;
- 1.5 that the portion of the erf 34 to be sold be rezoned from Commonage to Industrial by the municipality and consolidated with the applicant's property, erf 12912, Wellington. The applicant must lodge and pay the necessary application for consolidation with his existing property;
- 1.6 that the proposed transaction, be advertised for objections and counter offers;
- 1.7 that the standard pre-emptive rights be registered against the title of the property in favour of the Municipality;
- 1.8 all costs related to the transfer of the property as well as services and development related costs will be for the applicant's account;
- 1.9 that all administrative and legal requirements be adhered to;
- 1.10 note must be taken of the guidelines contained in the Drakenstein Municipality's Green Building Manual as well as the objectives for development set out in the Statutory Report of the Provincial Spatial Development Framework, which must be incorporated in the design and layout of any development on the property;
- 1.11 that the purchaser takes note of the fact that the sale of these erven does not automatically allow Rhodes Food Group (Pty) Ltd any increases in the use of
- 1.12 water, electricity, sanitation and traffic volumes. These must be negotiated and, should these be required at volumes in excess to any previous agreements, such services will be provided at the Infrastructure Bulk Contribution Levy (BICL) rates as per the approved tariff listing;
- 1.12 that the technical requirements of Infrastructure Services in respect of electricity and engineering services at incorporated in the report for final approval; and



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2. that the direct sale of a portion of erf 34, Wellington be approved to allow for the expansion of Rhodes Food Group (Pty) Ltd, a major employer in the Wellington Industrial Park and the subsequent creation of additional employment opportunities as well as employment security for the existing employees.

Meeting: Council – 31/05/2017 Ref No: 15/4/1 (34) W Coll Nr: 1216825	Submitted by Directorate: Corporate Services Author/s: N Marais Referred from: MC - 24/05/2017		
PAR: 1-2	ACTION: Implement decision	RESPONSIBLE DEPT: EM: Corporate Services (Properties)	DUE DATE:

7.21 PROPOSED ALIENATION AND DEVELOPMENT OF ERF 21161, PAARL, VIA PUBLIC TENDER PROCESS FOR RESIDENTIAL DEVELOPMENT PURPOSES
VOORGESTELDE VERVREEMDING EN ONTWIKKELING VAN ERF 21161, PAARL, VIA 'N PUBLIEKE TENDER PROSES VIR RESIDENSIËLE ONTWIKKELINGSDOELEINDES
UKUHLUTHWA OKUCETYWAYO NOPHUHLISO LWESIZA ESINGUNOMBOLO 21161, EPAARL, NGOKUSETYENZISWA KWENKQUBO YETHENDA UKULUNGISELELA IINJONGO ZOPHUHLISO LWENDAWO YOKUHLALA

UNANIMOUSLY RESOLVED

1. that in terms of Section 14 of the Municipal Finance Management Act approval **in principle** be granted for the alienation of Erf 21161, Paarl, for residential development purposes, at a market related reserve price to be determined by independent valuation, via public tender process, subject to the normal conditions of sale, and the following further conditions:-
- 1.1 that the development specifications be determined by the Planning and Economic Development Directorate;
 - 1.2 that a density of 27 dwelling units per hectare be approved which is in line with the existing density for Northern Paarl;
 - 1.3. that an independent valuation be obtained to determine the reserve price for the subject properties;
 - 1.4 that the standard development and pre-emptive rights be included in the tender specifications;
 - 1.5 that the proposed sale and development of the land be advertised for objections prior to the bidding process.
2. that the applicant be informed accordingly.

Meeting: Council – 31/05/2017 Ref No: 15/4/1(21161)P Coll Nr: 1219184	Submitted by Directorate: Corporate Services Author/s: Nicola October Referred from: MC - 24/05/2017		
PAR: 1-2	ACTION: Implement decision	RESPONSIBLE DEPT: EM: Corporate Services (Properties)	DUE DATE:

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7.22	PROPOSED ALIENATION OF ERF 8414 AND A PORTION OF ERF 12649 PAARL TO IMPERIAL CARGO (DIVISION OF IMPERIAL GROUP LTD)
	VOORGESTELDE VERVREEMDING VAN ERF 8414 EN 'N GEDEELTE VAN ERF 12649 PAARL AAN IMPERIAL CARGO (DIVISIE VAN IMPERIAL GROUP LTD)
	UKUCETYWA KOKUHLUTHWA KWESIZA ESINGUNOMBOLO 8414 KUNYE NESAHLULO SESIZA ESINGUNOMBOLO 12649 EPAARL KWI-IMPERIAL CARGO (DIVISION OF IMPERIAL GROUP LTD)

UNANIMOUSLY RESOLVED

1. that in terms of Section 14 of the Municipal Finance Management Act approval **in principle** be granted for the alienation of Erf 8414, Paarl, and a portion of Erf 12649, Paarl, respectively measuring approximately 6 600 and 6 800 square metres in extent, directly to the adjacent property owner, Imperial Cargo, at a market related selling price to be determined by an independent valuer, subject to the normal conditions of sale, and the following further conditions:-
 - 1.1 that the property only be utilised for parking purposes;
 - 1.2 that the purchaser be responsible for all costs e.g. relocation of services and required survey and any other costs related to the development of the subject property for parking purposes;
 - 1.3 that the purchaser attend to the subdivision of Erf 12649, Paarl, at the cost of the purchaser;
 - 1.4 any required relocation or upgrading of existing services or installation of new services will be at the cost of the applicant and must be done in consultation with the Directorate: Infrastructure Services and Eskom where applicable;
 - 1.5 the Electro Technical Engineering Department and Eskom must have access to the subject property at all times for any required or scheduled services maintenance and/or repair work. Provision must also be made that any parked vehicles must be able to be moved at short notice if so required;
 - 1.6 a permit will be required from Eskom for additional cable information prior to any work being undertaken in the Eskom servitude;
 - 1.7 should any improvements, i.e. paving of the subject property be undertaken by the applicant, it must be done in consultation with the Directorate: Infrastructure Services;

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- 1.8 should any improvement need to be removed to enable access to any of the services on the subject property, the applicant will not be compensated for any damage thereto nor will the municipality or Eskom be responsible for the replacement and/or re-paving thereof;
- 1.9 should any fencing be erected, provision must be made for access gates on both sides of the subject property. The gates must be able to be opened over the entire width of the site to enable heavy vehicles of either Eskom or the municipality to gain access to the site;
- 1.10 boundary fencing may not be erected within 3 metres of any existing infrastructure;
- 1.11 no access will be granted and access must be obtained through Erf 29138, Paarl;
- 1.12 all technical conditions as will be required by the technical departments, be complied with;
- 1.13 that all costs related to the transaction be for the applicants account;
- 1.14 a reversionary clause shall be applicable to the subject properties should the purchaser intend to use the properties for any other purpose other than specified in the transaction conditions.
2. that Eskom be informed of the proposed alienation of the subject property, by the applicant; and
3. that the alienation of the property not be allocated via a competitive bidding process due to the fact that a well established business in Paarl require the property for the expansion of its existing operations. The subject property will only be used for parking purposes.

Meeting: Council – 31/05/2017		Submitted by Directorate: Corporate Services	
Ref No: 15/4/1(8414)(12649)P		Author/s: Nicola October	
Coll Nr: 1219329		Referred from: MC - 24/05/2017	
<u>PAR:</u> 1-3	<u>ACTION:</u> Implement decision	<u>RESPONSIBLE DEPT:</u> EM: Corporate Services (Properties)	<u>DUE DATE:</u>

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7.23	PROPOSED SALE OF A PORTION OF ERF 34, WELLINGTON, TO WILDE TRUST
	VOORGESTELDE VERKOOP VAN 'N GEDEELTE VAN ERF 34, WELLINGTON, AAN WILDE TRUST
	INTENGISO ECETYWAYO YESAHLULO SESIZA ESINGUNOMBOLO 34, EWELLINGTON UKUYA KWIWILDE TRUST

UNANIMOUSLY RESOLVED

1. that in terms of Section 14 of the Municipal Finance Management Act, *in principle* approval be granted for the alienation of portion A of Erf 34, Wellington, measuring approximately 4.5 ha, to Wilde Trust subject to the normal conditions of sale as well as the following conditions: -
 - 1.1 the property will be sold at a market related selling price for industrial land, to be determined by an independent valuer;
 - 1.2 transfer of the property must take place within 12 months from development rights being approved, failing which the transaction will lapse;
 - 1.3 the proposed development of the property must be completed within 24 months from transfer, failing which the Municipality will have the right to insist on the reversal of the transaction at the same purchase price and at the cost of the purchaser;
 - 1.4 development of the property is subject to the Town Planning Requirements of the Wellington Industrial Park. Membership of the appropriate Owners Association is compulsory. No offensive industry will be allowed;
 - 1.5 that the portion of the erf 34 to be sold be indicated on the new site plan for the industrial park extension as a separate erf, be rezoned from Commonage to Industrial by the municipality;
 - 1.6 that the proposed transaction, be advertised for objections and counter offers;
 - 1.7 that the standard pre-emptive rights be registered against the title of the property in favour of the Drakenstein Municipality;
 - 1.8 all costs related to the transfer of the property as well as services and development related costs will be for the applicant's account;
 - 1.9 that all administrative and legal requirements be adhered to;

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- 1.10 note must be taken of the guidelines contained in the Drakenstein Municipality's Green Building Manual as well as the objectives for development set out in the Statutory Report of the Provincial Spatial Development Framework, which must be incorporated in the design and layout of any development on the property; and
- 1.11 that the purchaser takes note of the fact that the sale of the property does not automatically allow Wilde Trust any increases in the use of water, electricity, sanitation and traffic volumes. These must be negotiated and, should these be required at volumes in excess to previous agreements, such services will be provided at the Bulk Infrastructure Contribution Levy (BICL) rates as per the approved tariff listing.
2. that the direct sale of a portion of erf 34, Wellington, be approved to allow for the expansion of Wilde Trust, a major employer in Wellington and the subsequent creation of additional employment opportunities as well as employment security for the existing employees; and
3. that the application by Wilde Trust to purchase portion B of erf 34, Wellington, to use for agricultural purposes, not be approved since the land is required for future industrial development.

Meeting: Council – 31/05/2017 Ref No: 15/4/1 (34) W Coll Nr: 1219717	Submitted by Directorate: Corporate Services Author/s: NC Marais Referred from: MC - 24/05/2017		
PAR: 1-3	ACTION: Implement decision	RESPONSIBLE DEPT: EM: Corporate Services (Properties)	DUE DATE:

7.24 DRAKENSTEIN MUNICIPALITY DISASTER MANAGEMENT PLAN
DRAKENSTEIN MUNISIPALITEIT RAMPBESTUURPLAN
IPLANI YOKULAWULA INTLEKELE KUMASIPALA WASE DRAKENSTEIN

UNANIMOUSLY RESOLVED

that the reviewed Disaster Management Plan, be approved.

Meeting: Council – 31/05/2017 Ref No: 17/14/2 Coll Nr: 1210895	Submitted by Directorate: Community Services Author/s: Vernon Petersen Referred from: MC - 24/05/2017		
PAR:	ACTION: Implement decision	RESPONSIBLE DEPT: EM: Community Services (Disaster)	DUE DATE:

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7.25	BOLAND CRICKET FUNDING REQUEST: HOST VENUE STATUS FOR CSA GLOBAL DESTINATION T20 LEAGUE
	BOLAND KRIEKET T20 LIGA: AANSOEK OM BEFONDSING: GASHEER STATUS KSA
	ISICELO SEMALI YI BOLAND CRICKET: UKUBANJWA KWE CSA GLOBAL DESTINATION T20 LEAGUE

UNANIMOUSLY RESOLVED

1. that the granting of a guarantee to provide financial assistance to Boland Cricket Board to the amount of R9 million over a period of three (3) financial years, be approved;
2. that the funding be sourced from potential savings in the adjustments budget of the 2017/2018 financial year in February 2018 and the rest of the funding be accommodated in the following two financial years; and
3. that the financial assistance only be granted if Boland Cricket Board is chosen as a T20 host venue.

Meeting: Council – 31/05/2017 Ref No: 5/5/1 Coll Nr:	Submitted by Directorate: Financial Services Author/s: J Carstens Referred from: MC - 24/05/2017
PAR: 1-3	ACTION: Implement decision
RESPONSIBLE DEPT: Executive Manager: Community Services	DUE DATE:

8. MATTERS FOR CONSIDERATION/INFORMATION
SAKE VIR OORWEGING/INLIGTING
IMIBA YOKUQWALASELWA/YOKWAZISA

8.1 APPOINTMENT OF VALUATION APPEAL BOARD MEMBERS IN TERMS OF SECTION 60 OF THE MUNICIPAL PROPERTY RATES ACT, 2004 (ACT 6 OF 2004)
AANSTELLING VAN WAARDASIE APP&LOWERHEIDSLEDE IN TERME VAN ARTIKEL 60 VAN DIE MUNISIPALE EIENDOMSBELASTINGSWET, 2004 (WET 6 VAN 2004)
UKUQESHWA KWAMALUNGU EBODI YEZIBHENO YOKUXABISA NJENGOKO IBEKIWE KWICANDELO 60 LOMTHETHO WEPROPATI KAMASIPALA KA 2004 (UMTHETHO 6 KA 2004)

This item was withdrawn.

Meeting: Council – 31/05/2017 Ref No: Coll Nr:	Submitted by Directorate: Planning and Economic Development Author/s: I Fortuin Referred from:
PAR: 1-3	ACTION: Re-submit item
RESPONSIBLE DEPT: EM: Planning and Economic Development	DUE DATE:

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9. CONSIDERATION OF REPORTS, COMMUNICATIONS, PETITIONS AND APPLICATIONS DEALING WITH MATTERS OF URGENCY BY THE MUNICIPAL MANAGER
OORWEGING VAN VERSLAE, MEDEDELINGS, VERSOEKSKRIFTE EN AANSOEKE IN VERBAND MET DRINGENDE SAKE VOORGELÉ DEUR DIE MUNISIPALE BESTUURDER
UKUQWALASELWA KWENGXELO, UQHAKAMSHELWANO, IZIBENGEZO KUNYE NEZICELO EZIHAMBISANA NEMIBA ENGXAMISEKILEYO NGU MANEJALA KAMASIPALA

None.

10. CONSIDERATION OF NOTICES OF MOTIONS AND NOTICES OF QUESTIONS
OORWEGING VAN KENNISGEWINGS VAN MOSIES EN KENNISGEWINGS VAN VRAE
UKUQWALASELWA KWEZAZISO ZEZIPHAKAMISO KUNYE NEZAZISO ZEMIBUZO

None.

11. SUPPLEMENTARY AGENDA (IF ANY)
AANVULLENDE AGENDA (INDIEN ENIGE)
I AGENDA EYONGEZIWEYO (UKUBA IKHONA)

11.1 STATE OF CURRENT DROUGHT AND DECLARATION OF A LOCAL STATE OF DISASTER (HYDROLOGICAL AND AGRICULTURE) FOR THE DRAKENSTEIN MUNICIPALITY
STAND VAN HUIDIGE DROOGTE EN AFKONDIGING VAN PLAASLIKE NOODTOESTAND (HIDROLOGIES EN LANDBOU) VIR DRAKENSTEIN MUNISIPALITEIT
UBUME BEMBALELA NGOKU KUNYE NOKUBHENGEZA BOBUME BASEKHAYA BENDLEKELE (AMANZI KUNYE NEZOLIMO) KUMASIPALA WASE DRAKENSTEIN.

UNANIMOUSLY RESOLVED

1. that the municipality declares a local state of disaster (hydrological) in the area of jurisdiction of Drakenstein Municipality and publish the declaration of a local state of disaster after consideration by the Provincial Cabinet and classification and verification by the National Disaster Management Centre;
2. that the municipality declares a local state of disaster (agricultural) in the area of jurisdiction of Drakenstein Municipality, including the rural area and all the irrigation boards within the municipal area and publish the declaration of a local state of disaster after consideration by the Provincial Cabinet and classification and verification by the National Disaster Management Centre;

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3. that the Provincial Disaster Management Centre be advised accordingly and be requested to promote the request in terms of the relevant legal requirements and prescribed procedures to the Provincial Cabinet and National Disaster Management Centre.

Meeting: Ref No: Doc No:	Council – 31/05/2017 1/4/3 (1561)	Submitted by Directorate: Author/s: Referred from:	Infrastructure Services André Kowalewski
<u>PAR:</u> 1-3	<u>ACTION:</u> Implement decision	<u>RESPONSIBLE DEPT:</u> EM: Infrastructure Services	<u>DUE DATE:</u>

IN-COMMITTEE/ IN-KOMITEE/ KWI-KOMITI

**12. CONSIDERATION OF CONFIDENTIAL MATTERS
OORWEGING VAN VERTROULIKE SAKE
UKUQWALASELWA KEMIBA EYIMFIHLO**

**12.1 CONFIRMATION OF CONFIDENTIAL MINUTES:
BEKRAGTIGING VAN VERTROULIKE NOTULE:
UKUQINISEKISWA KWEMIZUZU EYIMFIHLO:**

(See confidential minutes)
(Sien vertroulike notule)
(Jonga Imizuzu yemfihlo)

**12.2 COUNCILLORS OUTSTANDING DEBT REPORT AS AT 30 APRIL 2017
VERSLAE: RAADSLEDE UITSTAANDE SKULD VERSLAG SOOS OP
30 APRIL 2017
INGXELO YAMATYALA ASEMVA YOCEBA UKUSUSELA UMHLA WE
30 APRIL 2017**

(See confidential minutes)
(Sien vertroulike notule)
(Jonga Imizuzu yemfihlo)

**12.3 MONTHLY IMPLEMENTATION PROGRESS REPORT ON MUNICIPAL
MINIMUM COMPETENCY LEVELS FOR SENIOR MANAGERS:
DRAKENSTEIN MUNICIPALITY 2016/17
MAANDELIKSE VORDERINGSVERSLAG AANGAANDE IMPLEMENTERING
VAN MUNISIPALE MINIMUM VAARDIGHEIDSVLAKKE VIR SENIOR
BESTUURDERS: DRAKENSTEIN MUNISIPALITEIT 2016/17
INGXELO YENKQUBELA PHAMBILI YENYANGA YOKUMISELA YE
MUNICIPAL MINIMUM COMPETENCY LEVELS KOMANEJALA
ABAPHEZULU KUMASIPALA WASE DRAKENSTEIN KA 2016/17**

(See confidential minutes)
(Sien vertroulike notule)
(Jonga Imizuzu yemfihlo)

**MINUTES: COUNCIL/RAAD/IBHUNGA
31 MAY 2017**

12.4 IMPLEMENTATION OF SALARY AND WAGE COLLECTIVE AGREEMENT FOR MUNICIPAL EMPLOYEES FOR 2017/18
IMPLEMENTERING VAN SALARIS EN LOON KOLLEKTIEWE OORENKOMS VIR MUNISIPALE WERKNEMERS VIR 2017/18
UKUMILISELWA KOMVUZO KUNYE NESIVUMELWANO ESIDIBENEYO SOMVUZO KUMASEBENZI BAKAMASIPALA BGO 2017/18

(See confidential minutes)
(Sien vertroulike notule)
(Jonga Imizuzu yemfihlo)

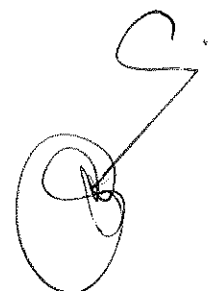
The meeting ended at 16:52.

CHAIRPERSON:

DATE:

Confirmed on with/without amendments.

PJ/mg



**DRAKENSTEIN MUNICIPALITY
ATTENDANCE REGISTER: COUNCIL
31 MAY 2017**

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SURNAME	INITIALS	TITLE	CELL NO	SIGNATURE
ABRAHAMS	AW	MS	0737503484	<i>W. Abrahams</i>
ADRIAANSE	MM	MS	0795089815	<i>M. Adriaanse</i>
AFRIKA	AF	MS	0795021437	<i>A. Afrika</i>
ANDERSON	JV	MS	0766851088	<i>J. Anderson</i>
ANDREAS	MA	MS	0767901066	<i>M. Andreas</i>
ARNOLDS	RB	MS	0824450022	<i>R. Arnolds</i>
BEKEER	A	MR	0793726947	<i>A. Bekeer</i>
BESTER	TG	MR	0823767839	<i>T. G. Bester</i>
BLANCKENBERG	DS	MR	0833493366	<i>Absent</i>
BOOYSEN	VC	MS	0798342556	<i>V. Booysen</i>
BUCKLE	AML	MR	0834608060	<i>A. M. L. Buckle</i>
COMBRINK	GC	MR	0824553445	<i>G. C. Combrink</i>
CUPIDO	FP	MR	0724874744/ 0726975802	<i>F. P. Cupido</i>
CUPIDO	PBA	MS	0764467741	<i>P. B. A. Cupido</i>
DE GOEDE	HR	MR	0824369830	<i>H. R. De Goede</i>
DE WET	J	MS	0837385623 0609687359	<i>J. De Wet</i>
DUBA	BP	MS	0739679629	<i>B. P. Duba</i>
FORD	GH	MR	0726016418	<i>G. H. Ford</i>
GEORGE	NN	MS	0736722618	<i>N. N. George</i>
GOUWS	E	MS	0824479711	<i>E. Gouws</i>
JACOBS	F	MD	0837600466	<i>F. Jacobs</i>
JONAS	SX	MS	0726521981	<i>S. X. Jonas</i>

31/5/2017
Office of the / Kantoor van die
CHIEFWHIP / HOOFSWEEP
Clr / Rdl R.A. KOEGELBERG
Drakenstein

(Signature)

**DRAKENSTEIN MUNICIPALITY
ATTENDANCE REGISTER: COUNCIL
31 MAY 2017**

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SURNAME	NAME	TITLE	CELL NO	SIGNATURE
KEARNS	C	MS	0765018441/ 0769406614	<i>[Signature: Kearns]</i>
KLAAS	MT	MR	076 843 4749	<i>[Signature: Klaas]</i>
KOEGELENBERG	RA	MR	0832693138	<i>[Signature: Koegelenberg]</i>
KOTZÉ	HJ	MR	0794311560 0824477693	<i>[Signature: Kotzé]</i>
KROUTZ	C	MR	0722522866	<i>[Signature: Kroutz]</i>
LANDU	L	MS	0729187202	<i>[Signature: Landu]</i>
LE HOE	MJ	MR	0845851690	<i>[Signature: Le Hoe]</i>
LE ROUX	JF	MR	0834595965	<i>[Signature: Le Roux]</i>
LUGQOLA	A	MS	0730896903	<i>[Signature: Lugqola]</i>
MANGENA	TC	MR	0725937804	<i>[Signature: Mangena]</i>
MASOKA	ZL	MR	0791202895	<i>[Signature: Masoka]</i>
MATTHEE	HJN	MR	0824795315	<i>[Signature: Matthee]</i>
MATTHEE	J	MR	0824486180	<i>[Signature: Matthee]</i>
MBENENE	NP	MS	0604141567	<i>[Signature: Mbenene]</i>
MDUNUSIE	MN	MS	0604531733	<i>[Signature: Mdunusie]</i>
YER	WPD	MR	081 556 8224	<i>[Signature: Yer]</i>
MILLER	J	ADV	0834400507	<i>[Signature: Miller]</i>
MKABILE	ND	MR	0604223964	<i>[Signature: Mkabile]</i>
MPULANYANA	TR	MR	0769042103	<i>[Signature: Mpulanyana]</i>
MOKOENA	LP	MS	0734198671	<i>[Signature: Mokoena]</i>
NIEHAUS	LW	MR	0844216780	<i>[Signature: Niehaus]</i>
NOBULA	MD	MR	0825947333	<i>[Signature: Nobula]</i>

[Signature: R.A. Koegelenberg]
Office of the / Kantoor van die
CHIEFWHIP / HOOFSWEEP
Cllr / Rdl R.A. KOEGELENBERG
Drakenstein

31/5/2017

[Signature]

**DRAKENSTEIN MUNICIPALITY
ATTENDANCE REGISTER: COUNCIL
31 MAY 2017**

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SURNAME	INITIALS	TITLE	CELL NO	SIGNATURE
NQORO	TZ	MS	0790639041	
NZELE	LV	MR	0731622287	
PHILANDER	WF	MS	0765281211	
POOLE	CJ	MR	0785304285 0824979046	
RENS	SC	MR	0795580013	
RICHARDS	AM	MR	0827860053	
OSS	S	MS	0745499921	
SAMBOKWE	LS	MS	0712664622	
SAUERMAN	ND	MR	0828991005	
SEPTEMBER	SE	MS	0849219770	
SMIT	J	MR	0817354467	
SMIT	WE	MS	0828251550	
SMUTS	R	MR	0824948467	
SOLOMONS	EA	MS	0736503007	
OWMAN	AC	MR	0791895359	
VAN NIEKERK	LT	MS	0818858365	
VAN NIEWENHUYZEN	RH	MR	0826296239	
VAN SANTEN	AJ	MS	0824226339	
VIKA	M	MS	0797044556/ 0732433996	
WILLEMSE	L	MS	0820799421	
ZIKHALI	N	MS	0784000130	

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Drakenstein

31/5/2017