

DRAKENSTEIN MUNICIPALITY

MINUTES: MAYORAL COMMITTEE

ORDINARY MEETING HELD IN THE COUNCIL CHAMBERS, FIRST FLOOR, CIVIC CENTRE, BERG RIVER BOULEVARD, PAARL ON THURSDAY, 24 AUGUST 2017 AT 08:00.

<u>PRESENT:</u>	The Executive Mayor, Cllr C J Poole (Chairman)	
	The Deputy Executive Mayor, Cllr G C Combrink	
Councillors:	M A Andreas	
	C Kearns	
	F Jacobs	
	J F Le Roux	
	J Miller	
	L P Mokoena	
	R Smuts	
	L T van Niekerk	
	L Willemse	
	R H van Nieuwenhuyzen	
Also Present:	Cllr R A Koegelenberg	(Chief Whip)
	Cllr A C Stowman	(Speaker)
	Cllr J Matthee	(MPAC Chairperson)
Officials:	Dr J H Leibbrandt	(City Manager)
	Mr J Carstens	(Chief Financial Officer)
	Mr S Johaar	(Executive Director: Corporate Services)
	Mr G Boshoff	(Executive Director: Community Services)
	Mr D Hattingh	(Executive Director: Engineering Services)
	Ms L Waring	(Executive Director: Planning and Development)
	Ms R Jaftha	(Chief Audit Executive)
	Mr A V Marais	(Senior Manager: Legal and Administration Services)
	Mr A A Kowalewski	(Engineering Services)
	Mr F P Goosen	(Manager: Administrative Support Services)



1. LEAVE ARRANGEMENTS AND NON-AVAILABILITY OF COUNCILLORS AND SENIOR MANAGEMENT

None.

2. ANNOUNCEMENTS BY THE EXECUTIVE MAYOR / CITY MANAGER

None.

3. DISCLOSURE OF INTERESTS BY COUNCILLORS/OFFICIALS

Cllr J Miller declared his interest in respect of item 7.2, Mayoral Committee Confidential agenda.

4. FINANCE

4.1 **FINANCE: BUDGETING: APPROVAL OF THE 2nd 2016/2017 SPECIAL ADJUSTMENTS BUDGET THROUGH ROLL-OVERS TO THE 2017/2018 ROLL-OVER CAPITAL ADJUSTMENTS BUDGET**

FINANSIES: BEGROTING: GOEDKEURING VAN DIE 2DE 2016/2017 SPESIALE AANGEPASDE BEGROTING DEUR OORROL NA DIE 2017/2018 OORROL KAPITALE AANSUIWERINGSBEGROTING

EZEZIMALI: UHLAHLA LWABIWO MALI: UKUQINISEKISWA KOLUNGISO OLULODWA LWESIBINI LOHLAHLA LWABIWO MALI NGOKUWEZELA KU 2017/2018 UKUWEZELA KOLUNGISO LOHLAHLA LWABIWO MALI ELIYINKUNZI

RESOLVED

that it be recommended to Council:-

1. that Council approves the final virements as reflected in Tables 1, 2 and 3 of the Roll-Over Capital Adjustments Budget Report;
2. that Council approves the capital budget roll-overs as reflected in Tables 1, 2 and 3 of the Roll-Over Capital Adjustments Budget Report;
3. that Council approves the reasons for the committed roll-overs as reflected in Annexure A and B of the Roll-Over Capital Adjustments Budget Report;
4. that the 2016/2017 adjustments capital budget of R 728,065,952 approved by Council on 22 February 2017 be reduced with the committed capital budget roll-overs of R 181,993,757 to the final capital adjustments budget amount of R 546,072,195 for the 2016/2017 financial year;
5. that the 2017/2018 capital budget of R 633,141,543 approved by Council on 31 May 2017 be increased with the committed capital budget roll-overs of R 181,993,757 to the 1st capital adjustments budget amount of R 815,135,300 for the 2017/2018 financial year;

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6. that Council approve the funding sources as reflected in Table 3 of the Roll-Over Capital Adjustments Budget Report;
7. that the operating revenue of R 2,043,536,666 (capital grants included) approved by Council in May 2017 be decreased with R 937,305 to R 2,042,599,361 for the 2016/2017 financial year;
8. that the operating revenue of R 2,201,862,847 (capital grants included) approved by Council in May 2017 be increased with R 937,305 to R 2,202,800,152 for the 2017/2018 financial year; and
9. that Council approves that any savings on the budgeted employee related cost category may be used through the virement process to transfer budgeted savings to other "paper money" budgeted funds to avoid over-expenditure and unauthorized expenditure disclosures per vote and GFS function classification.

Meeting: MC - 24/8/2017	Submitted by Directorate: Financial Services
Ref No: 5/2/2	Author/s: K Fredericks
Coll Nr: 1241128	Referred from:
<u>PAR:</u>	<u>ACTION:</u>
	<u>RESPONSIBLE DEPT:</u>
	<u>DUE DATE:</u>

4.2 TENDERS, QUOTATIONS AND CONTRACTS: REPORT ON WRITTEN AND FORMAL WRITTEN QUOTATIONS WHERE THREE QUOTATIONS WERE NOT OBTAINED AND DEVIATIONS AND RATIFICATION OF MINOR BREACHES FROM PROCUREMENT PROCESSES: JULY 2017

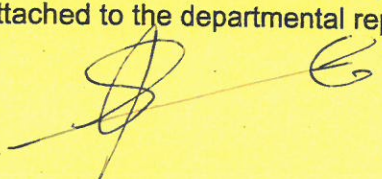
TENDERS, KWOTASIES EN KONTRAKTE VIR DIE MAAND JULIE 2017: PROSESSERING VAN SKRIFTELIKE EN FORMELE SKRIFTELIKE KWOTASIES WAAR DRIE KWOTASIES NIE VERKRY WAS NIE EN AFWYKING EN RATIFIKASIE VAN GERINGE OORTREDINGE VAN VERKRYGINGSPROSESSE: KONDONERING VAN ONREGMATIGE UITGAWES DEUR DIE RAAD

ITHENDA, IZINIKI MAXABISO KUNYE NENKONTILAKI ZENYANGA KA JULY 2017: UKUQHUBEKEKA KOKUBHALA KUNYE NOKUBHALA OKUSEMTHETHWENI KWEZINIKI MAXABISO EZINTATHU KUNYE NOKUNGALANDELI INKQUBO KUNYE NOKULUNGISWA KOKWAPHULWA KWEMITHETHO UNCINCI KWINKQUBO YOKUFUMANA

RESOLVED

that it be recommended to Council:-

1. that the deviations and minor breaches from Council's SCM Policy and procurement processes for the month of July 2017 for the amount of R 4,749,813 be **condoned**;
2. that in terms of paragraph 36(2) of the SCM Policy, the deviations and the reasons for the deviations as recorded by the Accounting Officer under the annexures attached to the departmental report, be **noted**; and



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3. that the Chief Financial Officer records the deviation amount of R 4,749,813 for the financial year in the notes to the annual financial statements for the 2017/2018 financial year as required by legislation.

Meeting: Meeting: MC - 24/8/2017 Ref No: 9/1/1/5 Coll Nr: 1239593	Submitted by Directorate: Financial Services Author/s: H Vergotine Referred from:
<u>PAR:</u>	<u>ACTION:</u>
	<u>RESPONSIBLE DEPT:</u>
	<u>DUE DATE:</u>

4.3 FINANCE: LOCAL GOVERNMENT: MUNICIPAL FINANCE MANAGEMENT ACT: SECTION 71 MONTHLY BUDGET MONITORING REPORT FOR JULY 2017
FINANSIËS: WET OP PLAASLIKE REGERING: MUNISIPALE FINANSIËLE BESTUUR: SEKSIE 71 MAANDELIKSE BEGROTING VERSLAGDOENING VIR JULIE 2017
EZEZIMALI: UMTHETHO WOKULAWULWA KWEMALI ZIKAMASIPALA: ICANDELO 71 NGENYANGA INGXELO YOKONGAMELA KOHLAHO LWABIWO MALI LENYANGA KA JULAYI 2017

RESOLVED

- that it be recommended to Council:-
1. that it be noted that the variance between the actual operating revenue (R 577,071,715) and the pro rata budgeted operating revenue (R 562,830,759) has a negative variance of R 14,240,956 or 2.53%;
 2. that it be noted that the variance between the actual operating expenditure (R 84,109,192) and the pro rata budgeted operating expenditure (R 104,661,719) has a positive variance of R 20,552,526 or 19.64%;
 3. that it be noted that the actual and committed capital expenditure of R 8,093,180 and the pro rata budgeted capital expenditure of R 19,520,000 realised underspending of R 11,426,820 or 58.54%;
 4. that it be noted that the actual and committed capital expenditure of R 8,093,180 compared with the capital expenditure budget represent a spending percentage of 1.28% after one month of the financial year;
 5. that it be noted that external borrowings amounted to R 1,190,488,686 as at 31 July 2017 and that it represents 59.27% of Drakenstein's total budgeted operating revenue of R 2,008,665,813 for the 2017/2018 financial year;
 6. that it be noted that of the R 68,706,668 grants received during the current financial year an amount of R 0 or 0.00% have been utilised as at 31 June 2017. The amount of R 0 is made up of operating expenditure of R 0 and capital expenditure of R 0 utilised on operating and capital projects / programmes;
 7. that it be noted that the actual employee related cost expenditure of R 36,700,193 compared with the pro rata budgeted expenditure of R 37,851,701 relates to a positive variance of R 1,151,508 or 3.04%;

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8. that it be noted that total outstanding debtors as at 31 July 2017 amounted to R 319,672,179 and that 30 days and older debt constitutes 47.5% of total outstanding debtors;
9. that it be noted that domestic consumers owe the municipality R 182,705,253 or 57.2% of the municipality's total debtor's book;
10. that it be noted that outstanding creditors amounted to R 311,707 as at 31 July 2017;
11. that it be noted that the primary bank account had a positive bank balance at 31 July 2017 which amounted to R 64,453,074; and
12. that it be noted that total investments in cash and shares amounted to R 276,897,724 as at 31 July 2017 at the five local banks and Eskom.

Meeting: MC - 24/8/2017	Submitted by Directorate: Financial Services		
Ref No: 9/1/1/4	Author/s: A Viola		
Coll Nr: 1241977	Referred from:		
<u>PAR:</u>	<u>ACTION:</u>	<u>RESPONSIBLE DEPT:</u>	<u>DUE DATE:</u>

5. CORPORATE SERVICES

5.1 TRANSPORT ALLOWANCE: PAARL MOUNTAIN AND ANTONIESVLEI
VERVOER TOELAAG: PAARLBERG EN ANTONIESVLEI
AMAKIQIKIQI OTHUTHO: E PAARL MOUNTAIN NASE ANTONIESVLEI

RESOLVED

1. that the retrospective adjustment and payment of transport allowances payable to those employees of whom it is expected to reside in municipal houses on Paarl Mountain and Antoniesvlei, in accordance with calculations made by the Finance Department, as set out in the departmental report, be approved;
2. that future annual adjustments of the allowances in July with the CPIX percentage, be approved; and
3. that the residents of the units in Paarl Mountain and Antoniesvlei be charged a market related rental or be taxed in terms of applicable SARS legislation.

Meeting: MC - 24/8/2017	Submitted by Directorate: Corporate Services		
Ref No: 4/8/1/3	Author/s: P La Grange		
Coll Nr: 1238983	Referred from:		
<u>PAR:</u>	<u>ACTION:</u>	<u>RESPONSIBLE DEPT:</u>	<u>DUE DATE:</u>
1-3	Implement Decision	ED: Corporate Services/ CFO	

6. HUMAN SETTLEMENTS AND PROPERTY MANAGEMENT

6.1 PAARL SCHOONGEZICHT PROJECT: PORTION 19 OF THE FARM 527 SCHOONGEZICHT - CONSIDERATION TO APPROVE THE SITE AS RELOCATION AREA TO ALSO ACCOMMODATE EVICTEES AND CASES IDENTIFIED AS PER EMERGENCY HOUSING POLICY
PAARL SCHOONGEZICHT PROJEK: GEDEELTE 19 VAN PLAAS 527, SCHOONGEZICHT - OORWEGING OM DIE TERREIN GOED TE KEUR AS HERVESTIGINGSGBIED OM OOK UITSETTINGSGEVALLE SOWEL AS GEVALLE SOOS GEÏDENTIFISEER INGEVOLGE DIE RAAD SE NOODBEHUISINGSGEBIED TE AKKOMMODEER
IPROJEKTI YE PAARL SCHOONGEZICHT - IFAMA EZI 19, 527 SCHOONGEZICHT - UKUQWALASELWA KOKUQINISEKISWA KWESAYITI YOMMANDLA YOKUBEKA KUKWAZI KUBONELELWE ABANTU ABAGXOTHIWEYO KUNYE NEMICIMBI EKETHIWEYO NJENGOMGAQO NKQUBO WEZINDLU ZIKAXAKEKA

RESOLVED

that the Mayoral Committee resolution of 20 January 2016 to utilise the Schoongesicht site as relocation area for the overflow of boarders from the Fairyland and Siyahhlala informal settlements, who are in the way of construction, be amended, to also accommodate evictees as well as other persons/cases as identified per Council's Emergency Housing Policy.

Meeting: MC - 24/8/2017	Submitted by Directorate: Community Services		
Ref No: 17/5/1/1	Author/s: F Rhode		
Coll Nr: 1244057	Referred from:		
PAR:	ACTION:	RESPONSIBLE DEPT:	DUE DATE:
	Implement decision	ED: Planning and Development	

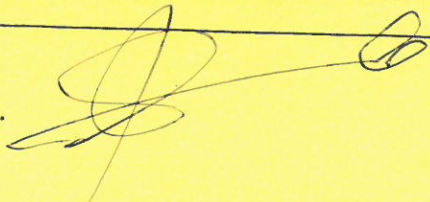
7. CONFIDENTIAL MINUTES

7.1 STAFF: FINANCE: REMUNERATION AND DEDUCTIONS: OVERTIME REPORT FOR JULY 2017
PERSONEEL: FINANSIES: VERGOEDING EN AFTREKKINGS: OORTYD VERSLAG VIR JULIE 2017
EZABASEBENZI: EZEZIMALI: UKUHLAWULWA NOKUTSALWA: INGXELO YOKUSEBENZA EMVENI KWEXESHA KUJULAYI 2017

See Confidential Minutes.

7.2 PROPOSED ALIENATION AND DEVELOPMENT OF FARM 736, KLAPMUTS VOORGESTELDE VERVREEMDING EN ONTWIKKELING VAN ERF 736, KLAPMUTS
ISINDULULO SOKUPHEPHELA NOKUPHULISA KWE FAMA 736 E KLAPMUTS

See Confidential Minutes.



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8. ENVIRONMENT, PARKS AND OPEN SPACES

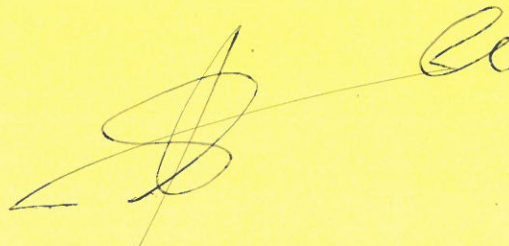
8.1	DRAKENSTEIN MUNICIPAL SWIMMING POOLS AND WATER SPRAY PARK
	DRAKENSTEIN MUNİŞİPALE SWEMBADDENS EN WATERSPUITPARK
	AMACIBI OKUQUBHA KUNYE NEPAKI ZAMANZI OKUGCEGCE SHELA

RESOLVED

that it be recommended to Council:-

1. that Council takes note of the decision of neighboring municipalities such as Breederivier, Stellenbosch and Swartland which have indicated that they will not open their swimming pools as per their normal scheduled times, but for a shorter period, pending review thereof;
2. that Council approves the opening of all swimming pools, resorts and the water spray part (New Orleans Resort) for the period of 1 November 2017 – 28 February 2018;
3. that Council approves the appointment of all seasonal workers, cashiers and lifeguard effective from 20 October 2017 – 28 February 2018;
4. that the municipality implement extensive water-saving measures to limit the use of potable water to maintain the public swimming pools. These will include for example: more efficient and effective use of chemicals to preserve the water quality in order to limit top-up of the swimming pools; the containment of back-wash to an absolute minimum; devising ways to collect water usually lost due to the back-wash pump-cleaning process, etc; and
5. that Council notes the urgency of the repairs and that a deviation process will have to be followed to operationalize the vandalized Weltevrede and Mbekweni Swimming Pools, by 1 November 2017.

Meeting: MC – 24/8/2017	Submitted by Directorate: Community Services		
Ref No: 17/17/2	Author/s: E Saayman		
Coll Nr: 1243958	Referred from:		
<u>PAR:</u>	<u>ACTION:</u>	<u>RESPONSIBLE DEPT:</u>	<u>DUE DATE:</u>



9. **ENGINEERING SERVICES**

9.1 DROUGHT ACTION PLAN
DROOGTE AKSIE PLAN

RESOLVED

that it be recommended to Council:-

1. that Council supports the strategic initiatives and projects as proposed in the report by the Executive Director: Engineering Services;
2. that Council adopts the recommendations as detailed in paragraphs 5.8.1, 5.8.2, 5.8.3, 5.8.4, 5.8.5, 5.8.6, 5.8.7, 5.8.8, 5.9.1, 5.9.2, 5.9.3, 5.10.1, 5.10.2, 5.10.3, 5.11 and 5.12 attached to the report by the Executive Director: Engineering Services; and
3. that the above projects only be implemented when duly budgeted for or when funds become available by way of external grants or savings and virements as approved by the City Manager.

Meeting: MC - 24/8/2017	Submitted by Directorate: Engineering Services		
Ref No: 16/1/1/2	Author/s: D J Hattingh		
Coll Nr: 1243810	Referred from:		
<u>PAR:</u>	<u>ACTION:</u>	<u>RESPONSIBLE DEPT:</u>	<u>DUE DATE:</u>

The meeting ended at 09:07.

CHAIRPERSON: 

DATE:

Confirmed on with/without amendments.

PJ/rs