

DRAKENSTEIN MUNICIPALITY

MINUTES: SPECIAL MAYORAL COMMITTEE

SPECIAL MEETING HELD IN THE BIG COMMITTEE, FIRST FLOOR, CIVIC CENTRE, BERG RIVER BOULEVARD, PAARL ON FRIDAY, 8 DECEMBER 2017 AT 8:30.

PRESENT: Executive Mayor, Cllr C J Poole (Chairman)
The Deputy Executive Mayor, Cllr G C Combrink (Vice-Chairman)

Councillors: C Kearns
F Jacobs
J F Le Roux
J Miller
L P Mokoena
R Smuts
L T van Niekerk
R H van Nieuwenhuyzen

Also Present: Cllr A C Stowman (Speaker)
Cllr R A Koegelenberg (Chief Whip)
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)
Ms L Waring (Executive Director: Planning and Development)
Mr D Hattingh (Executive Director: Engineering Services)
Ms R Jaftha (Chief Audit Executive)
Mr A V Marais (Senior Manager: Legal and Administration Services)
Ms R Geldenhuys (Manager: Communications and Marketing)
Mr G Dippenaar (Chief Risk Officer)
Mr F P Goosen (Manager: Administrative Support Services)

ABSENT: Cllr M A Andreas (On Council duty)
Cllr L Willemse (On Council duty)

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

1. Cllr M A Andreas: On Council duty
2. Cllr L Willemse: On Council duty

2. ANNOUNCEMENTS BY THE EXECUTIVE MAYOR/CITY MANAGER

None.

3. DISCLOSURE OF INTERESTS BY COUNCILLORS/OFFICIALS

None.

4. FINANCE

4.1 TAKING UP OF EXTERNAL LOANS TO FINANCE CAPITAL PROJECTS FOR THE 2017/2018 FINANCIAL YEAR
OPNEEM VAN EKSTERNE LENINGS OM DIE KAPITAAL PROJEKTE VIR 2017/2018 TE FINANSIER
UKUTHATHA KWEMBOLEKO MALI NGAPHANDLE KUSENZELA UKUXASA

RESOLVED

It be recommended to Council:-

1. that Council take note of the written comments received from National Treasury and Provincial Treasury;
2. that Council take note of the estimate additional revenue of R 494 million in year ten from now and the estimated additional avenue of R 3.0 billion over the 2018/2019 to 2027/28 financial years;
3. that Council take note that the gearing ratio for the 2017/18 financial year will be managed not to exceed the 70% margin; and
4. that the capital budget for the 2018/19 financial year be reduced to ensure that the gearing ratio is brought down to 65%.
5. Three year loan period:

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- 5.1 That the loan agreement with conditions with Standard Bank for the R 5,250,000 loan for the purchase of infrastructure and equipment (2017/2018 capital budget) be approved;
 - 5.2 That it be noted that the instalments (R 1,024,584.87 x 6) for the loan in point 5.1 above is based on a re-payment period of three years and a fixed interest rate of 9.39% as at 7 September 2017;
 - 5.3 That it be noted that the fixed interest rate (9.39% as at 7 September 2017) might still change depending on the base rate on the date of the signing of the loan agreement referred to in point 5.1 above;
 - 5.4 That the Mayor be authorised to certify that Council has approved the debt agreement referred to in point 5.1 above;
 - 5.5 That the City Manager and Chief Financial Officer be authorised to sign the debt agreement referred to in point 5.1 above on behalf of Council;
 - 5.6 That it be noted that the debt agreement are for external loans to be raised to finance property, plant and equipment capital expenditure; and
 - 5.7 That it be noted that the property, plant and equipment forms part of the Integrated Development Plan prioritized needs.
6. Five year loan period:
- 6.1 That the loan agreement with conditions with Standard Bank for the R 13,806,715 loan for the purchase of infrastructure and equipment (2017/2018 capital budget) be approved;
 - 6.2 That it be noted that the instalments (R 1,774,801.51 x 10) for the loan in point 6.1 above is based on a re-payment period of five years and a fixed interest rate of 9.68% as at 7 September 2017;
 - 6.3 That it be noted that the fixed interest rate (9.68% as at 7 September 2017) might still change depending on the base rate on the date of the signing of the loan agreement referred to in point 6.1 above;
 - 6.4 That the Mayor be authorised to certify that Council has approved the debt agreement referred to in point 6.1 above;
 - 6.5 That the City Manager and Chief Financial Officer be authorised to sign the debt agreement referred to in point 6.1 above on behalf of Council;



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- 6.6 That it be noted that the debt agreement are for external loans to be raised to finance property, plant and equipment capital expenditure; and
- 6.7 That it be noted that the property, plant and equipment forms part of the Integrated Development Plan prioritized needs.
7. Ten year loan period:
- 7.1 That the loan agreement with conditions with Development Bank of Southern Africa (DBSA) for the R 404,755,427 loan for the purchase of infrastructure and equipment (2017/2018 capital budget) be approved;
- 7.2 That it be noted that the instalments (R 31,958,233.72 x 20) for the loan in point 7.1 above is based on a re-payment period of ten years and a fixed interest rate of 9.99% as at 7 September 2017;
- 7.3 That it be noted that an amount of R 370,943,285 be taken-up before 30 June 2018 and an amount of R33,812,142 of the loan to be taken-up in the new financial year by 31 August 2018;
- 7.4 That it be noted that the fixed interest rate (9.99% as at 7 September 2017) might still change depending on the base rate on the date of the signing of the loan agreement referred to in point 7.1 above;
- 7.5 That the Mayor be authorised to certify that Council has approved the debt agreement referred to in point 7.1 above;
- 7.6 That the City Manager and Chief Financial Officer be authorised to sign the debt agreement referred to in point 7.1 above on behalf of Council;
- 7.7 That it be noted that the debt agreement are for external loans to be raised to finance property, plant and equipment capital expenditure; and
- 7.8 That it be noted that the property, plant and equipment forms part of the Integrated Development Plan prioritized needs.

Meeting: Spec Mayco -8/12/2017	Submitted by Directorate: Financial Services		
Ref No: 5/5/1	Author/s: A Viola		
Coll Nr: 1261730	Referred from:		
PAR:	ACTION:	RESPONSIBLE DEPT:	DUE DATE:

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5. SPORT, RECREATION, ARTS & CULTURE

5.1 SAD SAFARI HALF-MARATHON
SAD SAFARI HALF-MARATHON
SAD SAFARI HALF-MARATHON

The Executive Mayor stressed that request for financial support will in future only be considered when it is accompanied with the required information as per the applicable policy.

RESOLVED

1. that the longstanding partnership between Drakenstein Municipality and SAD Safari Half-Marathon, be noted;
2. that the renewal of the partnership with the SAD Safari Half-Marathon for a further year (2018), be approved; and
3. that a grant amount of R61 000.00 for marketing and organizational expenses for the staging of the event in 2018, be approved.

Meeting: Spec MC – 8/12/2017	Submitted by Department: Community Services		
Ref No: 17/3/2/6/4	Author/s: E Saayman		
Coll Nr: 1264486	Referred from: Community Serv Portf-05/12/2017		
PAR:	ACTION:	RESPONSIBLE DEPT:	DUE DATE:
2-3	Implement decision	ED: Community Services	

5.2 27 FOR FREEDOM RACE
27 FOR FREEDOM WEDLOOP

RESOLVED

1. that the longstanding partnership between Drakenstein Municipality and 27 For Freedom Race Organizers (Department of Correctional Services), be noted;
2. that the renewal of the partnership with 27 For Freedom Race Organizers (Department of Correctional Services) for a further year (2018), be approved; and

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3. that a grant amount of R123 363 for 2018 year, be approved.

Meeting: Spec MC – 8/12/2017	Submitted by Department: Community Services
Ref No: 17/19/5	Author/s: E Saayman
Coll Nr: 1264090	Referred from: Community Serv Portf-05/12/2017
<u>PAR:</u>	<u>ACTION:</u>
2-3	Implement decision
	<u>RESPONSIBLE DEPT:</u>
	ED: Community Services
	<u>DUE DATE:</u>

6. PUBLIC SAFETY

6.1 DRAKENSTEIN MUNICIPALITY CORPORATE DISASTER MANAGEMENT PLAN
DRAKENSTEIN MUNISIPALITEIT KORPORATIEWE RAMPBESTUUR PLAN

RESOLVED

1. that the content of the reviewed Corporate Disaster Management Plan, be noted; and
2. that the Reviewed Corporate Disaster Management Plan addressing all operational issues with provision for the pending drought be tabled with the draft IDP in March 2018.

Meeting: Spec MC – 8/12/2017	Submitted by Department: Community Services
Ref No: 17/4/1	Author/s: E Saayman
Coll Nr: 1264053	Referred from: Community Serv Portf-05/12/2017
<u>PAR:</u>	<u>ACTION:</u>
2	Implement decision
	<u>RESPONSIBLE DEPT:</u>
	ED: Community Services
	<u>DUE DATE:</u>

7. SOCIAL SERVICES

7.1 BUILDING / FACILITY MAINTENANCE OF HALLS, THUSONGS AND PUBLIC FACILITIES (ABLUTIONS)
BOU/ FASILITEIT INSTANDHOUDING VAN SALE, THUSONGS EN OPENBARE FASILITEITE (ABLUSIEGERIEWE)

RESOLVED

1. that the report be noted; and

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2. that the requested funding for maintenance and repairs at public facilities be referred to the Budget Steering Committee.

Meeting: Spec MC -- 8/12/2017	Submitted by Department: Community Services		
Ref No: 17/9/5	Author/s: J Rhoda		
Coll Nr: 1263929	Referred from: Community Serv Portf-05/12/2017		
PAR:	ACTION:	RESPONSIBLE DEPT:	DUE DATE:
2	Submit report to Budget Steering Committee	ED: Community Services/ CFO	

8. ENGINEERING SERVICES

8.1 CONSIDERATION OF CAPITAL AND OPERATING PROGRAMME FOR UPGRADING AND MAINTENANCE OF PROVINCIAL ROADS
OORWEGING VAN KAPITAAL EN BEDRYFSPROGRAM VIR DIE OPGRADERING EN ONDERHOUD VAN PROVINSIALE PAAIE

RESOLVED

It be recommended to Council:-

1. that the proposed capital programme as depicted in Annexure A of the departmental report for the following 8 years from 2018/2019 to 2025/26 for the upgrading of Provincial Roads within the Drakenstein municipal area at a total estimated cost of R 637 million of which up to 80% (R 509,6 million) is provided by the Provincial Department of Transport and Public Works and the remaining 20% by Drakenstein Municipality (R 127,4 million), be approved;
2. that it be noted that the Western Cape Government is considering the amendment of legislation and regulations which will have the effect that the level of subsidy applicable to Drakenstein Municipality would reduce from 80% to 70% of construction cost. This implies that the expected counter contribution by the municipality would increase from 20% to 30% of construction cost;
3. that an appropriate maintenance provision for the maintenance of Provincial Roads for 2018/19 in Drakenstein municipal area be considered and supported to an amount of R1,2 million as Drakenstein contribution of either 20% or 30% of the applicable maintenance provision, depending on the applicable legislation;
4. that it be noted that the Provincial Department of Transport and Public Works will provide a maintenance subsidy for Provincial contribution of either 80% or 70% of the applicable maintenance budget, depending on applicable legislation;

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5. that the above be subject to the final allocation of funds by the Department of Transport and Public Works, Western Cape and the final approval of the capital and maintenance budgets by the Drakenstein Council; and
6. that the above resolutions be submitted to the Department of Transport and Public Works, Western Cape Government for consideration and inclusion in their 2018/19 provision.

Meeting: Spec MC – 8/12/2017	Submitted by Department: Engineering Services
Ref No: 5/7/15	Author/s: C Lotz
Coll Nr: 1258164	Referred from: Engineering Serv Portf-06/12/2017
PAR:	ACTION:
	RESPONSIBLE DEPT:
	DUE DATE:

8.2 PNIEL ELECTRICITY TAKE-OVER: IN PRINCIPLE APPROVAL OF THE MEMORANDUM OF AGREEMENT BETWEEN DRAKENSTEIN AND STELLENBOSCH MUNICIPALITY

PNIEL ELEKTRIESE DIENSTE OORNAME: IN-BEGINSEL GOEDKEURING VAN DIE OOREENKOMS TUSSEN DRAKENSTEIN EN STELLENBOSCH MUNISIPALITEIT

RESOLVED

It be recommended to Council:-

1. that the content of the report and Appendices A (Memorandum of the Consultants' request) and B (MOA) attached to the report **be noted**;
2. that the City Manager be authorised to negotiate a final Memorandum of Agreement (MOA); and
3. that the final Memorandum of Agreement be submitted to Council for final approval.

Meeting: MC – 8/12/2017	Submitted by Department: Engineering Services
Ref No: 16/2/1	Author/s: W Albertyn
Coll Nr: 1251138	Referred from: Engineering Serv Portf-06/12/2017
PAR:	ACTION:
	RESPONSIBLE DEPT:
	DUE DATE:

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8.3 THE RURAL BASIC SERVICES INVESTIGATION FOR SERVICES ON FARMS IN THE DRAKENSTEIN AREA
DIE LANDELIKE BASIESE DIENSTE ONDERSOEK NA DIENSTE OP PLASE IN DIE DRAKENSTEIN GEBIED

The Executive Mayor requested that the subsidy scheme to be communicated to farm owners.

RESOLVED

It be recommended to Council:-

1. that the report on the rural basic services investigation for services on farms in the Drakenstein area, be noted;
2. that the findings from the report be incorporated in the long term planning for service delivery within the Drakenstein municipal area; and
3. that no additional studies regarding this matter be conducted.

Meeting: Spec MC – 8/12/2017	Submitted by Department: Engineering Services
Ref No: 5/7/15	Author/s: W Pretorius
Coll Nr: 1264090	Referred from: Engineering Serv Portf-06/12/2017
<u>PAR:</u>	<u>ACTION:</u>
	<u>RESPONSIBLE DEPT:</u>
	<u>DUE DATE:</u>

8.4 VAL DE VIE SUPER ESTATE EMERGENCY WATER PROVISION AGREEMENT
VAL DIE VIE NOOD WATER VOORSIENINGS OOREENKOMS

RESOLVED

that the item be referred back to the department to submit a revised agreement.

Meeting: Spec MC – 8/12/2017	Submitted by Department: Engineering Services
Ref No: 7/1/2/2	Author/s: W Pretorius
Coll Nr: 1251139	Referred from: Engineering Serv Portf-06/12/2017
<u>PAR:</u>	<u>ACTION:</u>
	<u>RESPONSIBLE DEPT:</u>
	<u>DUE DATE:</u>

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8.5 ELECTRO TECHNICAL SERVICES REQUIRES ADDITIONAL OFFICE SPACE, STORAGE FACILITIES, WORKSHOP SPACE AND SECURE VEHICLE PARKING
ELEKTRO TEGNIESE DIENSTE VERLANG ADDISIONELE KANTOOR SPASIE, STOOR FASILITEITE, WERKSWINKEL SPASIE EN VEILIGE PARKERING VIR VOERTUIE

RESOLVED

It be recommended to Council:-

1. that approval be granted for the lease of 4046,1m² warehouse and 595,2m² office space on erf 31203, Paarl from Urban Growth Developments (Pty) Ltd;
2. that the Terms of Lease (Appendix A to the departmental report) and General Conditions of Lease (Appendix B to the departmental report), **be noted**;
3. that the lease be for a period of one (1) year as from 1 February 2018 or as soon as possible at an amount of R274 724 per month, VAT excluded;
4. that Section 33 of the MFMA be complied with prior to the conclusion of a futher term of lease;
5. that approval be granted to the City Manager to finalise the lease agreement;
6. that the final agreement be submitted to Council for notification; and
7. that the rental be funded from savings on the 2017/18 budget.

Meeting: Spec MC – 8/12/2017	Submitted by Department: Engineering Services
Ref No: 7/1/2/2	Author/s: W Albertyn
Coll Nr: 1251139	Referred from: Engineering Serv Portf-06/12/2017
<u>PAR:</u>	<u>ACTION:</u>
	<u>RESPONSIBLE DEPT:</u>
	<u>DUE DATE:</u>

8.6 CONVERTING TO LEVEL 6 WATER RESTRICTIONS AND REMAIN ON LEVEL 4 WATER TARIFFS
OMSKAKELING NA VLAK 6 WATER BEPERKING EN BEHOUD VAN VLAK 4 WATER TARIEWE

RESOLVED

It be recommended to Council:-

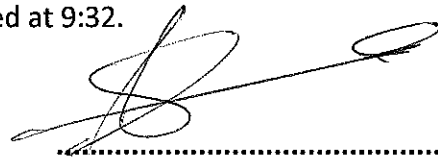
1. that the report **be noted**;

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- 2. that Drakenstein Municipality imposes the set of Level 6 water restrictions with effect from 1 January 2018 as set out in the departmental report;
- 3. that residents be informed of the new level 6 water restrictions through local newspapers and hand delivered flyers; and
- 4. that water tariffs be adjusted with effect from 1 February 2018 after considering a report with recommendations at a special council meeting to be held in January 2018.

Meeting: Spec MC – 8/12/2017	Submitted by Department: Engineering Services		
Ref No: 1/4/3	Author/s: AA Kowalewski		
Coll Nr: 1267747	Referred from:		
<u>PAR:</u>	<u>ACTION:</u>	<u>RESPONSIBLE DEPT:</u>	<u>DUE DATE:</u>

The meeting ended at 9:32.



CHAIRPERSON:

DATE:

Confirmed on with/without amendments.

PJ/rs



DRAKENSTEIN MUNICIPALITY

ATTENDANCE REGISTER: MAYORAL COMMITTEE
8 DECEMBER 2017

SURNAME	INITIALS	TITLE	CELLPHONE	SIGNATURE
POOLE Executive Mayor	C J	MR	0785304285 0824979046	
COMBRINK Deputy Executive Mayor (Financial Services)	G C	MR	0824553445	
LE ROUX (Engineering Services)	J F	MR	0834595965	
ANDREAS (Rural Management)	M A	MS	0767901066	VERBRONKH
JACOBS (Social Services)	F	MS	0837600466	
KEARNS (Environment, Parks and Open Spaces)	C	MS	0765018441 0769406614	
MILLER (Planning and Development)	J	MR	0834400507	
MOKOENA (Corporate Services)	L P	MS	0734198671	
SMUTS (Public Safety)	R	MR	0824948467	Amuts
VAN NIEKERK (Sport, Recreation, Arts and Culture)	LT	MS	0818858365	
VAN NIEUWEMHUYZEN (Communication and Inter- Governmental Relations (IGR))	R H	MR	0826296239	
WILLEMSE (Human Settlements and Property Management)	L	MS	0820799421	VERBRONKH
STOWMAN <i>Speaker</i>	AC	MR	0791895359	
KOEGELENBERG <i>Chief Whip</i>	RA	MR	0832693138	
MATTHEE <i>mFACT Chairperson</i>	J	MR	0824486180	
RICHARDS	AM	MR	0827860053	

C.J.P.