

DRAKENSTEIN MUNICIPALITY

MINUTES OF AN ORDINARY MEETING OF THE MUNICIPAL COUNCIL HELD IN THE COUNCIL CHAMBERS, CIVIC CENTRE, BERG RIVER BOULEVARD, PAARL ON THURSDAY, 31 MARCH 2016 AT 10:00.

PRESENT: Councillors (see attached schedule)

Senior Officials:	Mr J Carstens	(Acting Municipal Manager)
	Ms A De Beer	(Executive Manager: Corporate Services)
	Mr D Louw	(Executive Manager: Infrastructure Services)
	Mr A Adam	(Executive Manager: Planning and Development)
	Mr G Boshoff	(Executive Manager: Community Services)
	Ms C Lategan	(Acting Chief Financial Officer)
	Mr A V Marais	(Senior Manager: Legal and Administration)
	Ms R Jaftha	(Chief Audit Executive)

MINUTES: COUNCIL/RAAD/IBHUNGA
31 MARCH 2016

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. | Clr C Kearns | : | 31 March 2016 |
| 2. | Clr A N Jacobs | : | 31 March 2016 |
| 3. | Clr S N Kika-Dyson | : | 31 March 2016 |
| 4. | Clr N Mtiki | : | 31 March 2016 |
| 5. | Clr Dr L M Du Toit | : | 31 March 2016 |
- (Joined the meeting at 11:47)

2. CONFIRMATION OF MINUTES
BEKRAGTIGING VAN NOTULE
UKUQINISEKISWA KWEMIZUZU

The minutes of the Ordinary meeting of the Municipal Council held on 24 February 2016 was **confirmed as correct**.

2.1 IMPLEMENTATION OF COUNCIL DECISIONS
IMPLEMENTERING VAN RAADSBESLUIE
UKUMISELWA KWEZIQIBO ZEBHUNGA

Noted.

3. MINUTES: EXECUTIVE MAYOR AND MAYORAL COMMITTEE
NOTULES: UITVOERENDE BURGEMEESTER EN BURGEMEESTERSKOMITEE
IMIZUZU: USODOLOPHU WESIGQEBAKUNYE NEKOMITI KASODOLOPHU WESIGQEBA

Noted.

MINUTES: COUNCIL/RAAD/IBHUNGA
31 MARCH 2016

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 /ISEKELA LIKASODOLOPHU

1. The Executive Mayor informed Council of the passing of the father of Ms A de Beer and expressed condolences on behalf of Council.
2. The Executive Mayor congratulated the Acting Municipal Manager on his birthday on 29 March.
3. The Executive Mayor informed Council of the resignation of Mr A Adam, Executive Manager: Planning and Economic Development and expressed a word of thanks to Mr Adam for the services rendered to the Municipality. The Executive Mayor's sentiments were endorsed by all political parties represented in Council.
4. The Executive Mayor reminded Council of Human Rights Month and indicated that an appropriate event to celebrate Human Rights was being planned and that councillors would be informed of that in due course.
5. The Executive Deputy Mayor reported on a successful anti-crime event held in the Magnolia area in Paarl East and thanked all councillors, the SAPS and other role players who took part in the event.

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. Congratulated councillors celebrating their birthdays in March.
2. Informed Council of the vacancy in Council due to the vacation of office of Cllr F J Martin of the NNP.
3. Reminded councillors of the upcoming IDP meetings and requested all councillors' full cooperation and participation in this regard.

5.1 DECLARATIONS OF INTERESTS BY COUNCILLORS
VERKLARINGS VAN BELANGE DEUR RAADSLEDE
UKUBHENGEZA KOMDLA NGOCEBA/AMAGOSA

None.

MINUTES: COUNCIL/RAAD/IBHUNGA
31 MARCH 2016

6. STATUTORY MATTERS
STATUTÊRE SAKE
IMIBA YOMTHETO

None.

Meeting: Council – 24/02/2016	Submitted by Directorate:		
Ref No:	Author/s:		
Coll No:	Referred from:		
<u>PAR:</u>	<u>ACTION:</u>	<u>RESPONSIBLE DEPT:</u>	<u>DUE DATE:</u>

7. CONSIDERATION OF REPORTS BY THE EXECUTIVE MAYOR AND MAYORAL COMMITTEE
OORWEGING VAN VERSLAE DEUR DIE UITVOERENDE BURGEMEESTER EN BURGEMEESTERSKOMITEE
UKUQWALASELWA KWEENGXELO YI EXECUTIVE MAYOR NE MAYORAL COMMITTEE

7.1 SUBMISSION OF AMENDMENTS TO THE AUDIT COMMITTEE CHARTER 2015/16
VOORLEGGING VAN WYSIGINGS AAN DIE STIGTINGSAKTE VAN DIE OUDITKOMITEE 2015/2016
UKUNGENISWA KWEPHEPHA LAMALUNGELO EKOMITI YOPHICHOTA INCWADI ELILINGISIWEYO LIKA 2015/16

UNANIMOUSLY RESOLVED

that the amended Audit Committee Charter be approved.

Meeting: Council – 31/03/2016	Submitted by Directorate: Financial Services		
Ref No: 3/3/1/3/13	Author/s:		
Coll Nr: 979357	Referred from: EM&MC 16/03/2016		
<u>PAR:</u>	<u>ACTION:</u>	<u>RESPONSIBLE DEPT:</u>	<u>DUE DATE:</u>

MINUTES: COUNCIL/RAAD/IBHUNGA
31 MARCH 2016

7.2	TABLING OF THE 2016/17 FIRST DRAFT REVISED INTEGRATED DEVELOPMENT PLAN (IDP) 2012/2017 AND OUTER YEARS 2017/2021, THE INTEGRATED DEVELOPMENT PLAN (IDP) AND BUDGET ROADSHOW SCHEDULE 2016/2017 AND THE DRAFT TOP LAYER SERVICE DELIVERY AND BUDGET IMPLEMENTATION PLAN
	VOORLEGGING VAN DIE 2016/17 EERSTE KONSEP GEWYSIGDE GEÏNTEGREERDE ONTWIKKELINGSPLAN (GOP) 2012/2017 EN BUIE JARE 2017/2021, DIE GEÏNTEGREERDE ONTWIKKELINGSPLAN (GOP) EN BEGROTING VELDTOG SKEDULE 2016/2017 EN KONSEP HOËVLAK DIENSLEWERING EN BEGROTING IMPLEMENTERINGSPLAN
	UHLELO LUKA 2016/17 LOYILO LOKUQALA LWEPLANI EQWALASELWE KWAKHONA YOPHUHLISO OLU DITYANISIWEYO (IDP) NEMINYAKA EPHUMELA KU 2017/2021, UMBONISO WENDLELA WEPLANI YOKUQWALASELA KWAKHONA LOPHUHLISO (IDP) NOQINGQO-MALI YOLUDWE LUKA 2016/2017 NOYILO LONIKEZELO LOMALEKO WENKONZO EZIPHEZULU KUNYE NOKUZALISEKISA UQINGQO-MALI

A request was made that IDP meetings be conducted in the language of the particular constituency and in plain and simple language as far as possible. It was also requested that presentations focus on the needs of a ward.

UNANIMOUSLY RESOLVED

1. that the Integrated Development Plan: 2012/2017 as amended and Outer Years 2017/2021, Draft Revised IDP 2016/2017 **be approved** for further consultation in line with the IDP/Budget Public Participation Roadshow Schedule attached as Annexure B to the departmental report;
2. that the Draft Top Layer Service Delivery and Budget Implementation Plan (SDBIP) 2016/2017 incorporated respectively in Chapters 4 and 6 of the Draft Revised 2016/17 IDP, **be noted**; and
3. 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 approval of the Draft Revised 2016/17 IDP and invite public comment.

Meeting: Council – 31/03/2016 Ref No: 2/2/5 Coll Nr: 1087063		Submitted by Directorate: Office of the Municipal Manager Author/s: F Qebenya Referred from: EM&MC 16/03/2016	
<u>PAR:</u>	<u>ACTION:</u> Implement decision	<u>RESPONSIBLE DEPT:</u> IDP Manager	<u>DUE DATE:</u>

MINUTES: COUNCIL/RAAD/IBHUNGA
31 MARCH 2016

7.3 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: JANUARY 2016

TENDERS, KWOTASIES EN KONTRAKTE VIR DIE MAAND JANUARIE 2016: 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 ONREËLMATIGE UITGAWES DEUR DIE RAAD

ITHENDA, IZINIKI MAXABISO KUNYE NENKONTILAKI ZENYANGA KA JANUWARI 2016: UKUQHUBEKEKA KOKUBHALA KUNYE NOKUBHALA OKUSEMTHETHWENI KWEZINIKI MAXABISO EZINTATHU KUNYE NOKUNGALANDELI INKQUBO KUNYE NOKULUNGISWA KOKWAPHULWA KWEMITHETHO UNCINCI KWINKQUBO YOKUFUMANA

UNANIMOUSLY RESOLVED

1. that the deviations and minor breaches from Council's SCM Policy and processes for the month of January 2016 for the amount of R 6,582,712, 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 to the departmental report, be noted; and
3. that the Chief Financial Officer records the deviation amount of R 6,582,712 for the financial year in the notes to the annual financial statements for the 2015/2016 financial year as required by legislation.

Meeting: Council – 31/03/2016 Ref No: 9/1/3 Coll Nr: 987084		Submitted by Directorate: Financial Services Author/s: Heinrich Vergotine Referred from: EM&MC 16/03/2016	
<u>PAR:</u>	<u>ACTION:</u>	<u>RESPONSIBLE DEPT:</u>	<u>DUE DATE:</u>

**MINUTES: COUNCIL/RAAD/IBHUNGA
31 MARCH 2016**

7.4	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: FEBRUARY 2016
	TENDERS , KWOTASIES EN KONTRAKTE VIR DIE MAAND FEBRUARIE 2016: 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 FEBRUWARI 2016: UKUQHUBEKEKA KOKUBHALA KUNYE NOKUBHALA OKUSEMTHETHWENI KWEZINIKI MAXABISO EZINTATHU KUNYE NOKUNGALANDELI INKQUBO KUNYE NOKULUNGISWA KOKWAPHULWA KWEMITHETHO UNCINCI

RESOLVED

1. that the deviations and minor breaches from Council's SCM Policy and procurement processes for the month of February 2016 for the amount of R 9,111,035 **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 to the departmental report, **be noted**; and
3. that the Chief Financial Officer records the deviation amount of R 9,111,035 for the financial year in the notes to the annual financial statements for the 2015/2016 financial year as required by legislation.

Meeting: Council – 31/03/2016 Ref No: 9/1/3 Coll Nr: 1085245	Submitted by Directorate: Financial Services Author/s: A Viola Referred from: EM&MC 16/03/2016		
<u>PAR:</u>	<u>ACTION:</u>	<u>RESPONSIBLE DEPT:</u>	<u>DUE DATE:</u>

7.5	TENDERS, QUOTATIONS AND CONTRACTS: SUPPLY CHAIN MANAGEMENT: NOTIFICATION OF MONTHLY TENDER AWARDS: FEBRUARY 2016
	TENDERS, KWOTASIES EN KONTRAKTE: VOORSIENINGSKANAAL BESTUUR: TENDERTOEkENNINGS VIR FEBRUARIE 2016
	ITHENDA, IZINIKI MAXABISO KUNYE NENKONTILAKI: SUPPLY CHAIN MANAGEMENT: ISAZISO SOKUNIKWA KWETHENDA ZENYANGA: FEBRUWARI 2016

UNANIMOUSLY RESOLVED

1. that the tenders and contracts that were adjudicated by the Bid Adjudication Committee for the month of February 2016, **be noted**; and

MINUTES: COUNCIL/RAAD/IBHUNGA
31 MARCH 2016

2. that the tenders and contracts and the reasons for the awards as recorded by the Accounting Officer as attached to the departmental report, **be noted**.

Meeting: Council – 31/03/2016 Ref No: 8/1/2/1 Coll Nr: 1085206		Submitted by Directorate: Financial Services Author/s: Heinrich Vergotine Referred from: EM&MC 16/03/2016	
<u>PAR:</u>	<u>ACTION:</u>	<u>RESPONSIBLE DEPT:</u>	<u>DUE DATE:</u>

7.6 RESPONSE TO COMMUNICATION RECEIVED FROM THE AUDITOR GENERAL OF SOUTH AFRICA

REAKSIE OP KOMMUNIKASIE ONTVANG VANAF DIE OUDITEUR-GENERAAL VAN SUID-AFRIKA

IMPENDULO YOQAKAMSHELWANO OLUVELA KUMPHICHOTHI ZINCWADI JIKELELE WASEMZAMTSI AFRIKA

UNANIMOUSLY RESOLVED

that Management's comment in reply to the Auditor General's communication, be accepted as Council's comment.

Meeting: Council - 31/03/2016 Ref No: 5/12/2/1 Coll No: 1086461		Submitted by Directorate: Financial Services Author/s: Referred from: EM&MC 16/03/2016	
<u>PAR:</u>	<u>ACTION:</u> Implement decision	<u>RESPONSIBLE DEPT:</u> Acting CFO	<u>DUE DATE:</u>

7.7 IN-KIND AND CASH CONTRIBUTION TO THE 17TH BOLAND SUMMER FESTIVAL 2016: 1-3 APRIL 2016

AANSOEK OM FINANSIES EN DIENSTE ONDERSTEUNING: BOLAND SOMERFEES: 1-3 APRIL 2016

ISIBONELELO SENXASO MALI KWI 17TH BOLAND FESTIVAL 2016 EYAKUTHI IBANJELWE PHAKATHI KWE 1-3 APRIL 2016

UNANIMOUSLY RESOLVED

1. that the report on support for the Boland Summer Festival 2016, **be noted**;
2. that in-kind support to the maximum of R76,750 in terms of municipal services and a cash contribution of R100,000 for the festival be approved; and
3. that the draft MOU be approved.

Meeting: Council - 31/03/2016 Ref No: 11/2/R Coll No: 1085333		Submitted by Directorate: Planning and Economic Development Author/s: Referred from: EM&MC 16/03/2016	
<u>PAR:</u>	<u>ACTION:</u> Implement decision	<u>RESPONSIBLE DEPT:</u> EM: Community Services	<u>DUE DATE:</u>

MINUTES: COUNCIL/RAAD/IBHUNGA
31 MARCH 2016

7.8	APPLICATION FOR A SERVITUDE RIGHT OF WAY OVER ERF 31005 PAARL IN FAVOUR OF LAKUTSHONA HOUSING CO. (PTY) LTD
	AANSOEK VIR 'N SERWITUUT REG VAN WEG OOR ERF 31005 PAARL TEN GUNSTE VAN LAKUTSHONA HOUSING CO. (EDMS) BPK
	ISINDULULO SOKUNIKA IMVUME YOKUSEBENZA NGAPHAYA KO ERF 31005 EPAARL KULUNGISELELWA I LAKUTSHONA HOUSING CO. (PTY) LTD

UNANIMOUSLY RESOLVED

that the application for an access servitude over Erf 1866 Paarl not be granted since it will have a negative impact on the use of the site which is being leased to the Paarl Recreational Club.

Meeting: Council - 31/03/2016 Ref No: 15/4/1 (1866) P Coll No: 978690		Submitted by Directorate: Corporate Services Author/s: NC Marais Referred from: EM&MC 16/03/2016	
<u>PAR:</u>	<u>ACTION:</u> Inform applicant	<u>RESPONSIBLE DEPT:</u> Manager: Properties	<u>DUE DATE:</u>

7.9	RENEWAL OF LEASE AGREEMENT MTN, PORTION OF ERF 589 MBEKWENI
	HERNUWING VAN HUURKONTRAK MTN, GEDEELTE VAN ERF 589 MBEKWENI
	UKUHLAZIWA KWESIVUMELWANO SOKUQHESHISA MTN, ICEBA LIKA 589 E MBEKWENI

UNANIMOUSLY RESOLVED

1. that in terms of Regulation 34 of the Asset Transfer Regulations, **final approval** be granted for the renewal of the lease to MTN of a portion of Erf 589, Mbekweni, ±134m² in extent, for the purpose of a cellular communication base station, subject to the following conditions:-
 - 1.1 that the lease will be for a period of 3 (three) years after which renewal thereof will be considered;
 - 1.2 that the property be leased at the rental of R 3,064.54 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 with regard to noise pollution; and

MINUTES: COUNCIL/RAAD/IBHUNGA
31 MARCH 2016

2. that tenders not be called for the lease of the said space due to the following reason:

- 2.1 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 – 31/03/2016 Ref No: 15/4/1/(589)M Coll Nr: 988223	Submitted by Directorate: Corporate Services Author/s: A N Marais Referred from: EM&MC 16/03/2016		
<u>PAR:</u>	<u>ACTION:</u>	<u>RESPONSIBLE DEPT:</u>	<u>DUE DATE:</u>

7.10 PROPOSED UTILIZATION OF FACILITIES AGREEMENT IN RESPECT OF THE USAGE OF ERF 3820 PAARL AND PORTION OF ERF 1667 WELLINGTON BY THE DRAKENSTEIN LOCAL TOURISM ASSOCIATION

VOORGESTELDE GEBRUIK VAN FASILITEITE OORENKOMS TEN OPSIGTE VAN DIE GEBRUIK VAN ERF 3820 PAARL EN 'N GEDEELTE VAN ERF 1667 WELLINGTON DEUR DIE DRAKENSTEIN PLAASLIKE TOERISME ASSOSIASIE

ISINDULULO SESIVUMELWANO SOKUSEBENZISA INDAWO YOKUSEBENZISA KU ERF 3820 E PAARL KUNYE NECEBA LIKA ERF 1667 E WEILLINGTON YI DRAKENSTEIN LOCAL TOURISM ASSOCIATION

UNANIMOUSLY RESOLVED

1. that in terms of Regulation 34 of the Municipal Asset Transfer Regulations **final approval** be granted for the granting of utilization rights to the Drakenstein Local Tourism Association in respect of the utilization of the office facility situated on Erf 3820 Paarl for tourism related activities, subject thereto that:

- 1.1 The Utilization Agreement be drafted with the following guidelines/conditions:

1.1.1 The period of utilization for Erf 3820 Paarl, is from date of signing of the Utilization Agreement by both parties until 31 October 2018 or vacation of the premises by DLTA, whichever occurs first, and also providing for a three months' notice of cancellation by both parties;

1.1.2 No utilization fees are payable. The facility is made available free of charge as the service offered is a service to the benefit of the bigger community, as allowed in terms of the Asset Transfer Policy;

1.1.3 That the DLTA be responsible for the payment of all municipal services consumed. Application must be made to the municipality for the necessary services and the required connection fees and deposits are payable;

1.1.4 Usage will be limited to tourism related activities, no subletting is allowed;

MINUTES: COUNCIL/RAAD/IBHUNGA
31 MARCH 2016

- 1.1.5 Drakenstein Municipality to insure the property;
- 1.1.6 Drakenstein Municipality to secure and protect the premises;
- 1.1.7 DLTA to insure the content of the facilities;
- 1.1.8 Drakenstein Municipality be responsible for the interior and exterior maintenance;
- 1.2 All legal and administrative requirements be adhered to;
- 1.3 The subject properties not be put out on tender as the DLTA renders a service to the community in respect of tourism related activities, as per an approved service level agreement; and
- 2. that in terms of Regulation 34 of the Municipal Asset Transfer Regulations **final approval** be granted for the granting of utilization rights to the Drakenstein Local Tourism Association in respect of the utilization of the office facility situated on a portion of Erf 1667 Wellington for tourism related activities, subject thereto that:
 - 2.1 The Utilization Agreement be drafted with the following guidelines/conditions:
 - 2.1.1 The period of utilization is from date of signing of the Utilization Agreement by both parties until 31 October 2018 or vacation of the premises by DLTA, whichever occurs first, providing for a three months' notice of cancellation by both parties;
 - 2.1.2 No utilization fees are payable. The facility is made available free of charge as the service offered is a service to the benefit of the bigger community, as allowed in terms of the Asset Transfer Policy;
 - 2.1.3 DLTA be responsible for the payment of all municipal services consumed. Application must be made to the municipality for the necessary services and the required connection fees and deposits are payable;
 - 2.1.4 Usage will be limited to tourism related activities, no subletting is allowed;
 - 2.1.5 Drakenstein Municipality to insure the property;
 - 2.1.6 Drakenstein Municipality to secure and protect the premises;
 - 2.1.7 DLTA to insure the content of the facilities;
 - 2.1.8 Drakenstein Municipality be responsible for the interior and exterior maintenance;
 - 2.2 All legal and administrative requirements be adhered to; and

MINUTES: COUNCIL/RAAD/IBHUNGA
31 MARCH 2016

- 2.3 The subject properties not be put out on tender as the DLTA renders a service to the community in respect of tourism related activities, as per an approved service level agreement.

Meeting: Council -31/03/2016 Ref No: 15/4/1 (3820) P x 15/4/1 (1667)W Coll No: 988232		Submitted by Directorate: Corporate Services Author/s: N Marais Referred from: EM&MC 16/03/2016	
<u>PAR:</u>	<u>ACTION:</u> Inform applicant	<u>RESPONSIBLE DEPT:</u> Manager: Properties	<u>DUE DATE:</u>

7.11 LEASE OF ERF 3281 PAARL TO DRAKENSTEIN HEEMKRING
VERHUUR VAN ERF 3281 PAARL AAN DRAKENSTEIN HEEMKRING
UQASHISO LUKA ERF 3281 PAARL KWI DRAKENSTEIN HEEMKRING

UNANIMOUSLY RESOLVED

1. that in terms of Regulation 34 of the Municipal Asset Transfer Regulations, **final approval** be granted for the lease of the building situated on Erf 3821 Paarl to the Dakenstein Heemkring, subject to the standard lease conditions as well as the following further conditions:-
 - 1.1 the property will be leased at a subsidized rental of R375.00 per month (5% of market related value (VAT excluded));
 - 1.2 the lease will endure for a period of 6 months, after which renewal might be reviewed by Council;
 - 1.3 that the applicant be responsible for the payment of all municipal services and the required connection fees and deposits are payable;
 - 1.4 that all administrative and legal requirements be adhered to; and
2. that the competitive bidding process as contemplated in the Asset Management Policy not be followed as the Drakenstein Heemkring renders an essential heritage preservation function. The organisation has enjoyed a property right since 1983 and has fulfilled and complied with all responsibilities and obligations in terms of the agreement with the Municipality.

Meeting: Council -31/03/2016 Ref No: 15/4/1 (3821) P Coll No: 988245		Submitted by Directorate: Corporate Services Author/s: N Marais Referred from: EM&MC 16/03/2016	
<u>PAR:</u>	<u>ACTION:</u> Inform applicant	<u>RESPONSIBLE DEPT:</u> Manager: Properties	<u>DUE DATE:</u>

MINUTES: COUNCIL/RAAD/IBHUNGA
31 MARCH 2016

7.12 PROPOSED LEASE OF THE OLD MILL THEATRE SITUATED ON A PORTION OF ERF 7156 PAARL
VOORGESTELDE VERHURING VAN DIE OU MEULTEATER GELEË OP 'N GEDEELTE VAN ERF 7156 PAARL
ISINDULULO SOKUQHESHISA I OLD MILL THEATRE EKWICEBA LIKA ERF 7156 E PAARL

UNANIMOUSLY RESOLVED

1. that in terms of Regulation 34 of the Municipal Asset Transfer Regulations, **final approval** be granted for the lease of the Old Mill Theatre situated on a portion of Erf 7156 Paarl to Nantus Vue B&B, subject to the normal lease conditions as well as the following further conditions:
 - 1.1 that the property be leased at a subsidised rental of R443.88 per month (VAT excluded and 8% escalation per annum included);
 - 1.2 that the lease endures for a period of two years, subject to the suspensive condition that an application for the registration of a NGO be launched by the applicant within 6 months from date of the Council resolution, failing which the lease will terminate automatically;
 - 1.3 that the subject property only be used for theatre and related purposes in its current format. Should the lessee intend to upgrade the facility and to render extended services, a formal application together with a rezoning application must be submitted to the Municipality during the lease period, for consideration;
 - 1.4 that all administrative and legal requirements be adhered to;
 - 1.5 that the lessee be responsible for payment of all municipal services; and

2. that a competitive bidding process for the renewal of the lease not be followed at this stage as the applicant has been involved in the current running of the Paarl Mill Theatre and is therefore in a position to continue with the operations in its current format. The seamless continuation of the theatre is regarded as important.

Meeting: Council - 31/03/2016 Ref No: 15/4/1 (7156) P Coll No: 988248		Submitted by Directorate: Corporate Services Author/s: N C Marais Referred from: EM&MC 16/03/2016	
<u>PAR:</u>	<u>ACTION:</u> Inform applicant	<u>RESPONSIBLE DEPT:</u> Manager: Properties	<u>DUE DATE:</u>

MINUTES: COUNCIL/RAAD/IBHUNGA
31 MARCH 2016

7.13 PROPOSED LEASE OF A PORTION OF ERF 12649 PAARL TO OSDAM TRADING (PTY) LTD FOR THE PURPOSE OF EXPANDING THE ABATTOIR ON THE ADJACENT PROPERTY
VOORGESTELDE VERHURING VAN GEDEELTE VAN ERF 12649 PAARL AAN OSDAM TRADING (EDMS) BPK VIR DIE UITBREIDING VAN DIE ABATTOIR OP DIE AANGRENSENDE EIENDOM
ISINDULULO SOKUQESHA ICEBA LIKA ERF 12649 E PAARL KWI OSDAN TRADING (PTY) LTD KUSENZELWA UKWANDISWA KWESILARA SOKUXELELA

UNANIMOUSLY RESOLVED

1. that in terms of Regulation 34 of the Municipal Asset Transfer Regulations, approval **in principle** be granted for the lease of a portion of Erf 12649 Paarl, measuring approximately 3000m² in extent to Osdam Trading (Pty) Ltd, for a period of two (2) years, at a market related rental, subject to the normal conditions of lease, as well as the following conditions:
 - 1.1 the leased premises only be used for parking purposes;
 - 1.2 any required land use rights must be obtained by and at the cost of the applicant;
 - 1.3 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 any time if so required;
 - 1.4 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;
 - 1.5 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;
 - 1.6 should any fencing be erected, provision must be made for access gates on both sides (north and south) of the leased premises. 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;
 - 1.7 the applicant will be responsible for the payment of municipal services, if applicable;

MINUTES: COUNCIL/RAAD/IBHUNGA
31 MARCH 2016

- 1.8 all technical conditions as will be required by the technical departments, be complied with;
 - 1.9 that a valuation be obtained from an independent valuer;
 - 1.10 that the proposed transaction be advertised for objections and counter offers;
 - 1.11 that all costs related to the transaction be for the applicants account;
 - 1.12 that all administrative and legal requirements be adhered to;
 - 1.13 that the property be leased for a period of two years with a cancellation clause of three months written notice should Council require the property for municipal purposes;
 - 1.14 no compensation will be payable to the tenant for any improvements made to the property, on expiration or termination of the lease;
2. that Eskom be informed of the proposed lease of the subject property; and
 3. that the lease 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 -31/03/2016 Ref No: 15/4/1(12649)P Coll No: 1085299		Submitted by Directorate: Corporate Services Author/s: Nico Marais Referred from: EM&MC 16/03/2016	
<u>PAR:</u>	<u>ACTION:</u> Inform applicant	<u>RESPONSIBLE DEPT:</u> Manager: Properties	<u>DUE DATE:</u>

7.14 ACQUISITION OF WOODCHIPS
VERKRYGING VAN HOUTSPLINTERS
UKUFUMANA KOMXOZELO WENKUNI

It was requested by the ANC that local labour be utilized.

UNANIMOUSLY RESOLVED

1. that the appointment of Biomass Energy Sustainable Technologies (Pty) Ltd be approved for the removal of invasive alien trees next to the Berg River, from the landfill site in Wellington;
2. that it **be noted** that the appointment of Biomass Energy Sustainable Technologies (Pty) Ltd will have no direct or indirect financial implications for Council and that Biomass Energy Sustainable Technologies (Pty) Ltd will bear all cost to remove alien invasive trees next to the river;
3. that operations be limited to the approved demarcated areas indicated on the maps as attached to the departmental report;

MINUTES: COUNCIL/RAAD/IBHUNGA
31 MARCH 2016

4. that Drakenstein Municipality be indemnified against any losses or damages caused during the period of operation on municipal property;
5. that Biomass Energy Sustainable Technologies (Pty) Ltd be responsible for the maintenance of all gravel roads used on the landfill site during the period of operation;
6. that the operations of Biomass Energy Sustainable Technologies (Pty) Ltd come to an end on 30 June 2016;
7. that the option be available to Biomass Energy Sustainable Technologies (Pty) Ltd to renew the arrangement if such a need arises for Council and based on compliance with the above-mentioned conditions; and
8. that Biomass Energy Sustainable Technologies (Pty) Ltd be required to donate some of the woodchips to the municipality as to be determined between the two parties.

Meeting: Council -31/03/2016 Ref No: 5/8/10 x 17/6/1 Coll No: 984962		Submitted by Directorate: Community Services Author/s: E Saayman Referred from: EM&MC 16/03/2016	
<u>PAR:</u>	<u>ACTION:</u> Inform bidder	<u>RESPONSIBLE DEPT:</u> EM: Community Services	<u>DUE DATE:</u>

7.15 CAPE EPIC CYCLE TOUR: REVISED PARTNERSHIP AGREEMENT 2016-2018
CAPE EPIC FIETSTOER: GEWYSIGDE VENNOOTSKAP OORENKOMS 2016-2018
UKUQWALASELWA KWAKHONA ISIVUMELWANO SOLWAHLULELWANO 2016-2018

UNANIMOUSLY RESOLVED

that the revised partnership agreement be approved.

Meeting: Council -31/03/2016 Ref No: 2/2/9 Coll No: 1085829		Submitted by Directorate: Community Services Author/s: GBE Boshoff Referred from: EM&MC 16/03/2016	
<u>PAR:</u>	<u>ACTION:</u> Inform Cape Epic	<u>RESPONSIBLE DEPT:</u> EM: Community Services	<u>DUE DATE:</u>

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

MINUTES: COUNCIL/RAAD/IBHUNGA
31 MARCH 2016

8.1 FINANCE: MFMA SECTION 71(1) – MONTHLY BUDGET MONITORING REPORT AS AT FEBRUARY 2016
WET OP PLAASLIKE REGERING: MUNISIPALE FINANSIËLE BESTUUR: ARTIKEL 71 (1) MAANDELIKSE BEGROTING VERSLAGDOENING VIR FEBRUARIE 2016
UMTHELTHO WOKULAWULA KWEZIMALI: ICANCELO 71 INGXELO YOKONGAMELA UHLAHLA LWABIWO MALI LWENYANGA FEBRUWARI 2016

UNANIMOUSLY RESOLVED

1. that it be noted that the variance between the actual operating revenue (R 1,309,280,206) and the pro rata budgeted operating revenue (R 1,258,586,172) has a positive variance of R 50,694,034 or 4.03%;
2. that it be noted that the variance between the actual operating expenditure (R 981,074,521) and the pro rata budgeted operating expenditure (R 1,203,563,301) has a positive variance of R 222,488,780 or 18.49%;
3. that it be noted that the actual and committed capital expenditure of R 355,960,949 and the pro rata budgeted capital expenditure of R 315,941,175 realised over spending of R 40,019,774 or 12.67%;
4. that it be noted that the actual and committed capital expenditure of R 355,960,949 compared with the total capital expenditure budget represent a spending percentage of 65.7% after eight months of the financial year;
5. that it be noted that external borrowings amounted to R 676,379,846 as at 29 February 2016 and that it represents 35.06% of Drakenstein's total budgeted operating revenue of R 1,929,152,579 for the 2015/2016 financial year;
6. that it be noted that unspent conditional and unconditional grants amounted to R 53,245,687 at the end of February 2016 taking into account the opening balance, grant receipts, operating and capital grants utilised during the month;
7. that it be noted that the actual employee related cost expenditure of R 285,047,848 compared with the pro rata budgeted expenditure of R 298,790,171 relates to a positive variance of R 13,742,322 or 4.60%;
8. that it be noted with concern that total outstanding debtors as at 29 February 2016 amounted to R 295,857,808 and that 30 days and older debt constitutes 60.97% of total outstanding debtors;
9. that it be noted with concern that domestic consumers owe the municipality R 197,649,935 or 66.8% of the municipality's total debtor's book;
10. that it be noted that outstanding creditors amounted to R 959,955 as at 29 February 2016;
11. that it be noted that the primary bank account had a positive bank balance at 29 February 2016 which amounted to R 9,933,224; and

MINUTES: COUNCIL/RAAD/IBHUNGA
31 MARCH 2016

12. that it be noted that total investments in cash and shares amounted to R 158,983,120 as at 29 February 2016 at the five local banks and Eskom.

Meeting: Council -31/03/2016 Ref No: 9/1/1/4 Coll No:		Submitted by Directorate: Financial Services Author/s: A Viola Referred from:	
<u>PAR:</u>	<u>ACTION:</u>	<u>RESPONSIBLE DEPT:</u>	<u>DUE DATE:</u>

8.2 BUDGETS: APPROVAL OF TABLED 2016/2021 MEDIUM TERM REVENUE AND EXPENDITURE FRAMEWORK (MTREF) OPERATING AND CAPITAL BUDGET AND REVENUE INCREASE
BEGROTING: GOEDKEURING VAN 2016/2021 MEDIUM TERMYN INKOMSTE EN UITGAWE RAAMWERK (MTUR) BEDRYFS- EN KAPITAAL BEGROTING EN INKOMSTE VERHOGING
UHLAHLO LWABIWO MALI: UKUQINISEKISWA KOHLAHLO LWABIWO MALI OLUSEBENZAYO NOLUKHULU LIKA 2016/2021

The Executive Mayor presented the Tabled 2016/2021 MTREF and delivered the enclosed speech. All political parties were allowed to respond to the input of the Executive Mayor. The ANC indicated that it would vote against the adoption of the tabled MTREF for a number of reasons, inter alia, the perceived lack of facilities in communities. SAPCO and the ACDP supported the tabled MTREF.

After some discussion the recommendations of the Executive Mayor and Mayoral Committee was put to the vote and carried by 37 votes in favour of the adoption of the tabled MTREF and 12 against.

RESOLVED

1. that Council approves the tabled 2016/2021 MTREF's capital budget expenditure of R 592,474,442 for the 2016/2017 financial year as well as for the four outer years' capital expenditure as set out per GFS votes in the table below and in Annexure B of the tabled 2016/2021 MTREF Budget Report:

**MINUTES: COUNCIL/RAAD/IBHUNGA
31 MARCH 2016**

2016/2021 MTREF HIGH LEVEL CAPITAL BUDGET PER GOVERNMENT FINANCIAL STATISTICS (GFS) VOTES						
GFS Description	2016/2017 Capital Budget	2017/2018 Indicative Capital Budget	2018/2019 Indicative Capital Budget	2019/2020 Indicative Capital Budget	2020/2021 Indicative Capital Budget	2021/2022 and Onwards Needs
Community and Social Services: Core Function - Cemeteries, Funeral Parlours and Crematoriums	-	1,550,000	-	-	-	4,450,000
Community and Social Services: Core Function - Community Halls and Facilities	7,535,500	-	-	370,000	-	9,580,500
Community and Social Services: Core Function - Libraries and Archives	600,000	-	-	3,973,226	-	32,975,674
Community and Social Services: Non-core Function - Cultural Matters	-	-	-	-	-	-
Community and Social Services: Non-core Function - Disaster Management	-	-	-	525,000	-	4,464,500
Electricity and Gas: Core Function - Electricity and Gas Distribution	149,616,142	93,392,243	84,013,748	178,535,072	83,702,318	779,731,501
Environmental Protection: Core Function - Biodiversity and Landscape	-	80,000	150,000	-	-	-
Environmental Protection: Non-core Function - Nature Conservation	370,500	250,000	500,000	-	-	75,000
Executive and Council: Core Function - Mayor and Council	4,290,000	4,620,000	4,950,000	5,325,000	5,610,000	455,000
Executive and Council: Core Function - Municipal Manager, Town Secretary and Chief Executive	11,699,907	12,496,758	10,064,490	9,143,774	12,657,500	925,094
Finance and Administration: Core Function - Administrative and Corporate Support	2,505,982	2,582,994	2,585,894	6,641,720	4,510,000	22,368,549
Finance and Administration: Core Function - Budget and Treasury Office	-	-	-	80,000	-	1,110,000
Finance and Administration: Core Function - Finance	-	-	-	-	-	-
Finance and Administration: Core Function - Fleet Management	1,495,000	5,107,530	7,920,000	36,621,000	9,442,000	265,482,720
Finance and Administration: Core Function - Human Resources	567,770	601,810	637,417	119,588	-	620,364
Finance and Administration: Core Function - Information Technology	3,800,000	4,020,000	4,025,000	8,025,000	5,025,000	7,090,000
Finance and Administration: Core Function - Legal Services	100,000	50,000	-	70,000	-	1,319,000
Finance and Administration: Core Function - Property Services	4,900,000	2,800,000	3,000,000	5,410,000	-	41,980,000
Finance and Administration: Core Function - Security Services	-	-	-	300,000	2,300,000	3,220,634
Finance and Administration: Core Function - Supply Chain Management	-	-	-	-	-	-
Finance and Administration: Non-core Function - Property Services	-	-	-	-	-	137,000
Housing: Core Function - Housing	1,600,000	1,300,000	1,600,000	16,729,000	-	158,268,000
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	537,500	577,812	621,148	150,000	-	6,324,500
Planning and Development - Core Function: Town Planning, Building Regulations and Enforcement	-	-	-	50,000	-	628,500
Public Safety - Core Function: Fire Fighting and Protection	35,000	40,000	45,000	9,100,000	-	58,667,000
Public Safety - Core Function: Police Forces, Traffic and Street Parking Control	2,605,000	665,500	732,050	5,600,000	-	37,158,357
Road Transport: Core Function - Roads	63,077,542	90,476,207	78,501,226	73,365,000	65,000	642,598,951
Road Transport: Non-core Function - Road and Traffic Regulation	2,250,000	2,550,000	2,050,000	6,050,000	50,000	17,750,000
Sport and Recreation: Core Function - Community Parks (including Nurseries)	4,534,300	1,125,000	1,375,000	785,000	203,500	1,390,000
Sport and Recreation: Core Function - Recreational Facilities	1,385,000	100,000	1,000,000	-	-	-
Sport and Recreation: Core Function - Sports Grounds and Stadiums	15,188,691	22,920,931	18,798,588	20,399,142	8,360,000	60,053,539
Sport and Recreation: Non-core Function - Swimming Pools	-	200,000	1,180,000	-	1,500,000	-
Waste Management: Core Function - Solid Waste Removal	5,625,000	1,355,000	5,999,298	1,425,000	7,550,000	6,348,860
Waste Water Management: Core Function - Public Toilets	-	-	-	-	-	-
Waste Water Management: Core Function - Sewerage	206,656,631	250,064,346	117,135,761	75,422,293	9,950,000	254,274,470
Water: Core Function - Water Distribution	101,498,977	87,922,865	86,218,899	140,934,423	188,506,186	1,088,917,970
Capital Expenditure Totals	592,474,442	586,848,996	433,103,519	605,149,238	339,431,504	3,509,528,683

2. that Council approves the following single and / or multi-year capital projects in the five year 2016/2021 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 261,540,397);

2.2 Paarl WWTW rehabilitation and upgrading project (R 148,895,356);

2.3 New Simondium Bulk Sewer (Pearl Valley pump station included) (R 67,385,965);

2.4 Saron Bulk Storage and WTW project (R 53,568,461);

2.5 Strawberry King Bulk Water Supply project (R 105,592,052);

2.6 Upgrading of Berg River Boulevard North (R 85,964,912);

2.7 N1 (40 MVA) Electricity Substation project (R 71,233,775); and

2.8 Paarl Mall 66/11 HV Electricity Substation project (R 65,000,000);

MINUTES: COUNCIL/RAAD/IBHUNGA
31 MARCH 2016

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 B attached to the tabled 2016/2021 MTREF Budget Report;
4. that Council approves the tabled 2016/2021 MTREF's capital budget expenditure funding sources of R 592,474,442 for the 2016/2017 financial year as well as the four outer years' capital expenditure funding sources as set out in the table below;
5. that Council takes note that R 3,509,528,683 of the capital programme and identified IDP needs could not be accommodated in the 2016/2021 MTREF Capital Budget of the next five years as set out in the table below:

2016/2021 MTREF HIGH LEVEL CAPITAL BUDGET PER DIRECTORATE VOTES						
Directorate Description	2016/2017 Capital Budget	2017/2018 Indicative Capital Budget	2018/2019 Indicative Capital Budget	2019/2020 Indicative Capital Budget	2020/2021 Indicative Capital Budget	2021/2022 and Onwards Needs
01: Office of the Municipal Manager	11,699,907	12,496,758	10,064,490	9,007,774	12,657,500	1,241,600
02: Financial Services	-	-	-	-	-	1,110,000
03: Corporate Services	13,657,770	12,091,810	12,612,417	11,920,000	10,635,000	54,325,124
04: Planning and Economic Development	537,500	577,812	621,148	-	-	6,953,000
05: Community Services	41,934,973	32,119,425	33,965,830	32,745,149	24,423,500	390,639,582
06: Infrastructure Services	524,644,292	529,563,191	375,839,634	284,759,344	291,715,504	3,055,259,377
Grand Total	592,474,442	586,848,996	433,103,519	338,432,267	339,431,504	3,509,528,683

6. that Council approves the tabled 2016/2021 MTREF's operating budget revenue of R 2,011,987,110 for the 2016/2017 financial year as well as for the four outer years' operating revenue as set out per GFS votes in the table below:

MINUTES: COUNCIL/RAAD/IBHUNGA
31 MARCH 2016

TABLED 2016/2021 MEDIUM TERM OPERATING REVENUE PER GFS VOTE					
GFS Vote Description	2016/2017 Operating Budget	2017/2018 Indicative Operating Budget	2018/2019 Indicative Operating Budget	2019/2020 Indicative Operating Budget	2020/2021 Indicative Operating Budget
Budget and Treasury Office : Finance and Administration	(241,282,042)	(256,584,096)	(272,698,045)	(285,805,377)	(299,713,780)
Community and Social Services: Core Function - Cemeteries, Funeral Parlours and Crematoriums	(2,075,888)	(2,283,458)	(2,511,785)	(2,762,944)	(3,039,218)
Community and Social Services: Core Function - Community Halls and Facilities	(493,351)	(530,352)	(570,129)	(612,888)	(658,856)
Community and Social Services: Core Function - Libraries and Archives	(15,416,369)	(15,718,694)	(16,676,350)	(16,716,674)	(16,761,029)
Electricity and Gas: Core Function - Electricity and Gas Distribution	(1,069,720,080)	(1,148,028,945)	(1,238,298,967)	(1,348,118,209)	(1,444,262,148)
Environmental Protection: Core Function - Biodiversity and Landscape	(1,819)	(2,001)	(2,201)	(2,422)	(2,664)
Environmental Protection: Non-core Function - Nature Conservation	(534,094)	(587,503)	(646,253)	(710,880)	(781,967)
Executive and Council: Core Function - Mayor and Council	(16,519,578)	(18,160,236)	(19,964,959)	(21,950,156)	(24,133,871)
Executive and Council: Core Function - Municipal Manager, Town Secretary and Chief Executive	-	-	-	-	-
Finance and Administration: Core Function - Administrative and Corporate Support	(102,482,586)	(111,790,173)	(118,551,402)	(126,190,632)	(133,850,635)
Finance and Administration: Core Function - Budget and Treasury Office	(1,300,000)	(1,365,000)	(1,433,000)	(1,433,000)	(1,433,000)
Finance and Administration: Core Function - Fleet Management	(1,089)	(1,198)	(1,318)	(1,449)	(1,594)
Finance and Administration: Core Function - Human Resources	(1,582,500)	(1,666,373)	(1,754,690)	(1,847,689)	(1,847,689)
Finance and Administration: Core Function - Legal Services	-	-	-	-	-
Finance and Administration: Core Function - Property Services	(1,676,255)	(1,786,945)	(1,906,463)	(2,033,416)	(2,170,184)
Finance and Administration: Core Function - Security Services	(958)	(1,054)	(1,159)	(1,275)	(1,403)
Housing: Core Function - Housing	(73,436,056)	(166,245,897)	(125,578,866)	(127,773,354)	(130,137,644)
Planning and Development - Core Function: Corporate Wide Strategic Planning (IDPs, LEDs)	-	-	-	-	-
Planning and Development - Core Function: Economic Development/Planning	(6,826,699)	(7,509,369)	(8,260,306)	(9,086,337)	(9,994,970)
Planning and Development - Core Function: Town Planning, Building Regulations and Enforcement	(440,181)	(481,392)	(526,514)	(575,923)	(630,027)
Public Safety - Core Function: Fire Fighting and Protection	(318,849)	(350,735)	(385,808)	(424,388)	(466,827)
Public Safety - Core Function: Police Forces, Traffic and Street Parking Control	(68,115,256)	(69,605,566)	(71,244,907)	(73,048,181)	(75,031,786)
Road Transport: Core Function - Roads	(19,129,093)	(48,538,002)	(32,591,803)	(650,982)	(716,082)
Road Transport: Non-core Function - Road and Traffic Regulation	-	-	-	-	-
Sport and Recreation: Core Function - Community Parks (including Nurseries)	(59,872)	(65,861)	(72,445)	(79,688)	(87,659)
Sport and Recreation: Core Function - Recreational Facilities	(1,688,103)	(1,855,900)	(2,040,400)	(2,243,269)	(2,466,337)
Sport and Recreation: Core Function - Sports Grounds and Stadiums	(276,863)	(297,628)	(319,949)	(343,946)	(369,742)
Sport and Recreation: Non-core Function - Swimming Pools	(985,060)	(1,083,556)	(1,191,901)	(1,311,079)	(1,442,174)
Waste Management: Core Function - Solid Waste Disposal (Landfill Sites)	(613,125)	(673,691)	(730,146)	(791,592)	(858,490)
Waste Management: Core Function - Solid Waste Removal	(41,003,044)	(44,986,726)	(47,779,616)	(50,749,450)	(53,625,720)
Waste Management: Core Function - Street Cleansing	(179,566)	(197,486)	(216,713)	(237,831)	(261,029)
Waste Water Management: Core Function - Sewerage	(141,512,394)	(156,986,226)	(176,998,588)	(195,181,680)	(214,330,991)
Water: Core Function - Water Distribution	(204,316,340)	(220,719,096)	(236,264,223)	(255,018,617)	(270,228,349)
Grand Total	(2,011,987,110)	(2,278,103,159)	(2,379,218,906)	(2,525,703,328)	(2,689,305,865)

7. that Council approves the tabled 2016/2021 MTREF's operating budget expenditure of R 2,047,906,494 for the 2016/2017 financial year as well as for the four outer years' operating revenue as set out per GFS votes in the table below:

MINUTES: COUNCIL/RAAD/IBHUNGA
31 MARCH 2016

TABLED 2016/2021 MEDIUM TERM OPERATING EXPENDITURE PER GFS VOTE					
GFS Vote Description	2016/2017 Operating Budget	2017/2018 Indicative Operating Budget	2018/2019 Indicative Operating Budget	2019/2020 Indicative Operating Budget	2020/2021 Indicative Operating Budget
Budget and Treasury Office : Finance and Administration	65,445,441	69,702,064	75,674,300	84,524,582	90,390,252
Community and Social Services: Core Function - Aged Care, Home Assistance and Transport	390,876	422,611	456,928	494,035	534,162
Community and Social Services: Core Function - Cemeteries, Funeral Parlours and Crematoriums	4,384,670	4,675,580	4,989,183	5,358,917	5,740,231
Community and Social Services: Core Function - Community Halls and Facilities	9,534,898	10,131,098	10,760,622	11,576,387	12,270,417
Community and Social Services: Core Function - Libraries and Archives	17,129,931	18,431,007	19,835,455	21,405,152	23,060,173
Community and Social Services: Non-core Function - Cultural Matters	47,518	51,343	55,476	59,942	64,767
Community and Social Services: Non-core Function - Disaster Management	2,998,019	3,239,027	3,499,553	3,781,187	4,085,650
Electricity and Gas: Core Function - Electricity and Gas Distribution	880,994,562	956,955,069	1,039,840,276	1,118,556,286	1,202,545,516
Environmental Protection: Core Function - Biodiversity and Landscape	1,411,090	1,515,082	1,624,962	1,759,424	1,888,917
Environmental Protection: Non-core Function - Nature Conservation	6,121,455	6,571,239	7,054,279	7,711,932	8,272,451
Executive and Council: Core Function - Mayor and Council	44,022,395	46,355,646	48,810,536	53,228,711	56,212,093
Executive and Council: Core Function - Municipal Manager, Town Secretary and Chief Executive Officer	(3,031,743)	4,305,544	14,113,012	21,187,224	27,613,983
Finance and Administration: Core Function - Administrative and Corporate Support	68,124,155	72,655,828	78,122,645	82,009,387	88,205,552
Finance and Administration: Core Function - Budget and Treasury Office	9,158,229	9,863,282	10,623,715	11,455,956	12,354,372
Finance and Administration: Core Function - Finance	-	-	-	-	-
Finance and Administration: Core Function - Fleet Management	16,668,800	21,455,523	25,531,488	27,945,867	29,427,775
Finance and Administration: Core Function - Human Resources	11,244,130	11,814,028	12,411,130	14,065,925	14,737,304
Finance and Administration: Core Function - Information Technology	9,112,441	9,538,183	9,993,566	10,888,842	11,536,136
Finance and Administration: Core Function - Legal Services	(3,666,671)	(3,975,200)	(4,324,114)	(4,087,775)	(4,466,117)
Finance and Administration: Core Function - Marketing, Customer Relations, Publicity and Media	3,128,330	3,384,335	3,661,391	3,961,241	4,285,768
Finance and Administration: Core Function - Property Services	24,503,203	25,936,103	27,472,226	29,261,396	31,107,506
Finance and Administration: Core Function - Security Services	9,171,745	9,878,396	10,640,738	11,463,213	12,352,549
Finance and Administration: Core Function - Supply Chain Management	-	-	-	-	-
Finance and Administration: Non-core Function - Property Services	6,186,327	6,671,760	7,195,767	7,761,430	8,372,575
Finance and Administration: Non-core Function - Risk Management	1,575,631	1,684,042	1,800,156	1,924,539	2,057,800
Housing: Core Function - Housing	121,354,175	217,600,310	180,370,271	185,951,645	191,683,058
Internal Audit: Core Function - Governance Function	3,213,829	3,423,007	3,646,346	4,254,542	4,549,942
Other: Core Function - Tourism	389,845	421,833	456,457	493,937	534,510
Planning and Development - Core Function: Corporate Wide Strategic Planning (IDPs, LEDs)	925,206	948,387	970,833	1,372,142	1,435,607
Planning and Development - Core Function: Economic Development/Planning	14,071,838	15,180,790	15,733,295	16,318,755	17,488,036
Planning and Development - Core Function: Project Management Unit	977,538	1,054,097	1,136,696	1,225,814	1,321,968
Planning and Development - Core Function: Town Planning, Building Regulations and Enforcement	23,074,153	23,585,790	22,748,179	24,065,219	25,904,975
Public Safety - Core Function: Fire Fighting and Protection	37,213,181	40,008,884	43,001,222	46,271,931	49,787,511
Public Safety - Core Function: Licensing and Control of Animals	251,707	266,306	281,752	298,093	315,384
Public Safety - Core Function: Police Forces, Traffic and Street Parking Control	69,053,990	70,818,829	72,701,914	74,706,616	76,845,064
Road Transport: Core Function - Roads	122,650,784	135,304,270	147,551,847	156,945,393	166,279,088
Road Transport: Non-core Function - Road and Traffic Regulation	3,371,815	3,581,575	3,805,506	4,044,580	4,304,845
Sport and Recreation: Core Function - Community Parks (including Nurseries)	37,561,992	40,412,210	43,463,351	47,686,485	51,160,490
Sport and Recreation: Core Function - Recreational Facilities	7,304,522	7,822,858	8,379,430	9,072,425	9,728,655
Sport and Recreation: Core Function - Sports Grounds and Stadiums	23,025,291	24,658,760	26,143,920	30,094,217	32,057,653
Sport and Recreation: Non-core Function - Swimming Pools	5,699,609	6,148,513	6,625,388	7,479,825	8,014,703
Waste Management: Core Function - Solid Waste Disposal (Landfill Sites)	17,441,732	18,591,293	19,768,881	20,928,772	22,186,504
Waste Management: Core Function - Solid Waste Removal	65,489,653	71,871,613	77,232,797	82,352,925	87,517,532
Waste Management: Core Function - Street Cleansing	32,661,831	33,296,400	32,216,577	31,583,962	33,382,251
Waste Water Management: Core Function - Public Toilets	5,570,180	6,014,064	6,482,598	7,345,911	7,903,457
Waste Water Management: Core Function - Sewerage	131,918,685	148,540,533	165,722,232	174,915,150	188,187,469
Water: Core Function - Treatment	2,184,500	1,495,127	1,608,944	1,731,597	1,863,784
Water: Core Function - Water Distribution	137,845,006	150,524,095	163,638,902	173,955,809	187,057,786
Grand Total	2,047,906,494	2,312,831,134	2,453,530,628	2,629,391,545	2,812,160,104

8. that Council takes note that the tabled 2016/2017 MTREF realises a budgeted operating deficit of R 86,472,088 for the 2016/2017 financial year as set out in the table below;
9. that Council takes note that after capital grants are counted back the tabled 2016/2017 operating budget realises a budgeted deficit of R 35,919,384 as set out in the table above;
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), employee benefits (long service awards provision) and landfill site rehabilitation provision] as well as redemption on external borrowings are taken into account the tabled 2016/2017 operating budget realises a budgeted cash surplus of R 6,676,301 as set out in the table below:

MINUTES: COUNCIL/RAAD/IBHUNGA
31 MARCH 2016

TABLED 2016/2021 MEDIUM TERM REVENUE AND EXPENDITURE FRAMEWORK (MTREF)					
Description	2016/2017 Operating Budget	2017/2018 Indicative Operating Budget	2018/2019 Indicative Operating Budget	2019/2020 Indicative Operating Budget	2020/2021 Indicative Operating Budget
Total Operating Revenue	(1,961,434,406)	(2,201,856,669)	(2,315,326,803)	(2,488,122,626)	(2,649,874,361)
Total Operating Expenditure	2,047,906,494	2,312,831,134	2,453,530,628	2,629,391,545	2,812,160,104
Operating (Surplus) / Deficit	86,472,088	110,974,465	138,203,825	141,268,919	162,285,743
Less: Capital Expenditure Grants	(50,552,704)	(76,246,490)	(63,892,103)	(37,580,702)	(39,431,504)
Revised Operating (Surplus) / Deficit	35,919,384	34,727,975	74,311,722	103,688,217	122,854,239
Deficit / (Surplus) =	35,919,384	34,727,975	74,311,722	103,688,217	122,854,239
Plus: Transfers Recognised: Capital =	50,552,704	76,246,490	63,892,103	37,580,702	39,431,504
Less: Depreciation =	(188,506,431)	(195,846,976)	(199,673,156)	(206,139,186)	(218,211,259)
Plus: Redemption on External Loans =	132,104,369	155,364,411	168,065,309	182,312,690	204,006,358
Less: Expended Housing Inventory =	-	-	-	-	-
Less: Provision for Interest on External Borrowings =	-	-	-	-	-
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: Actuarial Losses: Employee Benefits (Medical) =	-	-	-	-	-
Less: Contribution to Employee Benefits (Leave) Provision =	(2,370,791)	(2,561,640)	(2,767,852)	(2,990,664)	(3,231,413)
Less: Contribution to Employee Benefits (Ex Gratia Pensioners) Provision =	(328,000)	(322,000)	(316,110)	(310,327)	(304,651)
Less: Contribution to Employee Benefits (Medical) Provision =	(15,367,000)	(16,446,000)	(17,602,588)	(18,842,497)	(20,171,897)
Less: Contribution to Employee Benefits (Long Service Awards) Provision =	(5,520,798)	(5,520,798)	(5,520,798)	(5,520,798)	(5,520,798)
Less: Provision for Landfill Site Rehabilitation =	(9,159,738)	(8,300,376)	(5,629,109)	(3,308,026)	(3,308,026)
Revised Cash Deficit / (Surplus) =	(6,676,301)	33,341,086	70,759,521	82,470,111	111,544,057

11. 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;
12. that Council approves the following tariff increases as set out in the 2016/2017 Tariff List document (Appendix 3) in the revenue streams of property rates, fees, charges and tariffs with effect from 1 July 2016 :
 - 12.1 Property rate revenue stream increase of approximately 5.6%;
 - 12.2 Water revenue stream increase of approximately 9.0%;
 - 12.3 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;
 - 12.4 Refuse removal revenue stream increase of approximately 9.7%;
 - 12.5 Electricity revenue stream increase of approximately 6.6% for life line consumers;
 - 12.6 Electricity revenue stream increase of approximately 7.64% for all other consumers;
 - 4.12.7 Rental revenue stream increase of approximately 7.5%; and
 - 4.12.8 Sundry revenue stream increases of 10% as set out in the Tariff List.
13. 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 2016/2021 MTREF period as set out in the table below and the Draft Tariff Book attached as Appendix 3 to the departmental report:

MINUTES: COUNCIL/RAAD/IBHUNGA
31 MARCH 2016

2016/2021 MTREF TARIFF INCREASES					
DESCRIPTION	2016/2017	2017/2018	2018/2019	2019/2020	2020/2021
Property rates revenue increase	5.60%	5.60%	5.60%	5.60%	5.60%
Refuse removal services revenue increase (PPP)	9.70%	9.70%	6.00%	6.00%	6.00%
Sanitation services revenue increase	15.00%	15.00%	15.00%	11.00%	11.00%
Water services revenue increase	9.00%	8.00%	7.00%	6.00%	6.00%
Electricity life line consumers	6.60%	6.60%	6.60%	6.60%	6.60%
Electricity other consumers	7.64%	7.64%	7.64%	7.64%	7.64%
Housing rental revenue	7.50%	7.50%	7.50%	7.50%	7.50%
Other tariffs on average (Excluding special requests)	10.00%	10.00%	10.00%	10.00%	10.00%

14. that Council approves the annual budget of Drakenstein Municipality for the 2016/2017 financial year as well as the indicative estimates for the four outer financial years (2017/2018 to 2020/2021) as set out in Schedules A1 to A10 and Schedules SA1 to SA37 in Annexure C to the tabled 2016/2021 MTREF Budget Report;
15. that the following new draft policy be approved as attached to the tabled 2016/2021 MTREF Budget Report :-
 - 15.1 Appendix 4: Asset Management Policy
16. that the following reviewed budget related policies with its amendments be approved (effective 1 July 2016) as attached to the tabled 2016/2021 MTREF Budget Report –
 - 16.1 Appendix 5: Long-Term Financial Sustainability Policy;
 - 16.2 Appendix 6: Accounting Policy;
 - 16.3 Appendix 7: Cash and Investment Policy;
 - 16.4 Appendix 8: Financial Asset Management Policy;
 - 16.5 Appendix 9: Insurance Policy;
 - 16.6 Appendix 10: Supply Chain Management Policy;
 - 16.7 Appendix 11: Customer Care, Credit Control, Debt Collection and Indigent Support Policy;
 - 16.8 Appendix 12: Tariff Policy; and
 - 16.9 Appendix 13: Property Rates Policy.
- 17 that all other budget related policies as listed in Table 1 of the tabled 2016/2021 MTREF Budget Report be left unchanged;

MINUTES: COUNCIL/RAAD/IBHUNGA
31 MARCH 2016

18. that Council takes note that Drakenstein's investments and cash as at 29 February 2016 amounted to R 168,916,344 made up of investments with –
 - 18.1 Nedbank primary bank account (R 9,933,224);
 - 18.2 ABSA investments (R 78,927,475);
 - 18.3 Nedbank investments (R 37,881,573);
 - 18.4 Standard Bank investments (R 1,704,331) and
 - 18.5 FNB investment (R 40,330,440).

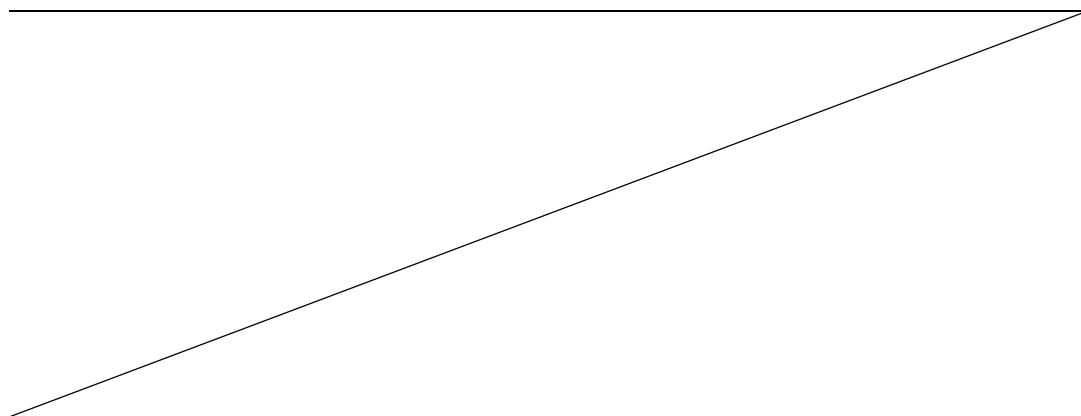
19. that Council takes note of the proposed total cost to municipality expenses for the salary, allowances and benefits of the Executive Mayor, Speaker, Deputy Executive Mayor, Chief Whip, Mayoral Committee members, Chairperson of MPAC, ordinary councillors, Municipal Manager, Chief Financial Officer and Executive Managers as set out in the tabled 2016/2021 MTREF Budget Report;

20. 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;

21. that Council takes note that Drakenstein Municipality do not have any municipal entities;

22. that the Municipal Manager in terms of legislation invite the local community through advertisements in the local press to submit representations in connection with the 2015/2016 tabled operational and capital budget as required by the MFMA and the Municipal Systems Act; and

23. that the IDP and budget road show programme be followed in April 2016 as approved by Council in the IDP review item.



Meeting: Council -31/03/2016 Ref No: 5/2/2 (2016/2017) Coll No:		Submitted by Directorate: Financial Services Author/s: Cindy Lategan Referred from:	
<u>PAR:</u>	<u>ACTION:</u> Publish draft budget	<u>RESPONSIBLE DEPT:</u> Acting CFO	<u>DUE DATE:</u>

MINUTES: COUNCIL/RAAD/IBHUNGA
31 MARCH 2016

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 VOORGELÊ DEUR DIE MUNISIPALE BESTUURDER

UKUQWALASELWA KWENGXELO, UQHAKAMSHELWANO, IZIBENGEZO KUNYE NEZICELO EZIHAMBISANA NEMIBA ENGXAMISEKILEYO NGU MANEJALA KAMASIPALA
--

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)

None.

IN-COMMITTEE/ IN-KOMITEE/ KWI-KOMITI

12. CONSIDERATION OF CONFIDENTIAL MATTERS
--

OORWEGING VAN VERTROULIKE SAKE

UKUQWALASELWA KEMIBA EYIMFIHLO

12.1 CONFIRMATION OF CONFIDENTIAL MINUTES: 24 FEBRUARY 2016
--

BEKRAGTIGING VAN VERTROULIKE NOTULE: 24 FEBRUARIE 2016

UKUQINISEKISWA KWEMIZUZU EYIMFIHLO: 24 FEBRUWARI 2016
--

(See confidential minutes)

(Sien vertroulike notules)

12.2 COUNCILLORS OUTSTANDING DEBT REPORT AS AT 29 FEBRUARY 2016
--

VERSLAG OOR UITSTAANDE SKULD VAN RAADSLEDE: 29 FEBRUARIE 2016
--

INGXELO YAMATYALA YOCEBA NJENGOBUNJALO KWINYANGA: 29 FEBRUWARI 2016
--

(See confidential minutes)

(Sien vertroulike notules)

**MINUTES: COUNCIL/RAAD/IBHUNGA
31 MARCH 2016**

12.3 APPOINTMENT OF SERVICE PROVIDER TO ASSIST WITH THE APPOINTMENT PROCESS OF THE EXECUTIVE MANAGER: PLANNING AND ECONOMIC DEVELOPMENT, APPOINTMENT OF SELECTION PANEL AND APPOINTMENT OF AN ACTING EXECUTIVE MANAGER: PLANNING AND ECONOMIC DEVELOPMENT

**(See confidential minutes)
(Sien vertroulike notules)**

The meeting ended at 12:03.

CHAIRPERSON:

DATE:

Confirmed on with/without amendments.

PJ/rs