



STEVE TSHWETE LOCAL MUNICIPALITY

AGENDA

OF THE

SPECIAL COUNCIL

MEETING

DATE - 28 FEBRUARY 2018

TIME: 15:00



STEVE TSHWETE LOCAL MUNICIPALITY

NOTICE IS HEREBY GIVEN THAT A SPECIAL COUNCIL MEETING WILL BE HELD IN THE COUNCIL CHAMBER, MUNICIPAL BUILDING, MIDDELBURG ON WEDNESDAY, 28 FEBRUARY 2018 AT 15:00


ACTING MUNICIPAL MANAGER

AGENDA

- 1 OPENING
- 2 APPLICATION FOR LEAVE OF ABSENCE
- 3 DISCLOSURE OF INTEREST
- 4 REPORTS OF EXECUTIVE MAYOR
 - 4.1 EXTRACT FROM THE MAYORAL COMMITTEE HELD ON 26 FEBRUARY 2018
- 5 CLOSURE

EXTRACT FROM THE

04TH/2018 ORDINARY MEETING OF THE MAYORAL
COMMITTEE WHICH WAS HELD IN THE COUNCIL
CHAMBER, MUNICIPAL BUILDINGS, MIDDELBURG
MPUMALANGA, ON

2018/02/26

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SC13/02/2018

FINANCES: QUARTERLY REPORT FOR SUPPLY CHAIN MANAGEMENT: FIRST QUARTER (JULY TO SEPTEMBER 2017)

9/2/2 (U)/ns

RECOMMENDATION BY THE EXECUTIVE MAYOR

1. **THAT** the quarterly report on the implementation of the Supply Chain Management Policy for the first quarter ending 30 September 2017, be noted.

SC14/02/2018

FINANCES: QUARTERLY REPORT FOR SUPPLY CHAIN MANAGEMENT: SECOND QUARTER (OCTOBER TO DECEMBER 2017)

9/2/2 (S)/ns

RECOMMENDATION BY THE EXECUTIVE MAYOR

1. **THAT** the quarterly report on the implementation of Supply Chain Management Policy of the municipality for the second quarter ending 31 December 2017, be noted.

SC32/02/2018

APPOINTMENT OF A MUNICIPAL ELECTORAL OFFICER

4/3/R (L)

RECOMMENDATION BY THE EXECUTIVE MAYOR

- 1 **THAT** Mr Bheki Khenisa in his capacity as Acting Municipal Manager be nominated to be appointed as the Municipal Electoral Officer (MEO) in terms of Section 12 of the Municipal Electoral Act 27 of 2000 ("the Act") for the Steve Tshwete Local Municipality.
- 2 **THAT** the Acting Municipal Manager as mentioned in 4.1 above, be permitted to exercise the powers and perform the duties assigned to him under the Act.

SC33/02/2018

COUNCIL ARRANGEMENTS: STRATEGIC LEKGOTLA HELD AT GLENBURN LODGE AND SPA FROM 7-9 FEBRUARY 2018

12/3/4 (B)/ls

RECOMMENDATION BY THE EXECUTIVE MAYOR

- 1 **THAT** the report by the Municipal Manager regarding the 2018/19 Strategic Lekgotla that was held at Glenburn Lodge and Spa from 7-9 February 2018, be noted.
- 2 **THAT** the Lekgotla Recommendations, be adopted by Council for implementation.

SC34/02/2018

FINANCES: DETERMINATION OF UPPER LIMITS, SALARIES ALLOWANCE AND BENEFITS

5/11/1/1 (C)/yb

RECOMMENDATION BY THE EXECUTIVE MAYOR

- 1 **THAT** the following Tools of Trade as per the Determination of Upper Limits of Salaries, Allowance and Benefits from 1 July 2017 be implemented:
 - 1.1 Office space and furniture;
 - 1.2 Business cards;
 - 1.3 Postal cost; and
 - 1.4 Personal security as per current arrangement for the Executive Mayor and Speaker.
- 2 **THAT** the following Tools of Trade as per the Determination of Upper Limits of Salaries, Allowance and Benefits be referred to the 2018/2019 budget process.
 - 2.1 Office space and furniture for part-time Chairpersons of Section 79 Committees.
 - 2.2 The establishment of a VIP unit for the Office of the Executive Mayor and Speaker.
 - 2.3 Laptop or Tablet for all Councillors.
- 3 **THAT** an application for concurrence regarding the Tools of Trade be submitted to the MEC responsible for Local Government in the Province.

SC35/02/2018

**LEGISLATION: LOCAL GOVERNMENT: MUNICIPAL FINANCE MANAGEMENT ACT
:DRAFT MUNICIPAL COST CONTAINMENT REGULATIONS**

3/R (C)/yb

RECOMMENDATION BY THE EXECUTIVE MAYOR

1. **THAT** Council take note of the report on the draft Municipal Cost Containment Regulations.
2. **THAT** National Treasury be informed of Council's support for the draft Municipal Cost Containment Regulations.
3. **THAT** the cost containment measures as approved by Council per Resolution SC49/05/2017 be adjusted accordingly.
4. **THAT** on receipt of the new monetary threshold, a further report be submitted to Council.
5. **THAT** on finalization of these Regulations, same as well as the cost containment measures as approved by Council, be communicated to all the internal Departments.

SC38/02/2018

PERSONNEL: RESIGNATION OF DEPUTY MUNICIPAL MANAGER

3/1/3/2 (L)

RECOMMENDATION BY THE EXECUTIVE MAYOR

1. **THAT** Council to note the resignation of the Deputy Municipal Manager.

SC39/02/2018

**LAND: PROPOSAL FOR PURCHASING OF ALL RESIDENTIAL STANDS IN
AERORAND TOWNSHIP**

7/2/3/2/1 (E)

RECOMMENDATION BY THE EXECUTIVE MAYOR

- 1 **THAT** Council confirm that the remainder of the residential stands in Aerorand South that will be left after the other stands are sold for the expansion of the Middelburg Mall ("the properties") are not needed to provide the minimum level of basic municipal services and will not be required for the municipality's own use at a later stage.

2. **THAT** the proposal for the purchasing of the properties be approved subject to the following conditions:
 - 2.1 **That** the Accounting Officer be authorised to alienate the properties as an unsolicited bid.
 - 2.2 **That** the stands be utilised only for the developing of an integrated residential development.
 - 2.3 **That** the applicant be allowed to sell the stands to the public in two forms of packages which are as follows:
 - 2.3.1 stands to be sold to individuals to build houses according their own design specifications; and
 - 2.3.2 stands to be sold as building packages to be constructed by the applicant/developer.
3. **THAT** the stands zoned "Institutional" and other zonings beside residential stands not be part of the purchase proposal.
4. **THAT** the affordable housing programme be part of the development package.
5. **THAT** note be taken that issues raised in the comments by the Executive Director: Financial Services under the Item 08/12/2014 have been addressed in the report.
6. **THAT** the stands be sold "as is" and the applicant/developer be responsible for the installation of all services according to Council's standards.
7. **THAT** the applicant/developer be responsible for the payment of the main service contributions.
8. **THAT** the amount incurred by the municipality for the plan, design and network analysis be recovered from the applicant/developer.
9. **THAT** the applicant as part of their social responsibility develop an institutional stand with an Early Childhood Centre which will be donated to the municipality with three (3) years from occupation and should be part of the Deed of Sale.
10. **THAT** the development be required to have at least 15% of BEE (preferable female) partner for the acquisition and development of the land.

11. **THAT** the sale of the residential stands be subject to the following suspensive conditions:
 - 11.1 **That** the municipality be allowed 18 (eighteen) months to finalise the environmental impact assessment ("EIA") application, review and conduct all the specialist studies required by the Department of Rural Development, Agriculture, Land and Environmental Affairs in order to be able to obtain the "Record of Decision "for the EIA application which will make it possible to proclaim the Aerorand South Township.
 - 11.2 **That** the studies mentioned in 11.1 above be conducted by the municipality and that all studies required but not limited to the studies mentioned in 11.1 above be undertaken by the municipality in order to be able to proclaim the said township.
12. **THAT** all the required studies be conducted at the cost of the municipality and the the necessary budget provision be made.
13. **THAT** the further report regarding the valuation of the properties to determine the purchase price thereof be made by the municipal valuer once all the required studies have been positively finalised.
14. **THAT** the applicant be required to provide documentary proof of their needs before Aerorand South Township is proclaimed.
15. **THAT** the provision of proof of payment for the properties and submission of the site development plans by the applicant be dealt together with the further report required per paragraph 13 above.
16. **THAT** the duration in terms of which the applicant will be required to develop the stands be dealt with together with the further report required per paragraph 13 above.
17. **THAT** a further report be submitted regarding the conclusion of the Service Level Agreement addressing inter alia the following matters:
 - 17.1 Payment of the main service contribution fees.
 - 17.2 Confirmation of the municipal valuation of the total market value of all the properties involved.
 - 17.3 The envisaged profit or loss to Council.

18. **THAT** a clause be included in the agreement that the rights obtained may not be transferred to any party until such time that all services have been installed or prior written approval from Council has been obtained.
19. **THAT** Council Resolution C19/01/2018, be rescinded.

SC40/02/2018

CONTRACTS: WATER SUPPLY AGREEMENT HENDRINA KWAZAMOKUHLE

16/1/1/1 (L)/nm

RECOMMENDATION BY THE EXECUTIVE MAYOR

1. **THAT** the situation at Optimum Mine affecting the mine water reclamation plant operation supplying potable water to communities of Hendrina/Kwaza within the Municipality, be noted.
2. **THAT** the contingent planning and measures undertaken by the municipality to provide water to the communities of Hendrina/Kwazamokuhle by means of tankering be noted (projected estimated amount of R200,000.00 per day).
3. **THAT** the raw water supply system from Eskom pipe line at the previous withdrawal point from the Woestalleen pump station be reinstated as a matter of urgency as an alternative reliable raw water supply system to Hendrina water treatment works. The estimated amount is R17,000,000.00.
4. **THAT** other reliable water supply options such as underground water exploration be investigated to augment the envisaged supply system.
5. **THAT** Council in the meantime approve that the agreement be entered into between all the parties in order for the municipality to pay PROXA directly to operate the water reclamation plant for the supply of water to the residents of Hendrina and Kwazamokuhle.
6. **THAT** the municipality pay PROXA the actual mega litres of potable water that has been supplied to the municipality.

SC41/02/2018

PERSONNEL: RETAINMENT OF EMPLOYMENT AGREEMENT OF THE EXECUTIVE DIRECTOR: COMMUNITY SERVICES FOR A MAXIMUM PERIOD OF FOUR (4) MONTHS WITH EFFECT FROM 01 MARCH 2018

4/1/3/4 (C)/yb

RECOMMENDATION BY THE EXECUTIVE MAYOR

1. **THAT** Council retain the contract of the Executive Director: Community Services for a maximum period of four (4) months with effect from 01 March 2018.
2. **THAT** the contract be retained under the same terms and conditions of the expired contract including the Performance Management Plan and be remunerated according to remuneration as prescribed by the package payable to Municipal Managers and Managers directly accountable the Municipal Manager as approved by Council.
3. **THAT** the recruitment process for the position of the Executive Director: Community Services be expedited.

SC42/02/2018

FINANCES: ADJUSTMENT BUDGET FOR THE 2017/2018 FINANCIAL YEAR: FEBRUARY 2018

5/1/2 (B)/ls

RECOMMENDATION BY THE EXECUTIVE MAYOR

- 1 **THAT** the report by the Executive Director: Financial Services regarding 2017/2018 adjustment budget including the revision to the Service Delivery and Budget Implementation Plan and targets attached as **ANNEXURE A** to the Agenda, be approved.
- 2 **THAT** the position of the Director: Fleet Management be made to the Municipal Manager's Office as Director: Support Office of the Municipal Manager.
- 3 **THAT** the adjustment budget as per **ANNEXURE A** for the 2017/2018 financial year in accordance with Section 28(2) of the MFMA be approved as set out in the following adjustment budget tables:

- 3.1 Table B1 : Adjusted budget summary
- 3.2 Table B2 : Adjusted budget on financial performance by Standard classification
- 3.3 Table B3 : Adjusted budget of financial performance by vote
- 3.4 Table B4 : Adjusted budget on financial performance revenue by source and expenditure by type
- 3.5 Table B5 : Adjusted capital expenditure budget by vote and funding
- 3.6 Table B6 : Adjusted budget on financial position
- 3.7 Table B7 : Adjusted budget on cash flow
- 3.8 Table B8 : Cash backed reserves/ accumulated surplus reconciliation
- 3.9 Table B9 : Asset Management
- 3.10 Table B10 : Basic Service Delivery Management
- 3.11 Supporting tables SB1 to SB19

- 4 **THAT** permission be granted to the Executive Director: Financial Services to submit the adjustment budget for 2017/2018 financial year to the National Treasury and Provincial Treasury within 10 working days after being tabled in the Municipal Council.
- 5 **THAT** the adjustment budget for 2017/2018 financial year be made public in accordance with Section 21A of the Municipal Systems Act within 10 working days after approval by Council and be placed on Council's website.
- 6 **THAT** it be noted that sufficient saving and cash is available for the adjustments included in the 2017/2018 Adjustment Budget.