

STEVE TSHWETE LOCAL MUNICIPALITY

MINUTES

OF A

SPECIAL COUNCIL

MEETING

DATE - 10 DECEMBER 2012

STEVE TSHWETE LOCAL MUNICIPALITY

MINUTES OF A SPECIAL MEETING OF THE COUNCIL HELD IN THE COUNCIL CHAMBER, MUNICIPAL BUILDINGS, MIDDELBURG, MPUMALANGA ON MONDAY, 10 DECEMBER 2012 AT 20:24

PRESENT

Councillors

Cllr R M Xaba	(Speaker)	Cllr M Mbatiwe
Cllr M A Masina	(Executive Mayor)	Cllr B C Skosana
Cllr N J Mahlangu		Cllr O Malinga
Cllr E F Mathebula		Cllr K N Monareng
Cllr D J Motsepe		Cllr J Matshiane
Cllr S D Nkadimeng		Cllr N J Nkambule
Cllr E P Nkosi		Cllr L E Mkhuma
Ald H Pilodia		Cllr M E Nyambi
Cllr E A Jele		Cllr D J Skosana
Cllr E O Motsepe		Cllr P M Shongwe
Cllr T B Mahlangu		Cllr G H E Romijn
Cllr B Nene		Cllr T G Ndlangamandla
Cllr I Thwala		Cllr A S Grobler
Cllr M T E Mnguni		Cllr S M Mogola
Cllr L I Manzini		Cllr A Struwig
Cllr Z D Mtshweni		Cllr J P Pretorius
Cllr J Skosana		Cllr E A Swarts
Cllr P P Tau		Ald E du Toit
Cllr M J Selala		Cllr S J Roos
Cllr B P Ndala		Cllr H F Niemann
Cllr M S Motebu		Cllr D M Longman
Cllr S M Mnguni		Cllr M Nkosi
Cllr S A Lukhele		Cllr J Dyason
Cllr M T Selala		Cllr P Mobango
Cllr P M Hadebe		Cllr S Wait
Cllr M R Mnguni		Cllr K P J Uys
Cllr P J Masilela		
Cllr S S Zitha		

Absent

Cllr B H Mokoena
Cllr M J Sekgwele
Ald R E Redman

Temporary absence from the meeting in terms of Section 45(2)(c)

Name of Cllr	1			2		
	From	To	Item	From	To	Item
Cllr D J Skhosana	20:24	20:30	Opening			
Cllr B C Skosana	20:24	20:30	Opening			

Officials:

Mr W D Fouche	(Municipal Manager)
Adv T Mekuto	(Executive Director: Corporate Services)
Ms E Wassermann	(Executive Director: Financial Services)
Mr E Warambwa	(Executive Director: Infrastructure Services)
Ms K M Skosana	(Acting Executive Director: Community Services)
Mr M Mnguni	(Senior Manager: Legal & Administration)
Mr J Zulu	(Chief Administrative Officer)
Ms N Mahlangu	(Administrative Officer Grade 2)
Ms W M Machinini	(Clerk Grade 1)

1 OPENING

The Speaker welcomed everybody and declared the meeting open.

2 APPLICATION FOR LEAVE OF ABSENCE

None

3 DISCLOSURE OF INTEREST

None

4 CONSIDERATION OF THE ATTACHED REPORTS

**REPORT OF A MEETING OF THE SPECIAL MAYORAL COMMITTEE HELD ON
07 DECEMBER 2012**

NON DELEGATED POWERS

Upon request by the Executive Mayor, it was

RESOLVED BY COUNCIL

THAT the report by the Executive Mayor in respect of items SC01; SC02; SC03; SC04; SC09; SC10; SC12; SC13; SC14; SC15; SC16; SC17; SC18/12/2012 be considered.

SC01/12/2012

LAND: OFFER TO PURCHASE PORTION 02 OF ERF 7752 MIDDELBURG

EXTENSION 23

7/2/1/2 (C)/yb

RESOLVED BY COUNCIL

1. THAT, instead of Council accepting the latest offer by the Commission, Council be given Erven 184 - 203, Erven 234 - 237 and Erf 2446 Aerorand in exchange for Portion 2 of Erf 7752 Middelburg Extension 23.

SC02/12/2012

ASSETS: VEHICLE (LDV) TO BE WRITTEN OFF DUE TO ACCIDENT:

REGISTRATION NUMBER DZM254MP

14/1/1/2/2 (B)/wm

RESOLVED BY COUNCIL

1. THAT Council take note of the report by the Town Electrical Engineer regarding the 2009 Nissan 2.5 LDV vehicle, registration number DZM254MP, which was involved in an accident.
2. THAT note be taken that the vehicle was written off by insurers to the amount of R104 400,00.
3. THAT the vehicle be removed from the Asset Register.
4. THAT the funds for replacement of vehicle be made available on the 2013/2014 Capital Budget.

- 2.9 That the net gain or loss which will realize on the disposal of the capital asset be recognised in the Statement of Financial Performance.
- 2.10 That the proposed sale of the property be advertised in terms of Section 79(18) of the Local Government Ordinance 17 of 1939 as amended, Section 21 of the Municipal Systems Act 32 of 2000 as amended, Section 113 of the Municipal Finance Management Act 56 of 2003 and Section 44 of the Council's Supply Chain Management Policy.

SC09/12/2012

COUNCIL ARRANGEMENTS: RULING OF SPEAKER ON MOTION 80 CONTESTED BY CLLR B H MOKOENA : FURTHER REPORT

3/2/1/1 (M)/wm

RESOLVED BY COUNCIL

1. THAT the Ruling made by the Speaker at the Council meeting held on 27 September 2012 with regard to Motion 80, be confirmed.

SC10/12/2012

COUNCIL ARRANGEMENTS: BEHAVIOR OF CLLR B H MOKOENA AT SPECIAL COUNCIL MEETING HELD ON 24 AUGUST 2012: RECOMMENDATION BY RULES AND ETHICS COMMITTEE

3/2/1/1 (M)/wm

RESOLVED BY COUNCIL

1. THAT the apology received from Cllr B H Mokoena regarding an incident at the Special Council meeting held on 24 August 2012, be accepted.

SC12/12/2012

LAND: APPLICATION FOR A SITE IN MHLUZI FOR THE ERECTION OF A PRIVATE SCHOOL

7/2/3/2 (C)/yb

[MM 62561]

RESOLVED BY COUNCIL

1. THAT Council take note of the report by the Executive Director : Corporate Services on the application to purchase Erf 10554 Mhluzi Extension 08 for the erection of a private school.
2. THAT Council confirm that Erf 10554 Mhluzi Extension 08 is not needed for the provision of the basic municipal services.
3. THAT Council approve the application to purchase Erf 10554 Mhluzi Extension 08.
4. THAT the Accounting Officer be authorised to dispose the property as an unsolicited bid as per Section 44 of the Council's Supply Chain Management Policy.
5. THAT Council confirm that the fair market value of the property is R880 000,00 (Eight Hundred and Eighty Thousand Rand) excluding VAT.

Ran

SC03/12/2012

COUNCIL'S ARRANGEMENT: RESCISSION OF RESOLUTION C28/05/2012

7/2/3/2 (C)/yb

RESOLVED BY COUNCIL

1. **THAT** Council Resolution C28/05/2012 be rescinded due to non-acceptance of the said resolution by the applicant.

SC04/12/2012

LAND: APPLICATION TO PURCHASE A PORTION OF LAND ADJACENT TO ERF

10628 MHLUZI EXTENSION 08

7/2/3/2 (E)/yb

[MM 57992]

RESOLVED BY COUNCIL

1. **THAT** Council confirm that the portion of land adjacent to Erf 10628 Mhluzi Extension 08 measuring 65m² in extent ("the property") is not needed to render the basic level of Municipal Services.
2. **THAT** the application to purchase the property be approved subject to the following conditions:
 - 2.1 **That** the Accounting Officer be authorized to alienate this property as unsolicited bid.
 - 2.2 **That** the following town planning processes be conducted by the applicant at her own cost:
 - 2.2.1 Closure of portion of the road reserve.
 - 2.2.2 Subdivision and consolidation of the identified property.
 - 2.3 **That** the recommended market value be R80,00/m² (Eighty Rand) per square metre excluding VAT.
 - 2.4 **That** the subject property be re-valued should a transaction not be concluded within 12 months from the date of valuation.
 - 2.5 **That** the applicant priorly provides a cash deposit to cover the cost mentioned in 2.2 above.
 - 2.6 **That** the payment of the purchase price be strictly cash as in terms of Section 47(3)(aa) of the Supply Chain Management Policy of the Council.
 - 2.7 **That** proceeds received from the sale be allocated to vote number 925/801 (Township Development Suspense Account : Sale of Land : Mhluzi Extension 8).
 - 2.8 **That** the portion of land be removed from the fixed asset register and it be written off at current replacement cost.

6. **THAT** the payment of the purchase price be strictly cash as in terms of Section 47(3)(aa) of the Council's Supply Chain Management Policy.
7. **THAT** the proceeds received from the sale be allocated to vote number 925/801 (Township Development Suspense Account : Sale of Land : Mhluzi Extension 08).
8. **THAT** the portion of land be removed from the asset register and be written off at current replacement value.
9. **THAT** the net gain or loss which will realise on the disposal of the capital asset be recognised in the Statement of Financial Performance.
10. **THAT** the property be re-valued should the transaction not be concluded within 12 months period from the date of valuation.
11. **THAT** the proposed sale be advertised in terms of Section 79(18) of the Local Government Ordinance 17 of 1939 as amended, read with Section 21 of 2000 as amended, Section 113 of the Municipal Finance Management Act 56 of 2003 and Section 44 of the Council's Supply Chain Management Policy.
12. **THAT** the land be sold at a discount of 50% subject to the following conditions:
 - 12.1 That the property may only be used for educational purposes and purposes connected there to.
 - 12.2 That the school should at all times be in majority African ownership.
 - 12.3 That the property shall not be sold without the consent of the Council.
 - 12.4 That if it is not used for school purposes for more than six (6) months it shall revert back to Council and no compensation for any improvements shall be paid.

SC13/12/2012

LAND: APPLICATION FOR LAND FOR MSI PRODUCTION FACILITY

7/2/3/2 (T)/iec

RESOLVED BY COUNCIL

1. **THAT** Council confirm that Stands 14 and 15 Middelburg Extension 49 ("the properties") are not needed to render their basic level of municipal services in terms of Section 14(2) of the Municipal Finance Management Act 56 of 2003 ("the MFMA").
2. **THAT** the Accounting Officer be authorised to deal with the application as an unsolicited bid.
3. **THAT** the application to purchase the properties for the establishment of the production facility be approved in principle subject to the following conditions:
 - 3.1 That appropriate Water and Sewer reticulation services are installed by the Civil Engineering Department during the 2012/13 year.

- 3.2 That an access road be built by the Civil Engineering Services Department in line with the revised layout plan.
- 3.3 That the Town Electrical Engineer ensures appropriate electrical upgrades to the network including a pro-rata cost recovery for the Aerorand Substation for future sustainability of supplies.
- 3.4 That a revised layout plan of the whole Extension 49 Industrial Development ought to be submitted by the Senior Manager: Town Planning Services.
- 3.5 That the relevant bulk services contributions shall be calculated and communicated to applicant and paid, before any development takes place.
- 3.6 That an appropriate Site Development Plan shall be submitted for approval to the Senior Manager: Town Planning Services before any development takes place.
- 3.7 That the remission of assessment be granted on the properties for a period of two (2) years subject to the Council's Rates Policy.
- 3.8 That the market value of the properties be determined at R890 000,00 (Eight Hundred and Ninety Thousand Rand) excluding VAT.
- 3.9 That the market values of the properties be revalued should a transaction not be concluded within twelve(12) months from the date of valuation (09/11/2012).
- 3.10 That the electricity connection cost for a 500KVA firm supply be for the account of the applicant.
- 3.11 That the applicant bears a pro-rata cost for the bulk services contribution to be calculated by the Infrastructure Services Department.
- 3.12 That the applicant priorly provides a cash deposit to cover the following costs:
 - i) Link costs from Aerorand to the stand.
 - ii) Bulk service contributions
- 3.13 That the payment of the purchase price be strictly cash as in terms of Section 47(39)(aa) of the Supply Chain Management Policy of the Council.
- 3.14 That proceeds received from the sale be allocated to vote number (935/501) Land Trust Fund: Sale of Land: Sale of Land.
- 3.15 That the properties be reduced in the asset register with the extent of the portion which were sold and that it be written off from the asset register at current replacement cost.
- 3.16 That the net gain or loss which will realise on the disposal of the capital asset be recognised in the Statement of Financial Performance.

- 3.17 That the proposed sale of the properties be advertised in terms of Section 21 of the Municipal Systems Act 32 of 2000 as amended read together with Section 79(18) of the Local Government Ordinance 17 of 1939 as amended, Section 113 of the MFMA and Section 44 of the Council's Supply Chain Management Policy.

SC14/12/2012

LAND: APPLICATION FOR PORTIONS OF PORTION 16 OF THE FARM

RIETFONTEIN 286 JS

7/2/3/3 (L)/iec

RESOLVED BY COUNCIL

1. **THAT** Council confirm that portions of Portion 16 of the farm Rietfontein 286 JS measuring 2(two) hectares and 3(three) hectares ("the properties") are not needed for the provision of the basic level of municipal services.
2. **THAT** the Accounting Officer be authorised to deal with the applications as an unsolicited bid.
3. **THAT** the application to lease the properties for poultry farming approved subject to the following conditions:
 - 3.1 That a portion of Portion 16 of the farm Rietfontein 286 JS measuring 2(two) hectares be leased to the first applicant.
 - 3.2 That a portion of Portion 16 of the farm Rietfontein 286 JS measuring 3 (three) hectares be leased to the second applicant.
 - 3.3 That the lease period be limited to 3(three) years.
 - 3.4 That the properties be fenced off at the cost of the applicants.
 - 3.5 That the rental amounts be as follows:
 - 3.5.1 R1 200,00 (One Thousand Two Hundred) per annum excluding VAT for a portion of Portion 16 of the farm Rietfontein 286 JS measuring 2(two) hectares.
 - 3.5.2 R1 800,00 (One Thousand Eight Hundred Rand) per annum excluding VAT for a portion of Portin 16 of the farm Rietfontein 286 JS measuring 3(three) hectares.
 - 3.6 That the escalation for the properties be 10% per annum reviewable on a 3(three) yearly basis.
 - 3.7 That the lease amounts be revalued should the lease agreement not be concluded within a period of 12(twelve) months from the date of valuation (03/12/2012).
 - 3.8 That no permanent structure/s may be erected on the properties.

Ran

- 3.9 That the following conditions be adhered to prior to the commencement of the poultry farming (the project):
- 3.9.1 Approval from the Department of Agriculture.
 - 3.9.2 Obtain a valid permit from Health Department.
 - 3.9.3 The activity shall be situated 500m away from residential area.
 - 3.9.4 The activity shall be situated within 100m away from any water source.
 - 3.9.5 That an environmental Management Plan be submitted indicating how manure and other waste would be handled and disposed off, offensive smell which might arise, measures to control and prevention of harbouring and breeding of rodents, cockroaches, flies and other vermin.
 - 3.9.6 That the applicant ensure that activity shall not disturb or hinder the comfort, convenience, peace or quietness of the public.
 - 3.9.7 That the applicant provide a wash hand basin with constant supply of water and drainage part of it.
 - 3.9.8 That the applicant provides a portable water supply adequate for drinking and cleaning purposes.
- 3.10 That should electricity be required, bulk service contribution, service connection and link costs are payable by the applicant.
- 3.11 That note be taken that there are no engineering services available on the properties.
- 3.12 That the proceeds received from the leases be allocated to the vote determined by the Executive Director: Financial Services.
- 3.13 That the necessary consumer agreements be entered into between the applicants and the Municipality.
4. **THAT** the proposed leases be advertised in terms of Section 79(18) of the Local Government Ordinance 17 of 1939 as amended read together with Section 21 of the Municipal Systems Act 32 of 2000 as amended, Section 113 of the Municipal Finance Management Act 56 of 2003 and Section 44 of the Council's Supply Chain Management Policy.
5. **THAT** the Senior Manager: Town Planning Services be granted permission to create stands ranging from 1 to 2 hectares on the suitable portions of Portion 9 and Portion 16 of the farm Rietfontein 286 JS for agricultural and poultry purposes.
6. **THAT** the created portions be leased to interested parties through a competitive bidding process.

7. **THAT** the provision of the services be at the cost of the successful bidder.
8. **THAT** the necessary lease agreements be entered into between Council and the successful bidders.
9. **THAT** no permanent structure may be erected on the identified portions.
10. **THAT** a lease amount be determined by the Senior Manager: Valuation Services.
11. **THAT** all conditions applicable to the lease of farm portions for poultry farming be made applicable.

SC15/12/2012

COUNCIL FACILITIES: ACQUISITION OF ADDITIONAL OFFICE SPACE

17/17/1 (K) nm

RESOLVED BY COUNCIL

1. **THAT** the content of the report by the Municipal Manager regarding additional office space, be noted.
2. **THAT** an offer to purchase Landbank to the amount of between R10 000 000.00 (Ten million rands) and R11 000 000.00 (Eleven million rands) be approved and that the deed of sale be signed accordingly.
3. **THAT** the Municipal Manager be delegated to finalize the issue of office allocation taking into consideration the accessibility by the community not to be negatively affected and effective administration.
4. **THAT** the Executive Mayor authorizes this unavoidable expenditure of R2 000 000 (two million) in terms of Section 29 of the MFMA subject that an adjustment budget be submitted 60 days after the expenditure was incurred.

SC16/12/2012

FACILITIES: APPROVAL OF THE UTILIZATION OF OLD THUSHANANG SCHOOL BUILDING

7/2/3/2/3 (K)/nm

RESOLVED BY COUNCIL

1. **THAT** Council confirm that the facilities on Erf 76 Mhluzi not needed for the provision of basic level of municipal services.
2. **THAT** the Accounting Officer be authorised to dispose the property as an unsolicited bid.
3. **THAT** Council approve the application to lease the property to the Moses Magagula Christian School subject to the following:
 - 3.1 That the lease agreement will be for a period of 9 years and 11 months with effect from 1 January 2013 with a two months cancellation clause for both parties;

- 3.2 That the property only be used for education purposes;
 - 3.3 That the facilities be made available free of charge;
 - 3.4 That the applicant be responsible for the renovation, security as well as payment of rates, taxes and electricity as determined by the Municipality;
 - 3.5 That the requirements of Section 33 of the Local Government Municipal Finance Management Act be complied with;
 - 3.6 That Council reserve a right to utilise the property for other activities should the applicant not adhere to the contract conditions.
4. **THAT** the proceeds received from the lease be allocated to a vote number as identified by the Executive Director : Financial Services.
 5. **THAT** the lease agreement be treated in the Annual Financial Statement in accordance with applicable accounting standards.

SC17/12/2012

LAND: REQUEST FOR LAND FOR ESTABLISHING A HUMANITARIAN CENTRE BY ROTARY CLUB OF MIDDELBURG

7/2/3/2/4 (L)

RESOLVED BY COUNCIL

- 1 **THAT** Council confirm that Erf 1/5854 Middelburg Extension 18 is not needed for the provision of basic level of municipal services.
- 2 **THAT** the Accounting Officer be authorised to dispose the property as an unsolicited bid.
- 3 **THAT** Council approve the application to lease the property to establish a humanitarian centre on which containers with donated books will be stored subject to the following:
 - 3.1 That the lease agreement will be for a period of 9 years and 11 months;
 - 3.2 That the property only be used as a humanitarian centre;
 - 3.3 That the rental be R100,00 per annum.
 - 3.4 That the applicant be responsible for all connections costs;
 - 3.5 That the requirements of Section 33 of the Local Government Municipal Finance Management Act be complied with;
- 4 **THAT** the proceeds received from the lease be allocated to a vote number as identified by the Executive Director Financial Services.
- 5 **THAT** the lease agreement be treated in the Annual Financial Statement in accordance with applicable accounting standards.

- 6 **THAT** the proposed lease be advertised in terms of Section 79(18) of the Local Government, Ordinance 17 of 1939, as amended, read together with Section 21 of the Local Government, Municipal Systems Act 32 of 2000, as amended, Section 113 of the Local Government Municipal Finance Management Act 56 of 2003 and Section 44 of the Council's Supply Chain Management Policy.

DELEGATED POWERS

Upon request by the Executive Mayor, it was

RESOLVED BY COUNCIL

THAT Council take note of resolution M05; 06; 07; 08; 11/12/2012 taken by the Executive Mayor in terms of Delegated Powers.

**URGENT REPORT SUBMITTED TO COUNCIL BY THE EXECUTIVE MAYOR IN
TERMS OF SECTION 44 (5) OF THE RULES OF ORDER**

NON DELEGATED POWERS

Upon request by the Executive Mayor, it was

RESOLVED BY COUNCIL

*THAT the report by the Executive Mayor in respect of items SC18/12/2012
be considered.*

SC18/12/2012

**FINANCES: DETERMINATION OF UPPER LIMITS OF SALARIES,
ALLOWANCE AND BENEFITS FOR COUNCILLERS:1 JULY 2012**

5/11/1/1 (B)/adk

RESOLVED BY COUNCIL

1. **THAT** with effective from 1 July 2012 Councillors be remunerated according to the determination of salaries, allowance and benefits for Councillors as determined per Notice R1032 in Government Gazette 35962.
2. **THAT** it be confirmed that sufficient savings are available on the 2012/2013 salaries budget to be appropriated through an adjustment budget to implement the upper limits retrospectively from 1 July 2012.
3. **THAT** Council takes note that according to this points calculation the grading for the municipality is a Grade 4.
4. **THAT** prior to the implementation of the upper limits the necessary concurrence be obtained from the MEC for Cooperative Governance and Traditional Affairs, Mpumalanga.
5. **THAT** Council takes note of the amendments to the upper limits.

Meeting adjourned at 20:54

SIGNED AT MIDDELBURG ON 05/02/2013

SPEAKER _____

