



KOUGA

local municipality

Good Governance through Service Excellence

SPECIAL COUNCIL MEETING

AGENDA

Date : 07 January 2021
Time : 10:00
Venue : Virtual Meeting

<p>KOUGA MUNICIPALITY (EC108)</p> <p><u>NOTICE CONVENING A MEETING</u></p> <p>NOTICE IS HEREBY GIVEN in terms of the amended Directions on Municipal Operations and Governance, in terms of Section 27(2) of the Disaster Management Act, 2002, that a virtual Council Meeting will be held on</p> <p><u>DATE:</u> 07 January 2021</p> <p><u>TIME:</u> 10:00</p>  <p><u>H. BORNMAN</u> SPEAKER</p>	<p>UMASIPALA I-KOUGA (EC108)</p> <p><u>ISAZISO NGENTLANGANISO</u></p> <p>OKU KUKWAZISA malunga neZikhokelo eziLungisiweyo ekuSebenzeni koMasipala kunye noLawulo ngokweMigagqo yeCandelo lama 27(2) loMthetho woLawulo lweNtlekele ka 2002, ukuba kubanjwe intlanganiso ebonakalayo yesigqeba Ye khansile</p> <p><u>UMHLA:</u> 07 EyoMqungu 2021</p> <p><u>IXESHA:</u> 10:00</p>  <p><u>H. BORNMAN</u> USOMLOMO</p>	<p>MUNISIPALITEIT KOUGA (OK108)</p> <p><u>KENNISGEWING VAN VERGADERING</u></p> <p>KENNIS GESKIED HIERMEE ingevolge die gewysigde Aanwysings Vir Munisipale Bedrywighede En Bestuur, Ingevolge Artikel 27 (2) van die Wet op Rampbestuur, 2002, dat 'n virtuele raadsvergadering gehou sal word op</p> <p><u>DATUM:</u> 07 Januarie 2021</p> <p><u>TYD:</u> 10:00</p>  <p><u>H. BORNMAN</u> SPEAKER</p>
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Councillors are required to comply with the Standing Rules and Orders of Council and all its Committees By-law as promulgated in the Provincial Gazette on 22 October 2018 No.4134 and applicable to this meeting of Council. Any person who willfully contravenes any provision of these rules shall be guilty of an offence and which contravention shall be dealt with in accordance with the disciplinary procedures for Councillors.

A G E N D A

1. **NOTICE OF MEETING**
2. **OPENING AND WELCOME**
3. **ABSENT WITH LEAVE**
4. **ABSENT WITHOUT LEAVE**
5. **PRESENTATIONS**
6. **ACKNOWLEDGEMENTS, CONDOLENCES & CONGRATULATIONS**
7. **STATEMENTS OR COMMUNICATIONS BY THE SPEAKER**
8. **STATEMENTS OR COMMUNICATIONS BY THE EXECUTIVE MAYOR**

9. **DECLARATION OF INTEREST**

10. **STATUTORY MATTERS**

11. **MATTERS DEALT WITH IN TERMS OF DELEGATED AUTHORITY BY THE EXECUTIVE MAYOR**

(The reports by the Executive Mayor, in terms of the provisions of Section 63 of the Local Government Municipal Systems Act, 32 of 2000, on matters dealt with by the Executive Mayor in terms of delegated authority as detailed in the Minutes to be noted).

12. **REPORTS BY THE EXECUTIVE MAYOR**

12.1 **REPORTS BY THE OFFICE OF THE MUNICIPAL MANAGER**

21/01/MM1 Re-Allocation of own Funded Capital Projects 2020-2021: Capital Budget Adjustment

Pages 6-9

21/01/MM2 Re: Redirect Municipal Infrastructure Grant (MIG) Funding and National Treasury Approved Rollovers

Pages 10-13

13. **REPORTS BY THE PORTFOLIO CHAIRPERSONS**

13.1 **REPORT BY THE PORTFOLIO CHAIRPERSON: CORPORATE SERVICES**

21/01/CORP1 Replacement of DA Councillor on Portfolio Committees

Pages 15-16

14. **CLOSURE**

Distribution list:

Executive Mayor

Speaker

All Councillors

Municipal Manager

All Directors

Relevant Managers

Committee Services

MATTERS DEALT
WITH IN TERMS OF
DELEGATED
AUTHORITY BY THE
EXECUTIVE
MAYOR

REPORTS BY
THE
OFFICE OF THE
MUNICIPAL
MANAGER

KOUGA MUNICIPALITY (EC 108)**SPECIAL COUNCIL MEETING****OFFICE OF THE MUNICIPAL MANAGER****DATE: 07 JANUARY 2021****ITEM NO: 21/01/MM1****RE-ALLOCATION OF OWN FUNDED CAPITAL PROJECTS 2020-2021: CAPITAL BUDGET ADJUSTMENT**1. Introduction

The purpose of this item is to solicit authorisation from Council for an adjustment to own capital funded projects on the approved 2020/2021 capital budget by re-allocation of funds between Infrastructure capital projects.

2. Background

The Infrastructure and Engineering Directorate went out on a competitive bidding process for the appointment of professional service provider (PSP) to undertake pre-planning activities which included the design, drawings and tender documentation for the following capital projects;

- Pre-planning: Beach pump station: New bypass Sewer Rising Main and Pump Stations Jeffreys bay UKEY: 20200711023341
- Pre-Planning: Construct emergency overflow pond Koraal Sewer pump station UKEY: 20200711023488
- Pre-Planning Upgrade Sewer Rising Mains Jeffreys bay (La Mer-4A-4B) UKEY: 20200711023347
- Pre-Planning: Installation of Sewer Piped Reticulation - St Francis Bay UKEY: 20200711023350
- Pre-Planning: Replace 250mm Water Main Canal Road St Francis Bay UKEY: 20200711023312
- Pre-Planning: Repair Leaking Concrete Water Tower Paradise Beach: UKEY:20200711023320
- Pre-planning Replace 250mm Water Main Mimosa Street Jeffreys bay: UKEY:20200711023326
- Pre-planning: Upgrade Loerie sewer pump station: UKEY:20200711023491

The approved capital budget amounts for the preplanning appoints need to be adjusted in accommodate the tender offer amounts received. This is necessary make be able to make the required appointments.

The capital projects listed are only for pre planning and not constructio

3. Financial implications

It is requested that the following projects amounts be adjusted as follows:

Project Name	2020/2021 Approved Budget (Excl. VAT)	2020/2021 Proposed Adjustments (Excl. VAT)	Increase	Decrease
Pre-planning: Beach pump station: New bypass Sewer Rising Main and Pump Stations Jeffreys bay UKEY: 20200711023341	R 1,000,000.00	R 1,930,000.00	R 930,000.00	
Pre-Planning: Construct emergency overflow pond Koraal Sewer pump station UKEY 20200711023488	R 1,300,000.00	This project is combined with project below		R 780,000.00
Pre-Planning Upgrade Sewer Rising Mains Jeffreys bay (La Mer-4A-4B) UKEY 20200711023347	R 1,000,000.00	R 1,290,000.00	R 290,000.00	
Pre-Planning: Installation of Sewer Piped Reticulation - St Francis Bay UKEY: 20200711023350	R 1,500,000.00	R 775,000.00		R 725,000.00
Pre-Planning: Replace 250mm Water Main Canal Road St Francis Bay UKEY 20200711023312	R 1,000,000.00	R 650,000.00		R 350,000.00

Pre-Planning: Repair Leaking Concrete Water Tower Paradise Beach UKEY 20200711023320	R 300,000.00	R 560,000.00	R 260,000.00	
Pre-planning Replace 250mm Water Main Mimosa Street Jeffreys bay UKEY 20200711023326	R 330,000.00	R 705,000.00	R 375,000.00	
			R 1,855,000.00	R 1,855,000.00

4. Recommendation

- 4.1 That the accounting officer request the Executive Mayor to recommend to the Council, by resolution taken by the majority of its full number, and in terms of Section 30(2) of the Local Government: Municipal Structures Act No. 117 of 1998 (as amended), read in conjunction with Section 28 of the Local Government: Finance Management Act, Act 56 of 2003, approves the following proposed amendments to the 2020/2021 Capital Budget

UKEY: 20200711023341

Pre-planning: Beach pump station: New bypass Sewer Rising Main and Pump Stations Jeffreys bay will increase by R 930,000.00 from R 1,000,000.00 to an amended budget of R 1,930,000.00

UKEY: 20200711023488

Pre-Planning: Construct emergency overflow pond Koraal Sewer pump station budget will decrease by R 780,000.00 from R 1,300,000.00 to an amended Budget of R 520,000.00

UKEY: 20200711023347

Pre-Planning Upgrade Sewer Rising Mains Jeffreys bay (La Mer-4A-4B) budget will increase by R 290,000.00 from R 1,000,000.00 to an amended Budget of R 1,290,000.00

UKEY: 20200711023350

Pre-Planning: Installation of Sewer Piped Reticulation - St Francis Bay: budget will decrease by R 725,000.00 from R 1,500,000.00 to an amended Budget of R 775,000.00

UKEY: 20200711023312

Pre-Planning: Replace 250mm Water Main Canal Road St Francis Bay: budget decrease by R 350,000.00 from R 1,000,000.00 to an amended Budget of R 650,000.00

UKEY: 20200711023320

Pre-Planning: Repair Leaking Concrete Water Tower Paradise Beach: budget will increase by R 260,000.00 from R 300,000.00 to an amended Budget of R 560,000.00

UKEY: 20200711023326

Pre-planning Replace 250mm Water Main Mimosa Street Jeffreys bay: budget will increase by R 375,000.00 from R 330,000.00 to an amended Budget of R 705,000.00

Item prepared by : **The Manager: Civil**

Item approved by : **The Director: Infrastructure & Engineering**



VW Felton

Item noted by : **The Municipal Manager**



KOUGA MUNICIPALITY (EC 108)**SPECIAL COUNCIL MEETING****OFFICE OF THE MUNICIPAL MANAGER****DATE: 07 JANUARY 2021****ITEM NO: 21/01/MM2****RE: REDIRECT MUNICIPAL INFRASTRUCTURE GRANT (MIG) FUNDING AND NATIONAL TREASURY APPROVED ROLLOVERS**1. Introduction

The purpose of this item is to solicit authorisation for an adjustment to the MIG budget for the redirection of funding between Infrastructure projects.

The Department of Cooperative Governance and Traditional Affairs do not prescribe how funds are moved around between approved MIG projects but approval from Council is mandatory.

National Treasury gazette the MIG funds over three financial years for municipalities to commence with laborious preplanning of projects, which include amongst other, Environmental Impact Studies, pre-limeminary designs and draft tender documents. Unfortunately, some municipalities reallocate MIG funds and the opportunity for preplanning three years in advance is lost.

2. Background

The original procurement plan submitted to CoGTA for the appointment of a professional service provider (Consultant), for the Upgrading of Gravel Roads project, indicated completion of the process by the end of May 2020.

The initial closing date, as per the procurements plan, for submission of Consultants bids was 30 March 2020 but due to lockdown the tender validity period was extended to 22 May 2020. This pushed the procurement process back by almost two months.

Furthermore, the implementation plan which forms part of the procurement process would have allowed for the Contractor to be appointed by August 2020. The process includes, amongst other, submission of Consultants tender documents, bid committee recommendations, Letter of Acceptance and cooling off period.

On 15 September 2020, the tender for the appointment of a Consultant was cancelled on Supply Chain Managements (SCM) recommendation for reasons of specification requirements not being clear in that the exact roads to be upgraded needed to be listed for submission of a competitive price. Furthermore, it was recommended the tender be re-advertised. The Accounting Officer was not in agreement with SCM recommendation and the cancellation letters sent to bidders was not done under his authority.

As per the revised procurement plan it is envisaged that the process to appoint a Consultant will only be concluded end February 2021 following a 3-month period for planning and designs and probably the appointment of a Contractor by June/July 2021. It is clear the appointment of a Contractor will not be finalized by 31 March 2021.

The revised procurement plan will not comply with the Division of Revenue conditions for roll-over applications stipulates as follows:

- a) Proof that the project tender was published and the period for tender submissions closed before 31 March 2021;
- b) Proof that a contractor or service provider was appointed for delivery of the project before 31 March 2021.

A strong possibility exists that a portion of MIG funding will be lost and a reduced allocation be provided to Kouga LM in the outer years should we not spend the full MIG allocation for 2020 /2021 financial year.

Roll-Over Application

The outcome of the roll over application with reasons stated as per attach correspondence (Annexure A) from Department of National Treasury.

The effect of this on the approved budget is as follows:

- (1) Current contractual commitments of Notice 183/2019: Upgrading of Sea Vista Sports Facility we will have to delay implementation of the proposed Upgrading of Loerie Sports Facility, so the implementation period falls in the 2021/2022 financial year.
- (2) Budget on the Upgrade Kwanomzamo Wastewater Treatment Works to be reduced to fall within the approved roll over amount. A new application for the shortfall has been submitted to Department of Water and Sanitation.

3. Financial implications

It is advised that the funding be redirected as follows:

UKEY	FUNDING	PROJECTS	Approved Budget 2020/21	Increase	Decrease	National Treasury Approved Rollover	Proposed Adjustments Budget 2020/21	Proposed Adjustments Budget 2021/22	Proposed Adjustments Budget 2022/23
20190710991734	MIG	Upgrade Sanitation System Old Hankey	6 333 460	6 151 381			12 484 841	15 652 174	9 500 793
20190710991784	MIG	Upgrading of Gravel Roads in Humansdorp	7 890 511		- 6 151 381		1 739 130	8 270 189	14 421 570
20190710991737	WSIG	KwaNomzamo Wastewater Treatment Works	-	-	-	5 926 679	5 926 679		
20190710991728	MIG	Patensie Sewage Package Plant	-	-	-	8 353 038	8 353 038		
20200421064539	EEDSMG	Outsourced Services: Personnel and Labour	-	-	-	40 003	40 003		
			14 223 971	6 151 381	- 6 151 381	14 319 720	28 543 691		

The remaining R 1 739 130 for the Upgrading of Gravel Roads in Humansdorp is for the Consultants pre-planning phase.

4. Recommendation

- 4.1 That the accounting officer request the Executive Mayor to recommend to the Council, by resolution taken by the majority of its full number, and in terms of Section 30(2) of the Local Government: Municipal Structures Act No. 117 of 1998 (as amended), read in conjunction with Section 28 of the Local Government: Finance Management Act, Act 56 of 2003, approves the following proposed amendments to the 2020/2021 Capital Budget

U-key:20190710991734

Upgrade Sanitation System Old Hankey budget will increase by R 6,151,381 from R 6,333,460 to an amended Budget of R 12,484,841.

U-key:20190710991784

Upgrading of Gravel Roads in Humansdorp budget will decrease by R 6,151,381 from R 7,890,511 to an amended Budget of R 1,739,130.

U-key:20190710991737

KwaNomzamo Wastewater Treatment Works approved rollover budget Amounting to R 5,926,679 be noted.

U-key:20190710991728

Patensie Sewerage Package Plant approved rollover budget amounting to R 8,353,038 be noted.

U-key:20200421064539

Outsourced Services: Personnel and Labour approved rollover budget amounting to R 40,003 be noted.

- 4.2 that the procurement process for Notice 194/2020 - Appointment of Suitably Qualified Professional Service Provider (PSP) for the Design and Administering of the Upgrading of Gravel Roads in Kouga Local Municipality be expedited so letter of award can be issued to successful bidder before 31 March 2021.
- 4.3 that the procurement process for Notice Numbers 162 & 195/2020: Phases 1 & 2 of the Upgrading of Hankey Sanitation project be expedited, and appointments be finalized by as a matter of urgency.
- 4.4 That the Upgrading of Gravel Roads in Humansdorp budget will increased by R 6,151,380.56 from R 8,270,189.13 to R 14,421,569.69 in the 2021/2022 financial year.
- 4.5 That the upgrade of the Sanitation System Old Hankey budget will decrease by R 6,151,380.56 from R 15,652,173.92 to an amended Budget of R 9,500,793.36 in the 2021/ 2022 financial year.

Item prepared by : **The Manager: PMU**

Item approved by : **The Director: Infrastructure & Engineering**



VW Felton

Item noted by : **the Municipal Manager**



REPORTS BY
THE
PORTFOLIO
CHAIRPERSON:
CORPORATE
SERVICES

KOUGA MUNICIPALITY (EC108)**SPECIAL COUNCIL MEETING****CORPORATE SERVICES****DATE: 07 JANUARY 2021****ITEM NO: 21/01/CORP1****REPLACEMENT OF DA COUNCILLOR ON PORTFOLIO COMMITTEES**1. Introduction

The purpose of this item is to advise Council of the newly elected PR Councillor, Jacques Alexander.

2. Background

Councillor N Botha passed away on 16 November 2020 and has been replaced by Cllr J Alexander.

3. Discussion

3.1 Councillor N Botha served on the following Portfolio Committees:

- Infrastructure & Engineering Portfolio Committee
- Finance Portfolio Committee

Below table represents the current members serving on Portfolio Committees:

Corporate Services Portfolio	Committee Members	Alternate Members	Functions
Chairperson	Timothy Jantjes		<ul style="list-style-type: none"> • Administration • Human Resources • Strategic Institutional Projects
	Marthina van Niekerk	Danny Benson	
	Melanie Biko	Robin Jantjes	
	Wilma Coenraad		
	Sibongile Jujwana	Cynthia Matroos	
	Phumza Nkwalase		
Ex-officio	Horatio Hendricks		
Planning & Development	Committee Members	Alternate Members	Functions
Chairperson	Ben Rheeder		<ul style="list-style-type: none"> • Human Settlements • Town & Regional Planning • MPT
	Cynthia August	Ludwig Vorster	
	Wilma Coenraad	Brenton Williams	
	Robin Jantjes		
	Chico Februarie	Phumzile Oliphant	
	Sindiswa Makasi		
Ex-officio	Horatio Hendricks		

LED & Tourism Portfolio	Committee Members	Alternate Members	Functions
Chairperson	Frances Baxter		<ul style="list-style-type: none"> • Tourism • Creative Industries • Crèches • Events Committee
	Brenton Williams	Ben Rheeder	
	Cynthia August	Robin Jantjies	
	Marthina van Niekerk		
	Zolani Mayoni	Cynthia Matroos	
	Margaret Peters		
Ex-officio	Horatio Hendricks		
Community Services Portfolio	Committee Members	Alternate Members	Functions
Chairperson	Daniel Benson		<ul style="list-style-type: none"> • Environmental Management • Community Amenities & Environmental Health • Protection Services • Beaches • Mayoral Special Programmes
	Willem Gertenbach	Wilma Coenraad	
	Timothy Jantjies	Bryan Dhludhlu	
	Cynthia August		
	Robert Dennis	Zolani Mayoni	
	Velile Vumazonke		
Ex-officio	Horatio Hendricks		
Infrastructure and Engineering Portfolio	Committee Members	Alternate Members	Functions
Chairperson	Willem Gertenbach		<ul style="list-style-type: none"> • Infrastructure • Civil services • PMU • Electrical Services Fleet Management
	Ben Rheeder	Willem Gertenbach	
	Nico Botha	Frances Baxter	
	Timothy Jantjies		
	Zolani Mayoni	Amos Mabukane	
	Malibongwe Dayimani		
Ex-officio	Horatio Hendricks		
Finance Portfolio	Committee Members	Alternate Members	Functions
Chairperson	Brenton Williams		<ul style="list-style-type: none"> • Budget & treasury • Revenue • Expenditure • Assets Management • Supply Chain Management • Information, Communication & Technology MSCOA
	Nico Botha	Marthina van Niekerk	
	Willem Gertenbach	Freddy Campher	
	Ludwig Vorster		
	Malibongwe Dayimani	Chico Februarie	
	Phumzile Oliphant		
Ex-officio	Horatio Hendricks		

4. Recommendation

- 4.1 That Cllr N Botha be replaced by Cllr J Alexander on the Infrastructure & Engineering and Finance Portfolio Committees.

Item prepared by : Acting Director: Corporate Services *M Rossouw*

Item Endorsed by : Corporate Services Portfolio Chairperson 