



KOUGA




local municipality

Good Governance through Service Excellence

SPECIAL COUNCIL MEETING

AGENDA

Date : 12 April 2023
Time : 12:30
Venue : Virtual Meeting

<p>KOUGA MUNICIPALITY (EC108)</p> <p><u>NOTICE CONVENING A MEETING</u></p> <p>NOTICE IS HEREBY GIVEN that in terms of Section 19 of the Local Government: Municipal Systems Act, 2000 (Act No.32 of 2000) that a virtual Special Council Meeting will be held on</p> <p><u>DATE:</u> 12 April 2023</p> <p><u>TIME:</u> 12:30</p> <p></p> <p><u>B.WILLIAMS</u> SPEAKER</p>	<p>UMASIPALA I-KOUGA (EC108)</p> <p><u>ISAZISO NGENTLANGANISO</u></p> <p>ISAZISO sikhutshiwe ukuba ngokweCandelo-19 uMthetho weNkqubo zikaMasipala, (uMthetho 32 ka-2000), ukuba kubanjwe intlanganiso ebonakalayo yesigqeba Ye khansile</p> <p><u>UMHLA:</u> 12 uTshazimpunzi 2023</p> <p><u>IXESHA:</u> 12:30</p> <p></p> <p><u>B.WILLIAMS</u> USOMLOMO</p>	<p>MUNISIPALITEIT KOUGA (OK108)</p> <p><u>KENNISGEWING VAN VERGADERING</u></p> <p>KENNIS GESKIED HIERMEE dat ingevolge Artikel 19 van die Wet op Munisipale Stelsels, 2000 (Wet No.32 of 2000), dat 'n virtuele raadsvergadering gehou sal word op</p> <p><u>DATUM:</u> 12 April 2023</p> <p><u>TYD:</u> 12:30</p> <p></p> <p><u>B.WILLIAMS</u> WOORDVOERDER</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. **DISCLOSURE 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 PORTFOLIO CHAIRPERSONS**
- 12.1 **REPORTS BY THE PORTFOLIO CHAIRPERSON: INFRASTRUCTURE & ENGINEERING**

23/04/I&E12 2022/23 Adjustments Budget for the Appropriation of Additional Funds Received

Pages: 6 - 9

23/04/I&E13 Approval of the Final Project Implementation Plan (PIP) for the 23/24 FY MIG Allocated Grant Funding

Pages: 10 - 13

13. **CLOSURE**
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Distribution list:

Executive Mayor
 Executive Deputy 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
PORTFOLIO
CHAIRPERSON:
INFRASTRUCTURE &
ENGINEERING

KOUGA MUNICIPALITY (EC108)

SPECIAL COUNCIL MEETING

INFRASTRUCTURE AND ENGINEERING

DATE: 12 APRIL 2023

ITEM NO: 23/04/I&E12

2022/23 ADJUSTMENTS BUDGET FOR THE APPROPRIATION OF ADDITIONAL FUNDS RECEIVED

1. Introduction

The purpose of this item is to seek Council's approval to appropriate the additional allocation received from the Department Minerals and Energy into the 2022/23 annual budget, the funds received herein is in respect of the application submitted to the said department for the electrification of the phase 1 Oceanview 200 project currently under construction.

2. Legislative Requirements

In accordance with Section 28(2)(b) of the Municipal Finance Management Act (MFMA), Council may appropriate additional revenues that have become available over and above those anticipated in the annual budget, but only to revise or accelerate spending programmes already budgeted for.

In accordance with Regulation 23(2) of the Municipal Budget and Reporting Regulations of 17 April 2009, an adjustment budget can be tabled to Council when additional revenues as contemplated in Section 28 (2)(b) of the Act are allocations to a municipality in a national or provincial adjustments budget. In these instance Regulation 23(3) provides that the Mayor of the municipality must, at the next council meeting, but within 60 days of the approval of the relevant national or provincial adjustments budget, table an adjustments budget referred to in section 28 (2) (b) of the Act in the municipal council to appropriate these additional revenues.

3. Background

The municipality has been appointed by the Department Minerals & Energy (DMRE) as the implementing Agent (IA) for implementation and management of electrification projects funded through Integrated National Electrification Projects (INEP) for phase 1 electrification in Jeffreys Bay (Oceanview) in the Kouga Local Municipality. The Integrated National Electrification Projects Grant (INEP) amount to R 8.1 million from the initial R6.1 million originally allocated and is allocated to the municipality in terms of Division of Revenue Act (DoRA).

The electrification projects listed below have been approved for implementation in the 2022/23 financial year. This is the only site complying with the conditions within Kouga to receive funding, top structures must be constructed or in an advance stage of procurement process.

Town	Project Description	U-key Nr.	Allocated amount
Jeffreys Bay	Phase 1; Oceanview 200 electrification & Bulk.		R 3, 700,000.00
	66Kv construction of the overhead line between Melkhout substation and Jeffreys Bay.		R 4, 400,000.00
GRAND TOTAL			R 8,100,000.00

4. Comments by Directorates:

4.1 Acting Director: Planning, Development and Tourism

No comment received

4.2 Director: Community Services

Item is supported

4.3 Acting Director: Corporate & Digital Services

No comment

4.4 Director: Infrastructure & Engineering

The conditions to receive the grant in this financial year was that top structures be either on the registered erven of the contractor is on site, in addition we had to procure the service of a suitable service provider to commence with the construction work immediately as we have limited timelines to spend the grant funding by the end of June 2023. The contract between Kouga and the DMRE was signed on Monday 27th March allowing Kouga to initiate expenditure. The two projects are in an advance stage for implementations and both will run concurrently.

The challenge with this funding since 2021/22 FY, the DMRE only provide funding for projects where there is a general layout plan approved by council, with structures on erven (brick build or informal structure) and the beneficiary according to the approved beneficiary list reside on the property. Unfortunately Kouga is only ready for this project which doesn't guarantee future funding unless we become proactive by adhering to the conditions.

Should we electrify an informal structure on the registered erf, and the house is build at a later stage, the transfer of electricity to the new structure will be at the cost of the municipality. In the Kouga jurisdiction it is easier to transfer the connection than in the Gamtoos area where the network belong to Eskom.

4.5 Municipal Manager

The capital funding needs to be included into Kouga Municipality budget for 2022/23 Financial year.

4.6 CFO

Item is supported

5. Financial Implication

2022/23 approved budget will be increased by an amount of R 8.1 million in terms of the Integrated National Electrification Project Grant (DMRE) and the appropriation of the additional funds into the budget will accelerate the spending programmes already budgeted for.

6. Legal Implications

Section 15 of the Local Government: Municipal Finance Management Act prescribes that a Municipality may, except where otherwise provided in the Act, incur expenditure only in terms of an approved budget, and within the limits of the amounts appropriated or the different votes in an approved budget. Therefore in order for the department to incur any expenditure on the additional funds received herein, same must be appropriated into the Annual budget, and failing which any expenditure incurred could result in unauthorized and irregular expenditure as defined by the said Act.

7. Recommendation

- 7.1 That 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 No 56 of 2003, approves the adjustments budget by the appropriation of an amount of R 8 100 000.00 and for the projects as set out below.

Town	Project Description	U-key Nr.	Allocated amount
Jeffreys Bay	Phase 1; Oceanview 200 electrification & Bulk.		R 3, 700,000.00
	66Kv construction of the overhead line between Melkhout substation and Jeffreys Bay.		R 4, 400,000.00
GRAND TOTAL			R 8,100,000.00

Item prepared by Director Infrastructure & Engineering:



Item approved by Portfolio Councilor:



Item endorsed by Municipal Manager:



KOUGA MUNICIPALITY (EC108)
SPECIAL COUNCIL MEETING
INFRASTRUCTURE AND ENGINEERING

DATE: 12 APRIL 2023

ITEM: 23/04/I&E13

APPROVAL OF THE FINAL PROJECT IMPLEMENTATION PLAN (PiP) FOR THE 23/24 FY MIG ALLOCATED GRANT FUNDING

1. Introduction

As per the Division of Revenue Act (DORA), each municipality must submit a Council approved Project Implementation Plan for the MIG grant funded projects by 30 April 2023 to COGTA.

This PiP indicates that Kouga LM is fully committed to implement MIG funded projects for the 23/24 FY.

2. Background and Objectives

As per the latest DORA Annexures published, Kouga LM's MIG allocation for the 23/24 FY is R37,367,000.00 (VAT inclusive).

The PMU has prepared the final PiP for the 23/24 FY. The Council approved PiP is due to be submitted to COGTA by 30 April 2023.

The final PiP is attached to this Item for approval by Council.

3. Comments by Directorates and Municipal Manager:

3.1 Director: Infrastructure and Engineering

The adoption of the PiP for MIG Grant funded projects by Council is critical to ensure Kouga LMs adherence to DORA requirements. Failure to submit the Council approved PiP by 30 April 2023 will result in Kouga LM not complying with the conditions of the grant and will place our implementations of the projects at risk.

3.2 Acting Director: Corporate & Digital Services

Item noted

3.3 Acting Director: Planning, Development and Tourism

Item noted

3.4 Director: Community Services

Item noted

3.5 Municipal Manager:

Item noted.

4. Financial Implications

None.

5. Legal implications

None.

6. Recommendation

6.1 That the Item be approved by Council.

Item prepared by: PMU Manager



Item approved by: The Director I & E:



Item noted by the Portfolio Councillor:



Item endorsed by the Municipal Manager:



KOUGA LM FINAL MIG IMPLEMENTATION PLAN (AS AT 30 MARCH 2023): 2023/2024 FINANCIAL YEAR																																		
Name of Municipality		KOUGA LOCAL MUNICIPALITY										FINAL PROJECT IMPLEMENTATION PLAN FOR 2023/2024 FINANCIAL YEAR																						
MIS Form ID	National Registration Number (as on the MIG-MIS)	Project Title	EPWP Y/N	MIG Category (B, P or E)	Project Type (water, sanitation etc)	Total Project Cost	Registered MIG Funds	Project Status (Not registered, Registered, Design & Tender, Contractor appointed,	Date: Consultant appointed or to be appointed	Date: Tender advertised or to be advertised	Date: Contractor appointed or to be appointed	Date: Project to be completed yy-mm-dd	Jul-23	Aug-23	Sep-23	Oct-23	Nov-23	Dec-23	Jan-24	Feb-24	Mar-24	Apr-24	May-24	Jun-24	Total planned expenditure on MIG for 2023/24									
327 687	CS2019/20/06/58	Upgrading of the sewage infrastructure in Hankey.	Y	B	Sanitation	R62 158 560.05	R62 158 560.05	Registered	JG Afrika	n/a	Dec-22	Dec-23	2 800 000	2 900 000	3 000 000	2 900 000	2 129 741	1 000 000	-	-	-	-	-	-	14 729 740,66									
215 963	CS/EC/12950/13/18	Upgrading/Improvement of Sport facilities within Kouga region: Loerie Sports Facility	Y	P	Road	R29 757 396.00	R29 757 396.00	Registered	Bosch Projects	Dec-22	Dec-22	Oct-23	1 016 095	1 000 000	1 000 000	500 000	-	-	-	-	-	-	-	-	3 516 094,87									
458 320	S/EC/19290/22/25	Upgrading of KwanoMzamo WWTW	Y	B	Sanitation	R42 360 556.91	R42 360 551.91	Registered	Zutari	N/a	Lekratek	Jun-25	50 000	50 000	50 000	304 164	1 500 000	1 500 000	1 500 000	1 500 000	1 500 000	1 500 000	1 273 408	1 500 000	12 227 572,42									
458 559	EC2022/23/11/146	Upgrading of gravel roads in Kouga Phase 2	Y	P	Road	R37 038 263.90	R37 038 263.90	Registered	JG Afrika	N/a	N/a	Jun-25	1 200 000	1 200 000	1 200 000	-	-	-	-	80 000	80 000	80 000	-	-	3 840 000,00									
461 213	EC2022/23/11/149	La Mer New Sewer Rising Main - Planning	Y	B	Sanitation	R1 480 050.00	R1 480 050.00	Registered	MJM	N/a	N/a	N/a	-	-	50 000	100 000	40 000	-	-	50 000	-	-	-	-	240 000,00									
460 633	S/EC/19292/23/26	Jeffreys Bay Sewer Pipe Upgrade in Oceanview Planning stage	Y	B	Sanitation	R747 500.00	R747 500.00	Registered	Jul-23	N/a	N/a	N/a	-	-	-	50 000	50 000	50 000	-	100 000	-	50 000	-	50 000	350 000,00									
460 801	S/EC/19293/23/26	Design for the refurbishment of the Weston Wastewater Treatment works and new sewer outfall and reticulation.	Y	B	Sanitation	R1 150 000.00	R1 150 000.00	Registered	Jul-23	N/a	N/a	N/a	-	-	50 000	50 000	120 000	-	80 000	50 000	50 000	-	95 242	-	495 241,75									
461 916	EC2022/23/11/152	Design of new High Mast Lights-Planning	Y	E	Electricity	R645 150.00	R645 150.00	Registered	In place	N/a	N/a	N/a	-	-	50 000	50 000	-	-	-	-	-	-	-	-	R100 000,00									
PMU ADMIN (5% Top Slice)												155 696	155 696	155 696	155 696	155 696	155 696	155 696	155 696	155 696	155 696	155 696	155 696	155 696	155 696	155 696	155 696	155 696	155 696	155 696	155 696	155 696	155 696	1 868 350
																									37 366 999,66									
SIGNED BY MUNICIPAL MANAGER (Or delegated person, include letter of delegation)																																		
NAME:																																		
SIGNATURE:																																		
DATE:																																		
CONTACT DETAILS:																																		
CHIEF FINANCIAL OFFICER																																		
NAME:																																		
SIGNATURE:																																		
DATE:																																		
CONTACT DETAILS:																																		

This must be equal to the allocations published in the DoRA for the MIG.

MUNICIPAL INFRASTRUCTURE GRANT (MIG)

MANAGEMENT (PMU) DRAFT BUSINESS PLAN: - 2023/2024 FINANCIAL YEAR

Name of Municipality		Kouga Local Municipality			
PERSONNEL EXPENDITURE					
PMU Position	Person Nominated	Qualifications of nominated person	Contact Details	Monthly Billing	Annual Billing (Salary Only)
PMU Manager	Jacques Du Toit		jdutoit@kouga.gov.za 042 2002 8619 067 106 3691	R 52 163,00	R 625 956,00
PMU Technician	Bukeka Matshikili	NDIP: Civil Engineering	bmatshikili@kouga.gov.za 042 200 8367 083 256 5301	R 32 000,00	R 384 000,00
Data Capturer	Akhona Saul	Matric	asaul@kouga.gov.za 042 200 2200	R 5 000,00	R 60 000,00
Accountant	Laurian Plaatjies	BComm Accounting (Currently busy with CPMD)	lplaatjies@kouga.gov.za 042 200 2200	Seconded - Agreement not finalized	
NONE PERSONAL EXPENDITURE ITEMS					
Expenditure Item	Monthly Expenditure	Annual Expenditure			
Salaries, wages and allowances	R 119 496,40	R 1 433 954,88			
Housing benefits	R 1 699,77	R 20 397,28			
Social Contributions and accomodation	R 34 499,82	R 413 997,84			
	R 155 695,99	R 1 868 350,00			
SIGNED BY CFO) (Or delegated person, include letter of delegation)					
NAME:					
SIGNATURE:					
DATE:					
CONTACT DETAILS:					
SIGNED BY MUNICIPAL MANAGER (Or delegated person, include letter of delegation)					
NAME:					
SIGNATURE:					
DATE:					
CONTACT DETAILS:					