

**MINUTES OF A VIRTUAL ORDINARY COUNCIL MEETING OF KOUGA
MUNICIPALITY HELD ON TUESDAY, 30 JULY 2024 AT 10:00 AM**

PRESENT: Councillors

Ald B Williams	(Speaker)
H Bornman	(Executive Mayor)
T Jantjes	
Ald D Benson	
B Dhludhlu	
W Gertenbach	
H Murray	
R Foley	
F Heystek	
S Ruth	
J Alexander	
C August	
M Nicholls	
M van Niekerk	
N Nfengwane	
L Maree	
M Valgee	
G Stuurman	
W van der Linde	
K Ndzalani	
N Ntshota	
V Zana	
E Mbuqu	
M Mbandana	
M Yali	
P Oliphant	
L Nkiliishane	
V Gunuza	

**Officials &
Municipal Manager**

C du Plessis	(Municipal Manager)
D de Jager	(Deputy Municipal Manager)
R Lorgat	(CFO)
N Machelesi	(Director: Community Services)
C de Kock	(Director: Civil & Water Services)
L Ramakuwela	(Acting Director: Planning & Development)
T Madatt	(Director: Electro-Mechanical Services)
L Opperman	(Manager: Legal Services)
M Rossouw	(Manager: Administration & Auxiliary Services)
E Goliath	(Manager: Public Participation)
A Koegelenberg	(Manager: PMS)
M Basson	(Manager: Media & Communication)
K Minnaar	(Chief of Staff)
C Prinsloo	(Legal Officer: Office of the Speaker)

S Mlonyeni	(Communication Officer)
M Julius	(Senior Admin Officer; Committees)
S Sidjiyo	(Committee Officer)
N Mazibuko	(Committee Clerk/Scribe)

1. **NOTICE OF MEETING**

The Speaker read the notice convening the meeting in terms of Section 19 of the Local Government: Municipal Systems Act, 2000 (Act No.32 of 2000) that an Ordinary Council Meeting will be held virtually on 30 July 2024 at 10:00 a.m.

2. **OPENING AND WELCOME**

The Speaker welcomed everyone present to the meeting and requested Cllr Ntshota to open the meeting in prayer.

3. **ABSENT WITH LEAVE**

W Petersen
B Human

4. **ABSENT WITHOUT LEAVE**

None.

5. **PRESENTATIONS**

None.

6. **ACKNOWLEDGEMENTS, CONDOLENCES & CONGRATULATIONS**

Ald Benson extended birthday wishes to the following Councillors:

- 14 June – Cllr Ntshota
- 25 July – Cllr Valgee

Cllr August extended condolences to the Miggels and Jaffon families in Silvertown on the loss of their 14-year old daughter from Hankey Secondary School. She further sympathised with the family of the 2-year old boy that went missing.

Cllr Nklishane, on behalf of the Economic Freedom Fighters (EFF), extended his heartfelt condolences to the family of the EFF Provincial Chairperson, Mr Zilindile Vena, on the loss of his father.

Cllr Oliphant extended condolences to the family that lost a 16-year old in Sea Vista. He sympathised with the families that lost their valuables in the fires that occurred in the informal settlements. He further commended Councillor Ntshota and everyone who contributed to helping the affected families during the disaster.

Cllr Ntshota further extended her condolences to the family of the 16-year old and thanked the Office of the Mayor for making it possible for the family to bury the deceased. She further thanked Masikhathalelane and other private donors for contributing to those who lost their belongings.

Cllr Dhludhlu extended his condolences to the family of the former DA Councillor, Mr Freddy Campher, on their loss.

Cllr Zana applauded team South Africa for their victories at the Paris Olympic Games 2024 especially Ms Tatjana Smith who won a gold medal for the Women's 100m breaststroke, Mr Alan Hatherly who won bronze for the Men's cross-country as well as Jeffreys Bay born Selvyn Davids who plays for the Springbok Sevens team (Blitzboks) for their outstanding performance.

Cllr Foley congratulated the Jeffreys Bay surfer, Matthew McGillivray, for qualifying for the Paris Olympic Games 2024.

Cllr Ruth applauded the Disaster Volunteer Group (DVG) in St Francis for assisting during disasters such as fires, and the community of St Francis for donating and assisting the residents of Sea Vista.

Cllr Nkilishane congratulated the EFF for celebrating its 11th anniversary in the Northern Cape Province.

7. **STATEMENTS OR COMMUNICATIONS BY THE SPEAKER**

Good morning Honourable Mayor, Cllrs, Municipal Manager and officials.

A warm welcome to all to the July meeting of Council.

The Office of the Speaker has continued with the business of Council during the month of July and a very successful Ward Councillors Forum was held last week.

Numerous issues pertaining to our various communities were discussed, including the issuing of liquor licenses and the process that needs to be followed.

My office, together with the Municipal Manager, will be holding a follow-up meeting with the Eastern Cape Liquor Board to seek further clarification on a number of issues that we are still uncomfortable with, including the Council's role in the process.

A presentation was done for the Mayoral Committee on the ComCompact programme that Kouga Municipality is part of.

COMPACT is a four-year project launched jointly implemented by the Public Affairs Research Institute (PARI), the South African Local Government Association (SALGA) and Integrity Action (IA) and co-funded by the European Union.

It is clear that our Municipality is being held in high regard when it comes to public participation and the Ward Committee action sheets are being recognized as being innovative and bringing government to the people.

Kouga has become the benchmark in terms of ward committees and the engagement between the committees and the Municipality and our action sheets model is going to be rolled out to other Municipalities across the country.

According to the presentation and I quote, "Public participation around the IDP is a priority in Kouga Local Municipality and a number of respondents mentioned that the municipality is doing "very well" and there is a "huge improvement from what it was before" in terms of participation.

Previously IDP meetings were more "service delivery complaints meetings." There is clearly an intentional focus on "bringing government to the people" in Kouga Local Municipality."

I wish to thank the Public Participation Unit for the support provided to Council as well as staff in the Office of the Deputy Municipal Manager who give assistance in the managing to the live Ward Action Sheets.

Councillors, we have a lengthy agenda ahead of us today and I look forward to fruitful and constructive debate.

Thank you

8. **STATEMENTS OR COMMUNICATIONS BY THE EXECUTIVE MAYOR**

Good morning,

Firstly, I would like to acknowledge the incredible achievement of Tatjana Smith who has won our first Gold Medal of the Paris Olympics. Congratulations, you have once again made South Africa very proud.

As a proud nation, I wish to begin by addressing a topic that has dominated much of the discourse throughout our country this past month, and that is the big change that has taken place in our national government. The formation of a Government of National Unity is the most significant development in our democracy since 1994. And I am sure you have also felt, just like I have, a recent change in the mood of the nation.

South Africans are reacting to what they believe is a reason for optimism for the future of our country.

And while all this talk still needs to be backed up by action, there has been an undeniable shift in the tone of everyday conversations among South Africans. For the first time in years, the gloom is lifting.

I was also encouraged by the President's speech at the opening of Parliament. Some of the issues he touched on are things that we have prioritised here in Kouga Municipality in our own efforts to stimulate growth and create jobs, and it bodes well that we now appear to be aligned on a number of important issues.

- One of these issues is the President's commitment to driving growth by scaling up investment in public infrastructure
- The President spoke of the need to simplify regulations to enable better public-private partnerships in this infrastructure investment drive.
- He also spoke about deploying technology in the fight against crime.
- And also spoke of a renewed focus on the release of public land for social housing.

These are all encouraging signs as I need not remind Council that these very commitments align with what Kouga Municipality has been working hard to achieve for years.

This new momentum is of particular interest to us here in Kouga Municipality and we will be using this opportunity to fast-track several outstanding projects which could have a direct and positive impact on our residents. It is my hope that with this new shift and with new leadership in ministries we will be able to unblock challenges previously faced and begin to form formidable working relationships with all Departments.

As Kouga Municipality, we have already proven this commitment by having more Inter-Governmental Relation sessions than possibly any other Local Municipality in the Country. These relationships will allow us, for example, the ability to access the National Government and its unwavering support in a time of need.

I am, in particular, thankful to the Minister of Agriculture, Honourable Steenhuisen, who will be visiting Kouga Municipality this week to address local farmers on the devastating Foot and Mouth Outbreak. Despite collective efforts to contain the virus, it has since unfortunately spread to an estimated total of 31 farms in our region with a massive impact on our farming community.

As the third largest milk producers in the Country, it is imperative that Council support this sector and it is for this reason that I will be tabling a motion of exigency which I will detail at the appropriate time.

I am also excited about a renewed relationship with the Department of Human Settlements under the leadership of Honourable Kubayi. This partnership is critical if we are to see greater momentum injected into our ISUP project.

On 3 July 2024, KLM met with the Eastern Cape Department of Human Settlements. The meeting confirmed that ECDHS is willing to grant KLM additional funding for the upgrade of Bulk-link Services and that the R68 million already approved should be applied for Phase 2 & 3 Activities.

The value of the Bulk-link Projects is R83 million, I wish to, at this point, like to highlight our Department of Planning and Development, under the capable leadership of Acting Director Ramakuwela, who has been making massive strides to address a myriad of challenges in Kouga Municipality.

I also wish to thank the administration at large for ensuring that we can today note the approved 2024/2025 SDBIP. The 2024/25 Service Delivery and Budget Implementation Plan is well aligned with the Strategic Objectives as detailed in the 2024/25 Integrated Development Plan.

Furthermore, the content of the Service Delivery and Budget Implementation Plan forms the basis of the Performance Agreements of Section 57 Employees.

In this respect, I am excited about the appointment of a new service provider, "Ignite Advisory" who will now be supporting Kouga Municipality with the IDP and SDBIP process maps, performance monitoring systems and the implementation of a web-based compliance system which is the only system of its kind in South Africa.

Ignite Advisory has over 150 years of combined experience and currently supports 42 local municipalities in South Africa, 3 provincial departments and 3 national departments. I would like all officials to note this seriously: performance evaluation will be monitored more closely now than ever before. Officials who do not meet reasonable targets will be dealt with through the appropriate HR processes made available.

Speaker, we need a united team who understands and embodies our vision of service excellence if we are to realize our full potential. It is unfortunate, therefore, that alleged acts of fraud and corruption relating to the illegal sale of electricity recently came to my attention.

The Municipal Manager and I acted immediately and decisively. As a result, eight officials have been suspended. Two of these officials have since resigned and an internal and external investigation is currently underway.

I hereby wish to officially condemn these alleged acts of fraud and corruption and wish to send a stern warning to all officials that maladministration or any other dishonest activities of a similar nature will not be tolerated.

Suspects who are found guilty will be subjected to formal criminal charges. I consider transparency as a crucial element of good governance and encourage any official who might be aware of any similar acts of dishonesty to report them without fear.

Kouga Municipality is making massive strides in achieving our key objectives and we will not be constrained of this progress by corrupt officials or politicians.

We will by all means possible ensure that Kouga Municipality has a committed team who is determined to, amongst many other things, improve customer service, repair our road infrastructure, facilitate the upgrade of our wastewater treatment plants and help secure the generation of electricity.

Let us all use this opportunity of renewed hope to inject a spirit of renewed service excellence in Kouga Municipality to ensure that the 2024/25 financial year brings real change to the residents of Kouga Municipality.

I thank you.

9. **DISCLOSURE OF INTEREST**

Cllr Alexander declared an interest in item 24/07/FED21.

10. **STATUTORY MATTERS**

None.

11. **CONFIRMATION OF MINUTES OF PREVIOUS COUNCIL MEETING**

11.1 **MINUTES OF AN ORDINARY COUNCIL MEETING HELD ON 28 JUNE 2024**

Resolved (30 July 2024)

1. That the minutes of the Ordinary Council meeting held on 28 June 2024 be approved.

Proposed: Cllr R Foley

Seconded: Cllr W Gertenbach

13. **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).

14. **REPORTS OF COMMITTEES OF COUNCIL**

14.1 **REPORT BACK: SARAH BAARTMAN DISTRICT MUNICIPALITY REPRESENTATIVE**

None.

14.2 **KOUGA AUDIT COMMITTEE**

None.

14.3 **RULES & ETHICS COMMITTEE**

None.

14.4 **MUNICIPAL PUBLIC ACCOUNTS COMMITTEE**

None.

15. **REPORT BACK: MUNIMEC**

None.

16. **REPORTS BY THE OFFICE OF THE MUNICIPAL MANAGER**

24/07/MM2 COUNCIL RESOLUTIONS AS AT 28 JUNE 2024

Cllr Zana referred to page 24 and enquired about the status of the *Establishment and Recognition of the Kouga SMME Forum*. On page 26, he questioned whether the Khoi and San people were consulted during the process of finalising the Tourism Strategy.

On page 53, he requested a status update on the *Alienation of Erf 2599, Sea Vista* and an update on the *Alienation of Erf 3291, Humansdorp (Kouga Cultural Centre)*.

On page 97, he enquired about the current status of the *Thornhill Electrical Network Transfer to Kouga Local Municipality* and the status of advertising the fencing tender for the Weston Waste Water Treatment Works.

Cllr van der Linde referred to page 25 and enquired about the status of sourcing external loan funding of R200 million for the repair of roads. He sought clarity on whether the strategic planning session with the KLTO and LED department occurred.

He further questioned whether a close-out report was submitted for the 2024 South Africa National Open Water Championship. On page 62, he enquired if the scheduled meeting for the *Alienation (Lease) of Erf 512, Hankey* on 13 June 2024 took place.

On page 65, *Alienation (Lease) of a Portion of Erf 164, Jeffreys Bay*, he questioned the amount that the property was being leased for. On page 86, he enquired about the current status of finalising the bulk water service agreement with the Nelson Mandela Bay Municipality (NMBM) and the impact thereof.

On page 87, he enquired if the feedback from the MEC of Health was received on the *Petitions submitted by Kouga Local Clinics 2023*. He further enquired about when the Rules & Bylaws Committee will sit.

The Speaker raised the following queries:

- On page 25, he questioned when the Economic Development Strategy will be finalised and submitted to Council.
- On page 29, he requested details on the feedback received from the Chief Director: Public Works on the properties to be transferred to Kouga Municipality.
- On page 33, he enquired about the comments received from departments on the *Donation & Transfer of Kouga Municipal Properties to Public Works*.
- He further enquired about the current progress of drafting the Aesthetics & Heritage Bylaw.
- On page 37, he enquired about the current status of the transfer of Erf 11163.
- On page 87, he requested an update on the negotiations with the provincial Department of Transport on the transfer of ownership of roads within Kouga.
- On page 97, he enquired about the progress of drafting the tender document and the commencement of the *20MW Renewable Energy Construction Plans Project*.
- On page 100, he enquired about the status of drafting the tender for phase 2 of the *roads to be upgraded under the gravel roads project*.

In response to the enquiry raised about the Rules & Bylaw Committee and the *Petitions Submitted by Kouga Local Clinics 2023*, the Speaker stated that the Rules & Bylaw Committee was still under review as the SOP needs to be updated and that no feedback was received from the MEC of Health regarding the Petitions submitted by Kouga Local Clinics 2023.

On the status of the *Establishment and Recognition of the Kouga SMME Forum*, the CFO stated that the Economic Development Strategy was linked to the Kouga SMME Forum and will be presented at the September Council meeting. He added that consultations with the Khoi and San people would form part of the Economic Development Strategy recommendations that will be presented at Council in September.

The CFO highlighted that a close-out report for the 2024 South Africa National Open Water Championship has not been submitted, however, a follow-up would be done on the matter. On the current status of sourcing external loan funding of R200 million, he stated that the external process was ineffective, and an admin fee of 2% of the loan amount was presented by DBSA, however, negotiations were underway regarding the admin fee and the terms and conditions of the loan.

On the *Alienation of Erf 2599, Sea Vista*, the Acting Director: Planning & Development highlighted that the matter was referred to the Legal Services department for finalisation of the transfer. On the *Alienation of Erf 3291, Humansdorp (Kouga Cultural Centre)*, he stated that the Terms of Reference (ToR) for the demolition were submitted to the Bid

Specification Committee and the Bid Adjudication Committee where other matters were raised which required amendments to the ToR.

On the properties to be transferred to Kouga Local Municipality, he highlighted that no feedback has been received from the Department of Public Works on the matter. On the *Donation & Transfer of Kouga Municipal Properties to Public Works*, he stated that the only outstanding comments were from the Traffic department and that a follow would be done to finalise the land use application.

On the status of the transfer of Erf 11163, he highlighted that the matter was referred to the Legal Services department for finalisation. On the drafting of the Aesthetics & Heritage Bylaw, he stated that a draft bylaw was submitted to the Legal Services department for input and that a follow on the matter would be done.

He added that all lease agreements were submitted to the Legal Services department for finalisation.

On the current status of finalising the bulk water service agreement, the CFO stated that there was a pending legal matter on the issue.

On the fencing tender for the Weston Waste Water Treatment Works, the Director: Civil & Water Services confirmed that the tender was submitted to the Bid Adjudication Committee, however, one of the JV partners was tax non-compliant and the item was deferred pending the resolution of the tax matters.

On the negotiations with the provincial Department of Transport on the transfer of ownership of roads, he stated that engagements were held on 9 July 2024 and that a letter had to be sent to the MEC regarding the transfer.

On the status of drafting the tender for phase 2 of the *roads to be upgraded*, he stated that construction would no longer take place during the 2024/25 financial year due to the allocation cuts, however, the tender document will be finalised with the latest visual assessments of the roads.

Regarding the *Thornhill Electrical Network Transfer to Kouga Local Municipality*, the Director: Electro-Mechanical Services highlighted that a quotation for R500 000 was received from the Nelson Mandela Bay Municipality which has since been submitted to the Department of Human Settlements for the payout.

On the progress of drafting the tender document and the commencement of the *20MW Renewable Energy Construction Plans Project*, he stated that the scope of work and costing was discussed with the Consultant.

Resolved (30 July 2024)

1. That the updated Action Sheets reflecting resolutions of previous Council meetings, be noted.
2. That the action sheet be tabled at Top Management for discussion and actioning.

24/07/MM3 REPORT FOR FINAL APPROVAL OF ORGANISATIONAL STRUCTURE 2024/2025

Cllr Zana requested a 5-minute ANC caucus break at 11:00.

The Speaker granted the caucus break.

Upon return at 11:10, Cllr Zana questioned whether inputs from the labour forums were received on the Organizational Structure, especially in the filling of budgeted positions and questioned whether any feedback was received from the Office of the MEC.

He added that the ANC was not in support of the recommendations.

The Executive Mayor confirmed that no response was received from the Office of the MEC regarding the organogram.

The Municipal Manager added that there were consultations held with the various Directorates regarding the organogram.

The Speaker called for a vote on the acceptance of the recommendations.

In Favour: 17

Against: 8

Abstained: 0

Resolved (30 July 2024)

1. That the final reviewed Organisational Structure be approved by Council.
2. That the Organisational Structure be submitted to the MEC: CoGTA within thirty (30) days of final approval for further dissemination.
3. That the filling of positions be prioritised subject to budgetary provisions and organizational priorities.
4. That all changes within the reviewed Organisational Structure be implemented effective 01 September 2024.

24/07/MM4 2024/25: SERVICE DELIVERY AND BUDGET IMPLEMENTATION PLAN: AMENDMENT

Cllr Oliphant stressed the need for the SDBIP to be ward-based and to outline a ward-based budget in order to assess whether the poorest benefit from the budget allocations.

Cllr Zana expressed that the ANC was not in support of the recommendations.

The Speaker called for a vote on the acceptance of the recommendations.

In Favour: 17
Against: 9
Abstained: 0

Resolved (30 July 2024)

1. That the Service Delivery and Budget Implementation Plan for the 2024/25 financial year as approved by the Executive Mayor be noted.
2. That the Municipal Manager oversees the quarterly submission of departmental progress reports to the respective Portfolio Committees on the implementation of the Service Delivery and Budget Implementation Plan.

24/07/MM5 ADDENDUMS TO 2023/24 PERFORMANCE PLANS OF SENIOR MANAGERS FOLLOWING AMENDMENTS TO THE 2023/24 SERVICE DELIVERY AND BUDGET IMPLEMENTATION PLAN

Resolved (30 July 2024)

1. That the addendums to the performance plans of Senior Managers following the amendments to the 2023/24 Service Delivery and Budget Implementation Plan as approved by Council on 24 March 2024 per Resolution 24/03/MM5 and on 30 April 2024 per Resolution 24/04/MM3, be noted.

24/07/MM6 REPORT ON THE DELEGATED AUTHORITY EXERCISED BY THE EXECUTIVE MAYOR

Resolved (30 July 2024)

1. That the report on the delegated authority by the Executive Mayor be confirmed.

16. REPORTS BY THE PORTFOLIO COMMITTEE CHAIRPERSONS

16.1 REPORTS BY THE CHAIRPERSON: FINANCE & ECONOMIC DEVELOPMENT

24/07/FED8 AUTHORISATION FOR KOUGA DELEGATION TO PARTICIPATE AND EXHIBIT KOUGA LOCALLY PRODUCED PRODUCTS AT THE CHINA INTERNATIONAL IMPORT EXPO (CIIE): 5 TO 10 NOVEMBER 2024

Cllr Nkilishane indicated that the EFF was not in support of the item.

The Speaker called for a vote on the acceptance of the recommendations.

In Favour: 21

Against: 2

Abstained: 1

Resolved (30 July 2024)

1. That Council approves the participation of Kouga LM in the International Business Import Expo in November 2024 in Shanghai.
2. That Council approves the financial support rendered to local producers for sample products to be exhibited in the Expo and be limited to R10 000 per qualifying exhibitor.
3. That Council approves the following delegation to represent and participate in the International Business Import Expo in Shanghai:

KLM Executive Mayor: Cllr H Bornman

MMC: Finance & ED: Cllr L Maree

Director Finance & ED: Mr. R Lorgat

Acting Manager: ED & Tourism: Mrs. A Jonck

Tourism Officer: Mrs. H Halgryn

24/07/FED16 SUPPLY CHAIN MANAGEMENT YEAR ENDING STOCKTAKING AS AT THE END OF 30 JUNE 2024: \$40 DISPOSAL MANAGEMENT (DISPOSAL OF SLOW-MOVING STOCK, REDUNDANT STOCK AND DAMAGED STOCK ITEMS)

Resolved (30 July 2024)

1. That Council approves the report of slow-making stock, redundant stock and damaged stock as at the end of 2023/2024 Financial Year.
2. That considering that any stock item that has not been issued by Stores Section for a minimum of three previous financial years by Stores. Those stock items allocated in those bins must be regarded as redundant stock items.
3. That the recommended disposal strategy by SCM section for redundant stock for the total value of **R 4606.58 (Excluding VAT)** which is reflected in Table 1 and 2 be put on a public auction, and after approval by Council these items will be removed.

4. That the damaged item as reflected in table 3 below to the value of **R44.95** be written off.

24/07/FED17 AUCTION OF REDUNDANT ASSETS AND SCRAP METAL

Resolved (30 July 2024)

1. That Council notes the report on the auction of redundant assets and scrap metal.

24/07/FED18 APPROVAL OF THE ABSA BANK FACILITY AGREEMENT AND THE GENERAL TERMS AND CONDITIONS OF THE FACILITY

Resolved (30 July 2024)

1. That the Executive Mayor recommends that the Council, approves the ABSA Bank Facility Agreement, including the general terms and conditions associated therewith.
2. That the Municipal Manager be authorized to negotiate up to a maximum capital exposure of R 12 million, for the duration of the contract period.
3. That the Kouga Municipality has complied with, in so far as it relates to the facilities, with the relevant provisions of the Local Government: Municipal Finance Management Act, Act No 56 of 2003.
4. That the Municipal Manager and Chief Financial Officer of the Kouga Municipality, be authorized and empowered to sign all the required documents on behalf of the Municipality, for the duration of the contract period.

24/07/FED19 MONTHLY BUDGET STATEMENTS FOR THE PERIOD JULY 2023 TO JUNE 2024 AND FINANCIAL STATE OF AFFAIRS OF THE MUNICIPALITY AS AT 30 JUNE 2024 (2023/24 FINANCIAL YEAR)

Resolved (30 July 2024)

1. That Council notes the report on the monthly budget statements, in accordance with Section 71(1) of the Municipal Finance Management Act.
2. That the monthly budget statements accordingly be submitted to the Provincial Treasury as stipulated in Section 71(1) of the MFMA.
3. That Council notes the Executive Mayor's report on the implementation of the budget and the financial state of affairs of the municipality, in accordance with Section 52(d) of the MFMA be noted.

24/07/FED20 BUDGET AND TREASURY: WITHDRAWALS FROM MUNICIPAL BANK ACCOUNT FOR THE QUARTER ENDED 30 JUNE 2024

Resolved (30 July 2024)

1. That the Council notes the withdrawals that were made in terms of section 11(1) (b) to (j) of the MFMA for the quarter ended 30 June 2024; and
2. That the report accordingly be submitted to the Provincial Treasury and Auditor-General as determined by section 11(4) (b) of the MFMA.

24/07/FED21 SUPPLY CHAIN MANAGEMENT: 4TH QUARTERLY REPORT FOR THE PERIOD ENDING 30 JUNE 2024

Cllr Alexander was placed in the virtual waiting room.

Resolved (30 July 2024)

1. That Council approves the reporting requirements for the fourth quarter of the 2023/2024 Financial year starting 1 April 2024 and ending 30 June 2024.

Cllr Alexander was allowed back into the meeting.

24/07/FED22 APPROVAL OF ELECTRICITY TARIFFS FOR THE PERIOD 1 JULY 2024 TO 30 JUNE 2025

Resolved (30 July 2024)

1. That Council notes the amendments made to the electricity tariffs based on the amended application submitted and the subsequent approval by NERSA for the tariff increase for the period 1 July 2024 to 30 June 2025, and approved as follows:

DOMESTIC TARIFFS

<u>Tariff Blocks</u>	<u>c/kWh</u>
Block 1 (0-50) kWh	162.27
Block 2 (51-350) kWh	211.88
Block 3 (351-600) kWh	302.30
Block 4(>600) kWh	363.75

Domestic High Pre-paid 1Phase 60A

<u>Tariff Blocks</u>	<u>c/kWh</u>
Block 1 (0-50) kWh	162.27
Block 2 (51-350) kWh	211.88

Block 3 (351-600) kWh	302.30
Block 4 (>600) kWh	363.75
Basic Charge (R/month)	296.52

Domestic High Pre-paid 3Phase 60A

<u>Tariff Blocks</u>	<u>c/kWh</u>
Block 1(0-50) kWh	162.27
Block 2(51-350) kWh	211.88
Block 3(351 - 600) kWh	302.30
Block 4(>600) kWh	363.75
Basic Charge (R/month)	830.24

Domestic High Conventional 1Phase 60A

<u>Tariff Blocks</u>	<u>c/kWh</u>
Block 1(0-50) kWh	162.27
Block 2(51-350) kWh	211.88
Block 3(351 - 600) kWh	302.30
Block 4(>600) kWh	363.75
Basic Charge (R/month)	370.64

Domestic High Conventional 3Phase 60A

<u>Tariff Blocks</u>	<u>c/kWh</u>
Block 1(0-50) kWh	162.27
Block 2(51-350) kWh	211.88
Block 3(351 - 600) kWh	302.30
Block 4(>600) kWh	363.75
Basic Charge (R/month)	1 037.81

COMMERCIAL TARIFFS

Commercial Conventional 1Phase 60A

Basic Charge (R/month)	812.30
Energy Charge (c/kWh)	259.25

Commercial Conventional 3Phase 60A

Basic Charge (R/month)	2 274.85
Energy Charge (c/kWh)	259.25

Commercial Conventional 3Phase 100A

Basic Charge (R/month)	3 790.76
Energy Charge (c/kWh)	259.25

Commercial Pre-Paid 1&3Phase 60A

Energy Charge (c/kWh)	358.47
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INDUSTRIAL TARIFFS

Industrial normal Bulk Low Voltage (<500)

Basic Charge (R/month)	1 491.88
Energy Charge (c/kWh)	132.83
Demand Charge (R/kVA):	
Network Demand	62.84
Network Access	54.19

Industrial Normal Bulk High Voltage (≥ 500 & <66 kV)

Basic Charge (R/month)	1 491.60
Energy Charge (c/kWh)	131.49
Demand Charge (R/kVA):	
Network Demand	62.84
Network Access	54.19

TIME-OF-USE (TOU) TARIFFS

Low voltage <500V

Basic Charge (R/month)	1 491.61
Demand Charge (R/kVA):	
Network Demand	68.30
Network Access	58.89
Energy Charge (c/kWh):	
<u>Low Season</u>	
Peak	234.06
Standard	166.34
Off-Peak	111.68
<u>High Season</u>	
Peak	682.82
Standard	218.60
Off-Peak	126.40
Reactive Energy (c/kVArh)	28.91

HIGH VOLTAGE ≥ 500V & 66kV

Basic Charge (R/month)	1 491.61
Demand Charge (R/kVA):	
Network Demand	62.84
Network Access	54.19
Energy Charge (c/kWh):	
<u>Low Season</u>	
Peak	234.06
Standard	166.34
Off-Peak	111.68
<u>High Season</u>	
Peak	682.82
Standard	218.60
Off-Peak	126.40
Reactive Energy (c/kVArh)	28.91

16.2 **REPORTS BY THE CHAIRPERSON: ELECTRO-MECHANICAL SERVICES**

24/07/EMS6 REPORT: INDUSTRIAL AND COMMERCIAL TARIFF RECTIFICATION

Resolved (30 July 2024)

1. That Council takes note of the program that is currently being executed by the Electro-Mechanical Department - Electrical division.
2. That Council notes that it is a condition that the Cost of Supply study had to be conducted to highlight the real cost of rendering electrical services to the municipal consumer.

16.3 **REPORTS BY THE CHAIRPERSON: PLANNING & DEVELOPMENT**

24/07/PD3 ACCEPTANCE OF LAND PURCHASED BY THE PROVINCIAL HUMAN SETTLEMENTS DEPARTMENT FOR THE KOUGA MUNICIPALITY: ERF 9932 JEFFREYS BAY

The Executive Mayor proposed an additional recommendation indicating that a draft layout plan for Erf 9932 be prepared and submitted to the next Planning and Development Portfolio Committee for further debate on the land use within the development. This would allow all the details can be discussed in terms of land for schools, open spaces, and land for clinics.

Cllr Gertenbach seconded the proposal.

Resolved (30 July 2024)

1. That the Council **accepts** the property described as erf 9932, Jeffreys Bay as purchased by the Provincial Department of Human Settlement.
2. That the Council confirms that Erf 9932, Jeffreys Bay will be utilized for the development of integrated human settlements that will assist in addressing the current housing backlog.
3. That Council authorise the Accounting Officer in line with the delegated authorities of the Accounting Officer to sign the Deed of Sale/Donation contemplated herein.
4. That a draft layout plan for Erf 9932 be submitted to the next Planning & Development Portfolio Committee for further debate on land use within the development.

Proposed: Cllr H Bornman

Seconded: Cllr W Gertenbach

24/07/PD4 REQUEST FOR COUNCIL'S FINAL APPROVAL: ALIENATION (LEASE) OF ERF 7292, JEFFREYS BAY

Resolved (30 July 2024)

1. That Council **grant final** approval for the lease of Erf 7292, Jeffreys Bay for 9 years and 11 months to Mr. Chuma Kondile, as the successful applicant.
2. That Council in terms of Section 14 and 90 of the MFMA and departmental inputs, hereby confirms that the land is not needed to provide the minimum level of basic municipal services.
3. That Council supports the market-related rental valuation of R400.00 per month.
4. That all costs pertaining to the installation of municipal services as well as Town Planning activities be borne by the successful Applicant.
5. That the lease be cancelled if the purpose applied for is not implemented within 12 months from date of signed lease agreement.
6. That an annual escalation be included in the lease agreement.
7. That Council authorises the Accounting Officer to enter into a long-term lease agreement with the successful applicant.

24/07/PD6 REQUEST TO RESCIND PREVIOUS COUNCIL RESOLUTION & COUNCIL'S IN-PRINCIPLE APPROVAL FOR THE SUBDIVISION AND REZONING OF ERF 1324, HUMANSDORP

Resolved (30 July 2024)

1. That Council **rescinds previous** council resolution (18/03/F2).
2. That Council **grants approval** for the subdivision and rezoning of Erf 1324, Humansdorp.
3. That Council confirms that the houses on a portion of Erf 1324, Humansdorp are not needed to provide the minimum level of basic municipal services.
4. That it be noted and confirmed that the municipal houses, Clinic, Ward Councillor's office and Library should be subdivided from Erf 1324, Humansdorp.
5. That Council makes provision for the repair and maintenance of the residential properties to gain maximum revenue in rental.

24/07/PD7 REQUEST FOR COUNCIL'S FINAL APPROVAL: SELLING OF ERF 1085, PATENSIE TO AFRICAN GOSPEL CHURCH

Resolved (30 July 2024)

1. That Council **grant final approval** for the disposal of Erf 1085, Patensie to African Gospel Church at 25% (**R12,500.00 excluding VAT**) of the general municipal valuation of 2018 that amounts to R50,000.00.
2. That Council confirms that Erf 1085, Patensie is not needed to provide the minimum level of basic municipal services.
3. That it be noted that the applicant will be responsible for all administrative costs (transfer costs, Town Planning activities, etc.) in respect of the disposal and transfer of the properties.
4. That Council authorizes the Accounting Officer to enter into a Deed of Sale for the purposes of transferring the said property.

24/07/PD9 BULK-LINK INFRASTRUCTURE IN SUPPORT OF ISUP PROJECTS

The Executive Mayor proposed an addition to recommendation 10.1, the inclusion of Patensie 278 for a new Reservoir for Ramaphosa Village and an upgrade of the Ramaphosa Village Sewer Pumpstation.

Cllr Ruth seconded the proposal.

Resolved (30 July 2024)

1. That Kouga Local Municipality requests assistance from ECDHS to fund Bulk-link Upgrades to supplement the ISUP projects as follows:

KwaNomzamo (Polar Parks 237+553, Shukushukuma 93, Bungalows 103)

- a) Boskloof Secondary Feeder Line & Substation
- b) KwaNomzamo & Geelhout Pump Stations & Bungalows Rising Main
- c) Upgraded Pipeline from Humansdorp WTW to KwaNomzamo

Donkerhoek 234

- a) Gill Marcus Reservoir & Water Feeder Lines
- b) Minor upgrades to Kruisfontein WWTW and construction of Donkerhoek Outfall Sewer

Ocean View (No R10 & Ocean View 1250)

- a) Ocean View Electric Substation Upgrade
- b) Upgrade of Apiesdraai Pump Station

Thornhill 160

- a) New Reservoir Thornhill
- b) Upgrade of Thornhill Sewer Treatment Works
- c) Electricity Transfer from NMBM to KLM

Patensie 278

- a) New Reservoir for Ramaphosa Village
- b) Upgrade of Ramaphosa Village Sewer Pumpstation

Proposed: Cllr H Bornman

Seconded: Cllr S Ruth

2. That Kouga Local Municipality be responsible for the maintenance & operation and security of all the installations on completion and handover.
3. That the required upgrades are in line with the KLM Infrastructure Development Plan and forms part of the engineering projects included in the approved 2024/25 Integrated Development Plan.

MOTION OF EXIGENCY:

FOOT AND MOUTH OUTBREAK IN KOUGA MUNICIPALITY 2024

The Executive Mayor tabled a Motion of Exigency under rule 30 of the Standing Rules and Orders for meetings of Council and all its Committees on the Foot and Mouth disease outbreak in the Kouga Region. Under rule 30.1, he requested that the matter be considered as a matter of exigency.

Cllr Dhiudhlu seconded the proposal to table the motion.

The Speaker called for a vote on the tabling of the motion:

In Favour: 21

Not in Favour: 0

Abstain: 0

The Executive Mayor tabled the motion and outlined that on the 30th April 2024 Kouga Municipality received its first reported incident of the Foot and Mouth outbreak at the Glen 1 and Glen 2, outside of Humansdorp.

Understanding the threat hereof, Kouga Municipality immediately declared a restriction on the movement of all cloven hooved animals in the Kouga and Koukamma region and worked closely with the Agri Tsitsikamma East Farmers Association (ATO) to implement sanitation points at all entrances towards the affected areas.

He stated that on the 16th of May another suspected case was reported on a small beef farm near Palmietvlei, later to be classified as positive for FMD which was soon to be followed by a neighbouring dairy farm.

Despite collective efforts to contain the virus, it has since unfortunately spread from the Palmietvlei area towards Oyster Bay and the Tsitsikamma region.

He added that the Municipality was currently aware of a total of 48 farms which were affected, ranging from small to large herds.

He mentioned that the economic impact hereof was devastating to the local farming community and has the potential to be detrimental to the local economy should the virus continue to spread.

He highlighted that local farmers were negatively impacted:

- With an estimated milk production loss of up to 40% due to discarded milk through treatments.
- Lower milk quality due to infected udders.
- Veterinary costs, mainly treatment of affected cows.
- Additional labour costs due to longer hours needed and
- Additional minerals and feed are required for affected animals.

The Executive Mayor stated that the Agri Tsitsikamma East Farmers Association (ATO) has estimated a total loss for the first 45 days of infection to be anything between R 120-R 150 million and estimates that a total of R600 million losses would have taken place by the end of the year.

ATO, in collaboration with the State Veterinary, has further advised that on average there were 90 000 producing cows in the affected area. With a moderate culling rate of 15% in a no will amount to a total of 13 500 cows that need to be culled, at an estimate of R9 000 per cow it is a further potential loss of R122 million if an abattoir for these animals does not become available soon.

He added that dairy farms within the Kouga area create around 3 000 direct job opportunities and thousands more down the value chain.

He further indicated that the outbreak had the potential to cause the biggest economic crisis in Kouga since Covid 19, therefore, the Municipality needed to do everything in its power to mitigate the situation and support the local agricultural sector.

He proposed that Council consider the current conditions as a local economic state of disaster due to the FMD outbreak and that Council requests the relevant Provincial and/or National department to declare a local economic state of disaster to obtain additional support from the Provincial and/or National government.

The recommendations were unanimously supported.

Resolved (30 July 2024)

1. That Council considers the current conditions as a local economic state of disaster due to the FMD outbreak.
2. That Council requests the relevant Provincial and/or National department to declare a local economic state of disaster to obtain additional support from the Provincial and/or National government.

Proposed: Cllr H Bornman

Seconded: Cllr B Dhludhlu

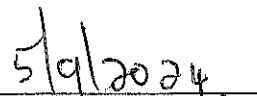
19. **CLOSURE**

The meeting closed at 12:29



B WILLIAMS

SPEAKER



DATE