MINUTES OF A VIRTUAL SPECIAL COUNCIL MEETING OF KOUGA MUNICIPALITY HELD ON THURSDAY, 27 FEBRUARY 2025 AT 10:00 AM

PRESENT: Councillors	Ald B Williams	(Speaker)
	H Bornman	(Executive Mayor)
	Ald D Benson	
	B Dhludhlu	
	T Jantjes	
	W Gertenbach	
	H Murray	
	R Foley	
	F Heystek	
	S Ruth	
	C August	
	M Nicholls	
	M van Niekerk	
	J Alexander	
	L Maree	
	G Stuurman	
	P Oliphant	
	M Yali	
	W van der Linde	
	K Ndzelani	
	N Ntshota	
	B Human	
	V Gunuza	
	M Valgee	
	V Zana	
	E Mbuqu	
	M Mbandana	
	W Petersen	
	N Ntengwane	
Officials & Municipal Manager	C du Plessis	(Municipal Manager)
	D de Jager	(Deputy Municipal Manager)
	R Lorgat	(CFO)
	T Madatt	(Director: Electro-Mechanical Services)
	L Ramakuwela	(Director: Planning & Development)
	C de Kock	(Director: Civil & Water Services)
	L Opperman	(Manager: Legal Services)
	E Goliath	(Manager: Public Participation)
	K Minnaar	(Chief of Staff)
	C Prinsloo	(Legal Officer: Office of the Speaker)
	D Klopper	(PA: Speaker)
	M Basson	(Manager : Media & Communication)
	S Mlonyeni	(Communications Officer)

M Rossouw	(Manager: Administration & Auxiliary Services)
M Julius	(Senior Admin Officer: Committees)
P Gunya	(Committee Officer)
S Rautenbach	(Committee Officer)
R Swart	(Committee Clerk)

1. **NOTICE OF MEETING**

The Speaker read the notice convening the meeting in terms of Section of the Local Government: Municipal Systems Act,2000 (Act No.32 of 2000) that a Special Council Meeting will be held virtually on 27 February 2025 at 10:00 a.m.

2. **OPENING AND WELCOME**

The Speaker welcomed everyone present to the meeting and requested Cllr Dhludhlu to open with a prayer.

The Speaker stated that the item on Write-Off of Accounts within Gamtoos Area must be withdrawn. He explained that, according to the policy on the Provision for Doubtful Debt and the Write-Off of Irrecoverable Debt, Council must appoint a committee to review and recommend all bad debt write-offs before approval. Therefore, the item must be presented to the Bad Debt Committee before being submitted to Council.

3. **ABSENT WITH LEAVE**

N Machelesi (Director: Community Services)

4. **ABSENT WITHOUT LEAVE**

Cllr L Nkilishane

5. **PRESENTATIONS**

None.

6. **ACKNOWLEDGEMENTS, CONDOLENCES & CONGRATULATIONS**

Cllr Dhludhlu congratulated Kouga Municipality for winning the 2024 Eastern Cape Provincial Greenest Municipality Competition. He thanked the Councillors and Officials for their efforts.

Cllr Zana extended condolences to the family of a 106-year- old Mrs Ratola, who passed away. He further recognised Cllr Petersen for being a custodian language and culture for the Khoisan people in the Provincial Government.

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

None.

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

None

9. **DISCLOSURE OF INTEREST**

None.

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 COMMITTEE CHAIRPERSONS**

12.1 **REPORTS BY THE PORTFOLIO CHAIRPERSON: FINANCE AND ECONOMIC DEVELOPMENT**

25/02/FED4 SPONSORSHIP PROPOSAL: 2025 WSL CORONA J-BAY OPEN AND J-BAY SURF FESTIVAL

Cllr Petersen raised a concern over public funds being used to benefit the privileged rather than supporting poor communities in Kouga.

The Speaker cautioned Cllr Petersen not to use racial comments any further.

At 10:12, Cllr Petersen received a warning from the Speaker to stick to the item and stop making racial comments.

At 10:13, Cllr Petersen received a fine for calling the Speaker a "Baas" and forfeited his speaking term.

At 10:14, Cllr Petersen was referred to the Rules and Ethics Committee for speaking without being recognised.

Cllr Mbandana acknowledged the item and the recommendations but believed that the Municipality was trying too hard to be on the forefront. He felt that the event rather be funded by the private sector.

Cllr van der Linde supported the item for its promotion of Kouga Municipality, however, he sought clarification, recalling that previously it was resolved that all sponsorships should be on a year-to-year basis. He expressed concern that Council was reverting to a three-year sponsorship model.

Cllr August supported the item, stating that its purpose was to promote the best interests of Kouga Municipality.

Cllr Human expressed dissatisfaction that the item was not submitted to the Portfolio Committee beforehand. He pointed out that he was not in support of the item. He felt that there was no need for Kouga Municipality to sponsor the event as it was well sponsored, whereas the funds could be utilised to improve the service delivery and develop local talent.

The Speaker advised that the item had taken the correct flow as it was tabled at the Portfolio and Mayoral Committee.

Cllr Dhludhlu supported renewing the three-year sponsorship contract and highlighted its benefits.

Cllr Zana supported the view that local talent needs to be developed for this event to generate value for money. He pointed out that he was not in support of the item.

Cllr Heystek supported the item, emphasising that the event served as a marketing tool for the Municipality. He emphasised the importance of promoting the town to attract tourists, and new investments.

The Executive Mayor emphasised that if Kouga Municipality stopped funding events it would reduce the number of visitors and investors which would harm the local economy. He indicated that it would further result in people losing their jobs. He pointed out that the ANC always rejected sponsorship requests that had been taken to Council.

Cllr Oliphant raised a point of order under rule 32 and pointed out that ANC was not opposing any sponsorship.

The Executive Mayor stated that the previous Council minutes attest that the ANC has consistently rejected any requests for event sponsorship submitted to Council.

Cllr Petersen raised a point of order under rule 32 and stated that ANC was not opposing all events. He indicated that he has supported items which would benefit every community.

The Speaker requested that the officials draw the vote for the past year on events and report back to Council.

The Executive Mayor emphasised the importance of responsibly sponsoring events to attract more tourists. He noted that internationally renowned events would draw people from around the world to Jeffreys Bay. He reiterated that Kouga Municipality is a caring municipality and committed to supporting events that stimulate the economy and creating jobs.

The Speaker called for a vote on the recommendations as tabled in the agenda. He further explained a point of clarity to Cllr Petersen.

Cllr Yali enquired why the item was not tabled at the Portfolio meeting.

The Speaker explained that the item was submitted to the Finance and Economic Development Portfolio Committee, Mayoral Committee and thereafter to Council.

Cllr Oliphant enquired on how the event benefited the Municipality, whether there were any after event briefings and how many black people benefited directly from the event. He questioned if there were any skills transferred during the events.

The Executive Mayor indicated that he would get the figures not only for this event but for events in general from the LED Department and submit it to Council in writing.

The Speaker called for a vote as follows:

In favour of the recommendations as tabled in the agenda: 18

Not in favour of the recommendations as tabled in the agenda: 8

Abstain: 0

Cllr Petersen indicated that he did not see the voting polls on his screen and the Speaker advised that the laptop be taken to the IT Department.

The recommendations as tabled in the agenda were approved.

Resolved (27 February 2025)

1. That Council approves funding allocation of R 1,700,000-00 (One Million and Seven Hundred Thousand Rand) only, VAT-inclusive for the WSL J-Bay Open for the 2024/25 financial year with a 5% increase for the 2025/26 financial year and the 2026/27 financial year respectively.

2. That Council approves funding allocation of R 200,000-00 (Two Hundred Thousand Rand) only, VAT-inclusive for the 2024/2025 FY for the J-Bay Surf Festival for the 2024/25 financial year with a 5% increase for the 2025/26 financial year and the 2026/27 financial year respectively.

3. That Council authorizes the Accounting Officer to conclude a Sponsorship Agreement with the World Surf League, in accordance with the funding allocated in recommendations 1 and 2 above.

12.2. **REPORTS BY THE PORTFOLIO CHAIRPERSON: ELECTRO-MECHANICAL SERVICES**

25/02/EMS13 REPORT: PERMISSION FOR ESKOM TO ELECTRIFY PROJECTS IN THE GAMTOOS AREA,PATENSIE 278, WESTON 196, LOERIE & HANKEY 990 IN THE 2026/27 FINANCIAL YEAR

Cllr Mbandana supported the item but raised concerns about inadequate planning for the influx of people staying illegally in Hankey, which caused power outages in both formal and informal settlements. He also highlighted the issue of outdated infrastructure, which had been in place since 2007 despite the town's growth.

He expressed dissatisfaction with the Municipality's lack of proactive planning for potential challenges.

Cllr Human supported the item but raised a concern regarding the Director of Electro-Mechanical Services' comment that homeowners would be responsible for paying the relocation costs of electrical connections if a formal house was built. He pointed out that many residents in the area earned low incomes and would be unable to afford these costs. He proposed that the Council should include the relocation cost of the electrical connections in the budget.

Cllr Zana welcomed the item and raised several queries, he referred to page 17 and asked if the Municipality had the R2.9 million required for relocating infrastructure, and how the processes would unfold. He also requested clarification on why there was no mention of Loerie on page 15. Additionally, he highlighted that there was an electricity issue in Thornhill and asked whether it would impact INEP's ability to request funding for the project. Finally, he enquired about the possibility of including Milton in the electrification plans for the current financial year.

Cllr Stuurman explained that Eskom was gathering information for future electrification plans in areas such as Patensie, Weston, Loerie, and Hankey in the Gamtoos area.

He emphasised that the Municipality should leverage the INEP program to benefit communities, especially since some people have been living without electricity for a long time.

He pointed out that electrification would help to reduce illegal connections, improve living standards and lower the risk of fires. He added that it would improve the safety and convenience for those who work late, particularly indigent households receiving free basic electricity.

He concluded by stating that Eskom requires a Council decision to include Kouga Municipality as a beneficiary of the INEP funding program.

Cllr Petersen requested that the item be withdrawn and revised to incorporate all responses to the concerns raised before being resubmitted to the Council for further discussion.

The Speaker explained that the item was submitted to the Special Council because Eskom required the Council to resolve before the end of February 2025.

The Director of Electro-Mechanical Services explained that the item was requested by Eskom to begin preliminary designs for all projects in the Gamtoos Valley area, ensuring the Municipality is covered for future projects, including housing.

He assured that Eskom was aware of the issues raised by Cllr Mbandana, particularly in Patensie, and would arrange a meeting with the community, including Cllr Mbandana, next month to address concerns and communicate timeframes.

Regarding Cllr Human's comments on relocation costs, he clarified that the choice was either to provide electricity to communities now or wait until houses were built. He emphasised the need to be proactive in providing safe electricity, rather than delaying until construction was complete.

He confirmed that there was engagement with Eskom to address the R2.9 million cost and that all possible funding avenues were being explored. Regarding Milton, he explained that although the area had previously received electricity, classification issues posed challenges. Eskom was willing to provide electricity, but the high cost of reclassification made it difficult.

He assured that negotiations with Eskom to resolve the matter were continuing and to ensure that the tariff was aligned with current rates. With regard to the Loerie, the issue was a lack of population data, but it would be included in Eskom's preliminary design list.

He added that specific details, such as locations and numbers, would be provided when general plans for Thornhill were submitted.

He mentioned that there was a collaboration with Nelson Mandela Bay Metro on the Thornhill plan and that the connection in Tjoksville would proceed, with a budget needed for further electrification efforts.

Cllr Human emphasised that the residents in the area would be unable to afford the cost of relocating the electrical connection.

The Executive Mayor concurred with Cllr Human comments to assist residents with the relocation but noted that a decision could not be made at this time because the timing of the relocation was unknown, and it was not budgeted for.

He added that when the relocation occurs, the item would be brought back to Council. He emphasised that the Council could not commit to anything beyond the current recommendations at this stage.

Cllr Mbandana requested clarity in terms of the comments made by the Executive Mayor. He added that the funds could be sourced elsewhere such as National Government.

The Executive Mayor clarified the two conditions referenced in the item and directed attention to page 16 of the agenda under the heading "Discussion." He stated that a separate item would be submitted to the Council to address the process and procedures for covering the costs of relocating electrical connections. He emphasised that the current item's purpose was to secure Eskom's electrification of the areas and urged the Council to focus on the recommendations.

Resolved (27 February 2025)

1. That Council approves the electrification of Patensie 278, Weston 196, Loerie, and the remainder of Hankey 990 project (690 Units).

2. That Council notes the demands by Eskom as per the discussion.

12.3 **REPORTS BY THE PORTFOLIO CHAIRPERSON: PLANNING AND DEVELOPMENT**

25/02/PD9 REQUEST FOR COUNCIL'S APPROVAL TO DEMOLISH THE BUILDING ON UNREGISTERED ERF 3291, HUMANSDORP (KOUGA CULTURAL CENTRE)

The Executive Mayor requested a caucus of five to seven minutes.

The Speaker granted the caucus from 11:06 to 11:14.

The Executive Mayor presented the item. He proposed to amend resolutions 10.1 and 10.3 as follows:

10.1 That Council notes the Assessment Report on the condition of the Cultural Centre building and that it be safe guarded as soon as possible.

10.3 That Council grants in principle approval and publish for Public Participation for the disposal (demolishing) of the building on unregistered Erf 3291, Humansdorp, also known as the Kouga Cultural Centre.

He requested that the Manager: Legal Services verify the accuracy of the wording in the recommendations. He raised concerns about the safety of the Kouga Cultural Centre, highlighting the risk of injuries and possible legal implications for the Council. He acknowledged the building's cultural heritage status, which necessitated an additional public participation process. He also noted that while the Council had proposed disposing the building last year, the process was delayed due to required legal processes.

Cllr Zana questioned why the building had been vacant since November 2020 while Kouga Municipality was renting several other buildings. He requested clarity about the original cost of the building and expressed the view that the structure was in good condition before 2020 but deteriorated under the new leadership.

Cllr Dhludhlu raised a point of order under rule 32.1 and explained that a Councillor should stick to matter under discussion and in the item, there was no mention of the Democratic Alliance, the ruling party. He requested that Cllr Human withdraw his statement.

The Speaker overruled the point of order.

Cllr Zana enquired whether there were any insurance claims made after the building had been vandalised and what was the cost of the building. He questioned why the building was vacant and whether there were any criminal cases reported.

Cllr Petersen explained that the building was constructed by the ANC for the Khoi-San and traditional communities.

He emphasised that the building purpose was not only to showcase cultural diversity and heritage but also to serve as a hub for skills development and cultural training. He disagreed with the view that the building was a danger and needed to be demolished. He felt that the Khoi-San leadership had not been involved in the process to save the building and noted that the building should have had caretakers to prevent vandalism. He requested an assessment report on the building condition and a report from SAPS regarding any criminal activities associated with the building.

The Speaker requested that Cllr Petersen submit his questions in writing.

Cllr Human raised a concern that the item was submitted to Council, noting that it was previously included in the adjustment budget meeting last year with an allocation of R1 million.

He highlighted that a tender was issued in August 2024 for the same building without a Council resolution, and a compulsory meeting with contractors took place on 10 September 2024.

He questioned why the item proceeded without Council approval and why it was included as a KPI for the Director of Planning and Development without being presented to Council.

He suggested a verbal vote to ensure that Council was taking an informed decision. He cautioned that adopting the recommendations could be legally questionable. He urged Councillors to make the right decision, emphasising that the building was the last preserved for the Khoi-San community and demolishing it would strip them of their rights.

The Speaker explained that the item was submitted to Council by 30 June 2023.

The Deputy Executive Mayor referred to page 20, Annexure A, stating that the building had been in a dilapidated state for a long time. He indicated that as a Ward Councillor, he had received multiple complaints from SAPS and the Neighbourhood Watch about activities occurring in the building. He expressed concern over its current condition and the criminal activities taking place there.

He emphasised that the reports from SAPS, the Neighbourhood Watch, and the Ward Committee all recommended action to be taken. He confirmed that the building was in such poor condition and that anyone entering could be injured, potentially making the Municipality liable. While acknowledging the historical significance of the building, he urged the Council not to overlook its structural issues and community impact. He supported adopting the recommendations with amendments, ensuring necessary investigations were conducted, and suggested another public participation process due to the sensitivity of the issue.

Cllr Heystek agreed with the Deputy Executive Mayor, stating that the building was in such a deteriorated condition that it could not be salvaged or repaired. He emphasised that due to the criminal activities occurring to the building, the Council could face legal trouble if anyone were injured in the building. He also mentioned that there had already been several claims, making it crucial to address the situation.

Cllr Oliphant raised a question of clarity and indicated that the Deputy Executive Mayor as a Ward Councillor of ward 15, was being selective.

The Speaker ruled that Cllr Oliphant must ask the question of clarity and not make comments.

Cllr Petersen sought clarification, asking why the Council had not appointed the Red Ants to secure the building and prevent criminal activities until the refurbishment issue was resolved. He also noted that, based on his assessment, the building was still intact.

Cllr Zana indicated that he had raised questions early in the discussions of the item and he has not been answered. He further asked whether there was any report from a qualified structural engineer.

The Speaker clarified to Cllr Dhludhlu the question of clarity.

The Executive Mayor summarised the recommendations as amended for everyone to understand.

The Deputy Executive Mayor seconded the recommendations as amended.

At 11:36, Cllr Oliphant received a fine for speaking without being recognised.

The Speaker called for a division of vote on the approval of the amended recommendations as follows:

Ald B Williams	In Favour
H Bornman	In Favour
Ald D Benson	In Favour
B Dhludhlu	In Favour
T Jantjes	In Favour
W Gertenbach	In Favour
H Murray	In Favour
R Foley	In Favour
F Heystek	In Favour
S Ruth	In Favour
C August	In Favour
M Nicholls	In Favour
M van Niekerk	In Favour
J Alexander	In Favour
L Maree	In Favour
G Stuurman	In Favour
P Oliphant	Not in Favour
M Yali	Not in Favour
W van der Linde	In Favour
K Ndzelani	Not in Favour
N Ntshota	Not in Favour
B Human	Not in Favour
V Gunuza	Not in Favour
M Valgee	Not in Favour
V Zana	Not in Favour
E Mbuqu	Not in Favour
M Mbandana	Not in Favour
W Petersen	Not in Favour
N Ntengwane	Not in Favour

The Speaker announced the result as follows:

In favour of the recommendations as amended: 17

Not in favour of the recommendations as amended: 12

Abstain: 0

Resolved (27 February 2025)

1. That Council notes the Assessment Report on the condition of the Cultural Centre building and that it be safeguarded as soon as possible.

2. That Council confirms that the building is not required for the provision of basic municipal services.

3. That Council grants in – principle approval for the disposal (demolition) of the building and grants the Municipal Manager authorisation to commence with a public participation process for the unregistered Erf 3291, Humansdorp, also known as the Kouga Cultural Centre.

Proposed: Cllr H Borman Seconded: Cllr T Jantjes

12.4 **REPORTS BY THE PORTFOLIO CHAIRPERSON: CIVIL AND WATER SERVICES**

25/02/CWS20 JEFFREYS BAY: THE FOUNTAINS INDUSTRIAL PARK: DEVELOPMENT CHARGES

Cllr van der Linde enquired why the item had not been submitted at the Portfolio Committee meeting.

Cllr Human stated that he was not in support of the item, expressing concerns about relying on suggestions from the developers.

He supported the CFO's comments and requested clarification on the discrepancies between the recommendations and the CFO's comments in the item.

Cllr Oliphant highlighted that augmentation was regulated by legislation and he questioned Council's justification for approving the request. He expressed concerns about the limited budget for development and the risk of financial loss. He also enquired if the Portfolio Councillor had met with the developers prior to submitting the request.

He supported Cllr Human's comments and mentioned that the ANC caucus was opposed to any augmentation benefiting the developer.

Cllr Petersen concurred with Cllr Oliphant. He emphasised that Council must use the legislation and not to take ad-hoc decisions. He raised a concern that the augmentation fee would create a limited budget for municipal services.

The Executive Mayor explained that the item was submitted based on legislation and clarified that this practice had been done before, making it legal. He outlined how the augmentation process works, noting that the Municipality first assesses whether there was sufficient service capacity before a developer could proceed with a project.

The response to the developer depends on this assessment. He emphasised that the augmentation payment made by the developer was used to increase capacity for future developments in the area.

He clarified that this does not indicate a lack of capacity, but rather that the Municipality uses the funds to enhance its capacity for future growth. The developer would ultimately pay the full amount needed to obtain the clearance certificate. He also requested that the term "development charges" be changed to "augmentation fee" in the recommendations to align with the policy.

The Director: Civil and Water Services explained that the current policy, contains a provision for a developer to request an alternative payment method other than what was stated in the policy. He pointed out that the alternative was requested, and it was attached to the item and that was the reason the item was not submitted to the Portfolio Committee.

The Speaker requested CFO to clarify his comment regarding the augmentation fees on the item.

The CFO explained that a policy decision was required for the Council to establish a minimum amount for negotiations. He expressed hope that the upcoming Augmentation Policy would address the issue.

He cautioned against setting a precedent where the augmentation fee was fixed at 25%, as the previous item submitted to Council. He advised that the augmentation fee should vary depending on the specific circumstances and development factors.

He pointed out that the policy should set a minimum requirement, he noted that since this request involved implementing bulk infrastructure, it was essential to have most of the funds upfront. Receiving payments in instalments made it challenging to implement any projects.

Cllr Human raised a question of clarity to the Executive Mayor querying if the developer had already agreed to the augmentation fee of 30%, whereas the item was submitted to Council today. He enquired whether the developer knew before the Council meeting.

Cllr Mbandana complimented the comments from the CFO and addressed a question of clarity to the Executive Mayor enquiring whether the Municipality particularly in Jefferys Bay was capable to take any new development in terms of infrastructure.

Cllr Oliphant raised a question of clarity on whether the MMC knew the developer personally or if he had a bilateral with the developer before the request was submitted.

The Executive Mayor indicated that there was no declaration of interest that was declared by Councillors at the beginning of the discussions. He explained that a Councillor need to declare if there was interest in the item and no one indicated so.

Cllr Oliphant raised a point of order under rule 32, he indicated that his question of clarity was directed to the MMC.

The Speaker overruled the point of order as no Councillor had made a declaration at the start of the meeting. He requested that Cllr Oliphant write to his Office if he was not satisfied with the answer.

The Executive Mayor explained that there was a meeting between the Municipal Manager, the Director: Civil and Water and the developer to prepare the item to Council and to determine whether the developer would pay the 30% requested and the method of payment. He added that the Augmentation Policy was very clear on how the process works.

Cllr Foley seconded the recommendations as amended.

Cllr Petersen indicated that he was not in support of the item and the amended recommendations.

At 12: 02 the Speaker called for a vote as follows:

In favour of the recommendations as amended: 16
Not in favour of the recommendations as amended: 10
Abstain: 0

Resolved (27 February 2025)

1. That Council consider approval of the intended deviation from the Augmentation Policy in that the calculated and agreed Augmentation Fees be paid by the developer by effecting a deposit payment equal to 30 % of the total Augmentation Fees as an upfront payment, and the remainder of the calculated and agreed Augmentation Fees be due and payable before the issuing a Services Clearance Certificate by the Kouga Municipality.

2. That the ESA be amended to incorporate the above resolution by Council.

3. That the Augmentation Fees be ring-fenced and secured and explicitly earmarked to each relevant directorate for the upgrade of attending to bulk infrastructure as intended by the DC policy.

13. **CLOSURE**

The meeting closed at 12:03

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4 MAY 2025

B WILLIAMS	**DATE**
SPEAKER	