

MOGALAKWENA LOCAL MUNICIPALITY

COUNCIL

MINUTES OF THE 14th COUNCIL MEETING OF THE MOGALAKWENA MUNICIPALITY HELD IN THE COUNCIL CHAMBER, CIVIC CENTRE, MOKOPANE ON WEDNESDAY, 27 MAY 2009 AT 16:04

PRESENT

AS PER ATTACHED ATTENDANCE REGISTER.

OFFICIALS

Messrs.	L J SEBOLA	-	ACTING MUNICIPAL MANAGER
	S T MOGASHOA	-	MANAGER: TECHNICAL SERVICES
	M H THOBEJANE	-	MANAGER: CORPORATE SUPPORT SERVICES
	J N FOURIE	-	MANAGER: ELECTRICAL SERVICES
	G A HUDSON	-	MANAGER: TRAFFIC & EMERGENCY SERVICES
	M P MASHOTJA	-	DEPUTY MANAGER: DEVELOPMENTAL SERVICES
Mesdames.	L J PIETERSE	-	ACTING DEPUTY MANAGER: TECHNICAL SERVICES
	D E MAILULA	-	MANAGER: DEVELOPMENTAL SERVICES
	I A DE VILLIERS	-	DEPUTY MANAGER: CORPORATE SUPPORT SERVICES
	W D JOUBERT	-	ACTING CHIEF FINANCIAL OFFICER
	R MADIBELA	-	COUNCIL SECRETARIAT OFFICER

1. OPENING

The speaker welcomed all present and requested that a moment of silence be observed.

2. APPLICATION OF MEMBERS FOR LEAVE OF ABSENCE

Applications for leave of absence were received from councillors G Mokale, M H Mashiane, K G Kgosana, P H Tsebe, R E Mothibi, T E Mokhonoana, M J Shiburi, M B Teffo and N R Thema.

RESOLVED:

THAT leave of absence from the 14th council meeting of the Mogalakwena Municipality held on 27 May 2009 be granted to councillors G Mokale, M H Mashiane, K G Kgosana, P H Tsebe, R E Mothibi, T E Mokhonoana, M J Shiburi, M B Teffo and N R Thema.

3. OFFICIAL NOTICES

None.

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4. PROPOSALS OF CONDOLENCES OR CONGRATULATIONS BY THE SPEAKER

The speaker congratulated councillors who celebrated their birthdays during March, April and May 2009.

5. PROPOSALS OF CONDOLENCES OR CONGRATULATIONS BY OTHER MEMBERS

Councillor N S Montane congratulated Mr Jacob Zuma for being elected as the president of the Republic of South Africa and the five ministers from Limpopo Province appointed to Cabinet.

Councillor M J Makhafola congratulated Africa for celebrating its day on Monday and further congratulated Moroka Swallows Football Club for winning the Nedbank Cup.

The mayor congratulated Mr Cassel Mathale for being elected as the Premier of Limpopo Province.

6. MINUTES OF THE PREVIOUS MEETINGS

RESOLVED:

THAT the minutes of the 13th council meeting held on 25 February 2009 (pages 37 to 51) and the minutes of the special council meeting held on 31 March 2009 (pages 66 to 70), be approved and signed.

7. REPORT OF THE MUNICIPAL MANAGER

None.

8. QUESTIONS OF WHICH NOTICE HAS BEEN GIVEN

None.

9. MOTIONS OR PROPOSALS DEFERRED FROM PREVIOUS MEETINGS

None.

10. THE REPORT OF THE EXECUTIVE COMMITTEE FOR MARCH AND MAY 2009

SECTION A

The mayor submitted the report of the executive committee (pages 3 to 15) and requested that it be considered.

SECTION B

The mayor submitted the report of the executive committee (pages 16 to 24) and requested that it be noted.

A : REPORT OF THE EXECUTIVE COMMITTEE FOR MARCH AND MAY 2009 WITH REGARD TO MATTERS WHICH THE COUNCIL MUST CONSIDER

1. QUARTERLY REPORTING FOR OCTOBER TO DECEMBER 2008 (11/3/2)DM (ITEM 6 AGENDA EC 18 MARCH 2009)

RESOLVED:

THAT the quarterly reports in terms of section 5 (7) (iii) of the Division of Revenue Act, 2003, for the months October 2008 to December 2008, be noted.

2. FINANCIAL INDICATORS: 31 JANUARY 2009 (11/3/2)WD (ITEM 7 AGENDA EC 18 MARCH 2009)

RESOLVED:

THAT the content of the monthly finance report for January 2009, be noted.

3. REASONS FOR LATE SUBMISSION OF BANK RECONCILIATION 31 DECEMBER 2007 (11/3/2)IFM (ITEM 8 AGENDA EC 18 MARCH 2009)

RESOLVED:

THAT

- a) it be noted that the bank reconciliation for December 2007 was not submitted because the Vodacom accounts could not be divided between the different departments.
- b) it also be noted that the Vodacom statement came late and it was requested that the statements be e-mailed in future.
- c) it also be noted that the outstanding bank reconciliation was submitted with the January 2008 Financial Indicators to the Executive Committee on 19 March 2008 (item 12).

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4. MID-YEAR BUDGET AND PERFORMANCE ASSESSMENT REPORT FOR 2008/09 FINANCIAL YEAR (11/2/1)LJS
(ITEM 9 AGENDA EC 18 MARCH 2009)

RESOLVED:

THAT the report regarding Mid-Year Budget and Performance Assessment Report for 2008/09 Financial Year be referred back.

5. RESTRUCTURING OF WORKING HOURS FOR STREET CLEANERS (18/6/2/1)&G16)MGM
(ITEM 10 AGENDA EC 18 MARCH 2009)

RESOLVED:

THAT

- a) the council resolution dated 10 December 2001 regarding the working hours for street cleaners, be revoked and street cleaners work forty [40] hours per week from Monday to Friday and be paid overtime when working on Saturdays and Sundays.
- b) the action of the acting municipal manager to amend and implement the working hours, be condoned.
- c) street cleaners be divided into two teams and only one team clean the CBD streets for 4 hours on a Saturday from 13:00 to 17:00 and 3 hours on a Sunday from 14:00 to 17:00 and the teams be rotated.

6. WASTE MANAGEMENT BY-LAWS (1/3/7 & G1)MGM
(ITEM 11 AGENDA EC 18 MARCH 2009)

RESOLVED:

THAT

- a) the comments from the public regarding the Waste Management By-laws be noted.
- b) in terms of section 12 of the Local Government: Municipal Systems Act, 2000 (Act 32 of 2000) the Waste Management By-laws attached as pages 130 to 167 to the executive committee agenda dated 18 March 2009, be approved.

7. CONTINUED INVOLVEMENT OF D H MAKUBE IN THE OLIFANTS RIVER WATER RESOURCES DEVELOPMENT PROJECT (18/3/3)TM
(ITEM 17 AGENDA EC 18 MARCH 2009)

RESOLVED:

THAT

- a) the recommendation for the continued involvement of the former municipal manager in the Olifants River Water Resources Development Project not be considered.
- b) the two letters that have been submitted regarding the former municipal manager's involvement, be withdrawn.
- c) the manager: developmental services acts on behalf of the municipality.
- d) an investigation be conducted by the mayor regarding recommendation c) of the executive committee.

8. PENSION SUPPORTED HOUSING LOANS (5/5/5)I
(ITEM 21 AGENDA EC 18 MARCH 2009)

RESOLVED:

THAT

- a) Mogalakwena Municipality ("the Employer") concludes the pension-supported loan agreement ("the agreement") as attached as pages 270 to 288 of the executive committee agenda dated 18 March 2009 with ABSA Bank Limited ("Absa") and the Municipal Employees Pension Fund ("the Fund") in terms whereof the Fund binds itself as contemplated in the Pension Funds Act, 1956 (Act 24 of 1956) as surety and co-principal debtor with each member of the Fund to whom Absa grants a loan for housing purposes under the agreement as contemplated in section 19(5) of the said Act, and in terms whereof the Employer undertakes to deduct the monthly loan instalments from the wages and salaries of the employees to whom loans have been granted and to pay same to Absa on behalf of such employees, and to manage certain loan related matters as set out more fully in the agreement.
- b) Mr L J Sebola and M H Thobejane whose specimen signatures appear hereunder, are hereby empowered and authorized in their respective capacities as acting municipal manager and manager : corporate support services to act on behalf of the Employer in this matter, to determine and approve the terms and conditions that may apply with regard to the agreement, and to sign the agreement on behalf of the Employer.

SPECIMEN SIGNATURES:

LESIBA JOHANNES SEBOLA

MAMAGABE HENRY THOBEJANE

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- c) any one of the following signatories whose signatures appear hereunder are hereby empowered and authorized to sign the Compliance Certificate in terms of clause 5.1 of the agreement on behalf of the Employer.

SPECIMEN SIGNATURES:

LESIBA JOHANNES SEBOLA

MAMAGABE HENRY THOBEJANE

9. **APPOINTMENT OF FOURTH MEMBER OF AUDIT COMMITTEE** (6/12/1/2/3)BL
(ITEM 24 AGENDA EC 18 MARCH 2009)

RESOLVED:

THAT

- a) the appointment of the fourth audit committee member, be noted.
- b) preferably the fourth member be from a legal background and from within the three spheres of government and be appointed by the administration.

10. **FINANCIAL INDICATORS: 28 FEBRUARY 2009** (11/3/2)WDJ
(ITEM 8 AGENDA EC 13 MAY 2009)

RESOLVED:

THAT the content of the monthly finance report for February 2009, be noted.

11. **FINANCIAL INDICATORS: 31 MARCH 2009** (11/3/2)WDJ
(ITEM 9 AGENDA EC 13 MAY 2009)

RESOLVED:

THAT the content of the monthly finance report for March 2009, be noted.

12. **MONTHLY BUDGET STATEMENTS : DECEMBER 2008** (11/3/2)IFM
(ITEM 10 AGENDA EC 13 MAY 2009)

RESOLVED:

THAT the monthly budget statements for December 2008 by section 71 of the MFMA (Act 56 of 2003), be noted.

13. MONTHLY BUDGET STATEMENTS : JANUARY 2009 (11/3/2)IFM
(ITEM 11 AGENDA EC 13 MAY 2009)

RESOLVED:

THAT the monthly budget statements for January 2009 by section 71 of the MFMA (Act 56 of 2003), be noted.

14. MONTHLY BUDGET STATEMENTS : FEBRUARY 2009 (11/3/2)IFM
(ITEM 12 AGENDA EC 13 MAY 2009)

RESOLVED:

THAT the monthly budget statements for February 2009 by section 71 of the MFMA (Act 56 of 2003), be noted.

15. MONTHLY BUDGET STATEMENTS: MARCH 2009 (11/3/2)IFM
(ITEM 13 AGENDA EC 13 MAY 2009)

RESOLVED:

THAT the monthly budget statements for March 2009 by section 71 of the MFMA (Act 56 of 2003), be noted.

16. EXPENDITURE ON STAFF AND COUNCILLORS BENEFITS FOR THIRD QUARTER OF
2008/2009 FINANCIAL YEAR (5/2/B)&(6/1/9/2)DM
(ITEM 14 AGENDA EC 13 MAY 2009)

RESOLVED:

THAT the expenditure on staff and councillors benefits in terms of section 66 of MFMA 2003, (Act 53 of 2003) for January 2009 to March 2009, be noted.

17. TRANSFER OF FUNDS (6/1/3)(7/2/1/13)I
(ITEM 15 AGENDA EC 13 MAY 2009)

RESOLVED:

THAT

- a) it be noted that the mayor has in terms of section 29 of the Local Government: Municipal Finance Management Act, 2003 (Act 56 of 2003) approved the transfer of R500 000,00 which was provided on the 2008/2009 budget for the development of Piet Potgietersrust Extension 15 for the erection of a palisade fence at the Van van Rensburg Hall.

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- b) it be noted that permission was also granted for the deviation from the Supply Chain Management Policy by not inviting tenders for the erection of the palisade fence due to the limited period left in the 2008/2009 financial year.

18. AMENDMENT OF THE LOCAL GOVERNMENT : MUNICIPAL SYSTEMS ACT, 2000 (ACT 32 OF 2000) (3/2/5/5)&(5/2/B)I
(ITEM 20 AGENDA EC 13 MAY 2009)

RESOLVED:

THAT

- a) the amendments in the Local Government Laws Amendment Act, 2008 (Act 19 of 2008) to the Code of Conduct for Councillors and Code of Conduct for Municipal Staff Members as contained respectively in Schedules 1 and 2 to the Local Government: Municipal Systems Act, 2000 (Act 32 of 2000) in that no councillor or municipal official may be a party to or beneficiary under a contract for the provision of goods or services to any municipality or any municipal entity established by a municipality, be noted.
- b) councillors and officials be workshopped on the Act within fourteen days.

19. PROVISIONAL SUPPLEMENTARY VALUATION ROLL : FINANCIAL YEAR 2006/2007 (6/2/4)I
(ITEM 23 AGENDA EC 13 MAY 2009)

RESOLVED:

THAT

- a) the submission of the 2006/2007 provisional supplementary valuation roll in terms of sections 35 and 36 of the Local Authorities Rating Ordinance, 1977 (Ordinance 11 of 1977), be noted.
- b) it also be noted that no objections were received in respect of the 2006/2007 provisional supplementary valuation roll and that the roll will be submitted to the chairperson of the valuation board for the necessary certification.

20. COMPLIANCE WITH SECTION 29 OF THE LOCAL GOVERNMENT : MUNICIPAL FINANCE MANAGEMENT ACT, 2003 (ACT 56 OF 2003) (8/3)I
(ITEM 25 AGENDA EC 18 MARCH 2009)

RESOLVED:

THAT it be noted that the mayor has in terms of section 29 of the Local Government : Municipal Finance Management Act, 2003 (Act 56 of 2003) approved the purchase of three copiers which was considered as unforeseen and unavoidable expenditure.

**21. UPGRADING OF REBONE LANDFILL SITE: APPLICATION FOR LANDFILL PERMIT
(18/6/2 & G21)MGM
(ITEM 28 AGENDA EC 18 MARCH 2009)**

RESOLVED:

THAT

- a) the granting of Rebone Landfill Site Permit by the Department of Environmental Affairs and Tourism, be noted.
- b) the appointment of a competent person to design and supervise the construction of the landfill be delegated to the acting municipal manager.

**22. FINAL DRAFT REVIEWED INTEGRATED DEVELOPMENT PLAN: 2009/10 FINANCIAL
YEAR
(17/3/4)DEM
(ITEM 3 AGENDA SPECIAL EC 27 MAY 2009)**

RESOLVED:

THAT

- a) it be noted that the draft IDP for 2009/10 financial year was taken out for community participation from 22 March 2009 to 26 March 2009 and that the community inputs did not necessitate changes to the draft .
- b) the inputs on the communities on the draft IDP for 2009/10, be noted.
- c) it be noted that the IDP Representative Forum approved the final draft IDP for 2009/10 financial year on 19 May 2009.
- d) it be noted that the projects are aligned to the draft capital budget for 2009/10 financial year as submitted by Finance Department and also to the IDP of Waterberg District Municipality, PGDS, sector plans and programmes.
- e) the final draft Integrated Development Plan for 2009/10 financial year attached as pages 50 to 253 to the executive committee agenda dated 27 May 2009, be approved.
- f) duly completed project designs form an addendum to the final IDP document.
- g) the approved IDP for 2009/10 financial year be submitted to the department of Local Government and Housing.

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23. APPLICATION FOR THE EXTENSION OF PROSPECTING AGREEMENT: PLATINEXCO (PTY) LIMITED (7/3/37)MH
(ITEM 4 AGENDA SPECIAL EC 27 MAY 2009)

RESOLVED:

THAT

- a) permission be granted that the prospecting agreement between the municipality and Platinexco (Pty) Ltd be extended for a further period from 1 December 2009 to 30 November 2013.
- b) the third addendum attached as pages 260 to 263 to the executive committee agenda dated 13 May 2009 be approved for the purposes of a) *supra*.
- c) should the permission for the establishment of a cemetery on the prospecting area not be obtained clause 1 of the third addendum be deleted.
- d) Platinexco (Pty) Ltd be requested to make a presentation to council in this regard.

24. LAND BELONGING TO THE MUNICIPALITY (7/3/4/4) (7/3/7)MH
(ITEM 5 AGENDA SPECIAL EC 27 MAY 2009)

RESOLVED:

THAT

- a) the report regarding the land belonging to the municipality, be noted.
- b) the chairperson of the corporate support services portfolio and the manager: corporate support services arrange an inspection in loco within fourteen days and an informal council meeting be held to consider the utilisation of the land.

25. ADVERTISING RIGHTS IN MOKOPANE (12/2/3)MH
(ITEM 6 AGENDA SPECIAL EC 27 MAY 2009)

RESOLVED:

THAT

- a) tenders in respect of the advertising rights in Mokopane be kept in abeyance pending the outcome of b) *infra*.
- b) a meeting be arranged between Siyenza Graphic Design and Signage CC and the manager: corporate support services, the chairperson of the corporate support services portfolio, the mayor and the speaker to discuss the issue of non payment within fourteen days.

26. **EXCHANGE OF PORTIONS OF LAND : PPL** (7/3/4/4)I
(ITEM 7 AGENDA SPECIAL EC 27 MAY 2009)

RESOLVED:

THAT the report regarding the Exchange of Portions of Land: PPL be held in abeyance until the inspection in loco of all municipal land has been concluded.

27. **FINAL 2009/10 TO 2011/12 MULTI-YEAR BUDGET: 2009/10 FINANCIAL YEAR** (6/1/1/34)WJ
(ITEM 8 AGENDA SPECIAL EC 27 MAY 2009)

RESOLVED:

THAT

- a) the budget speech by the mayor attached as Annexure A to the minutes, be noted.
- b) the final annual budget for the financial years 2009/2010 as set out in the following schedules, be approved:
 - i) Operating revenue by source reflected in schedule 1 (attached as page 628 to the executive committee agenda dated 27 May 2009);
 - ii) Operating expenditure by vote reflected in schedule 2 (attached as page 629 to the executive committee agenda dated 27 May 2009);
 - iii) Operating expenditure by GFS classification reflected in schedule 2(a) (attached as page 630 to the executive committee agenda dated 27 May 2009);
 - iv) Capital expenditure by vote reflected in schedule 3 (attached as page 631 to the executive committee agenda dated 27 May 2009);
 - v) Capital expenditure by GFS classification reflected in schedule 3(a) (attached as page 632 to the executive committee agenda dated 27 May 2009);
 - vi) Capital funding by source reflected in schedule 4 attached as page 633 to the executive committee agenda dated 27 May 2009);
- c) in terms of section 14 of the Local Government : Municipal Property Rates Act, 2004 (Act 6 of 2004) (MPRA) the assessment rates reflected in Annexure A (pages 634 to 638 to the executive committee agenda dated 27 May 2009) be approved for the budget year 2009/2010 and a further rebate be granted to limit the increase in rates for moving from the site rating system to the system of rating the total value of the property and in the event of such increase being 40% (forty percent) or more (between the rates that were payable on 30 June 2008 and on the rates that were payable on 1 July 2008 – The property owner paid the first 40% in 2008/09 and the difference will be paid as follows:

- i) the limit for the additional increase above 40% for the 2008/09 financial year is 25% of the difference.
- ii) the limit for the additional increase above 40% for the 2009/10 financial year is 50% of the difference.
- iii) the limit for the additional increase above 40% for the 2010/11 financial year is 75% of the difference.
- iv) as from the 2011/12 financial year, full rates will be payable:

Provided that this rebate does not apply to an increase in rates owing to a supplementary valuation made in terms of section 78(1) of the MPRA.

- d) in terms of section 75A of the Local Government : Municipal Systems Act, 2000 (Act 32 of 2000) the tariffs and charges reflected in Annexure B to J attached as pages 639 to 650 to the special executive committee agenda dated 27 May 2009, be approved for the financial year 2009/2010.
- e) in terms of section 75A of the Local Government Municipal Systems Act, 2000 (Act 32 of 2000) an average of 34% increase on electricity tariffs as reflected in Annexure K attached as pages 651 to 658 to the special executive committee agenda dated 27 May 2009, and subject to the approval of the NER, be approved.
- f) the amended policies for rates, credit control and debt collection and indigents attached as pages 659 to 689 to the special executive committee agenda dated 27 May 2009, be approved for the budget year 2009/10.
- g) the tariff policy attached as pages 615 to 627 to the executive committee agenda dated 27 May 2009, be adopted.
- h) transfer of savings in respect of the operating budget be limited to expenditure within the same vote and expenditure category unless the mayor authorizes the transfer.
- i) the 2009/2010 capital and operating budget be submitted to National Treasury and Provincial Treasury in both electronic and printed format immediately after tabling the budget.
- j) interest on all amounts in arrears be charged at the rate determined from time to time in terms of the provisions of the Prescribed Rate of Interest Act, 1975 (Act 54 of 1975) or any other relevant Act.
- k) bridging finance in the amount of R10.0 million be made available internally to the electricity infrastructure upgrade projects until the DME grant is received.
- l) the amount of R22,5 million that was approved on the adjustment budget on 29 January 2009 for the Olifants River Project not be spent on the Olifants River Project but be allocated to projects as identified in the IDP.

- m) it be noted that section 53 (1)(c)(ii) of the MFMA provides that the mayor must take all reasonable steps to ensure that the SDBIP's and budget implementation plan is approved by the mayor within 28 days after the approval of the budget.
- n) it be noted that the contracts for the regravelling of roads cannot be cancelled and the contractors will still proceed with regravelling in 3 SDA's and the manager technical services ensures that training of own officials as operators by the contractors must be added as an addendum to these service level agreements.
- o) the shortfall in the CRR due to capital roll-overs from 08/09 be funded from the accumulated surplus.
- p) it be noted that the blanket approach for free basic electricity to all will be phased out as follows with the exception of indigents that will still receive the 50kwh:

from 1 July 2009 - 35kwh will be supplied as free basic electricity
 from 1 July 2010 – 20kwh; and
 from 1 July 2011 – none.

- q) the following indigent welfare package for 2009/2010 be approved:

Package Compilation for Indigent	Proposed Charges R (Vat excluded)	Councils share R (Vat excluded)
Rates – R100 000		
Valuation	33,79	33,79
Refuse (up to 500 m ²)	30,76	30,76
Sewerage (up to 500 m ²)	15,74	15,74
Electricity – 50kwh	33,33	33,33
Water – 6kl	38,10	38,10
Total indigent package per month	151,72	151,72

- r) it be noted that there will be a re-alignment of organizational structures and political offices in line with the national goals and funds be sourced for this purpose from savings and it be condoned in the adjustment budget.

B: REPORT OF THE EXECUTIVE COMMITTEE FOR MARCH AND MAY 2009 WITH REGARD TO MATTERS WHICH HAVE BEEN DELEGATED TO THE EXECUTIVE COMMITTEE FOR THE INFORMATION OF THE COUNCIL

RESOLVED:

THAT the content of the reports of March and May 2009 of the executive committee with regard to matters which have been finalised in terms of its delegated powers, be noted.

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11. **PETITIONS**

None.

12. **NEW MOTIONS**

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None.

The meeting closed at 17:00.

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SPEAKER

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DATE