

## **MOGALAKWENA LOCAL MUNICIPALITY**

### **COUNCIL**

#### **MINUTES OF THE SPECIAL COUNCIL MEETING OF THE MOGALAKWENA MUNICIPALITY HELD IN THE LLEKA LEKALAKALA COUNCIL CHAMBER, CIVIC CENTRE, MOKOPANE ON WEDNESDAY, 28 JULY 2010 AT 16:20**

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#### **PRESENT**

#### **COUNCILLORS**

AS PER ATTACHED ATTENDANCE REGISTER.

#### **OFFICIALS**

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

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#### **1. OPENING**

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

#### **2. APPLICATION OF MEMBERS FOR LEAVE OF ABSENCE**

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Applications for leave of absence were received from councillors M R Lebelo, A Cachalia, M P Mello, M J Shiburi, M N Sethoga, R N Monene, S J Selepe, L J Lebelo, T A Kgaphola, M I Mogotlane and M J Makhafola.

#### **RESOLVED:**

THAT leave of absence from a special council meeting held on 28 July 2010 be granted to councillors M R Lebelo, A Cachalia, M P Mello, M J Shiburi, M N Sethoga, R N Monene, S J Selepe, L J Lebelo, T A Kgaphola, M I Mogotlane and M J Makhafola.

3. **FIFA FOOTBALL FOR HOPE CENTRE IN MOKOPANE** **(7/3/3/84)I**  
**(ITEM 3 AGENDA SPECIAL EC 28 JULY 2010)**

**RESOLVED:**

THAT

- a) it be resolved in terms of section 14 (2)(a) of the Local Government : Municipal Finance Management Act, 2003 (Act 56 of 2003) that the portion of land situated in Piet Potgietersrust Extension 15 as indicated on page 19 attached to the special executive committee agenda dated 28 July 2010 is not needed to provide the minimum level of basic municipal services.
- b) permission be granted that the portion of land referred to in a) *supra* be leased for a period of 9 years and 11 months to the South African Red Cross Society for the erection of a FIFA Football for Hope Centre subject to the following conditions:
  - i) the streets in the area as indicated on the map mentioned in a) *supra* be closed in terms of the provisions of section 67 of the Local Government Ordinance ,1939 (Ordinance 17 of 1939);
  - ii) a surveyor be appointed to consolidate the erven, portions of erven and closed streets as indicated on the map in a) *supra* into one erf;
  - iii) the land be leased at a nominal rent of R1,00 per annum and the approval of the Premier be obtained in terms of section 79(18)(e) of Ordinance *supra*; and
  - iv) the newly formed erf be rezoned in terms of section 56 of the Town-Planning and Townships Ordinance, 1986 (Ordinance 15 of 1986) to "Institutional" after all requirements in respect of an EIA, Geotechnical Investigations, etcetera have been complied with.
- c) the costs in respect of the above-mentioned actions as well as the provision of all municipal services to the erf be funded from the amount allocated by FIFA as pre-construction costs.
- d) a lease agreement be submitted to the executive committee for approval in due course.
- e) finance, community services and other relevant departments be part of this project and monitoring thereof and update to council.

4. **MUNICIPAL COUNCILLORS PENSION FUND : PENSION-SUPPORTED  
HOUSING LOAN : ABSA BANK** **(5/5/5)MFM**  
**(ITEM 4 AGENDA SPECIAL EC 28 JULY 2010)**

**RESOLVED:**

THAT

- a) the Employer concludes a pension-supported housing loan agreement (“the agreement”) with Absa Bank Limited (“**Absa**”) and Municipal Councillors Pension Fund (“**the Fund**”) in terms whereof the fund binds itself as contemplated in the Pension Funds Act 24 of 1956 to Absa 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 Mogalakwena Municipality (Employer) undertakes to deduct the monthly loan instalments from the wages and salaries of the councillors to whom loans have been granted and pay same to Absa on behalf of such councillors, and to manage certain loan related matters as set out more fully in the agreement.
- b) Shella William Kekana and Mamagabe Henry Thobejane whose specimen signatures appear hereunder, are hereby empowered and authorized in their respective capacity as Municipal Manager and Manager : Corporate Support Services to act on behalf of the Mogalakwena Municipality 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 Mogalakwena Municipality.

**SHELLA WILLIAM KEKANA**

**MAMAGABE HENRY THOBEJANE**

5. **LAND DEVELOPMENT AND IMPLEMENTATION AGREEMENT BETWEEN  
MOGALAKWENA LOCAL MUNICIPALITY, LIMPOPO DEPARTMENT OF LOCAL  
GOVERNMENT AND HOUSING AND STANDARD BANK OF SOUTH AFRICA  
LIMITED FOR THE IMPLEMENTATION OF AN AFFORDABLE HOUSING  
DEVELOPMENT IN POTGIETERSRUST EXTENSION 20**  
**(17/3/4)MP**  
**(ITEM 5 AGENDA SPECIAL EC 28 JULY 2010)**

**RESOLVED:**

THAT

- a) the Land Development and Implementation Agreement for the development of Piet Potgietersrust Extension 20 attached as pages 64 to 98 to the special executive committee agenda dated 28 July 2010, be approved.
- b) the Municipal Manager be authorised to sign the Land Development and Implementation Agreement on behalf of Mogalakwena Local Municipality.

- c) the method of calculation of the opportunity cost as reflected in Annexure C attached as pages 121 to 146 to the special executive committee agenda dated 28 July 2010, be approved.
- d) the principle of the utilization of the opportunity cost for the provision of roads and storm water drainage to the fully subsidised housing component of Piet Potgietersrust Extension 20, be approved.
- e) the municipal owned erven which have been allocated for the development of affordable housing in Piet Potgietersrust Extension 20 (as reflected in Annexure B attached as pages 99 to 119 to the special executive committee agenda dated 28 July 2010) be made available through the Land Development and Implementation Agreement for purposes of mixed income, mixed typology and mixed tenure housing development.
- f) the erven listed in Annexure B attached as pages 99 to 119 to the special executive committee agenda dated 28 July 2010 are not needed to provide the minimum level of basic municipal services.
- g) the fair market value of the above-mentioned erven and the economic and community value to be received in exchange for the property has been determined as set out in the report.
- h) the alienation of the erven as listed in Annexure B attached as pages 99 to 119 to the special executive committee agenda dated 28 July 2010 in terms of section 14 of the Municipal Finance Management Act, 2003 (Act 56 of 2003), be approved.
- i) the Municipal Manager be authorized to grant powers of attorney to SBSA to enable SBSA to execute the following:
  - Sub-division and rezoning of erven
  - Marketing and selling of erven
  - Submission of building plans on erven
  - Transfer of ownership of erven.
- j) the erven awarded to SBSA in terms of the Agreement which are to developed for purposes of sectional title housing units be transferred to SBSA or its nominated representative to allow for development in terms of the Sectional Titles Act.
- k) it be noted that a councillors briefing session has been conducted on the 4<sup>th</sup> June 2010 by both the Department of Local Government and Housing and Standard Bank of SA.
- l) SBSA pay to the municipality engineering levies for each and every electrical connection connected to the electricity supply at the rates applicable at the time of making the connection.
- m) SBSA pay to the municipality electrical connection fees at the rate applicable at the time of making the connection.

- n) all electrical equipment and material to be installed must be approved by the manager electrical services before installation and municipal specifications to be adhered to at all times.
- o) community participation be conducted in this regard.
- p) the funding model regarding the erven be reconsidered by all parties and a further report be submitted to council.

**6. COMMUNITY PARTICIPATION ON THE PROVISION OF FREE BASIC ELECTRICITY (18/4/3)DE**  
**(ITEM 6 AGENDA SPECIAL EC 28 JULY 2010)**

The ANC requested a 10 minutes party caucus.

**RESOLVED:**

THAT

- a) it be noted that public participation was carried out to inform communities on council resolutions 6(L), 7 (d) (e) and (f) dated 31 May 2010.
- b) ward-based registration of indigent households programmes be compiled and registration be commenced as planned.
- c) it be condoned that free basic electricity to those areas that are supplied by Eskom only was provided on a blanket coverage in the month of July 2010.
- d) the cut-off date be the end of September 2010 for the registration of indigent households in order to enable Finance department to submit a detailed report for the municipality to Eskom.
- e) the blanket approach on free basic electricity be stopped from 1 August 2010 to areas supplied by Eskom and it also be noted that the supply of free basic electricity in the municipal supply area was stopped from 1 July 2010.

**7. BRIDGING FINANCE IN THE 2010/2011 FINANCIAL YEAR – OLIFANTS RIVER RESOURCES DEVELOPMENT PROJECT (ORWRDP) INTEGRATED WATER SUPPLY SYSTEM (6/1/1/37)STM**  
**(ITEM 7 AGENDA SPECIAL EC 28 JULY 2010)**

**RESOLVED:**

THAT bridging finance of R11 800 000,00 be made available in the financial year 2010/2011 for the ORWRDP from municipal own funding.

8. **STUDY BY THE TRANSACTION ADVISOR – MOGALAKWENA LOCAL  
MUNICIPALITY WATER MASTER PLAN – PUBLIC PRIVATE PARTNERSHIP**  
**(ITEM 8 AGENDA SPECIAL EC 28 JULY 2010)** **(5/2/2)STM**

**RESOLVED:**

THAT the report on Study by the Transaction Advisor – Mogalakwena Local Municipality Water Master Plan – Public Private Partnership be referred back and be re-advertised as soon as possible.

**The meeting closed at 16:45.**

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**SPEAKER**

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**DATE**