



Munisipaliteit
Municipality
Umasipala

MINUTES OF A MEETING OF THE SWARTLAND MUNICIPAL COUNCIL, HELD IN THE MALMESBURY BANQUETING HALL ON THURSDAY, 30 AUGUST 2018 AT 10:00

PRESENT:

Speaker, clr M A Rangasamy

Executive Mayor, ald T van Essen

Deputy Executive Mayor, ald M S I Goliath

Bess, D G (DA)

Daniels, C (DA)

De Beer, J M (DA)

Fortuin, C B (DA)

Humphreys, F S (ANC)

Maart, E S M (DA)

Papers, C H (DA)

Philander, D B (ANC)

Smit, N (DA)

Sneewe, A M (ANC)

Solomons, P E (DA)

Stanley, B J (DA)

Stemele, O M (DA)

Van der Westhuizen, R F (DA)

Van Zyl, M (DA)

Zatu, N S (ANC) (joined the meeting later as pre-arranged with the Speaker)

Officials:

Municipal Manager, mr J J Scholtz

Director: Electrical Engineering Services, mr R du Toit

Director: Civil Engineering Services, mr L D Zikmann

Director: Financial Services, mr M A C Bolton

Director: Security Services, mr P A C Humphreys

Director: Corporate Services, ms M S Terblanche

Director: Development Services, mr J T Steenkamp

Manager: Secretarial and Records, ms N Brand

1. OPENING

The Speaker welcomed the Executive Mayor, the Deputy Executive Mayor, councillors and officials.

Mr J T Steenkamp opened the meeting with a scripture reading and a prayer at the request of the Speaker.

The speaker admonished clr D B Philander because during the previous council meeting the directors were referred to as "useless". The Speaker stated that this is not justified in the light of the fact that Swartland Municipality has been named one of the best municipalities in the country by Ratings Africa.

Clr D B Philander confirmed that the remark was made against the background in respect of the number of consultants who are appointed annually and the deduction can be made that the Council, and not him personally, view the directors as "useless". Clr Philander stated that the Council should fulfil an oversight role in respect of the appointment of consultants.

After clr C B Fortuin requested a chance to address the meeting, from the Speaker, clr D B Philander called for a point of order that clr Fortuin not be allowed to address the Council, because the latter was not present at the previous council meeting.

The Speaker allowed clr C B Fortuin to continue and warned the latter that councillors must be careful in their choice of words and in which context they are used.

2./...

2. APOLOGIES

Apologies received from clrs Z Bekebu, V D McQuire, L E Mfutwana and B J Penxa.

3. DELEGATIONS/DECLARATIONS AND COMMUNICATIONS/SUBMISSIONS

3.1 SUBMISSION BY THE EXECUTIVE MAYOR: WATER SITUATION

The Speaker afforded the Executive Mayor, ald T van Essen, the opportunity to address the Council in respect of the water situation, taking into account the state of the dam levels.

The Executive Mayor thanked each and every resident in the Swartland municipal area who had made a contribution to the saving of water during the time of water shortages and the drought.

It is imperative that residents continue to save water because the inflow of new residents into the Swartland has a huge impact on water resources and on limited storage capacity.

The department of Water Affairs is in the process of reconsidering the savings level, which is at present 45% for Swartland Municipality and 60% for agriculture.

The Executive Mayor explained that a special council meeting will be arranged, at short notice, in order to reconsider the water tariffs. With the rise in dam levels it is possible to lighten the load on users, by means of lowered water tariffs, but the savings level must still be attained. Residents will therefore still be encouraged to save water.

FOR INFORMATION

4. MINUTES FOR APPROVAL

4.1 MINUTES OF AN ORDINARY COUNCIL MEETING HELD ON 26 JULY 2018

RESOLUTION

(proposed by clr M van Zyl, seconded by clr E S M Maart)

That the minutes of an Ordinary Council Meeting held on 26 July 2018 are approved and signed by the Speaker, subject to the correction of the details of the visitor to clr J J Hoop (in place of ald J J Hoop).

5. REPORT IN RESPECT OF THE DELEGATED DECISION MAKING BY THE EXECUTIVE MAYOR

RESOLUTION

That note is taken of the decisions made by the Executive Mayor, in accordance with his delegated powers, as detailed in the following minutes:

5.1 MINUTES OF AN ORDINARY EXECUTIVE MAYOR'S COMMITTEE MEETING HELD ON 14 JUNE 2018

6. REPORT IN RESPECT OF THE DELEGATED DECISION MAKING BY THE MUNICIPAL MANAGER

RESOLUTION

That note is taken of the decisions made by the Municipal Manager, in accordance with his delegated powers, referred to in the following minutes:

6.1 MINUTES OF A TENDER AWARD COMMITTEE MEETING HELD ON 2 MAY 2018

6.2 MINUTES OF A TENDER AWARD COMMITTEE MEETING HELD ON 30 MAY 2018

6.3 MINUTES OF A TENDER AWARD COMMITTEE MEETING HELD ON 28 JUNE 2018

7. MATTERS FOR CONSIDERATION

7.1 APPROVAL OF THE TIME SCHEDULE IN RESPECT OF THE 2ND REVISION OF THE 2017-2022 INTEGRATED DEVELOPMENT PLAN AND DRAWING UP OF THE ANNUAL BUDGET (2/1/4/4/1)

In accordance with article 21(1)(b) of the Municipal Financial Management Act, Act 56 of 2003 (MFMA) the mayor must submit a time schedule to the Council, including key dates, in respect of the Integrated Development Plan (IDP) and budget process, at least ten months before the beginning of the budgeting processes.

The time schedule for the 2nd revision of the 2017- 2012 IDP and the drawing up of the budget were circulated with the agenda.

RESOLUTION

(proposed by clr O M Stemele, seconded by clr C B Fortuin)

- (a) That that the time schedule for the 2nd revision of the 2017-2022 IDP and the compilation of the annual budget be approved in terms of section 21(1) of the Municipal Finance Management Act, Act 56 of 2003;
- (b) that the Provincial Treasury and the Department of Local Government be informed of the compliance to section 21(1) of the Municipal Finance Management Act and be provided with copies of the time schedule.

7.2 PROPOSED OUT-OF-HAND ALIENATION OF RESIDENCES IN THE SO-CALLED RENTAL ZONES: WESBANK, MALMESBURY AND MOORREESBURG (12/2/B)

Swartland Municipality is the owner of a number of renovated residential properties which are leased to employers in terms of long term notarial lease agreements, in order to make houses available to persons in its employ.

Various requests have been received, amongst others from Nitrophoska, Malmesbury and Overberg-Agri, Moorreesburg, to cancel the lease agreements and sell the properties, because very few of the houses are still occupied by their employees.

Clr D B Philander stated that the lease agreements arise from apartheid laws and that it must be ensured that the houses are made available, at no cost, to the occupants, with the help of subsidies from the Department of Human Settlements.

The Municipal Manager, mr J J Scholtz, gave the background to the item and explained that Swartland Municipality is the owner of the land, whilst the structures were erected by the various employers. The aim of the out-of-hand alienation is to give ownership to the persons presently living in the houses and must be dealt with on a just and fair basis.

RESOLUTION

(proposed by ald M S I Goliath, seconded by clr P E Solomons)

- (a) That approval be granted by Council in terms of Section 14 of the Municipal Finance Management Act, 2003 that the dwellings in the so-called lease areas in Malmesbury and Moorreesburg, as listed in the report, be alienated out-of-hand (and not by means of a public competitive process) to its present occupants, for the following reasons:
 - Said transactions shall ensure security of tenure for the persons concerned, as constitutionally entrenched in the right of access to adequate housing;
 - The council, by making affordable housing available to the parties concerned, is fulfilling its duty to consider the interests/plight of the poor, and it is considered fair and equitable to alienate the properties to its existing occupants, to help address the housing need of the poor in the community;
- (b) That cognizance be taken that the properties to be sold have been identified from the outset for alienation for housing purposes and at no stage have been earmarked for the provision of a minimum or any other level of basic municipal services;

7.2/...

- (c) That the reserve prices for the properties be determined as follows:
- In those cases where the notarial lessor is prepared to waive the right to compensation for the improvements that were made, a reserve price equal to the land value of the property, in terms of the latest municipal valuation of same, plus VAT (in which instance only the Municipality and the purchaser shall be parties to the deed of sale);
 - In those cases where the notarial lessor is not prepared to waive the right to compensation for the improvements that were made, a reserve price equal to the valuation of the property with improvements, plus VAT (in which case a trilateral agreement between die Municipality, the notarial lessee and the purchaser shall have to be concluded);
- provided that the reserve prices of the properties of which the valuations exceed the housing subsidy amount, the reserve prices be capped at R160 000,00 (or amended subsidy amount on the date of sale), plus VAT, in which case (if the lessee does not waive the right of compensation) the purchase price be split between the Municipality and the notarial lessee on a *pro rata* basis;
- (d) That the purchasers shall, in addition to the reserve price, also be responsible or payment of transfer fees;
- (e) That all other expenses incidental to these transactions, e.g. costs related to survey and subdivision and, where applicable, the cancellation of notarial lease agreements, be borne by the Municipality all costs incidental to these transactions, eg. subdivision, etc. be borne by the Municipality, or split on a 50/50 basis in cases where the lessor does not waive the right to compensation;
- (f) That internal role-players within the Department Development Services and the Department Corporate Services be tasked to assist the purchasers to apply for subsidies under the individual housing scheme of the Department Human Settlements and to provide guidance to those who, based on their income, will have to apply for private financing;
- (g) That should persons not be interested to purchase the dwellings, or does not have the financial means to purchase, the possibility of concluding lease agreements, based on a subsidized rental is to be investigated, as well as the possibility of session, in those cases where lease agreements are in place between the employer and the occupant;
- (h) That –
- the Executive Mayoral Committee be authorized to deal with any objections or representations that may be received regarding the proposed sale of the individual properties;
 - the Director: Corporate Services to finalise the conditions of sale in consultation with Council's attorney/s and all parties concerned.
- (i) That, if there are other rental zones within the municipal area, which can be alienated on a similar basis to the persons who occupy the property, they will be submitted to the Council for consideration.

7.3 **PROPOSED OUT-OF-HAND ALIENATION, LONG TERM LEASE OF ERF 9206, MALMESBURY TO THE *HOPE THROUGH ACTION FOUNDATION (12/2/4-8/5)***

Swartland Municipality recently concluded a Memorandum of Understanding with the *Hope Through Action Foundation (HTAF)* in terms of which HTAF will make a R22 million contribution to an interior and exterior sports facility on erf 9206, Malmesbury.

Erf 9206, Malmesbury is ±22 699 m² in extent and is situated on the corner of Alfa and Holomisa Streets, Malmesbury.

The sport and related facilities will be used by the lessee for sport, training in life skills, education, promotion of positive life choices, cultural opportunities etc.

7.3/...

RESOLUTION

(proposed by clr C Daniels, seconded by clr R F van der Westhuizen)

- (a) That in principle approval be granted by Council in terms of Section 34 of the Municipal Asset Transfer Regulations, 2008 that erf 9206 (\pm 22 699 m²) in extent, Malmesbury be leased for the construction and management of sport and ancillary facilities in order to provide public benefit services (inter alia training in life skills, education, promotion of positive life choices, cultural events) to the youths of Malmesbury and the surrounding area;
- (b) That approval be granted by Council in terms of clause 12.2.1 of the Municipal Asset Transfer Policy, 2015 that the competitive processes as contained in the policy be deviated from, and that erf 9206 be leased out of hand to the *Hope Through Action Foundation*, for the following reasons:
 - Council is satisfied that the extensive infrastructure investment to be done by the lessee, as well as the manner in which the facilities are to be managed and utilized to benefit the community at large, will have exceptional cost advantages for the municipality as well as the community, and is therefore of the view that it will not be in the best interest of the municipality or the community in general to follow a competitive process;
 - the establishment of a sports stadion and the services to be provided to benefit the youth, will satisfy a priority need in the community;
- (c) That approval be granted that erf 9206, Malmesbury be leased for a term of fifty (50) years, at a nominal rental of R100,00 per annum, plus VAT;
- (d) That cognizance be taken that the proposed transaction has already been advertised, and that no comments and/or objections to same were received;
- (e) That –
 - the Municipal Manager be authorized to negotiate the terms/conditions of lease;
 - the Executive Mayoral Committee be authorized to confirm the lease agreement and to grant final approval for the transfer of rights in the capital asset concerned, i.e. erf 9206, Malmesbury.

7.4 PROPOSED ALIENATION OF MUNICIPAL IMMOVABLE PROPERTY (BUSINESS PREMISES) IN ABBOTSDALE (12/2/B)

Swartland Municipality is the registered owner of erf 1255 (657 m²), situated in Roosmaryn Street, Abbotsdale.

Several requests have been received from entrepreneurs to purchase the above mentioned property and the object of the report is to get approval from the Council to call for financial proposals, by way of public tender, for the alienation of the relevant property.

Clr D B Philander requested that an attempt is made to get a purchaser from the appropriate group.

RESOLUTION

(proposed by clr N Smit, seconded by clr D G Bess)

- (a) That in-principle approval be granted by Council in terms of Section 14 of the Municipal Finance Management Act, 2003 and the By-law and Policy relating to the Transfer of Municipal Assets for financial offers to be called by means of public tender for the disposal of erf 1255 (657 m² in extent);
- (b) That cognizance be taken that the property to be sold have been identified from the outset for alienation as business site in terms of its zoning and at no stage has been earmarked for the provision of a minimum or any other level of basic municipal services;

7.4/...

- (c) That the reserve price (excluding VAT) for the property be determined at R50 000,00, which reserve price is considered by Council to fairly represent the market value of same;
- (d) That authorization be given as follows:
- (i) to the Executive Mayoral Committee to
 - to deal with any comments and/or objections received in respect of the proposed transaction; and
 - to evaluate and consider for adoption the offers received in respect of the property, and to finalise a decision regarding the transfer of the assets;
 - (ii) to the Director: Corporate Services to finalise the conditions of sale for tender purposes with all the relevant internal role-players, as well as Council's attorney;
- (e) That approval be granted that should the property remain unsold after the competitive process, it be sold out-of-hand on a 'first come first serve' basis at the reserve price or higher, provided that the reserve price corresponds with fair market value (based on the municipal valuation of the properties when alienation takes place), and provided further that the same suspensive conditions to be included in the deed of sale, shall apply to said purchaser.

**SIGNED:
SPEAKER**