



MINUTES OF A MEETING OF THE EXECUTIVE MAYOR'S COMMITTEE HELD IN THE BANQUETING HALL, MALMESBURY ON WEDNESDAY, 20 NOVEMBER 2019 AT 11:00

PRESENT:

Executive Mayor, ald T van Essen (chairman)
Deputy Executive Mayor, add M S I Goliath

Members of the Mayor's Committee:

Clr P E Solomons
Clr O M Stemele
Ald R F van der Westhuizen
Add M van Zyl

Other councillors:

The Speaker, clr M A Rangasamy
Clr D G Bess
Clr C Daniels
Clr J M de Beer
Clr N Smit

Officials:

Municipal Manager, mr J J Scholtz
Director: Financial Services, mr M Bolton
Director: Civil Engineering Services, mr L D Zikmann
Director: Electrical Engineering Services, mr R du Toit
Director: Development Services, ms J S Krieger
Director: Security Services, mr P A C Humphreys
Director: Corporate Services, ms M S Terblanche
Manager: Secretarial and Record Services, ms N Brand

1. OPENING

The Executive Mayor welcomed members and requested ald R F van der Westhuizen to open the meeting with a prayer.

A special word of welcome was extended to mr J Palm from the firm, JPCE Consulting Engineers, who will give a presentation in respect of the implementation of mobile refuse drums (Wheely Bins) for Swartland Municipality.

The Executive Mayor stated that, for purposes of the aforementioned submission, the Speaker and the chairmen of the Portfolio Committees have been invited to the meeting, and he welcomed the relevant councillors.

2. APOLOGIES

The committee was complete.

3. SUBMISSIONS/DEPUTATIONS/COMMUNICATIONS

3.1 SUBMISSION BY MR JAN PALM: IMPLEMENTATION OF *WHEELY BINS* (16/4/1/2)

Mr Jan Palm presented the implications for the Swartland Municipality if the implementation of wheely bins for all households is considered.

3.1/...

It is proposed that the service is phased in over a period in order to (1) budget for the financial implications, in other words, the purchase of new trucks and possible increase in the number of personnel and (2) to clarify the challenges arising from the service before it is implemented throughout the entire municipal area.

Mr Palm explained that there are ±22 000 service points in the Swartland Municipality and that the productivity of the refuse removal service is very high. The average number of points serviced per day is 859, whilst in the Swartland Municipality the average is 1154. With the implementation of wheely bins this average will decrease substantially, because only one wheely bin will have to be emptied into the truck at each point.

The influence on the refuse removal tariff was discussed and – in comparison with tariffs in the neighbouring municipalities – the implementation of wheely bins will not result in a drastic increase.

Mr Palm stated that, although it is contended that the illegal dumping of refuse will be reduced with the implementation of wheely bins, this cannot be confirmed with reference to the expenditure in respect of clearing up of illegal dumping.

The chairman thanked mr Palm for the presentation and stated that the latter will possibly be invited to address further meetings to enlighten them in respect of the implementation of wheely bins in order to enable the Council to carefully consider the service.

FOR INFORMATION

4. MINUTES

4.1 MINUTES OF AN ORDINARY MEETING OF THE EXECUTIVE MAYOR'S COMMITTEE HELD ON 14 OCTOBER 2019

RESOLUTION

That the minutes of an Ordinary Meeting of the Executive Mayor's Committee held on 14 October 2019 are approved and signed by the Mayor.

5. CONSIDERATION OF RECOMMENDATIONS AND MATTERS ARISING FROM THE MINUTES

5.1 MINUTES OF A PORTFOLIOS COMMITTEE MEETING HELD ON 14 NOVEMBER 2019

[Corrections held over at the prerogative of the various committees.]

Recommendations submitted for ratification:

5.1.1 MUNICIPAL MANAGER, ADMINISTRATION AND FINANCES

RESOLUTION that the Executive Mayor ratifies the recommendations in the relevant minutes.

5.1.2 CIVIL AND ELECTRICAL SERVICES

RESOLUTION that the Executive Mayor ratifies the recommendations in the relevant minutes.

5.1.3 DEVELOPMENT SERVICES

RESOLUTION that the Executive Mayor ratifies the recommendations in the relevant minutes.

5.1.4 SECURITY SERVICES

RESOLUTION that the Executive Mayor ratifies the recommendations in the relevant minutes

6. MATTERS ARISING FROM THE MINUTES

None

7. NEW MATTERS

7.1 OFFICE ACCOMMODATION: SINETHEMBA (12/13/1-1/1)

[Clr O M Stemele left the meeting for the duration of the discussion of the item due to his involvement with the Sinethemba management body]

The Municipality owns office accommodation on erf 1217, situated in Roosmaryn Street, Abbotsdale. At present the Abbotsdale Neighbourhood Watch leases a portion of the building and the other portion of the building is vacant.

Requests have been received from two organizations for the lease of the office, namely Sinethemba and Smile of a Child Soup Kitchen. The latter is not a registered organization, whilst Sinethemba is a registered community based health organization which provides a sustainable service to the community.

RESOLUTION

- (a) That approval be granted for a lease agreement to be concluded with Sinethemba for the lease of one portion of the structure situated on erf 1217, Abbotsdale, for a period of one (1) year;
- (b) That rental be charged at the amount of R120,00 per annum, VAT excluded, which amount shall be payable in advance.

7.2 LEASE OF SPACE: OMEGA PIGEON RACING CLUB (17/9/2/R)

The Council leases space (± 50 m²) under the Wesbank Community Hall in Malmesbury to the Omega Pigeon Racing Club.

The lease agreement expires on 30 November 2019.

RESOLUTION

- (a) That a new lease agreement be entered into with the Omega Pigeon Racing Club for the renting of space (size ± 50 m²) at Wesbank Community Hall, Malmesbury, with effect from 1 December 2019;
- (b) That the term of lease not exceed a period of twelve (12) months which can be renewed annually;
- (c) That the rental fee of R120,00 per annum, plus VAT, be charged.

7.3 PERMISSION TO SELL ERF 3338, MALMESBURY (12/2/5/4-8/16)

A pre-emptive right exists on erf 3338, a vacant residential erf situated in Rooikrans Avenue, Malmesbury. The owners therefore request permission from the Municipality to enable transfer of the erf to a private purchaser.

RESOLUTION

That, given the weak economic situation and property market, the owners (HE and JG Magerman) of erf 338, Malmesbury are given permission to go ahead with the sale of the property.

7.4 OUTSTANDING DEBTORS: OCTOBER 2019 (5/7/1/1)

A complete report in respect of outstanding debtors was circulated with the agenda.

RESOLVED that cognisance be taken of the report regarding the position of Swartland Municipality's outstanding debtors for October 2019.

7.5 PROGRESS IN RESPECT OF OUTSTANDING INSURANCE CLAIMS: OCTOBER 2019 (5/14/3/5)

In accordance with the Asset Management Policy outstanding insurance claims must be reported monthly.

RESOLVED that cognisance be taken of the outstanding insurance claims for the period ending 31 October 2019 as circulated with the agenda.

7.6 SALE OF OBSOLETE ASSETS PER PUBLIC AUCTION (5/14/3/5)

The Asset Management Policy regulates the disposal of assets to ensure that it is done fairly, justly, transparently, competitively and is cost effective, and that it complies with the Municipality's Supply Chain Management Policy.

The criteria for disposing of assets are as follows:

- The useable life of the asset has expired;
- The asset is obsolete;
- It is uneconomic to repair the asset or it is irreparable.

RESOLUTION

That the attached list of assets be approved to be sold by public auction and for same to be removed from the asset register.

7.7 BUDGET FOR MAINTENANCE OF PROVINCIAL MAIN ROADS: 2020/2021 FINANCIAL YEAR (5/6/1/1/2)

The following table indicates the estimated expenditure in respect of the maintenance of provincial main roads in the Swartland municipal area.

The needs are submitted on an annual basis to the Provincial District Roads Engineer for consideration during the budget process of the relevant department.

ESTIMATED EXPENDITURE TO PROVINCIAL MAIN RAODS: 2020/2021				
	ROAD NR	DESCRIPTION	ACTIVITY	REQUESTED 2020/2021
Swartland	MR 230	Moorreesburg (Lang St)	Maintenance	None
Swartland	MR 230	Moorreesburg (Piketberg Rd)	Maintenance	None
Swartland	MR 231	Moorreesburg (Lang St)	Maintenance	R42 000.00
Swartland	MR 226	Riebeek Kasteel (Hoof St)	Maintenance	R45 000.00
Swartland	MR 226	Riebeek Kasteel (Sarel Cilliers St)	Maintenance	R17 000.00
Swartland	MR 226	Riebeek Kasteel (Piet Retief St)	Maintenance	R28 000.00
Swartland	MR 226	Riebeek Kasteel (Hermon Rd)	Maintenance	R24 000.00
Swartland	MR 25	Malmesbury (Piet Retief St)	Maintenance	None
Swartland	MR 224	Malmesbury (Bokomo Rd)	Maintenance	None
Swartland	MR 224	Malmesbury (Darling Rd)	Maintenance	R123 000.00
Swartland	MR 174	Malmesbury (Voortrekker St)	Maintenance	R63 000.00
Swartland	MR 215	Darling (Hoof St)	Maintenance	R57 000.00
Swartland	MR 228	Darling (Evita Bezuidenhout Blvd)	Maintenance	R117 000.00
Swartland	MR 215	Yzerfontein (Hawe Rd)	Maintenance	R25 000.00
TOTAL				R541 000.00

7.7/...

RESOLUTION

That approval be granted by the Executive Mayoral Committee for the budget of expenses for Provincial Main Roads for the 2020/2021 financial year.

7.8 RESEALING PROGRAMME: 2019/2020 (16/5/5/1)

The amount of R15 million is available in the 2019/2020 financial year for the resealing of roads. The available funds are proportionally divided between the towns of the Swartland municipal area according to the total length of tarred roads.

The *Pavement Management System*, as well as on site inspections are used to identify roads which must be resealed. The system prioritises roads according to the classification and condition of the road.

RESOLUTION

- (a) That approval be granted by the Executive Mayoral Committee for the reseat programme for the 2019/2020 financial year as attached to this report;
- (b) That cognizance be taken that the reseat programme is preliminary and will be adjusted in relation to the expense of the preparation works.

7.9 DEPARTURE FROM THE PRESCRIBED PROCUREMENT PROCEDURES: SONDEZA CAMP, GROUP VISIT TO ROBBERN ISLAND MUSEUM (8/1/B/2)

The 16th Sondeza Afri-Youth Leadership Camp takes place from 27 November to 6 December 2019 at Ganzekraal. The group visits the Robben Island Museum annually as part of the leadership development programme in order to experience the reconciliatory role which was played by Nelson Mandela in the history of South Africa.

RESOLUTION

- (a) That cognizance be taken of the departure from the prescribed procurement procedures in terms of section 36(20) of the Supply Chain Management Policy;
- (b) That the action of the Municipal Manager be condoned with regards to the payment of R30 530,00 for the Sondeza group visit to the Robben Island museum on 1 December 2019;
- (c) That the reasons for the deviation from the prescribed procurement processes be recorded as follows:
 - (i) This is the only museum of its kind in the world and plays an integral part of the Sondeza camp programme; therefore this visit is of essence to the programme content;
- (d) That it be noted that the total cost as per the quoted amounts of R30 530,00 (including VAT) was allocated to vote number 9/201-1317-1354;
- (e) That the Snr Manager: Financial Statements and Control be instructed to include the above reason as a note to the financial statements, when same are compiled.

7.10 DEPARTURE FROM THE PRESCRIBED PROCUREMENT PROCEDURES: REPAIR TO DISCHARGE PUMPS, MALMESBURY WWTW (8/1/B/2)

The Malmesbury WWTW is equipped with two discharge pumps as part of the membrane system. One of the pumps broke down and urgent repairs were necessary in order to prevent further damage to the other mechanical components in the system.

7.10/...

RESOLUTION

- (a) That cognisance be taken of the departure from the prescribed procurement procedures in terms of section 36(2) of the Supply Chain Management Policy;
- (b) That it be noted and the action of the acting Municipal Manager be condoned with regards to the repairs of the permeate pumps at the Malmesbury Wastewater Treatment Works by GW Trautman for the amount of R77 526.00 excluding VAT.
- (c) That the reason for the deviation from the prescribed procurement process be recorded as follows:
 - (i) The permeate pumps would have been left out of service for an extended period of time following due process;
 - (ii) This would have had the consequence of treatment process failure and further damages to other mechanical components.
 - (iii) The repair work to the permeate pumps therefore had to be handled as an emergency.
- (d) That it be noted that the expenditure was allocated mSCOA Code: 9/239-851-689 and that there is sufficient funding available for the quoted amount of R 77,526.00 excluding VAT.
- (e) That the Snr Manager: Financial Statements and Control be instructed to include the above reason as a note to the financial statements, when same are compiled.

7.11 DEPARTURE FROM THE PRESCRIBED PROCUREMENT PROCEDURES: REPAIR OF AERATOR AT THE MALMESBURY WWTW (8/1/B/2)

The operation of the aerator is necessary during the biological treatment process in the membrane system. The system has four aerators, one of which has been taken out for service and repairs.

RESOLUTION

- (a) That cognisance be taken of the departure from the prescribed procurement procedures in terms of section 36(2) of the Supply Chain Management Policy;
- (b) That it be noted and the action of the Municipal Manager be condoned with regards to the service and repair of one of the Aerzen blower units at the Malmesbury Waste Water Treatment Works by Aerzen Airgas (Pty)Ltd for the amount of R 112,900.00 (excluding VAT).
- (c) That the reason for the deviation from the prescribed procurement process be recorded as follows:
 - (i) Aerzen Airgas (Pty)Ltd is the original manufacturer support in South Africa for the German manufactured Aerzen blower units;
 - (ii) The service is only available from the single service provider.
- (d) That it be noted that the expenditure was allocated mSCOA Code: 9/239-57-1041 and that there is sufficient funding available for the quoted amount of R 112,900.00 (excluding VAT).
- (e) That the Snr Manager: Financial Statements and Control be instructed to include the above reason as a note to the financial statements, when same are compiled.

7.12/...

7.12 DEPARTURE FROM THE PRESCRIBED PROCUREMENT PROCEDURES: SERVICE TO AND CALIBRATION OF HACH DISSOLVED OXYGEN METERS AT THE MALMESBURY WWTW (8/1/B/2)

The treatment of waste water takes place in a controlled environment in order to ensure that all organic contamination is removed. The controlled environment is created in a biological reactor where the addition of oxygen is determined by the organic load. In-line measuring instruments are required to determine the oxygen concentration.

The Malmesbury WWTW has six of these units which must be serviced and recalibrated from time to time.

RESOLUTION

- (a) That cognisance be taken of the departure from the prescribed procurement procedures in terms of section 36(2) of the Supply Chain Management Policy;
- (b) That it be noted and the action of the Municipal Manager be condoned with regards to the service and calibration of six units of HACH online dissolved measurement equipment at the Malmesbury Waste Water Treatment Works by PREI Instrumentation for the amount of R 57,480.00 (excluding VAT);
- (c) That the reason for the deviation from the prescribed procurement process be recorded as follows:
 - (i) PREI Instrumentation is the local original manufacturer support and service agent for HACH Instrumentation;
 - (ii) The service is only available from the single service provider.
- (d) That it be noted that the expenditure was allocated mSCOA Code: 9/239-851-689 and that there is sufficient funding available for the quoted amount of R 57,480.00 (excluding VAT).
- (e) That the Snr Manager: Financial Statements and Control be instructed to include the above reason as a note to the financial statements, when same are compiled.

7.13 DEPARTURE FROM THE PRESCRIBED PROCUREMENT PROCEDURES: URGENT REPAIR TO REFUSE REMOVAL TRUCK, CK 38712 (8/1/B/2)

The refuse removal truck, CK 38712, is used in Moorreesburg in order to provide a sustainable refuse removal service. The truck broke down and urgent repair work was required.

RESOLUTION

- (a) That cognisance be taken of the departure from the prescribed procurement procedures in terms of section 36(2) of the Supply Chain Management Policy;
- (b) That it be noted and the action of the Acting Municipal Manager be condoned with regards to the repair of the waste removal truck CK38712, UD350 for the amount of R 217 229.73 excluding VAT.
- (c) That the reason for the deviation from the prescribed procurement process be recorded as follows:
 - (i) The truck would have been left out of service for an extended period of time;
 - (ii) This would have resulted in a failure in the waste removal services capacity and public health risks;
 - (iii) The repair works to the truck therefore be handled as an emergency.

7.13/...

- (d) That it be noted that the expenditure was allocated mSCOA Code: 9/241-1253-709 and that there is sufficient funding available for the quoted amount of R 217 229.73 excluding VAT.
- (e) That the Snr Manager: Financial Statements and Control be instructed to include the above reason as a note to the financial statements, when same are compiled.

7.14 DEPARTURE FROM THE PRESCRIBED PROCUREMENT PROCEDURES: URGENT REPAIR TO REFUSE REMOVAL TRUCK, CK 36152 (8/1/B/2)

The refuse removal truck, CK 36152 is used as a standby vehicle in order to ensure that high volumes of refuse are removed to standard. Experience is that volumes of refuse increase over the festive season which necessitates the availability of the standby vehicle.

RESOLUTION

- (a) That cognisance be taken of the departure from the prescribed procurement procedures in terms of section 36(2) of the Supply Chain Management Policy;
- (b) That it be noted and the action of the Municipal Manager be condoned with regards to the repair of the waste removal truck CK36152, UD290 for the amount of R109 051.44 including VAT.
- (c) That the reason for the deviation from the prescribed procurement process be recorded as follows:
- (i) The truck would have been left out of service for an extended period of time;
 - (ii) This would have resulted in a failure in the waste removal services capacity and public health risks;
 - (iii) The repair works to the truck therefore be handled as an emergency.
- (d) That it be noted that the expenditure was allocated mSCOA Code: 9/241-1253-709 and that there is sufficient funding available for the quoted amount of R109 051.44 including VAT.
- (e) That the Snr Manager: Financial Statements and Control be instructed to include the above reason as a note to the financial statements, when same are compiled.

7.15 APPLICATION FOR LEAVE BY THE MUNICIPAL MANAGER AND DIRECTORS AND THE APPOINTMENT OF AN ACTING MUNICIPAL MANAGER (P/...; 4/8/3)

The Municipal Manager must apply to the Executive Mayor's Committee to take leave. A schedule of leave for the management team was circulated with the agenda.

RESOLUTION

- (a) That the application for leave from the Municipal Manager for the following days is approved namely:
- 17 December 2019 to 10 January 2020 (16 days)
- (b) Note is taken that the Director: Civil Engineering Services will act as Municipal Manager from 16 December to 31 December 2019, and the Director: Electrical Engineering Services from 1 to 10 January 2020.

7.16 FIRST AMENDMENT TO THE 2019/2020 MIG-PROJECT IMPLEMENTATION PLAN (5/9/2/6/1)

The 2019/2020 MIG implementation plan was submitted to the Department of Cooperative Governance and Traditional Affairs (COGTA) on 25 April 2019.

Tenders were called for the construction phase of the new Moorreesburg WWTW, but during the tender process it was discovered that – given the state of the market – the tender strategy had to be amended in order to get contractors for the project. It was again put out for tender, which caused a delay in commencement of the project.

RESOLUTION

- (a) That the Executive Mayoral Committee notes that there has been a delay in the anticipated start of construction for the Moorreesburg WWTW project subsequently requiring an adjustment of the planned spending for 2019/2020;
- (b) That the Executive Mayoral Committee notes that in order to achieve successful project implementation a re-allocation of funds between MIG projects are required and that the 2019/2020 DPIP must be amended accordingly;
- (c) That the Executive Mayoral Committee approves the following projects and budgets for the amended DPIP for the 2019/2020 financial year:

Nr	Project	Budget
1	Rehabilitate Water Networks (WC1287/W/14/17)	R 8 183 800.00
2	Upgrade Darling WWTW (Awaiting registration)	R 5 900 000.00
3	Rehabilitate/Resealing of Streets (Awaiting registration)	R 1 000 000.00
4	New Sports Grounds: Chatsworth (WC1605/CF/16/18)	R 100 000.00
5	Upgrade Moorreesburg WWTW (WC1710S/17/122)	R 6 117 200.00
Total		R 21 301 000.00

- (d) That the amended DPIP be submitted to the Department of Cooperative Governance and Traditional Affairs.

7.17 PRELIMINARY FINDING BY THE AUDITOR GENERAL WITH REFERENCE TO SOME OF THE COMAFS RECEIVED: 2018/2019 AUDIT (5/15/1/2)

The Municipal Manager confirmed that the Municipality received a total of 26 COMFAS during the 2018/2019 external audit, of which 3 are viewed in a very serious light, namely:

- COMAF 7: registration of 42 000 water and electricity meters in the asset register;
- COMAF 21: application of Article 32 of the Supply Chain Management Regulations (SCM regulations) in respect of the so-called 'piggy backing' principle;
- COMAF 26: automatic qualification for destitute subsidy in accordance with Council decision of 2014 without application and the potential consequences of a requirement to make application in the context of the present unhappiness in some towns.

The Municipal Manager stated further that the Auditor General based COMAF 21 on high court rulings in other provinces which cannot be applied to the Western Cape. The Auditor General also relies on MFMA circular 96, which explains the application of Article 32 and was only issued to municipalities in July 2019.

7.17/...

The Municipal Manager explained further the Auditor General's proposal to publish the irregular expenditure in the financial statements and that the process, in accordance with Article 32, is followed.

The Municipal Manager referred to the possible future risks for the municipal manager and the head: financial officer, according to the amendments to the *Public Audit Act* if irregularities, which have been reported, have not been dealt with. In this instance the Auditor General did not find any irregularities, only the non-compliance with legislation.

The Director: Financial Services, Mr M Bolton, explained that it is important to report concerns to the Executive Mayor's Committee. Mr Bolton referred specifically to the Auditor General's opinion that expenditure in respect of COMAF 21 was irregular and whether or not the required process was carried out in respect of the necessary investigation by the Article 32 committee, with recommendations to the Council in respect of ratification.

The Director; Financial Services broadly explained the COMAFS received – summarised as follows:

COMAF 21: The decision to use the Drakenstein Municipality's tenders was weighed up against the contingency plans implemented during the drought. Consideration was given to follow the departure process in accordance with Article 36 of the SCM Regulations, but it was not seen as the best option, especially if it should rain and the disaster situation was averted. The process required by the SCM Regulation 32 was followed because the legislation makes specific provision that the Municipal Manager is authorised to follow the process.

COMAF 26: The Council decision taken in 2014 stipulates, inter alia, that a household qualifies for a destitute subsidy if the value of the property is R 100 000 or less (excluding the R 15 000 exemption). The Auditor General requires that households must apply for a destitute subsidy, otherwise it is seen as a misrepresentation of the municipality's income, because the Auditor General cannot verify the status of the destitute household without an application.

COMAF 7: During the unbundling of assets which took place in 2008 in accordance with GRAP 17, it was decided to unbundle assets up to level 4. As a result water and electricity meters were viewed as part of the network and not recorded. The opinion of the Auditor General is that the Municipality can determine depreciation since the establishment of the Swartland Municipality in December 2000 because historical information is available. Management convinced the Auditor General that some of the information is not available.

RESOLUTION

- (a) That note is taken of the COMAFS received, with specific reference to COMAF 21 which deals with irregular expenditure, which must be published in the statements as such;
- (b) That note is also taken of the explanation from the Director: Financial Services and that the Municipality has no other choice other than to publish the irregular expenditure in the financial statements;
- (c) That note is taken of the decision by the Management Team to discontinue 'piggybacking', in accordance with MFMA Circular 96 dated 24 July 2019, in other words SCM Regulation, Article 32 will not be used.

**(SGD) T VAN ESSEN
EXECUTIVE MAYOR**