



MINUTES OF A MEETING OF THE EXECUTIVE MAYOR'S COMMITTEE HELD IN THE BANQUETING HALL, MALMESBURY ON WEDNESDAY, 20 JANUARY 2021 AT 10:00

PRESENT:

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

Members of the Mayor's Committee:

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

Other councillors:

The Speaker, clr M A Rangasamy
Clr J M de Beer
Clr D G Bess

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: Protection Services, mr P A C Humphreys
Director: Corporate Services, ms M S Terblanche
Manager: Strategic Services, mr L Fourie
Committee Official: Ms S Willemse

1. OPENING

The Executive Mayor welcomed all those present to the first Executive Mayor's Committee meeting of 2021 and requested ald R F van der Westhuizen to open the meeting with a prayer.

2. APOLOGIES

No apologies received.

3. SUBMISSIONS/DEPUTATIONS/COMMUNICATIONS

None

4. MINUTES

4.1 MINUTES OF AN ORDINARY EXECUTIVE MAYOR'S COMMITTEE MEETING HELD ON 9 DECEMBER 2020

RESOLUTION

That the minutes of an Ordinary Executive Mayor's Committee Meeting held on 9 December 2020 are approved and signed by the Mayor.

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5. MATTERS ARISING FROM THE MINUTES

None

6. NEW MATTERS

6.1 BUDGET MANAGEMENT COMMITTEE 2020/2021: HALF-YEARLY ADJUSTED CAPITAL AND OPERATING BUDGETS TECHNICAL RECOMMENDATIONS (5/1/1/1, 5/1/1/2, 5/1/4)

The half-yearly adjusted capital and operating budgets were considered by the Budget Management Committee on 14 January 2021 in order to submit the technical recommendations to the Executive Mayor's Committee and hence -

RESOLUTION (for recommendation to the Council on 28 January 2021)

- a) That the Budget Steering Committee convened after having considered the explanations and motivations provided by the financial staff and other directors;
- b) That council takes note of the amendments as it relates to Section 19 with regards to the Sewerage Works Project: Moorreesburg and Darling (**Annexure A-2: 2020/21 – 2022/23 Capital Projects ito Sec 19**);
- c) That approval be granted to amend the high-level capital and operating budget for 2020/2021 as follows:

	Original Budget 2020/21	Roll-Over Adj Budget 2020/21	Mid-Year Adj Budget 2020/21	Increase / Decrease	Original Budget 2021/22	Original Budget 2022/23
Capital budget	212 435 837	213 132 732	210 463 962	(2 668 770)	137 639 479	137 710 243
Operating Expenditure	810 670 080	811 033 080	812 038 341	1 005 261	889 949 652	924 976 102
Operating Revenue	882 786 413	890 266 902	892 712 735	2 445 833	928 907 555	998 866 120
Budgeted (Surplus)/ Deficit	(72 116 333)	(79 233 822)	(80 674 394)	(1 440 572)	(38 957 903)	(73 890 018)
Less: Capital Grants, Donations & Development Charges	86 863 600	81 163 089	79 226 340	(1 936 749)	28 897 050	66 713 153
(Surplus)/ Deficit	14 747 267	1 929 267	(1 448 054)	(3 377 321)	(10 060 853)	(7 176 865)

- d) That it be noted that the changes to the budget will have no impact on tariffs in respect of the 2020/2021 financial year or beyond but will result in a decreased budgeted deficit from R 1 929 267 to a budgeted surplus of R 1 448 054;
- e) That council approve the continuation of the provision of the first 2 kl of water consumption free to all Residential consumers which per the definition include Indigent households for the remaining six months of the 2020/2021 financial year which is funded by the additional equitable share allocation earmarked for Covid-related expenditure. The aforementioned is as an interim measure in a bid to bring relief to hard-hit consumers, it is further noted that whilst not all consumers are struggling, in order to be fair, just and equitable those consumers who are able to pay their bills but not doing so, must note that the municipality initiated the implementation of its credit control measures as consumer arrears are on the increase;
- f) That the adjusted budget schedules as required by the Budget and Reporting Regulations be approved as set out in (**Annexure C: Budget Report and B-Schedules 2020/21 – 2022/23**) inclusive of the corrections to the 2020/21 budget schedules identified during the verification process;

- g) That the Director: Financial Services adhere to the requirements of the Budget Circulars and Budget Reforms in the context of the reporting requirements to Provincial and National Treasury;
- h) That the Service Delivery Budget Implementation Plan (SDBIP) where appropriate be amended accordingly.

6.2 AMENDMENTS TO THE KPI'S AND GOALS FOR 2020/2021 (2/4/2)

The present key performance indicators (KPI's) and performance goals for 2020/2021 were approved by the Executive Mayor's Committee on 22 January 2020.

In accordance with section 42 of the Municipal Systems Act (Act 32 of 2000) the municipality must, by means of the relevant mechanisms, involve the local community in the processes and procedures set out in Chapter 4, in the revision of the municipality's performance management system, and allow the community to take part in the drawing up of the relevant key performance indicators and performance goals for the municipality.

RESOLUTION

That the attached key performance indicators (KPI's) and targets be approved with effect from 1 July 2020 (retrospective).

6.3 ACKNOWLEDGEMENT OF ALDERMANSHIP (3/1/5)

At a Special Council Meeting held on 26 March 2009 the policy in respect of the endowing of aldermanship was approved.

The policy aims to acknowledge councillors' outstanding performance in respect of the delivery of exceptional meritorious service in the interests of the Municipality.

RESOLUTION

- (a) That it be recommended that Aldermanship be conferred on the following councillors:
 - (i) Cllr M A Rangasamy (total of 26 points);
 - (ii) Cllr O M Stemele (total of 24 points);
- (b) That cognisance be taken that there are no qualifications in respect of the councillors concerned in terms of the penalty clause contained in the policy;
- (c) That the award be made to cllrs Rangasamy and Stemele at the council meeting on Thursday, 28 January 2021.

6.4 APPOINTMENT OF ACTING MUNICIPAL MANAGER (4/8/3)

In the interest of good governance, the appointment of the acting Municipal Manager is made in conjunction with the Executive Mayor and Executive Mayor's Committee.

RESOLUTION

- (a) That cognisance be taken of the extension of the Director: Civil Engineering Services' term of observation until Friday, 22 January 2021;
- (b) That cognisance be taken that the Director: Protection Services will act as Municipal Manager from 25 January 2021 to 29 January 2021, in order to give the Municipal Manager an opportunity to fully recover.

6.5 PROPOSED LEASE OF INDUSTRIAL PROPERTY IN MOORREESBURG FOR AGRICULTURAL PURPOSES (12/2/5/5-9/2)

The Municipality owns ±17,7 ha of land in Moorreesburg. In order to make the land available for agricultural purposes, to the benefit of a local (Moorreesburg) based

welfare organization involved in public welfare, cultural or humanitarian activities, a public, competitive process is embarked upon.

RESOLUTION

- (a) That approval be granted for proposals to be invited for the leasing of a portion (± 17.7 ha in extent) of erf 1133, Moorreesburg for a period not exceeding twelve months, with effect from 1 April 2021;
- (b) That proposals be invited on the basis of and conditions as contained in the draft notice as per Annexure B to the report;
- (c) That the Municipal Manager be authorized to appoint a committee to consider the proposals received and to make an award in consultation with the relevant ward councillor;
- (d) That the Director: Corporate Services be authorized to finalize the contents, as well as the signing of the lease agreement;
- (e) That the prospective lessee be made aware that planting is not to exceed on erf 5520, which belongs to Boland Diesel t/a AfricOil and where development is expected soon.

6.6 LEASE AGREEMENT: SWARTLAND MUNICIPALITY/MALMESBURY GOLF CLUB – APPLICATION FOR SUBLETTING (K2/1/2- Vol 2)

The existing golf facilities in Malmesbury, which include a portion of erf 327 (± 35 ha in extent), erf 9471 ($\pm 14,4$ ha in extent) and erf 9472 ($\pm 6,8$ ha in extent), are presently leased to the Malmesbury Golf Club in accordance with a lease agreement which expires on 30 September 2029.

A written request on behalf of the golf club has been submitted for written permission from the Council, to sublet the kitchen, lounge and other areas associated with the management of a restaurant.

RESOLUTION

That permission be given under the hand of the Municipal Manager for the subletting of the kitchen, lounge and other areas of the golf club house associated with the running of a restaurant, in terms of clause 6 of the lease agreement with the Malmesbury Golf Club, provided that the Golf Club shall still be liable for payment of the full rental amount as determined in the lease agreement, as well as utility fees (water, electricity, etc) associated with the sublet area.

6.7 OUTSTANDING DEBTORS: DECEMBER 2020 (5/7/1/1)

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

RESOLUTION that cognizance be taken of the report with reference to the state of the outstanding debtors of Swartland Municipality for December 2020.

6.8 PROGRESS IN RESPECT OF OUTSTANDING INSURANCE CLAIMS (5/14/3/5)

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

RESOLUTION that cognizance be taken of the progress with outstanding insurance claims for the period ending 31 December 2020.

6.9 REPORT IN RESPECT OF THE IMPLEMENTATION OF THE SUPPLY CHAIN MANAGEMENT POLICY FOR THE PERIOD 1 OCTOBER 2020 – 31 DECEMBER 2020 (8/1/B/2)

Section 6(3) of the *Supply Chain Management* regulations stipulates that a report must be submitted to the Executive Mayor, on a quarterly basis, in respect of the activities of the relevant division.

RESOLUTION

- (a) That cognisance is taken of the Quarterly Report in respect of the implementation of the Supply Chain Management Policy as envisaged by section 6(3) of the Regulations, as well as reports on the Formal Tenders (Annexure A), Informal Tenders (Annexure B), and the Deviation Report (Annexure C);
- (b) That cognisance is taken of the services rendered for the period 1 October 2020 to 31 December 2020 with reference to the exceptions where it is impractical to test the market and therefore justified a deviation from the procurement processes in terms of paragraph 2(6) of the Supply Chain Management Policy (Annexure D);
- (c) That cognisance is also taken of Covid-19 related emergency purchases below the threshold value of R30 000.00 to the amount of R 14 375.00.

6.10 DEPARTURE FROM THE PRESCRIBED PROCUREMENT PROCEDURES: URGENT APPOINTMENT OF A SPECIALIZED SERVICE PROVIDER TO ASSIST THE MUNICIPALITY WITH THE ICT-SECURITY BREACH (8/1/B/2)

Swartland Municipality suffered a security breach of the municipal information and communication technology (ICT) systems during the period 22 to 26 October 2020.

As a result of the security breach various Microsoft based servers and data files were interfered with by a malicious person and the main backup and copies were deleted.

RESOLUTION

- (a) That the Executive Mayoral Committee take note of the deviation from the prescribed procurement procedures in terms of clause 36 (2) of the Supply Chain Management Policy;
- (b) That the action of the Municipal Manager be condoned not to invite tenders but to approve the acceptance of the quotation for the appointment of the security specialist ICT company BUI based on measurable hours to a maximum amount of R350 000.00 excluding VAT;
- (c) That the reasons for the deviation from the prescribed procurement process to alleviate the emergency situation be recorded as follows:
 - (i) The provision and availability of municipal Information and Communication Technology services are essential for municipal operations;
 - (ii) The automated administrative processes of the municipality including supply chain functions, all electronic communications and all data files were rendered inaccessible, which constituted an emergency situation;
- (d) That it be noted that the expenditure is allocated to mSCOA vote 9/216-1023-1911 and that there is sufficient funding available for the order in the amount of R350 000.00 excluding VAT;
- (e) That the Manager: Financial Statements and Control be requested to include the above reasons as a note to the financial statements, when same are compiled.

6.11 DEPARTURE FROM THE PRESCRIBED PROCUREMENT PROCEDURES: URGENT REPAIRS TO THE FRONTEND LOADER, CK49106 (8/1/B/2)

The municipality has a frontend loader CK49106, used in the Swartland municipal area as part of the team clearing up illegal dumping. The loader is a 2016 Volvo L60GZ.

Babcock International is the original services and support agent for manufacturers of Volvo Construction Equipment in South Africa.

RESOLUTION

- (a) That the Executive Mayoral Committee take note of the deviation from the prescribed procurement procedures in terms of clause 36 (2) of the Supply Chain Management Policy;
- (b) That the action of the Municipal Manager be condoned with regards to the repair of the loader CK49106, for the amount of R 102 758.01 excluding VAT;
- (c) That the reason for the deviation from the prescribed procurement process be recorded as follows:
 - (i) The repairs are done by the local service and support agent for Volvo equipment, being Babcock International;
- (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 102 758.01 excluding VAT;
- (e) That the Manager: Financial Statements and Control be instructed to include the above reason as a note to the financial statements, when same are compiled.

6.12 DEPARTURE FROM THE PRESCRIBED PROCUREMENT PROCEDURES: URGENT REPAIRS TO THE REFUSE REMOVAL TRUCK, CK 43815 (8/1/B/2)

The municipality uses a compactor truck CK 43815 in Malmesbury to provide waste removal services. The truck is a 2011-model UD330 and is equipped with a Heil 5000 compactor unit.

The vehicle is at present due for replacement in the 2024/2025 financial year and the repair work amounts to 30% of the permissible limit. It was therefore considered good practise to incur the expense for repair work.

RESOLUTION

- (a) That the Executive Mayoral Committee take note of the deviation from the prescribed procurement procedures in terms of clause 36 (2) of the Supply Chain Management Policy;
- (b) That the action of the Municipal Manager be condoned with regards to the repair of the waste removal truck CK43815, for the amount of R 76 497.64 excluding VAT;
- (c) That the reason for the deviation from the prescribed procurement process be recorded as follows:
 - (i) The service and repairs was done by the local service and support agent for the Heil 5000 compactor unit which is Transtech;
 - (ii) The service is only available through the single serve provider;
- (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 76 497.64 excluding VAT;
- (e) That the Manager: Financial Statements and Control be instructed to include

the above reason as a note to the financial statements, when same are compiled.

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