

# MAKHADO LOCAL MUNICIPALITY

## OFFICE OF THE DIRECTOR CORPORATE SERVICES

**MINUTES** OF THE FIFTY FOURTH (54<sup>TH</sup>) SPECIAL COUNCIL MEETING OF MAKHADO MUNICIPALITY WHICH WAS HELD ON MONDAY, 31 MARCH 2008 IN THE COUNCIL CHAMBER, GROUND FLOOR, CIVIC CENTRE, KROGH STREET, LOUIS TRICHARDT AT 17:00.

### PRESENT

#### Councillors

BALADZI P	MATAMELA N S
BALOYI R S	MATUMBA J
CHAYA, A A	MAUBA K D
DU PLOOY A	MAVHUNGU K
DZHOMBE J	MUDAU, T J
GUNDULA, A S	MUFAMADI M R
HELM M A	MULOVHEDZI M D
HOORZUK, J	MUROVHI N J
KHUMALO D J	MUVHUMBE M A
LEBEA M A	NCHAUBA, T G
MABILA M N	NDHLIWAYO, B T
MABOHO T E	NEPHAWE, K P
MACHOVANI R C	NGOBENI, E H
MAGUGA S G	NGOBENI N E
MAHANI M F	NGWANA A G
MAHWAI S J	PHASWANA P
MAKHADO, M M	RADAMBA M S
MAKHERA, M A	REKHOTSO, S M
MAKHUBELE R T	REYNEKE P Q
MALETE, D	RUMANI F F
MAPHALA O S	SELEPE, M R
MASHABA T G	SIPHUMA A L
MASHAU L P	SMALLE F J
MASHELE W N	TSHAVHUYO, T G

#### Traditional Leaders

None

#### Officials

A F MUTHAMBI	(MUNICIPAL MANAGER)
R H MALULEKE	(DIRECTOR FINANCE)
F MAMUREMI	(DIRECTOR TECHNICAL SERVICES)
L N SCHOEMAN	(ACTING DIRECTOR COMMUNITY SERVICES)
N C KHARIDZHA	(ACTING DIRECTOR CORPORATE SERVICES)
J LUKHELI	(COUNCILLORS AFFAIRS: PERSONAL ASSISTANT)
T E SHIRINGANI	(ADMINISTRATIVE OFFICER: COMMITTEES)

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### 1. OPENING

The Speaker, Cllr J Hoorzuk requested that a moment of silence be observed. She then declared the meeting officially opened and welcomed everyone present.

## 2. APPLICATION FOR LEAVE OF ABSENCE

RESOLVED –

THAT leave of absence be granted in accordance with the provisions of Rule 5 of the Council's Rules and Orders published under Provincial Gazette Notice no. 1391 dated 31 August 2007 in respect of the Special Council meeting held on 31 March 2008 to Cllrs. B F Hlungwani, L B Lowani, A N Matodzi, E Maduwa, N G Ramashia, P Sikhutshi, M M Makananise, R G Nkanyani, M L Munungufhala, N K Maboho, S Masuka, L T Nthulane, F D Mutavhatsindi, M N Makhado and S E Makhomisani.

### REMARK:

1. The following councillors and traditional leaders did not sign the attendance register and therefore it cannot be confirmed that they were present at the meeting: Cllr M B Bopape, XNS Honwana, N V Mahlaule, M D Mboyi, A J Mukhaha, P R J Nemalegeni, H A Mashamba, F J Rikhotso, S D S Manganyi and S D Ramudzuli as well as Hosi M S Bungeni, Khosi M C Masakona, Hosi H M Majosi, Khosi N T L Mashamba, Hosi J Baloyi, Khosi V C Ramabulana, Hosi T J Mukhari, Hosi S T Mukhari and Hosi M W Netsianda.
2. Cllr F F Rumani and Cllr N S Matamela left the meeting with the permission of the Chairperson at 17:40.

## 3. OFFICIAL ANNOUNCEMENTS

- 3.1 The Chairperson announced that all councilors must collect forms for the Shoprite/Checkers Women of the Year Competition to be distributed in their respective wards.
- 3.3 The Chairperson announced that Ms Kgoahla Seriana, Manager of Inter Government Relations in the Provincial Department of Local Government and Housing was present in the meeting.

## 4. PROPOSALS OF CONDOLENCE OR CONGRATULATIONS BY THE SPEAKER

- 4.1 The Chairperson congratulated the IT Section for putting the Municipality in the National through a televised programme.
- 4.2 The Chairperson congratulated the Traffic Department for working during Easter Holidays and it is reported that no accidents happened in the municipal area during the Easter Holidays.
- 4.3 The Chairperson congratulated Cllr A Chaya for donating groceries to the Department of Community Services.

## 5. PROPOSALS OF CONDOLENCE OR CONGRATULATIONS BY OTHER COUNCILLORS

None

## 6. MATTERS CONSIDERED

**Recommendations of the Executive Committee in terms of section 59 (1) of the Local Government: Municipal Systems Act, 2000 (Act 32 of 2000): 54<sup>th</sup> Special Council Meeting: 31 March 2008**

### ITEM A.17.31.03.08 (originally A.17.24.04.08)

**ESSENTIAL SERVICES: PROPOSED ROADS & STORM-WATER REPAIRS (LOUIS TRICHARDT TOWN): 2008/9 FINANCIAL YEAR: ALIGNMENT WITH STATE FISCAL YEAR (6/1/1(08/09))**

#### **REMARK:**

Cllr L P Mashau proposed that the word “additional” be inserted in paragraph 7 to read “That additional funding for urban ....” and the proposal was generally accepted and is here below recorded under paragraph 7 as Council Resolution.

RESOLVED A.17.31.03.08 -

1. THAT it be noted that the streets in Makhado Municipality is in a poor state due to the fact that it was never resealed/resurfaced within recommended periods, and that normal maintenance for such streets are therefore no longer viable as pothole patch work results in no value for money. (ADTS)
2. THAT it be accepted that the appropriate intervention for streets in Makhado Municipality is to resurface, rehabilitate and reconstruct it according to the detail set out in the business plan attached as Annexure A to the report in this regard. (ADTS)
3. THAT Council approves R17,680,000.00 for the rehabilitation and base reconstruction of Makhado Municipality Streets as per report attached as Annexure A, that the project be prioritized for 2008/09 financial year and be registered with the Department Local Government for 2008/09 financial year. (ADTS)
4. THAT funds from the Municipal Infrastructure Grant (MIG) for 2008/09 be utilized to implement the project, and that it be advertised as a matter of urgency for planning purpose to enable the project implementation commence from the 1<sup>st</sup> April 2008. (ADTS/DF)
5. THAT 2008/09 budget process takes cognizance of R17,680,000.00 from MIG funding for the roads and storm water systems rehabilitation project in Louis Trichardt town. (ADTS/DF)
6. THAT the project covers Rissik street , Songozwi street, Stubb street, Hlanganani street, Waterbessie, Meerkat, Tshirululuni, Breda Street, Krogh street, Kruger street, Leeu Street, Burger street, Grobler street, President street, Kort Street, Boabab Street and Erasmus street for this phase. (ADTS)

7. THAT additional funding for urban renewal be sourced from Department Local Government and Housing with strong motivation based on the infrastructure decoy of Louis Trichardt town.

RehabilitationStreets\_itm

(MM/ADTS)

**ITEM A.31.31.03.08 (originally A.31.27.03.08)**

**COUNCIL LAND: OBJECTION AGAINST SELLING OF RESIDENTIAL ERVEN:  
ELTI VILLAS EXTENSION 1 TOWNSHIP  
(7/3/2/1)**

RESOLVED A.31.31.03.08 –

1. THAT note be taken of the objections against the selling of 152 residential erven situated in Elti Villas extension 1 township received from the Soutpansberg Ratepayers Association and that the objection not be upheld due to reasons mentioned in the report in this regard.  
(DCS)
2. THAT the sale of 152 residential erven situated in Elti Villas extension 1 township, continue on Friday, 25 April 2008 by public auction. (DCS)
3. THAT the objections of Soutpansberg Ratepayers Association received against the proposed establishment of Louis Trichardt extension 13 township be included in comments and objections when the proposed township is published by the Professional Town-planner for comments. (DCS)

ObjectionsEltiVillas\_itm

**ITEM A.32.31.03.08 (originally A.32.27.03.08)**

**PERSONNEL: EMPLOYMENT CONTRACT: SIGNING OF: MUNICIPAL MANAGER  
(SP 2/23)**

RESOLVED A.32.31.03.08 -

THAT the Mayor seeks legal opinion from the MEC of Local Government and Housing and the Premier's Office on the contents of the contract before signing the said contract.

MMContract\_itm

(DComS)

**CONFIDENTIAL****ITEM CA.33.31.03.08 (originally CA.33.27.03.08)****CONFIDENTIAL MATTER****ITEM A.34.31.03.08****ESSENTIAL SERVICE: ELECTRICITY SUPPLY CAPACITY CONSTRAINTS:  
NATIONAL CRISIS  
(16/2/1)****REMARK:**

Cllr R S Baloyi proposed that paragraph 7 and 8 be deleted and be substituted by the proposal that all applications for development received before this Council Resolution be not negatively affected by the consequences of electricity load shedding. The proposal was generally accepted and is recorded here below under paragraph 7 as Council Resolution.

RESOLVED A.34.31.03.08 -

- 1 THAT urgent note be taken of the contents of the report and the consequences it hold for the entire economy of the Municipality should the requested reduction not be achieved and load shedding be re-introduced. (DComS)
- 2 THAT Council try and implement an immediate, medium and long term strategy to reduce its demand and consumption by 10% across the entire customer base. (DComS/DTS)
- 3 THAT an urgent notice with regard to the 10% reduction in consumption and how it can be achieved, be circulated to **all customers** and that manual hot water cylinder control be requested from all domestic, residential and where applicable business customers. (DComS/DTS)
- 4 THAT the Demand Side Management system to control geysers be reactivated and that proposals in this regard be advertised for consideration. (DTS)
- 5 THAT the budget requests for the 2008/9 be amended to include such DSM system. (DTS)
- 6 THAT Eskom be informed with regard to the Municipality's intentions and their efforts to comply with the National request. (DTS)
- 7 THAT all applications for property development received before this Council Resolution be not negatively affected by the consequences of electricity load shedding. (ALL DIRS)
- 8 THAT the whole question of **FBE** to indigents be discussed and decided upon. (DTS/DF)
- 9 THAT all electrification projects only be allowed up to the **design phase** and that note be taken that this will regrettably have a serious impact on the **National Targets for Electrification and community expectations.** (DTS)

**ITEM A.38.31.03.08****FINANCES: PROPOSED MUNICIPAL PROPERTY RATES POLICY, 2008: BUDGET RELATED POLICY; 2008/9 FINANCIAL YEAR  
(6/2/B; 1/1/90; 6/1/1(08/09); 6/2/4/1; 6/3/B/1; 6/3/1/2; 8/3/2/689)**

RESOLVED A.38.31.03.08 –

1. THAT the recommendations of the Soutpansberg Ratepayers Association as recorded in Annexure 5(A) attached to the report in this regard be not included in the Municipal Property Rates Policy. (DF )
2. THAT note be taken that the author of Annexure 3 attached to the report in this regard, is a Municipal Councillor and that the provisions of the Code of Conduct be imposed, via the Rules and Ethics Committee against such Councillor for misrepresenting Council in this matter. (DComS)
3. THAT the contents of the Transvaal Agricultural Union SA North letter dated 12 March 2008, as recorded in Annexure 3 attached to the report in this regard be not included in the Municipal Property Rates Policy. (DF)
4. THAT the contents of the Mphephu Territorial Council letter dated 5 March 2008, as recorded in Annexure 6 attached to the report in this regard be not included in the Municipal Property Rates Policy. (DF)
5. THAT the Soutpansberg Ratepayers Association, the Transvaal Agricultural Union SA North and the Mphephu Territorial Council be informed in writing of the outcomes as reflected in paragraph 1, 3 and 4 above. (DCS)
6. THAT the Municipal Property Rates Policy attached to the report in this regard as Annexure 2 be approved, and be forthwith referred to as Municipal Property Rates Policy, 2008 for implementation with effect of the 2008/9 financial year, and review in the ensuing financial years as dictated by the Local Government: Municipal Property Rates Act, 2004. (DF )
7. THAT the Chief Financial Officer/Director Finance take the lead to fully implement the Municipal Property Rates Policy, 2008 to its full purpose in the daily operations. (DF)

ecProp Rates Policy 2008

**ITEM A.39.31.03.08****FINANCES: DRAFT CAPITAL AND OPERATIONAL ESTIMATES 2008/2009 TO 2010/2011 FINANCIAL YEAR  
(6/1/1 (08/09))**

RESOLVED A.39.31.03.08 -

1. THAT the Draft Capital and Operational Estimates for the 2008/2009 financial year as more fully recorded in **Annexure A** attached to the report in this regard be approved and that the Accounting Officer proceeds with the publication of the Draft Annual Budget as purposed in section 22 of the Local Government: Municipal Finance Management Act, 2003. (DF)
2. THAT it be noted that the estimated revenue to fund the operational budget will amount to R285 197 819 against a total estimated operational expenditure of R339 965 989, resulting in an expected surplus of R31 830, taking into account the depreciation of assets expenses funded by reserves and accumulated surplus, and that total Capital Expenditure is R107 539 600 funded by different sources as more fully recorded in Annexure C and Annexure D attached to the report in this regard. (DF)
3. THAT the proposal to acquire new vehicles to the estimated value of R4,1 million as more fully detailed in **Annexure E** attached to the report in this regard, which will be financed through a full Vehicle Management and Maintenance Scheme as provided for in the Operational Budget, be noted. (DF)
4. THAT Council approve in principle the tariffs for municipal services to be in a range of between 8% and 12% increase, and that the tariffs as set out in Annexure 1 attached to the report in this regard, be amended accordingly: Provided the tariff reflected in regard to property rates be adhered to as proposed, i.e. 0,5c/R for residential properties and 0,75c/R for business, commercial and industrial properties. (DF)
5. THAT the Draft Budget Policy, 2008/9 and the following budget related policies -
  - 5.1 Credit Control and Debt Collection
  - 5.2 Indigent Subsidy
  - 5.3 Tariff and Free Basic Services
  - 5.4 Investment of Fund, Policy & Principles; and
  - 5.5 Asset Management
 be approved in principle, as more fully set out in Annexure 2 to Annexure 7 attached to the report in this regard. (DF)
6. THAT it be noted that the Municipal Property Rates Policy is submitted to Council as a separate report elsewhere in this agenda and that it must be taken into consideration as part of 2008/9 financial year budget. (DF)

7. THAT it be noted that no provision was made in the 2008/9 Personnel Budget for new posts or for regrading of the Municipality. (DF)
8. THAT it be noted that the 2008/9 Estimates will after publication in terms of section 22 of the Municipal Finance Management Act, be submitted to Council on 30 May 2008. (DF)
- DraftBudget2008-2009\_itm

**ITEM A.40.31.03.08**

**DRAFT IDP REVIEW 2008/09  
(15/7/1 & 6/1/1(08/09))**

RESOLVED A.40.31.03.08 –

THAT the Integrated Development Plan, 2008/9, as more fully set out in the Annexure attached to the report in this regard, be approved and implemented accordingly in the 2008/9 financial year.

IDP2008-2009\_itm

(DComS)

**ITEM A.41.31.03.08**

**PUBLICITY: DRAFT ANNUAL REPORT 2006/7: APPROVAL AND SUBMISSION:  
DEPARTMENT NATIONAL TREASURY AND DEPARTMENT PROVINCIAL AND  
LOCAL GOVERNMENT  
(10/1/2)**

RESOLVED A.41.31.03.08 –

1. THAT it be noted that only 2 members of the Oversight Committee turned up for the meeting scheduled for 27 March 2008 of which notice was duly given on 18 March 2008, and that the Mayor be authorised to appoint new members on the Oversight Committee to consider the 2006/2007 Annual Report. (DComS)
2. THAT for interim, the administrative Annual Report 2006/2007, as more fully set out in Annexure A, be approved and be furnished to the
  - a) Department of Local Government and Housing
  - b) National Treasury
  - c) Department of Provincial and Local Government
 as Makhado Local Municipality's demonstration of municipal performance to its community, subject to correcting the information on service backlogs, and resubmission of the latter to the full time members of the Executive Committee. (DCS)
3. THAT it be noted that Council's final resolve on the 2006/7 Annual Report must be passed by no later than 31 March 2008 whereupon it must be submitted to National Treasury and the Department of Provincial and Local Government, as well as the Provincial Department of Local Government and Housing, and that due to the fact that

the Oversight Committee did not quorate, an interim administrative report be submitted to the said departments. (DCS)

AnnualReport06-07\_itm(2)

(DCS)

**ITEM A.42.31.03.08**

**REPORTS AND SURVEYS: MID-YEAR PERFORMANCE ASSESSMENT: 2007/8 FINANCIAL YEAR: INDIVIDUAL REPORTS: RESPECTIVE MUNICIPAL DEPARTMENTS (10/1/4/1; 10/1/2)**

RESOLVED A.42.31.03.08 –

1. THAT subject to paragraph 2 below, Council takes note of the six-monthly progress reports for the 2007/8 Financial Year of the five respective section 57 managers as more fully set out in Annexure A to Annexure E attached to the report in this regard, as required in terms of the provisions of the Local Government: Municipal Systems Act, 2000 read with the Local Government: Municipal Finance Management Act, 2003. (DCS)
2. THAT the information in the six-monthly progress report be updated to reflect exactly the status of projects for which no cash flow was available at the time and whether and in which way the Adjustment Budget 2007/2008 addressed such projects adequately. (DCS)

MidYear07-08\_itm(2)

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The meeting was closed and adjourned at 19:30.

Approved and confirmed in terms of the provisions of section 27 of the Local Government Ordinance, 1939 (Ordinance 17 of 1939), by a resolution of the Council passed at the meeting held on 24 April 2008.

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CHAIRPERSON

CNK/lh/SpecialCouncilMinutes\_54