

MINUTES

OF THE

**2nd ORDINARY MEETING
FOR THE YEAR 2011**

of

MATJHABENG MUNICIPALITY

held on

THURSDAY, 21 APRIL 2011

at

10:00 (10:15)

COUNCILLORS ATTENDANCE: COUNCIL MEETING: 21 APRIL 2011

ANC

PROPORTIONAL			
1.	Ngangelizwe S (Executive Mayor)	14.	Radebe ML
2.	Baaitjies M	15.	Ramaisa KA
3.	Dlova TW	16.	Senoge MM
4.	Vacant	17.	Sephiri MJ (Chief Whip)
5.	Masoleng NI	18.	Speelman NW (Absent)
6.	Matlabe MMT	19.	Qwasha GL
7.	Sentle AN	20.	Thuthani ZA
8.	Mbana MA	21.	Radebe MC
9.	ZP Noveld	22.	Tihone ML
10.	Molefi MJ	23.	Tsubane ME
11.	Nyembe ME (Written Apology)	24.	Twanana M
12.	Petleki KI	25.	Vanga NM
13.	Qabela V (Written Apology)	26.	Kotzee D (Absent)
		27.	Majoe TS (Absent)
WARD			
28.	Phokwana SL	44.	Mphikeleli MA
29.	Kotzee AP (Absent)	45.	Nakwa TA (Written Apology)
30.	Mahloko NN	46.	Ntsala NS (Absent)
31.	Makgowe PV	47.	Peterson E
32.	Mbambo AX	48.	Phetise ME
33.	Manzana NR	49.	Radebe LLF
34.	Masienyane MD	50.	Rubulana L (Speaker)
35.	Mathebula MA	51.	Nteo SD (Written Apology)
36.	Mfebe MSE	52.	Sejane LM
37.	Mkhusane NC	53.	Semela ME
38.	Moahloli MS	54.	Sithole B
39.	Mokhuma MS	55.	Taliwe FE
40.	Mokobori KE	56.	Themhani PP
41.	Monjovo NE	57.	Tsatsa SJ (Written Apology)
42.	Montshioa BA (Written Apology)		
43.	Motshabi MP		

II

DA

PROPORTIONAL			
58.	Edeling JH (Written Apology)	62.	Mhlafu BD (Absent)
59.	Fourie JJC	63.	Mokotedi TG (Written Apology)
60.	Marais JS	64.	Neumann VH (Written Apology)
61.	Meyer KL		
WARD			
65.	Beneke R	68.	Styger A (Absent)
66.	Botha PF	69.	Van Rooyen HC (Written Apology)
67.	Smit DC		

FF+

PROPORTIONAL	
70.	Coetzee BJA

ACDP

PROPORTIONAL	
71.	Meko MA (Written Apology)

IND

WARD	
72.	Liphoko SJ (Absent)

OFFICIALS

Mr P Sefuthi	:	Acting Municipal Manager
Mr S Makhubu	:	Executive Director: Strategic Support Services
Mr Z Lingani	:	Acting Executive Director: Corporate Support Services
Mr M Besani	:	Executive Director: Infrastructure
Mr TR Shiringani	:	Acting Snr Manager Council Administration
Mr LB de Bruyn	:	Acting Chief Financial Officer
Mr JKF Jankowitz	:	Administrative Officer (Corporate Services)

III

SECTION A

1. OPENING

The Speaker welcomed everybody present and requested Rev Skosana of Cedar House and Rev Lekoana of Uniting Reformed Church to open the meeting with Scripture reading and prayer.

2. APPLICATIONS FOR LEAVE OF ABSENCE

See Councillors Attendance List on **pages I and II.**

3. OFFICIAL ANNOUNCEMENTS

None.

4. MOTIONS OF SYMPATHY AND CONGRATULATIONS BY THE SPEAKER

The Speaker informed the meeting that Mr Tsiliso Liphapang, Acting Senior Manager Communication Services has passed away on Friday, 15 April 2011.

A moment of silence was observed.

5. DISCLOSURE OF INTEREST

None.

6. DEPUTATIONS AND INTERVIEWS

None.

7. QUESTIONS OF WHICH NOTICE HAS BEEN GIVEN

None.

8. MINUTES OF THE PREVIOUS MEETING

COUNCIL RESOLVED (21 APRIL 2011)

8.1 That the minutes of the 1st Ordinary Council meeting held on 27 January 2011 **BE APPROVED.**

8.2 That the minutes of the 1st Extra-Ordinary Council meeting held on 1 March 2011 **BE APPROVED.**

IV

8.3 That the minutes of the 2nd Extra-Ordinary Council meeting held on 14 March 2011 **BE APPROVED**.

8.4 That the minutes of the 1st Special Council meeting held on 14 March 2011 **BE APPROVED**.

8.5 That the minutes of the 3rd Extra-Ordinary Council meeting held on 29 March 2011 **BE APPROVED**.

9. MATTERS ARISING FROM THE MINUTES

27 January 2011

Page V: 9. Matters Arising from the Minutes

A83/2010

PURCHASE OF WELKOM SPORTS CLUB AND CONFERENCE CENTRE (MM) (2/1)

Cllr D Smit indicated that the report on the reasons why the Council resolution was not implemented was still outstanding.

Page 7: A12/2011

MOTION: COUNCILLOR PF BOTHA: SUSPENSION OF OFFICIALS MENTIONED IN THE RAMATHE FIVAZ REPORT (3/1/3/2) (AEDCSS)

Cllr D Smit requested why the report on the investigation conducted was not yet submitted to Council.

The Executive Mayor handled both matters simultaneously by indicating that there was an item on the Welkom Sports Club included in the agenda (A21/2011). He also indicated that he requested the late Municipal Manager, Mr THE Pietersen, to submit a report on the matter, but he passed away before submission of the report.

The Executive Mayor indicated that the Ramathe Fivaz Report and the Section 106 of the Municipal Systems Act Report done by Provincial Government should be submitted to Council simultaneously. The Section 106 Report must first be submitted to Provincial Government before submission to Council.

V

The Executive Mayor further indicated that a special Council meeting would be arranged if the Section 106 Report was received in time, if not, the reports would be submitted at the first meeting of the newly-elected Council.

10. FORMAL SIGNING OF MINUTES

The Speaker indicated that he would sign the minutes after the meeting.

SECTION B

11. REPORTS OF THE SPEAKER IN TERMS OF RULES 15(1) AND 99(4)

None.

12. REPORTS OF THE EXECUTIVE MAYOR

A17/2011 – A23/2011

13. MOTIONS

None.

14. CLOSING REMARKS

None.

15. CLOSURE

The Speaker terminated the meeting at **13:00**.

.....
L RUBULANA (SPEAKER)

.....
DATE

VI

INDEX

11.	SECTION B REPORTS OF THE SPEAKER IN TERMS OF RULES 15(1) AND 99(4) SECTION 71 REPORT	
12.	SECTION C REPORTS OF THE EXECUTIVE MAYOR	
ITEM	ITEM DESCRIPTION	PAGE
A17/2011	DRAFT ANNUAL BUDGET FOR THE MATJHABENG MUNICIPALITY OF THE 2011/2012 FINANCIAL YEAR (ACFO) (6/1/1/1-2011/2012)	1
A18/2011	MATJHABENG LOCAL MUNICIPALITY'S FINAL DRAFT INTEGRATED DEVELOPMENT PLAN (IDP) FOR THE FINANCIAL YEAR 2011 / 2012 (18/1/18) (EDSSS)	1
A19/2011	IMPLEMENTATION OF 2011/2012 CAPITAL BUDGET DURING 2010/2011 (6/1/1/1 – 2010/2011) (PMU)	2
A20/2011	PROPOSAL TO ESTABLISH THE MATJHABENG LOCAL MUNICIPALITY WATER ENTITY (ED:SSS) (19/2/1/1)	2
A21/2011	PROGRESS REPORT ON NEGOTIATIONS BETWEEN THE MUNICIPALITY AND OWNER OF WELKOM CLUB FACILITY (EDCS) (2/1)	3
A22/2011	REPORT ON DRAFT POLICY ON THE ALIENATION OF IMMOVABLE ASSETS FOR MATJHABENG MUNICIPALITY (SMTP & HS) (8/1/B)	4
A23/2011	REPORT OF THE OVERSIGHT COMMITTEE (3/1/3/4) (CHAIRPERSON OF THE OVERSIGHT COMMITTEE)	5
A24/2011	APPOINTMENT OF ACTING MUNICIPAL MANAGER (5/5/2) (ASMCA)	6
A25/2011	CAR ALLOWANCE POLICY FOR MATJHABENG (5/4/2/2) (AEDCSS)	6
A26/2011	NATIONAL FRAMEWORK: CRITERIA FOR DETERMINING OUT OF POCKET EXPENSES FOR WARD COMMITTEE MEMBERS, 2009 (3/87/1/1) (OFFICE OF THE SPEAKER)	7

1

A17/2011

DRAFT ANNUAL BUDGET FOR THE MATJHABENG MUNICIPALITY OF THE 2011/2012 FINANCIAL YEAR (ACFO) (6/1/1-2011/2012)

PURPOSE

To submit to Council the draft Annual Budget for the 2011/2012 Financial Year.

DISCUSSIONS

The Executive Mayor simultaneously presented items A17/2011 and A18/2011 to Council.

COUNCIL RESOLVED (21 APRIL 2011)

1. That Council **APPROVES** the Operating Budget of **R1 136 036 318 [R1 491 935 649 (billing revenue) less anticipated bad debts due to non collection of revenue) of R355 899 331.**
2. That the under-mentioned tariffs **BE APPLICABLE** for the 2011/2012 Budget Year:
 - (a) **0%** increase in the water tariffs for the 2011/2012 financial year.
 - (b) **20%** increase in electricity tariffs for the 2011/2012 financial year.
 - (c) Assessment rate tariffs:
 - **Residential** **0.00825 (R75 000 rebate)**
 - **Business** **0.025**
 - **Agriculture** **0.00825 (100% discount for 2011/12)**
 - **Educational and State owned** **0.025**
 - **Mines** **0.03**
 - (d) **1%** increase in Refuse rates.
 - (e) **0%** increase in Sewerage rates.
3. That Council **APPROVES** the Capital Budget of **R204 637 496.**

} Can still apply for a rebate

A18/2011

MATJHABENG LOCAL MUNICIPALITY'S FINAL DRAFT INTEGRATED DEVELOPMENT PLAN (IDP) FOR THE FINANCIAL YEAR 2011 / 2012 (18/1/18) (EDSSS)

PURPOSE

To present to Council the Matjhabeng Local Municipality's Integrated Development Plan (IDP) for the Financial Year 2011 / 2012 as per the provisions of the Integrated Development Plan (IDP) as noted and adopted in a recent Matjhabeng Council sitting in terms of Chapter 5 of the Municipal Systems Act and other applicable laws, circulars and regulations governing local government.

DISCUSSIONS

The Executive Mayor simultaneously presented Items A17/2011 and A18/2011 to Council.

COUNCIL RESOLVED (21 APRIL 2011)

1. That Council **APPROVES** the IDP for the 2011/2012 Financial Year.
2. That the approved IDP and Budget for the Financial Year 2011/2012, as per the provisions of Circular 54 of National Treasury of December 2010, **SHOULD SERVE** as the basis upon which:
 - (a) the incoming Council should operate when resuming office, and
 - (b) an IDP for the remaining outer years should be developed.

A19/2011

IMPLEMENTATION OF 2011/2012 CAPITAL BUDGET DURING 2010/2011 (6/1/1 – 2010/2011) (PMU)

PURPOSE

To request Council to approve MIG projects registered for 2011/2012 to be implemented in the current financial year of 2010/2011.

DISCUSSIONS

The Executive Mayor presented the item to Council.

COUNCIL RESOLVED (21 APRIL 2011)

That Council **APPROVES** the implementation of projects on funds to the value of R28 318 357.19 committed for 2011/2012 to be implemented in the 2010/2011 financial year, subject to the provisions of Section 31 of the MFMA.

A20/2011

PROPOSAL TO ESTABLISH THE MATJHABENG LOCAL MUNICIPALITY WATER ENTITY (ED:SSS) (19/2/1/1)

PURPOSE

To submit to Council a proposal for the establishment of the Matjhabeng Local Municipality Water Entity.

DISCUSSIONS

The Executive Mayor presented the item to Council.

COUNCIL RESOLVED (21 APRIL 2011)

1. That Council **APPROVES** the possibility to establish the Matjhabeng Local Municipality Water Entity.
2. That Council **APPROVES** the constitution of a Committee comprising Councillors Noveld, Thuthani and Mbana and Officials Makhubu, Besani, De Bruyn and Golele **TO DEVELOP** Terms of Reference (ToR) to guide its scope of work and define its deliverables and timeframes.
3. That upon ratification of the Terms of Reference mentioned in paragraph 2 above, a limited but enabling budget **SHOULD BE MADE AVAILABLE** to ensure successful execution of the project.
4. That a full report **BE SUBMITTED** to Council.

A21/2011

PROGRESS REPORT ON NEGOTIATIONS BETWEEN THE MUNICIPALITY AND OWNER OF WELKOM CLUB FACILITY (EDCS) (2/1)

PURPOSE

To report to Council about the current situation with regard to negotiations held between the Municipality and the Owner of Welkom Club Facility for the procurement of the mentioned facility as per Council Resolution A16/2011.

DISCUSSIONS

The Executive Mayor presented the item to Council.

Cllr Botha wanted to know if Council has complied to the Court Order and if Council entered into an agreement with Rovers Club.

Cllr Smit indicated that he was under the impression that Welkom Club was bought to settle the dispute with Rovers Club.

4

The Executive Mayor indicated that Council tried to comply with the Court Order and that Council was committed to resolve the dispute. Council's lawyers were trying to settle the matter out of Court. A final decision on the matter would be taken as soon as the negotiations were finalized.

COUNCIL RESOLVED (21 APRIL 2011)

1. That Council **TAKES NOTE** that the Welkom Club Facility was bought for R3,5 million and that a Sale Agreement was signed.
2. That Corporate Services **SHOULD ENSURE** the occupation of premises as soon as possible and that the Parks Department **BE GIVEN** priority.

A22/2011

REPORT ON DRAFT POLICY ON THE ALIENATION OF IMMOVABLE ASSETS FOR MATJHABENG MUNICIPALITY (SMTP & HS) (8/1/B)

PURPOSE

To present before Council, the draft Policy on the Alienation of Immovable Assets as per resolution underneath.

DISCUSSIONS

The Executive Mayor presented the item to Council.

COUNCIL RESOLVED (21 APRIL 2011)

1. That Council **ADOPTS** the draft Policy on the Alienation of Immovable Assets as a regulating document for the alienation of all immovable assets within the municipality.
2. That the alienation of land to foreign companies **PREFERABLY BE** in partnership with a South African company.
3. That the Municipal Manager **MUST**, in terms of Sections 14, 90 and 110 of the Municipal Finance Management Act, **SUBMIT** a list of pieces of land earmarked for alienation, to Council every 6 months.

A23/2011

REPORT OF THE OVERSIGHT COMMITTEE (3/1/3/4) (Chairperson of the Oversight Committee)

PURPOSE

To report to Council the findings of the Oversight Committee on their mandate which was to consider the Annual Report, receive input from various role players and to prepare a draft Oversight Report for consideration by Council.

DISCUSSIONS

The Chairperson of the Oversight Committee, Cllr Motshabi, presented the item to Council.

COUNCIL RESOLVED (21 APRIL 2011)

1. That Council, having fully considered the annual report, **ADOPTS** the oversight report without reservations.
2. That recommendations contained in the oversight report **SHOULD BE ATTENDED TO** by management.
3. That management **MUST REPORT** on a monthly basis on progress made regarding the Oversight Committee report.
4. That Council **MANDATES** the Executive Mayor **TO INVESTIGATE** the following and **REPORT BACK** to Council:
 - (a) The unauthorized expenditure amounting to R216 155 588 and the one of 30 June 2009 amounting to R175 116 024.
 - (b) The fruitless and wasteful expenditure amounting to R14 171 466 on 30 June 2010 and the one of 30 June 2009 amounting to R20 203 680.
 - (c) The irregular expenditure of R14 391 539 and for 30 June 2009 of R71 725 349.

6

//This item was handled In-Committee as the last item.//

A24/2011

APPOINTMENT OF ACTING MUNICIPAL MANAGER (5/5/2) (ASMCA)

PURPOSE

To request Council to appoint an acting Municipal Manager.

DISCUSSIONS

The Executive Mayor presented the item to Council.

COUNCIL RESOLVED (21 APRIL 2011)

1. That Mr P Sefuthi **BE APPOINTED** as Acting Municipal Manager.
2. That the appointment of Mr Sefuthi as Acting Municipal Manager by both Mr THE Pietersen and the Executive Mayor **BE CONDONED**.
3. That the vacant post of Municipal Manager **BE ADVERTISED**.

A25/2011

CAR ALLOWANCE POLICY FOR MATJHABENG (5/4/2/2) (AEDCSS)

PURPOSE

To submit to Council the proposed Car Allowance Policy for Matjhabeng for consideration.

DISCUSSIONS

The Executive Mayor presented the item to Council.

COUNCIL RESOLVED (21 APRIL 2011)

1. That Council **RESCINDS** Resolutions A81/2006 and A3/2008.
2. That Council **TAKES NOTE** of the draft Car Allowance Policy.
3. That the draft Car Allowance Policy **BE SUBMITTED** to the Local Labour Forum for discussion.

4. That the draft Car Allowance Policy **BE SUBMITTED** to the next Council meeting for adoption.

A26/2011

NATIONAL FRAMEWORK: CRITERIA FOR DETERMINING OUT OF POCKET EXPENSES FOR WARD COMMITTEE MEMBERS, 2009 (3/87/1/1) (OFFICE OF THE SPEAKER)

PURPOSE

To submit to Council the criteria for determining out of pocket expenses for Ward Committee members.

DISCUSSIONS

The Executive Mayor presented the item to Council.

COUNCIL RESOLVED (21 APRIL 2011)

1. That Council **TAKES NOTE** of the Government Notice as published in the Government Gazette No 32627 dated 8 October 2009.
2. That Administration **SHOULD INVESTIGATE** the financial implication for implementing the framework.