

MINUTES

of the

**2ND ORDINARY COUNCIL MEETING
FOR THE YEAR 2016**

of

MATJHABENG MUNICIPALITY

held on

THURSDAY, 31 MARCH 2016

at

15:00

**COUNCIL CHAMBERS, CIVIC CENTRE,
WELKOM**

**COUNCILLORS ATTENDANCE: 2ND ORDINARY COUNCIL MEETING
MINUTES: 31 MARCH 2016**

PROPORTIONAL			
1.	Stofile B (Speaker)	19.	Mlangeni MG
2.	Twala MJ (Council Whip)	20.	Mokotedi TG (Absent)
3.	Ngangelizwe S (Executive Mayor)	21.	Motshabi MP
4.	Badenhorst MJ	22.	Ntsebeng MH (Sick note)
5.	Banyane ME	23.	Nqeobo EM
6.	Botha PF	24.	Petleki KI
7.	Chaka CP	25.	Pina NJ
8.	Fanie D	26.	Radebe MC
9.	Fourie JJC (Apology)	27.	Radebe ML
10.	Kabi M	28.	Rubulana L
11.	Kockera SC (Absent)	29.	Sephiri MJ
12.	Mafa DM	30.	Speelman NW (Apology)
13.	Mafongosi ZV	31.	Styger A (Absent)
14.	Malefane DE	32.	Taljaard SDM
15.	Marais JS (Apology)	33.	Tihone ML
16.	Mbana MA	34.	Tsubane ME
17.	Menyatso KJ (Sick)	35.	Vanga NM
18.	Mholo PP	36.	Van Rooyen KV
WARD			
37.	Beneke R (Absent)	55.	Mosala MS
38.	De Villiers MT	56.	Mothege MA
39.	Dali VN (Absent)	57.	Mphikeleli MA
40.	Khalipha TD	58.	Naude HJ
41.	Mabote TL	59.	Ntlele KI
42.	Madumise MM	60.	Phetise ME
43.	Makgowe PV	61.	Qwasha GL
44.	Masienyane MD	62.	Riet MI
45.	Mbambo AX	63.	Sifatya Z
46.	Meli S	64.	Taliwe FE
47.	Mfebe MSE	65.	Thateng MJ
48.	Mokhomo HA	66.	Thelingoane TJ
49.	Molelekoa PA	67.	Tlake KR (Apology)
50.	Molelekoa PMI	68.	Tsatsa SJ
51.	Molete TN	69.	Tsubella KS
52.	Molupe RT (Sick note)	70.	Smit DC
53.	Monjovo NE	71.	Van Rooyen MS (Apology)
54.	Morris VR (Apology)	72.	Van Schalkwyk HCT



OFFICIALS

Mr MF Lepheana	:	Municipal Manager
Mr T Makofane	:	Executive Director: Strategic Support Services
Mr FF Wetes	:	Executive Director: Corporate Services
Mr ET Tsoaeli	:	Chief Financial Officer
Mr X. Msweli	:	Executive Director: LED, Planning & HS
Me H.B. Tlhabani	:	Executive Director: Infrastructure
Mr M. Atolo	:	Senior Manager: Council Admin
Me S. Nkungwana	:	Senior Manager: Compliance
Me PP Seleka	:	Admin Officer (Corporate Services)



(a)	Opening The Speaker welcomed everybody present at the 2 nd Ordinary Council Meeting and declared the meeting open. He apologized for the inconvenience caused by the re-scheduling of the meeting commencement from the communicated 16h00 to 15h00, due to other pressing issues that had to be taken into consideration.
(b)	Applications for leave of absence See Councillors' attendance list on page I of these minutes. The Speaker informed Council that members of the DA requested to be released at 16h45 and Cllr M.A. Mphikeleli at 17h00.
(c)	Official announcements of the Speaker <ol style="list-style-type: none">1. The Speaker announced that they had attended a National Members Assembly of Councillors' Pension Fund where they picked up a number of irregularities in the running of the Fund. The SALGA National Committee therefore agreed that as Free State, they should submit what they had picked up as irregularity to SALGA National and Provincial leadership to enable them to take an appropriate decision on the matter.2. He also announced that Cllr D.C. Smit had tendered his resignation with effect from 01 May 2016 and in terms of Standard Rules and Orders, Council would be informed accordingly at the following Council meeting.3. He further announced that Cllr M.H. Ntsebeng had been sick for a while and wished her a speedy recovery.
(d)	Reports received from the Speaker A10/2016 – A12/2016 & A24/2016
(e)	Motions of sympathy and congratulations by the Speaker None
(f)	Motions of sympathy and congratulations by other Councillors <u>Congratulations</u> <ol style="list-style-type: none">1. Cllr D.C. Smit congratulated the Constitutional Court for restoring his faith in the Judiciary System by ensuring that not even a President is above the law.2. He further congratulated Adv. Thuli Madonsela for doing an excellent job of bringing to book a person who has violated the Constitution of the Country.3. Cllr M.M. Madumise expressed her appreciation to the Municipality for the upgrading of Dr Mngoma Road. <u>Sympathy</u> <ol style="list-style-type: none">1. Cllr S.J. Tsatsa conveyed a motion of sympathy to the 4 families in his Ward whose house roofs were blown away by the wind during a stormy rain, families residing at houses numbered: 4011, 5399, 12514 and 12656.

IV

(g)	<p>Deputations and interviews</p> <p>None</p>
(h)	<p>Disclosure of interest</p> <p>The Speaker reminded Councillors to update their declaration forms at the office of the Municipal Manager each year, however if a Councillor has a personnel/financial interest on any matter for consideration by Council, such Councillor has to declare his/her interest in the meeting.</p>
(i)	<p>Minutes of the previous meeting: 28 January 2016</p> <p>Council resolved (31 March 2016):</p> <p>That the minutes of the 1st Ordinary Council meeting held on 28 January 2016 BE ADOPTED subject to the following corrections:</p> <ol style="list-style-type: none"> 1. <i>That the name of Cllr H.J. Naude should not be reflected as absent as she had submitted an apology on the 27th January 2016.</i> 2. <i>That the first sentence in the Auditor General's Presentation should be corrected to read as follows:</i> <p style="margin-left: 40px;">“The Speaker welcomed Mr Mamogwe, the AG Senior Manager responsible for Audit in Matjhabeng Municipality.”</p> <p>Minutes of the previous meeting: 01 March 2016</p> <p>Council resolved (31 March 2016):</p> <p>That the minutes of the 2nd Special Council meeting held on 01 March 2016 BE ADOPTED subject to the following correction:</p> <ol style="list-style-type: none"> 1. <i>That the name of Cllr M.I. Riet should not be reflected as absent as he was granted leave of absence by the Office of the Speaker.</i>
(j)	<p>Matters arising from the minutes: Minutes of 28 January 2016</p> <p>A9/2016</p> <p>Cllr C.P. Chaka wanted to know whether a report on the investigation of accrued yearly interest on the Matured RMB Guaranteed Investment Plan was submitted to Council as per Resolution 2 of Item A9/2016.</p> <ol style="list-style-type: none"> 1. The Executive Mayor responded by informing Council that the company was reluctant to provide the information and as result, they intended to engage the services of attorneys to resolve the matter but before engaging attorneys, he would write them a letter informing them that if they do not provide the information, the Municipality would take legal action against them. 2. He then promised to submit the report at the next Council meeting.
(k)	<p>Questions of which notice were given</p> <p>A11/2016 – A12/2016</p>

V

(l)	Report of the Executive Committee/Executive Mayor/Committee Reports A13/2016 – A23/2016
(n)	Motions None
(o)	Closing The Speaker thanked everyone who participated and ended the meeting at 18h15 .

.....
CLLR B. STOFIE (SPEAKER)

.....
DATE

INDEX

ITEM NO	ITEM DESCRIPTION	PAGE
A10/2016	SECOND AND THIRD WARD COMMITTEES' REPORTS FOR THE 2014/2015 FINANCIAL YEAR (SPEAKER) (3/8/1/1)	1
A11/2016	QUESTIONS OF WHICH NOTICE WAS GIVEN: CLLR PP MHOLO (MM) (3/1/3/2)	1-2
A12/2016	QUESTIONS OF WHICH NOTICE WAS GIVEN: CLLR PP MHOLO (MM) (3/1/3/2)	2
A13/2016	MONTHLY FINANCE REPORT – JANUARY 2016 (CFO) (12/1/2/3)	2
A14/2016	MONTHLY FINANCE REPORT – FEBRUARY 2016 (CFO) (12/1/2/3)	3
A15/2016	CURRENT STATUS OF CAPITAL PROJECTS FOR MIG IN MATJHABENG LOCAL MUNICIPALITY (EDI) (PMU) (6/4/1)	3
A16/2016	2014 BLUE DROP REPORT AND OUTCOMES ON THE WATER SUPPLY SYSTEMS OWNED BY THE MATJHABENG LOCAL MUNICIPALITY (EDI) (19/2/3/4)	4
A17/2016	PROGRESS REPORT ON COUNCIL RESOLUTIONS (ED: CSS) (2/2/2)	4
A18/2016	THE 2016-2017 DRAFT ANNUAL BUDGET FOR THE MATJHABENG MUNICIPALITY (CFO) (6/1/1/1)	5
A19/2016	PROGRESS ON THE DRAFT INTEGRATED DEVELOPMENT PLAN FOR THE FINANCIAL YEAR 2016/2017 (ED: SSS) (18/1/18)	6
A20/2016	REPORT ON PLANNING TO ESTABLISH A FERTILIZER PLANT, FEEDLOT PLANT, NON GMO MAIZE PRODUCTION AND HYDROPHONICS FARMING IN MATJHABENG LOCAL MUNICIPALITY (WELKOM) (ED: LED, P & HS) (8/3/3/5)	6-7
A21/2016	APPLICATION FOR GOLDFIELDS GLIDING CLUB TO PAY RENTAL FEE AT WELKOM AIRPORT (ED: LED, P & HS) (10/5/6)	7

II

A22/2016	MOTIVATION FOR THE APPLICATION TO REZONE ERF 29153 THABONG FROM RESIDENTIAL TO BUSINESS AS WELL AS FOR THE REMOVAL OF RESTRICTIVE TITLE CONDITION (ED: LED, P & HS) (18/2/2/36)	7-8
A23/2016	REPORT ON SALE OF COUNCIL PROPERTIES FOR THE PERIOD 07/08 – 08/09 AS WELL AS 09/10 FINANCIAL YEARS (ED: LED, P & HS) (8/1/1)	8-9
A24/2016	OVERSIGHT REPORT IN RESPECT OF THE 2014/2015 DRAFT ANNUAL REPORT FOR THE MATJHABENG LOCAL MUNICIPALITY (MPAC CHAIRPERSON) (4/1/2/2)	9-10

1

Cllr KV Van Rooyen was appointed to preside in order to allow the Speaker to present Items A10/2016 – A12/2016 to Council.

A10/2016

SECOND AND THIRD WARD COMMITTEES' REPORTS FOR THE 2014/2015 FINANCIAL YEAR (SPEAKER) (3/8/1/1)

PURPOSE

To present the quarterly report of Ward Committees to Council in line with the SDBIP and the dictates of the "Back to Basics" Programme as expected from the Speaker.

DISCUSSION

The Speaker presented the item to Council.

COUNCIL RESOLVED: (31 MARCH 2016)

1. That Council **NOTES** the report together with Annexures on pages 1 to 26.
2. That while acknowledging the precarious financial position of the Municipality, Council **APPROVES** the increase of the out-of-pocket expenses payable to Ward Committee members from R500 to R1000 a month, effective from the next Council term.
3. That provision should **BE MADE** for the cost on the 2016/17 financial year Budget.
4. That the matter **BE TABLED** at the first meeting of the new Council where an item pertaining to Ward Committees is discussed and should the finances be available, the increase be implemented.

A11/2016

QUESTIONS OF WHICH NOTICE WAS GIVEN: CLLR PP MHOLO (MM) (3/1/3/2)

PURPOSE

To submit the questions raised by Cllr PP Mholo and the response thereon by the Municipal Manager.

DISCUSSION

The Speaker presented the item to Council.

COUNCIL RESOLVED: (31 MARCH 2016)

1. That Council **TAKES NOTE** of Cllr Mholo's questions and the Municipal Manager's response.

A12/2016

QUESTIONS OF WHICH NOTICE WAS GIVEN: CLLR PP MHOLO (MM) (3/1/3/2)

PURPOSE

To submit the questions raised by Cllr PP Mholo and the response thereon by the Municipal Manager.

DISCUSSION

The Speaker presented the item to Council.

COUNCIL RESOLVED: (31 MARCH 2016)

1. That Council **TAKES NOTE** of Cllr Mholo's questions and the Municipal Manager's response.

//The Speaker resumed his position//

A13/2016

MONTHLY FINANCE REPORT – JANUARY 2016 (CFO) (12/1/2/3)

PURPOSE

To submit to Council, the Monthly Finance Report for January 2016 in terms of Section 71 of the Municipal Finance Management Act, No. 56 of 2003.

DISCUSSION

The Executive Mayor presented the item to Council.

COUNCIL RESOLVED: (31 MARCH 2016)

1. That the Finance Report for January 2016 in terms of Section 71 of the Municipal Finance Management Act, No. 56 of 2003, **BE NOTED**.
2. That the Finance Report for January 2016 in terms of Section 71 of the Municipal Finance Management Act, No. 56 of 2003, **BE SUBMITTED** to Provincial and National Treasury.

A14/2016

MONTHLY FINANCE REPORT – FEBRUARY 2016 (CFO) (12/1/2/3)

PURPOSE

To submit to Council, the Monthly Finance Report for February 2016 in terms of Section 71 of the Municipal Finance Management Act, No. 56 of 2003.

DISCUSSION

The Executive Mayor presented the item to Council.

COUNCIL RESOLVED: (31 MARCH 2016)

1. That the Finance Report for February 2016 in terms of Section 71 of the Municipal Finance Management Act, No.56 of 2003, **BE NOTED**.
2. That the Finance Report for February 2016 in terms of Section 71 of the Municipal Finance Management Act, No.56 of 2003, **BE SUBMITTED** to Provincial and National Treasury.
3. That information on the amount owed by Municipal Officials and Councillors must **BE INCLUDED** in the Section 71 Report that would be tabled at the next Council meeting.

A15/2016

**CURRENT STATUS OF THE MUNICIPAL INFRASTRUCTURE GRANT (MIG)
CAPITAL PROJECTS IN MATJHABENG LOCAL MUNICIPALITY (EDI) (6/4/1)**

PURPOSE

To present to Council the current status and progress report on the implementation of capital projects funded through MIG for the financial year 2015/2016.

DISCUSSION

The Executive Mayor presented the item to Council.

COUNCIL RESOLVED: (31 MARCH 2016)

1. That Council **TAKES NOTE** of the report.

A16/2016

2014 BLUE DROP REPORT AND OUTCOMES ON THE WATER SUPPLY SYSTEMS OWNED BY THE MATJHABENG LOCAL MUNICIPALITY (EDI) (19/2/3/4)

PURPOSE

To inform Council on the status of the 2014 Municipal Blue Drop report.

DISCUSSION

The Executive Mayor presented the item to Council.

COUNCIL RESOLVED: (31 MARCH 2016)

1. That Council **TAKES NOTE** of the outcome of the 2014 Blue Drop report.
2. That the Blue Drop report should **BE SUBMITTED** to Council as soon as it is released by the Department of Water Affairs.

A17/2016

PROGRESS REPORT ON COUNCIL RESOLUTIONS (ED: CSS) (2/2/2)

PURPOSE

To submit a progress report to Council on Council Resolutions, for noting.

DISCUSSION

The Executive Mayor presented the item to Council.

COUNCIL RESOLVED: (31 MARCH 2016)

1. That Council **TAKES NOTE** of the Council Resolution Audit.

A18/2016

THE 2016-2017 DRAFT ANNUAL BUDGET FOR THE MATJHABENG MUNICIPALITY (CFO) (6/1/1)

PURPOSE

To table in Council the Draft Annual Budget for the 2016/2017 MTREF financial year.

DISCUSSION

The Executive Mayor presented the item to Council.

COUNCIL RESOLVED: (31 MARCH 2016)

1. That the Draft Operational Budget of R 2 176 811 072 **BE ADOPTED** as tabled.
2. That the Draft Capital Budget of R 143 363 000 **BE ADOPTED** as tabled.

The funding sources of the Draft Capital Budget are as follows:

Municipal Infrastructure Grant	R 113 363 000
Regional Bulk Infrastructure Grant	R 10 000 000
Own Funding	R 20 000 000
Total Capital Funding:	R 143 363 000

3. That a workshop **BE CONDUCTED** to enable Councillors to engage and give their inputs on the 2016/17 financial year Draft Budget before it is subjected to Public Participation.
4. That the budget related policies **BE NOTED**.
 - Supply Chain Management Policy
 - Municipal Property Rates Policy
 - Credit Control Policy
 - Indigent Policy
 - Petty Cash Policy
 - Subsistence and Travelling Policy
 - Tariff Policy
 - Unallocated Deposits Policy
 - Budget Policy
 - Deposits Policy and re-affirm other relevant policies that are linked with the budget of 2016/2017.
5. That the mSCOA project plan **BE NOTED**.

6

A19/2016

PROGRESS ON THE DRAFT INTEGRATED DEVELOPMENT PLAN FOR THE FINANCIAL YEAR 2016/2017 (ED: SSS) (9/3/1)

PURPOSE

To present to Council sitting progress towards the Draft Integrated Development Plan (IDP) for the Financial Year 2016/2017 for consideration in terms of Chapter 5 of the Municipal Systems Act.

DISCUSSION

The Executive Mayor presented the item to Council.

COUNCIL RESOLVED: (31 MARCH 2016)

1. That Council **NOTES** the draft IDP for the Financial Year 2016/2017.
2. That the draft IDP for 2016/2017 **BE SUBJECTED** to a public participation process where communities are invited to make inputs.
3. That inputs from the Public Participation process be considered and an updated draft IDP **BE SUBMITTED** for approval by Council.

A20/2016

REPORT ON PLANNING TO ESTABLISH A FERTLIZER PLANT, FEEDLOT PLANT, NON GMO MAIZE PRODUCTION AND HYDROPHONICS FARMING IN MATJHABENG LOCAL MUNICIPALITY (ED: LED, P & HS) (8/3/3/5)

PURPOSE

The purpose of this report serves to inform Council on planned establishment of Fertilizer Plant, Feedlot, Non GMO maize and hydroponics farming in Matjhabeng Local Municipality.

DISCUSSION

The Executive Mayor presented the item to Council.

COUNCIL RESOLVED: (31 MARCH 2016)

1. That Council **SUPPORTS** the planned Fertilizer Manufacturing Plant, Feedlot, Non GMO maize production and hydroponics farming in Matjhabeng Local Municipality.

7

2. That the appropriate land portions **BE IDENTIFIED** for the envisaged projects preferable in Virginia.
3. That the Municipal Manager **BE AUTHORISED** to conclude the lease agreement with the investor for the land in which the development will be executed, at market related rates.
4. That once the process is complete, the progress report **BE SUBMITTED** to Council for consideration.

//Cllr D.C. Smit requested to be recused while this item was discussed//

A21/2016

APPLICATION FOR GOLDFIELDS GLIDING CLUB TO PAY RENTAL FEE AT WELKOM AIRPORT (ED: LED, P & HS) (10/5/6)

PURPOSE

This report is submitted to Council for consideration.

DISCUSSION

The Executive Mayor presented the item to Council.

COUNCIL RESOLVED: (31 MARCH 2016)

1. That the item **BE REFERRED BACK** and be re-submitted will full disclosure of all information that would necessitate and assist Council to take appropriate decisions.
2. That Management should **INFORM** the Mayoral Committee and Council about all other facilities/ contracts that need to be reviewed.

A22/2016

MOTIVATION FOR THE APPLICATION TO REZONE ERF 29153 THABONG FROM RESIDENTIAL TO BUSINESS AS WELL AS FOR THE REMOVAL OF RESTRICTIVE TITLE CONDITION (ED: LED, P & HS) (18/2/2/36)

PURPOSE

To solicit Council's favourable recommendation for the approval of the rezoning of Erf 29153 from residential to business.

DISCUSSION

The Executive Mayor presented the item to Council.

COUNCIL RESOLVED: (31 MARCH 2016)

1. That the application for the rezoning of Erf 29153, Thabong, from “Residential” to “Business” and the removal of restrictive title conditions Deed of Transfer T998/1992 that stipulates that the use of the erf shall be residential as defined and subject to such conditions as contained in the Land Use Conditions in Annexure F to the Township Establishment and Land Use Regulations, **BE RECOMMENDED** for approval by the Free State Provincial Government, subject to the following conditions:
 - a) Building plans for the proposed alterations to the existing building **MUST BE SUBMITTED** to the Matjhabeng Municipality for approval.
 - b) All services **SHALL BE PROVIDED** to the development by the developer at his/her own cost to the satisfaction of the Director Infrastructure Services.
 - c) All the stipulations regarding parking, building lines, coverage, shall **BE ADHERED TO**.
2. That the Executive Mayor **WOULD WRITE** a letter informing the applicant that this business proposal should not be converted to a tavern.

A23/2016

REPORT ON SALE OF COUNCIL PROPERTIES FOR THE PERIOD 07/08 – 08/09 AS WELL AS 09/10 FINANCIAL YEARS (ED: LED, P & HS) (8/1/1)

PURPOSE

To present before Council a report on the sale of properties that took place through the Land Alienation Committee (LAC) during the financial years 07/08, 08/09 as well as 09/10.

DISCUSSION

The Executive Mayor presented the item to Council.

COUNCIL RESOLVED: (31 MARCH 2016)

1. That Council **NOTES** the sale of properties that took place through the decisions of the Land Alienation Committee during the financial years 07/08, 08/09 as well as 09/10 as embodied in the attached list.
2. That where necessary the Municipal Manager **INVOKES** the administrative measures to recover the loss of revenue by Council within 30 days.

3. That in case where approval letters were granted, applicants **BE ALLOWED** to effect payment in full within 30 days.
4. That in cases where proof of payment **COULD NOT BE PROVIDED** during the period of advertisement, applicants **BE GIVEN** the last opportunity for a period of 30 days, failing which the sites should be repossessed and submitted to Council as an Item for future alienation.
5. That the Municipal Manager and the Director responsible **SHOULD NOTIFY** the community about the intentions of Council pertaining to the above matter through newspaper advertisements, radio announcements, notices in public places and libraries.

A24/2016

OVERSIGHT REPORT IN RESPECT OF THE 2014/2015 DRAFT ANNUAL REPORT FOR THE MATJHABENG LOCAL MUNICIPALITY (MPAC CHAIRPERSON) (4/1/2/2)

PURPOSE

To submit to Council a report of the Municipal Public Accounts Committee (MPAC) regarding public participations processes undertaken on the Draft Annual Report of the Municipality for the 2014/2015 financial year and recommendations made thereafter.

DISCUSSION

The MPAC Chairperson presented the item to Council.

COUNCIL RESOLVED: (31 MARCH 2016)

1. That Council, having fully considered the 2014/2015 Draft Annual Report of the Municipality and representations thereon, **ADOPTS** the Oversight Report and **APPROVES** the Annual Report without reservations.
2. That the Oversight Report must **BE MADE** public in accordance with Section 129(3) of the Municipal Finance Management Act No.56 of 2003.
3. That the Oversight Report must **BE SUBMITTED** to COGTA, Provincial Treasury and National COGTA and National Treasury as required by Section 132(2) of the Municipal Finance Management Act No.56 of 2003.
4. That the Municipal Manager and the Departments **MUST DEVELOP** consolidated Action Plan on challenges identified in the Draft Annual Report and submit to the MPAC so that there is monthly engagement on progress against the Plan.

10

- 4.1 That all items in the Audit Report on unauthorized, irregular, fruitless and wasteful expenditure **MUST BE REFERRED** to MPAC for proper investigation and a report will be submitted directly to Council.
- 4.2 That all comments made during public hearings **BE IMPLEMENTED** and a report be submitted as part of Departmental quarterly reports to Council.
- 4.3 That Council allows MPAC **TO INVESTIGATE** issues raised by the Auditor-General and report back to Council on a quarterly basis in terms of progress made.
- 4.4 That the Accounting Officer **MUST TAKE** responsibility in briefing Council via MPAC on progress achieved from the past MPAC recommendations.