



**MINUTES OF A MEETING OF THE SWARTLAND MUNICIPAL COUNCIL HELD IN THE TOWN HALL, MALMESBURY ON THURSDAY, 25 MAY 2023 AT 10:00**

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**PRESENT:**

Speaker, ald M A Rangasamy  
Executive Mayor, ald J H Cleophas  
Deputy Executive Mayor, clr J M de Beer

**COUNCILLORS:**

Bess, D G (DA)	Pieters, C (ANC)
Daniels, C (DA)	Pypers, D C (DA)
Duda, A A (EFF)	Smit, N (DA)
Jooste, R J (DA)	Soldaka, P E (ANC)
Le Minnie, I S (DA)	Stanley, B J (DA)
Ngozi, M (ANC)	Van Essen, T (DA)
O'Kennedy, E C (DA)	Van Zyl, M (DA)
Papier, J R (GOOD)	Vermeulen, G (VF <sup>+</sup> )
Penxa, B J (ANC)	Warnick, A K (DA)

Officials:

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

**1. OPENING**

The Speaker welcomed the Executive Mayor, Deputy Executive Mayor, aldermen, councillors and officials.

Pastor Doctor D Andrew of the AGS Rosenhof-community, Moorreesburg opened the meeting with a scripture reading and a prayer at the request of the Speaker.

The Speaker congratulated councillors and officials who had celebrated birthdays during the month of May.

**2. APOLOGIES**

**RESOLUTION** that apologies were received from clrs A M Booysen and C Fortuin.

**3. DEPUTATIONS/DECLARATIONS AND COMMUNICATIONS/SUBMISSIONS**

**3.1 INFORMATION IN RESPECT OF THE "SERVICE EXCELLENCE" AWARDS**

The Municipal Manager presented the following officials to the Council, namely:

Internal Audit Division:

- Senior Manager, ms Jurene Erasmus
- Internal Auditor, mr Msizi Mseleni
- Intern: Risk Management, mr Robert Hess

3.1/...

Strategic Services Division:

- IDP/LED official, ms Nomfundo Skhosana
- Performance Manager, ms Samuelah Jasson

The Municipal Manager provided the background to the initiative from the Western Cape Premier in order to recognise outstanding service delivery through the awarding of “service excellence awards”. This year it is the first time that two categories were created for municipalities to take part in these awards, namely (1) best municipal projects and (2) best local authority.

In the 1st categorie 49 entries were received from municipalities in the Western Cape, of which the Swartland Municipality entered 8 projects. Out of the 8 projects 5 reached the finals and the Swarland Municipality received the following awards:

- 1<sup>ste</sup> place – Highlands Dumping Ground
- 3<sup>de</sup> place – Early Childhood Development (ECD)

The Swartland Municipality also gained 2<sup>nd</sup> place, together with Drakenstein Municipality, as best local authority.

The trophies, which were received during the Premier’s function, were handed to the relevant personnel and members of the Executive Mayor’s Committee as a sign of appreciation for outstanding service delivery.

**FOR NOTING**

**4. MINUTES FOR RATIFICATION**

**4.1 MINUTES OF AN ORDINARY COUNCIL MEETING HELD ON 26 APRIL 2023**

**RESOLUTION**

(proposed by clr E C O’Kennedy, seconded by clr A K Warnick)

That the minutes of an Ordinary Council Meeting held on 26 April 2023 are approved and signed by the Speaker.

**5. REPORTING IN RESPECT OF DELEGATED DECISION MAKING BY THE EXECUTIVE MAYOR**

**RESOLUTION**

That note is taken of the decisions taken by the Executive Mayor in accordance with his delegated powers in the following minutes:

**5.1 MINUTES OF AN ORDINARY MEETING OF THE EXECUTIVE MAYOR’S COMMITTEE HELD ON 19 APRIL 2023**

read in conjunction with

**MINUTES OF A PORTFOLIOS COMMITTEE MEETING HELD ON 12 APRIL 2023**

**REPORTING IN RESPECT OF DELEGATED DECISION MAKING BY THE MUNICIPAL MANAGER**

**RESOLUTION**

That note is taken of the decisions taken by the Municipal Manager in accordance with his delegated powers in the following minutes:

**6.1 MINUTES OF A TENDER AWARD COMMITTEE MEETING HELD ON 20 APRIL 2023**

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## **7. MATTERS ARISING FROM THE MINUTES**

None.

## **8. MATTERS FOR DISCUSSION**

### **8.1 2023 INTEGRATED DEVELOPMENT PLAN AND AREA PLANS (2/1/4/4/1)**

The Speaker opened the floor for questions in respect of the 2023 Integrated Development Plan and Area Plans.

Clr P E Soldaka stated that the community of Moorreesburg are unhappy with the manner in which the public participation was carried out because the contents of the IDP were not dealt with in detail with the community.

The Municipal Manager confirmed that the approach to the public participation process, which the Municipality followed in order to reach as many roleplayers as possible in the drawing up of the IDP, is regarded by Province as one of the best methodologies.

The Municipal Manager confirmed that the joint open days for the IDP and Spatial Development Framework (SDF) contributed thereto that members of the public could inspect both in person.

Clrs Penxa and Ngozi support the standpoint that the IDP is a complex document which must be dealt with in detail with the public, and the Municipal Manager stated that the Thandi video was used in order to carry the message in an understandable manner. The ward committees played a big role in the drawing up of the Area Plans.

The Executive Mayor stated that the IDP and Area Plans are regarded as outstanding pieces of work and confirmed that, with reference to the number of comments which were received, that the method which was used in the drawing up of the latter is regarded as a success story, which would be imitated far and wide.

The IDP and Area Plans were tabled by the Executive Mayor. The Speaker brought the matter to the vote and approval of the IDP and Area Plans was decided with 15 councillors (14 x DA votes and 1x VF vote) in favour thereof and 6 councillors (ANC x4, 1x EFF and 1x Cope) abstained from voting.

### **RESOLUTION**

(proposed by ald J H Cleophas, seconded by clr A K Warnick)

- (a) That the 2023 Integrated Development Plan (IDP) for the Swartland municipal area, as well as the five Area Plans for 2023/2024, be approved in terms of Chapter 5 of the Municipal Systems Act No 32 of 2000;
- (b) That Council notes the amendments to the Spatial Development Framework as included in the summary in Chapter 2, paragraph 2.5(c) of the IDP;
- (c) That the comments and inputs received during April 2023 (including the SIME comments) be dealt with in accordance with ANNEXURES 2 and 3; and
- (d) That the legal process, as prescribed in the Municipal Systems Act No 32 of 2000, Municipal Finance Management Act No 56 of 2003 and the Municipal Budget and Reporting Regulations, 2009, be completed.

[Note: The Municipal Manager took the opportunity to take leave of the former Senior Manager: Strategic Services, mr Leon Fourie, who retires on 31 May 2023 after 15 years of service with the Swartland Municipality.]

8.2/...

## **8.2 SWARTLAND MUNICIPALITY: AMENDMENT TO THE SPATIAL DEVELOPMENT FRAMEWORK: 2023-2027 (15/1/4/1)**

The aim of the amendment to the Municipal Spatial Development Framework 2023-2027 (SDF) is to establish a policy document which serves as a guideline for sustainable spatial development within the municipal area.

All applicable national, provincial and local legislation and regulations were taken into account in order to bring the SDF into line with the necessary policy guidelines, as well as the spatial implications contained in the IDP.

The Municipal Manager stated, with reference to clr P E Soldaka's concern in respect of old information, which may have an impact on the implementation of the housing projects, that the Department of Human Settlements owns the data. The Municipality's role is to be ready for the implementation of the housing projects in respect of land usage planning, environmental impact studies and provision of bulk infrastructure.

The Speaker brought the matter to the vote and approval of the SDF was decided with 17 votes (14x DA, 1x VF and 1x Good and 1x EFF) in favour thereof and the rest of the councillors (4x ANC) abstained from voting.

### **RESOLUTION**

(proposed by ald J H Cleophas, seconded by aldd M van Zyl)

That Council adopts the amendments of the Swartland Municipality Municipal Spatial Development Framework for the entire Swartland area of jurisdiction in terms of section 7(3) of the Land Use Planning By-Law (PN 8226 of 25 March 2020) subject to the following:

- (a) The Council resolution must within 14 days of decision making give notice of its decision in the media and Provincial Gazette;
- (b) Any stakeholder competing in the public participation process be informed of Council's decision and reaction;
- (c) All future development proposals be evaluated in accordance with the principles as set in the Municipal Spatial Development Framework;
- (d) Action plans within Municipal Spatial Development Framework annually be submitted via the IDP process for budgeting;
- (e) Special attempts be made annually to address action plans within the Municipal Spatial Development Framework.

## **8.3 APPROVAL OF THE MULTI-YEAR CAPITAL AND OPERATING BUDGETS, ADJUSTED BUDGET AND RELEVANT POLICIES, PROPERTY RATES AND TAXES, TARIFFS AND OTHER LEVIES FOR 2023/2024, 2024/2025 AND 2025/2026 (5/1/1/1, 5/1/1/2 – 2023/24, 5/1/4)**

[Note: For completeness and implementation of the decision, the English rendering will be relied on]

The Speaker gave the Executive Mayor, ald J H Cleophas, the opportunity to deliver his 2<sup>nd</sup> *State of the Municipality Address* as Executive Mayor of the Swartland Municipality (see attached for the sake of completeness).

The Speaker gave the councillors the opportunity to reply to the budget speech and clr Penxa requested that consideration must be given, in an attempt to address illegal waste dumping, to introduce *wheelie bins* for the entire municipal area. The five black bags provided to destitute households are not sufficient, taking into account the number of backyard dwellers, in order to collect all the refuse on a plot.

The approval of the multi-year capital and operating budgets, adjusted budgets and relevant policies, property rates and taxes, tariffs and other levies for the 2023/2024, 2024/2025 and 2025/2026 was brought to the vote and decided with 16 councillors

(14x DA votes, 1x VF vote and 1x GOOD vote) in favour thereof and the rest of the councillors (4x ANC and 1x EFF) abstained from voting.

### RESOLUTION

(proposed by ald J H Cleophas, seconded by clr A K Warnick)

- (a) That cognisance be taken of the inputs received from the public and province and that the comments and responses thereto (**Annexure E, Inputs received on Draft Budget**) be accepted as per the recommendations by the Budget Steering Committee and Executive Mayoral Committee, insofar as it relates to the 2023/2024 MTREF Draft Budget and in having considered the inputs into the draft budget, it is resolved that no amendments to the budget or policies are required;
- (b) That cognisance be taken that the future costs as envisaged by Section 19 (2)(a)(b) were derived after consultation with the respective director(s), as per (**Annexure A: 2023/2024 – 2025/2026 Final Budget and Tariff File**);
- (c) That Council, prior to approving the capital projects above R50 million as listed in (**Annexure B: 2023/2024 – 2025/2026 Capital Projects ito Sec 19**), first consider the projected cost covering all financial years until the project is operational and the future operational costs and revenue on the project, including municipal tax and tariff implications;
- (d) That Council deemed it appropriate to consider the entire capital program excluding the three (3) contractually combined projects above R50 million as the aforementioned capital program's operational cost, inclusive of future costs will be covered by the rates regime and the normal cost centres found in the operational budget;
- (e) That the future capital budgets from year 3 be limited to 16.5% of the operating budget (based on NT's norm for *Capital Expenditure to Total Expenditure* that is between 10% to 20%) because of the upward pressure it has on the operating budget and the affordability of tariffs;
- (f) That Council considers the funding sources linked to council's capital program and take note that these funding sources are available and have not been committed for other purposes;

FINANCING SOURCES	Final Budget 2023/2024	Final Budget 2024/2025	Final Budget 2025/2026
Capital Replacement Reserve (CRR)	R 101 665 452	R 70 374 545	R 99 643 329
External Loans	R -	R 33 000 000	R 17 000 000
Municipal Infrastructure Grant (MIG)	R 24 708 000	R 25 664 000	R 26 660 000
Dept. Human Settlements	R 55 314 000	R 64 890 000	R 30 000 000
Integrated National Electrification Programme (INEP)	R 23 658 000	R 25 000 000	R 35 000 000
RSEP	R 500 000	-	-
Contributions / Donations	R 1 224 943	-	-
Dept. Cultural Affairs and Sport	R 1 016 000	-	-
Community Safety Grant	R 40 000	R 40 000	-
Fire Service Capacity Building Grant	R 926 000	-	-
<b>GRAND TOTAL</b>	<b>R 209 052 395</b>	<b>R 218 968 545</b>	<b>R 208 303 329</b>

- (g) That Council approves the capital projects as part of its consolidated capital program as per (**Annexure A: 2023/2024 – 2025/2026 Final Budget and Tariff File**);

8.3/...

- (h) That Council specifically notes that some naming conventions (where applicable and appropriate) are due to be amended to co-inside with the requirements of the hierarchy of assets for eg, a project in the capital budget named Fencing;
- (i) That Council in-principle approves the raising of an external loan to the amount of R50 million in year 2 of the new 2023/24 MTREF for the partial financing of the following capital projects: Malmesbury De Hoop 132/11kV Substation (R29 million) and the Development of Highlands New Landfill site Cell (R21 million), by means of testing the market as envisaged by MFMA section 46, requesting tenders from the financial institutions;
- (j) That the final high-level multi-year Capital and Operating budgets in respect of the **2023/2024 – 2025/2026** financial years, be approved as final, in accordance with sections 16, 17, 18 and 19 of the MFMA;

	Original Budget 2022/23	Special Adj Budget 2022/23	Final Budget 2023/24	Final Budget 2024/25	Final Budget 2024/25
Capital budget	191 095 805	178 839 804	209 052 395	218 968 545	208 303 329
Operating Expenditure	1 029 331 855	1 025 575 992	1 071 330 062	1 174 132 994	1 371 930 505
Operating Revenue	1 093 983 961	1 098 017 579	1 192 485 181	1 311 049 716	1 489 696 468
<b>Budgeted (Surplus)/ Deficit</b>	<b>(64 652 106)</b>	<b>(72 441 587)</b>	<b>(121 155 119)</b>	<b>(136 916 722)</b>	<b>(117 765 963)</b>
Less: Capital Grants & Contributions	77 109 000	78 890 510	107 386 943	115 594 000	91 660 000
<b>(Surplus)/ Deficit</b>	<b>12 456 894</b>	<b>6 448 923</b>	<b>(13 768 176)</b>	<b>(21 322 722)</b>	<b>(26 105 963)</b>

- (k) That Council approves the notice given in terms of section 14(1) and (2) of the Local Government: Municipal Property Rates Act, 2004, to levy the final property tax rates, exemptions and rebates on property reflected in the schedule below and in the property rates policy for the 2023/24 financial year with effect from 1 July 2023;

Category of property	Rate ratio	(c/R) rate determined for the relevant property category
Residential properties	1: 1	0,5956
Business and Commercial properties	1: 1,4586	0,8769
Industrial properties	1: 1,4586	0,8769
Agricultural properties	1: 0,25	0,1489
Mining properties	1: 1,4586	0,8769
Public Service Infrastructure	1: 0,25	0,1489
Properties owned by an organ of state and used for public service purposes	1: 1,4586	0,8769
Public Benefit Organizations	1: 0	0,0000
Vacant properties	1: 1,3470	0,8022
Municipal properties	1: 0	0,0000
Conservation Areas	1: 0	0,0000
Protected Areas	1: 0	0,0000
National Monuments	1: 0	0,0000
Informal Settlements	1: 0	0,0000

#### Exemptions and Reductions

- **Residential Properties:** For all residential properties, the municipality will not levy a rate on the first R15 000 of the property's market value. The R15 000 is the statutory impermissible rate as per section 17(1)(h) of the Municipal Property Rates Act.

**Rebates in respect of a category of owners of property are as follows:**

- **Indigent owners:** 100 per cent rebate will be granted to registered indigents in terms of the Indigent Policy to a maximum valuation of R105 000;
- **Qualifying senior citizens and disabled persons:** A rebate to an amount equal to the rates payable on the first amount of the valuation of such property to a limit of R300 000.

**NB:** Please refer to the municipality's property rates policy in respect of all rebates offered.

- (l) That Council approves the final tariff structures and charges for water, refuse removal, sewerage and other sundry charges as set out in **(Annexure A: 2023/2024 – 2025/2026 Final Budget and Tariff File)**;
- (m) That Council approves the electricity tariffs as final for the 2023/2024 financial year, **bearing in mind that it is still subject to NERSA's final approval** and that Time of Use customers must note that the TOU slots are subject to change pending Nersa/Eskom's clarification;
- (n) That the annual budget tables as required by the Budget and Reporting Regulations be approved as set out in **(Annexure C: Budget Report and A-Schedules 2023/2024– 2025/2026)**;
- (o) That the **amendments** to the budget and related policies as set out in **(Annexure D: Final Amendments to Budget & Related Policies 2023/2024)** hereto, be approved as final;
- (p) That the training budget limited to **0,60%** of the salary budget in the amount of **R1 898 364** for the 2023/2024 financial year be approved as final;
- (q) That Council takes note of the increase in the salary bill of around **5.99%**:
  - In respect of all personnel, an increase of **5.4%** for 2023/2024; **5%** for 2024/2025 and **5%** for the 2025/2026 financial years, excluding the increase in other benefits that are applicable and the annual 2.5% notch increase where applicable;
  - All salary adjustments are adequately budgeted for;
  - Provision has been made for a **3%** increase for political office bearers which is within the mid band of the inflation targets set by the South African Reserve Bank (SARB).
- (r) That Council takes note of the budgeted operating surpluses and that the budget is "cash-funded". The total expenditure growth of **4.5%** from the current to the new financial year and the revenue streams with growth in revenue of **8.6% (6.5% excluding capital grant income)** for the MTREF period as well as the cash flow statement as per **(A-schedule A7)** for the next three financial years;
  - the budgeted risk factor for cash coverage for operating expenses are **10 months** for 2023/24, **10.4 months** for 2024/25 and **9 months** for the 2025/26 financial year (this can materially be impacted but not possible to determine scientifically at this stage);
  - over the next three financial years the planning is such that operating net surpluses are envisaged for 2023/24 to an amount of **R 13 768 176**, for 2024/25 an amount of **R 21 322 722** and for 2025/26 an amount of **R 26 105 963 (excluding capital grant income)**, which is well below the NT norm of at least a surplus of 10%.
- (s) 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;
- (t) That Council takes note that the budget was prepared in the new mSCOA Version 6.7 as required by National Treasury.

#### **8.4 DETERMINATION OF DEVELOPMENT CONTRIBUTIONS FOR 2023/2024 (15/1/B)**

The tariffs for the 2023/2024 financial year were revised in order to find a balance between development contributions and real engineering costs. The tariffs have therefore increased considerably because there were not many adjustments in previous years.

It is important that the Municipality creates an environment in which economic growth and job creation are furthered, therefore there has been a proposal to consider a discount of 60% on the development contributions in order to entice investors/developers to the Swartland municipal area.

The proposed development contributions and discount were brought to the vote by the Speaker and decided with 15 councillors in favour thereof and the rest of the councillors abstained from voting.

##### **RESOLUTION**

(proposed by clr N Smit, seconded by clr D G Bess)

- (a) The attached Development Charges for the 2023/2024 financial year be approved:
  - (i) "Greenfields" Development Charges for bulk electricity – (Annexure "A")
  - (ii) "Brownfields" Development Charges for electricity – (Annexure "B")
  - (iii) Development Charges for water – (Annexure "C")
  - (iv) Development Charges for sewerage – (Annexure "D")
  - (v) Development Charges for roads – (Annexure "E")
- (b) A rebate of 60% be considered regarding development charges in respect of the 2023/2024 financial year, for the following reasons:
  - Developers have to enter into an agreement with the Municipality regarding the payment of charges in terms of the existing policies;
- (c) The development of businesses and industries of 100 m<sup>2</sup> and smaller in extent be exempted from the payment of development charges;
- (d) Additional dwelling units of 60 m<sup>2</sup> and smaller in extent be exempted from the payment of development charges;
- (e) Actual Cost of Development Charges will apply to all developments, as determined and calculated by the Directors of Civil and Electrical Engineering Services.

#### **8.5 REVISION OF SYSTEM OF DELEGATIONS (2/5/1, 2/5/2)**

Section 59 of the Municipal Systems Act stipulates that a Council must develop and maintain a System of Delegations, which will optimise and make provision for adequate checks and balances.

The attachments to the agenda contain the second revision of the System of Delegations, which was approved by the Council on 16 November 2021.

##### **RESOLUTION**

(proposed by clr N Smit, seconded by clr J M de Beer)

- (a) That the amendments to Council's System of Delegation (2<sup>nd</sup> Revision) as per Annexures A to C be approved, and cognizance be taken of the amendments to the delegation systems of the Municipal Manager and Chief Financial Officer as per Annexures D to G;
- (b) That cognizance be taken that no amendments were effected to the Section 53 Role Demarcation of political structures, political office bearers and the Municipal Manager, which document forms part of the System of Delegation.



**8.6 (1) DEMANDS FROM KALBASKRAAL FOR IMMEDIATE HOUSING PROJECT;  
REQUEST FROM ILINGE LETHU AND PHOLA PARK FOR A TEMPORARY  
THOROUGHFARE (17/4/2/B)**

The Municipal Manager proposed to deal firstly with the demands from the residents in Kalbaskraal, and secondly the request from Ilinge Lethu and Phola Park – the proposal is attached for completeness.

The Municipal Manager confirmed that there are at present 16 144 names on the housing waiting list and drew the Council's attention to the criteria which have been set by national government to qualify for a topstructure, namely first timers:

- (1) who are 60 years and older;
- (2) who are military veterans;
- (3) who are disabled;
- (4) where children are the head of the household.

With the profile composition of first timers of serviced erwen in respect of the above mentioned criteria (as illustrated) only 10 out of the 134 first timers qualify for top structure.

The Municipal Manager confirmed that the request from Ilinge Lethu and Phola Park arises from a need for the creation of a thoroughfare for back yard dwellers, who do not meet the above mentioned criteria.

The Municipal Manager illustrated the impact that the creation of a thoroughfare would have on the De Hoop Housing Project, with reference to the loss of housing opportunities and monies.

**RESOLUTION**

(proposed by clr J M de Beer, seconded by clr D C Pypers)

**A: IN RESPECT OF KALBASKRAAL**

- (a) That note is taken of the demand and need from Kalbaskraal for top structure for 134 erwen which were provided with services during 2020;
- (b) That note is taken that the services to the erwen were preceded by a process of land purchases from Transnet and the private sector and that the necessary changes in land usage in respect of rezoning, consolidation and subdivision were likewise completed;
- (c) That note is also taken that out of the 134 first timers only 10 persons comply with the criteria to qualify for top structure;
- (d) That note is taken that any top structure for Kalbaskraal will be seen as "queue jumping" and Phola Park 2, 3 and 4 can rightly feel unhappy because in order of priority they should be assisted before Kalbaskraal, because they have been waiting since 2015, in contrast with Kalbaskraal's 2020 project;
- (e) That note is taken of the grant from Human Settlement for MTREF period - as mentioned in the agenda and in the budget, and that if Kalbaskraal is given preference the effect will be that the other projects will receive less money;
- (f) That the Kalbaskraal demand for immediate housing will not receive preferential treatment for the above mentioned reasons, because it will not be fair in respect of the other projects in the Swartland Municipality;

**B:** In respect of/...

**B: IN RESPECT OF ILINGE LETHU AND PHOLA PARK**

- (a) That note is taken that tenders for the service of 1013 erwen in the De Hoop Development have already been advertised with the closing date at the end of May 2023;
- (b) That note is taken that the bulk services for the De Hoop Development – with reference to sewerage and water – have already been installed in previous years, and that electricity bulk infrastructure will be available one of these days (2 years);
- (c) That note is taken that the provision of land for a thoroughfare, or a TRA will have a negative impact on the development of 1013 erwen as a result of which the opportunity will decrease substantially;
- (d) That note is taken that the “profiling of beneficiaries” of the first 1100 persons on the waiting list is approximately an apportionment of 60/40 of persons living in Wesbank and Ilinge Lethu respectively;
- (e) That note is taken that there is no provision made in the present budget for any services for the thoroughfare and that, if there is a side step in the present grant allocation for a TRA, there will be far less money available pro-rata for the De Hoop Project;
- (f) That the request from Ilinge Lethu for a TRA cannot at this stage be considered for the reasons mentioned above.

**8.7 PROPOSED LONG TERM LEASE OF IMMOVEABLE MUNICIPAL PROPERTIES: PORTION OF ERF 327, MALMESBURY (12/2/B)**

The Municipality is in favour of the creation of alternative energy in an effort to decrease electricity provision to the Municipality and to limit annual electricity increases.

The Municipality has already signed a three year agreement with Darling Green Utility in order to supply 1MVA solar power to the Municipality as of January 2024.

The opportunity consists of making available a portion of land on the so-called Klipkoppie property to potential independent energy producers (IPP's) for a long term lease. The Klipkoppie is seen as suitable for the development of a solar power layout because it is reasonably close to the Municipality's 11 kV substations and the slope of the land is North/North West which is suitable for sunshine.

**RESOLUTION**

(proposed by ald T van Essen, seconded by clr E C O'Kennedy)

- (a) That in-principle approval be granted by Council in terms of Section 14 of the Municipal Finance Management Act, 2003 for a portion (maximum 30 hectares) of erf 327, Malmesbury to be made available to potential independent power producers (IPPs) under a tender for the establishment of a solar plant on the property concerned, subject to obtaining the applicable land use rights and environmental authorizations;
- (b) That it be noted that the property is not needed to provide the minimum level or any other level of basic municipal services;
- (c) That the term of lease be determined at twenty (20) years, to make the lease option viable for prospective lessees;
- (d) That the proposed long term leasing of said property be advertised for comments/objections in terms of the Council's By-law relating to the Transfer of Municipal Capital Assets, GN 7394 dated 22 May 2015;
- (e)/...

- (e) That authorization be given as follows:
- (i) to the Municipal Manager to determine a fair and market-related rental to be set as reserve rental amount in conjunction with Council's valuers;
  - (ii) to the Executive Mayoral Committee to deal with any objections that may be forthcoming regarding the proposed long term leasing of the property;
  - (iii) to the Director: Corporate Services to finalise the tender criteria and conditions of lease;
  - (iv) to the Director: Electrical Engineering Services to finalise the tender conditions for the utilization of the property for purposes of a solar plant.

**SIGNED  
SPEAKER**