

STATE OF THE MUNICIPALITY ADDRESS
By Kouga Executive Mayor Elza van Lingen
28 February 2018

Honourable Speaker
Mayoral Committee and Councillors
Our Municipal Manager, Directors, Managers and Staff
Representatives from Business and Agriculture
Residents Associations, stakeholder and interest groups
Members of the Media
Distinguished Guests

A warm welcome to you all.

I was very pleased to learn that the Opening of Council would be held at Lombardini this year.

Just three weeks ago we brought our new climate change partners from Ilsfeld Municipality in Germany for a game drive and in less than an hour our visitors got to see some of Africa's most majestic creatures - from rhino and buffalo to giraffe and zebra - right here, only a stone's throw from Kouga's beautiful beaches, fertile farmland and the National Heritage Site where the spirit of two of South Africa's great icons, Sarah Bartmann and Chief David Stuurman, has been keeping our Khoi heritage alive.

It was a reminder of just how diverse an area Kouga is and how much opportunity the region has to offer.

It was further encouraging to see that the gravel road to Lombardini – which is also the alternative route for Paradise Beach residents when the causeway is closed – is being better maintained than it has in years. I would like to recognise the efforts made by of the Department of Roads and Public Works, as well as other state departments, to work with us this past year to help bring about positive change to Kouga and all her people.

Ladies and Gentlemen,

The Kouga Council recently made the decision to rename and restructure its directorates so as to drive the growth of the region more effectively.

Headed on the administrative front by our Municipal Manager, Charl du Plessis, who was appointed in June last year, these directorates are:

- Corporate Services, under director Krishen Moodley
- Finance, under CFO Selwyn Thys
- Infrastructure and Engineering, under director Victor Felton
- Community Services, under acting director Nomvula Machelesi, and
- Planning, Development and Tourism, under acting director Kobus Marais.

The latter two positions have been advertised and are in the process of being filled.

The Mayor Committee Members who will be handling these portfolios are:

- Hattingh Bornman - Corporate Services
- Brenton Williams - Finance
- Freddy Campher - Infrastructure & Engineering
- Daniel Benson - Community Services
- Bryan Dhludhlu - Planning & Development, and
- Frances Baxter - Tourism and Special Programmes in the Office of the Mayor

It is a strong team and, over the past few months, several institutional improvements have already been achieved.

These have included the review of the organogram to identify critical vacancies, which are being advertised and filled in a fair and equitable manner.

Much has already been said and written about the challenges we inherited when we came into power.

The municipality did not have an approved Employment Equity Plan for many years and also owed the Department of Labour almost R13-million for Return of Earnings, necessary for what is commonly known as 'workmen's compensation'.

These matters have since been corrected, with the municipality's first Employment Equity Plan in seven years being adopted on 29 June 2017.

An arrangement was also made to pay off the outstanding debt to the Department of Labour and a Letter of Good Standing has since been issued to the municipality, confirming that the institution and its staff are once again properly covered for Injury on Duty claims for the first time in ten years.

The municipal fleet is also looking considerably healthier than it did a year ago.

Old and redundant vehicles, as well as other equipment, were auctioned off and more than R1,5-million was raised. Various new vehicles have been purchased, including two new refuse compactors and mesh trucks, while we are currently in the process of purchasing 18 new LDV pick-ups to strengthen our service fleet.

The administration of municipal land, including leasing and selling, is also being sorted out after years of mismanagement. We were fortunate last year to have the irregular sale by the previous administration of a prime piece of land, Erf 499, at Humansdorp set aside by the High Court, a sale that would potentially have robbed Kouga's people of R50-million had it been allowed to go through.

Land applications from churches and other organisations were also allowed to pile up for years, resulting in a tremendous backlog which we are addressing through the municipality's Land Advisory Committee.

Another significant institutional change has been our commitment to go paperless. We started implementing the new system last month and our aim is for all agendas to be issued electronically from June. The municipality spends almost R5-million per annum on paper and we are confident that this new paperless system will help save money to be put towards service delivery.

My fellow Councillors,

Local Economic Development remains key to achieving a better future for all of Kouga's people.

The Kouga Business Forum recently elected a new chairman and I wish to congratulate Mr Joe Ferreira on his appointment. These days Mr Ferreira is best known for running the Supertube slide and funfair at Dolphin Beach, but he was also the town secretary of the Jeffreys Bay Municipality for many years.

With his understanding of the municipal environment on the one hand and his experience of the local business and Tourism sectors on the other, we look forward to working with him to forge stronger ties between the local public and private sectors.

By working with business, we were able to do more for our communities this past year and we look forward to building on these successes.

The municipality will, in return, accelerate its efforts to grow local business, the economy and jobs.

We have already started doing so by beefing up our Town Planning Department, which will be the municipality's driving force behind local economic development.

One of the great tragedies of the previous administration was that they failed to recognise how important a role the Town Planning Department of a municipality plays in facilitating growth and job creation.

Every plan and application that is approved, is money being injected into the region. The total value of building plans approved in the previous quarter alone was more than R212-million.

The Town Planning Department is also often an entry point for potential investors, which makes it all the more important for this section to create a good first impression.

Yet, this department was allowed to fall to pieces under the previous administration. Critical posts were left vacant, leading to delays in processing applications and lost development opportunities.

To make matters worse, the department was then moved from the municipal headquarters in Jeffreys Bay to an unmarked residential house in Humansdorp, without sufficient office or filing space.

Several key positions in this department have now been filled, including that of a new manager, Mr Kobus Marais. We are also in the process of moving the Town Planning offices to the old Sassa building in Woltemade Street, Jeffreys Bay, which will allow for a more efficient and professional service.

One of the big economic shocks for Kouga this past year was the news that the proposed nuclear development at Thyspunt would not be happening soon, if ever.

Kouga's people have for years been divided when it comes to Thyspunt, but there is no doubt that the news came as a blow to many jobseekers, entrepreneurs, SMMEs, co-ops and businesses, who believed that Thyspunt would bring a much-needed economic boost to the region.

Fortunately, there has always been far more to Kouga than just Thyspunt. There is tremendous room for growth in many of our sectors - be it Tourism, Agri-processing or the Ocean Economy – and, as a Council, we will endeavour to unlock the full economic potential of our area.

We also recently established a three-year partnership with the Canadian municipality of Prince Edward County, specifically aimed at identifying and driving sustainable local economic development initiatives in our region. A delegation from the municipality will be visiting Kouga in March to take the partnership forward.

Another of our focus areas will be skills development, especially for our youth. Thirty-six (36) learnerships have already been lined up this year in the following disciplines: Electrical Engineering, Civil Engineering, Archives and Records Management, Human Resource Management and Public Administration.

I would also like to appeal to our business sector to develop youth mentorship programmes and become actively involved in shaping the ample young talent we have in the Kouga region.

Increasing how much business we do locally is also important and we would like to encourage local businesses to register as service providers with the municipality, so as to enable us to do business with you.

The good news is that many businesses that stopped doing business with the municipality years ago because they were not being paid, have started re-registering on the database, a clear sign that confidence is being restored in our municipality.

One of the reasons for this growing confidence is the importance we have placed on improving the responsiveness of the municipality to residents' complaints and inputs.

Last year we launched a new app, called Link, and call centre at Humansdorp to make it easier for residents to report faults, track progress and receive feedback.

While there has been some teething problems, we have to date logged more than 9 600 calls through this new system and almost 1 200 residents have registered on the app.

Our Traffic Department continues to work under great pressure, with only two Live Enrolment Units with which to capture licence applications. We have requested an additional three LEUs from the Department of Transport, on whose behalf we render the service, and are awaiting their feedback.

Alternative accommodation also needs to be considered for the Traffic Department. The current premises are run-down and too small to deal with the demand for this service, especially as it is also used by citizens from neighbouring municipalities.

We have, in the meantime, been minimising long queues for licence applications through a new telephonic booking system, but further improvement is needed to ensure a high standard of service to the public at all times.

Our ward councillors remain at the coalface of government, and I want to congratulate the Office of the Speaker for successfully overseeing the establishment of ward committees in all 15 wards.

We have also been getting ward offices up and running while ward assistants have been appointed to serve as an extra link between communities and Council.

Public participation is one of the cornerstones on which we are building a new Kouga. The review of our Integrated Development Plan (IDP) for the coming financial year is underway, and I would like to encourage every citizen to attend the IDP meetings for their wards in April. There is no platform more important than this for residents to be part of the decision-making processes of the municipality.

The draft IDP and draft budget for 2018/19 will be tabled to Council towards the end of March, following which the public consultation meetings will be held.

As we continue to work towards a clean administration, we are proud of our staff for recently achieving an unqualified audit report for the 2016/2017 financial year.

According to the Auditor General, the municipality ended the 2016/17 financial year with R 84-million in the bank, up from R 78-million in the previous financial year.

Staff costs showed a marginal decrease of R 700 000 when compared to the previous year, with a total cost of R 228-million to the municipality. Contingent liabilities facing the municipality were also aggressively sorted out, reducing from R109-million to R49-million.

Outstanding trade creditors dropped from R114-million to R 91-million while debtors showed a marginal drop from R77-million to R73-million.

Performance management was the big issue highlighted by the Auditor General and we are introducing a performance management system that will allow us to address this finding during the next audit.

Our Municipal Public Accounts Committee (MPAC), chaired by Councillor Atri Carstens, has further been doing a sterling job and we are in the process of appointing internal auditors for a period of three years.

Our new General Valuation Roll was also recently completed and property owners have been invited to scrutinise the roll and lodge objections should they disagree with the valuations of their property.

Ladies and Gentlemen,

While Kouga's future looks bright, the region is currently facing its biggest challenge since its establishment 18 years ago.

We have been hit by one of the worst droughts in decades and our storage dams are nearly empty.

A year ago the dams in the Algoa Water Supply System – from which both Kouga and our neighbours, Nelson Mandela Bay, draw water – were just more than half full at 50,2%. That figure has since dropped to 25,6%.

Of particular concern to us is the Kouga Dam, which is the only water supply to the towns of Hankey and Patensie. A year ago the dam level stood at 36%; now it stands at just over 10%.

The outlook for the Churchill and Impofu Dams - which supply water to Jeffreys Bay, Humansdorp, St Francis Bay and Cape St Francis - is also bleak, with the level of the Churchill Dam dropping from 31% in February last year to 18% in February this year and the Impofu from 72,4% to 41,3%.

In short, the water security of our communities is under serious threat.

The Council started addressing this looming disaster shortly after the local government election of August 2016. Water restrictions and punitive tariffs were introduced in January 2017 and, when it became evident that the drought was nowhere close to breaking, Council declared a local state of disaster on 31 May 2017, which we renewed earlier this month.

A disaster declaration adds muscle to what a Council can do to mitigate the impact of that disaster, including reprioritising the budget and re-allocating staff and resources to implement emergency relief measures.

In theory, it also allows a municipality to access relief funding from provincial and national government. Unfortunately, this external assistance also depends on the disaster being acknowledged at a provincial and national level. This acknowledgement only took place recently, with the Sarah Baartman district – of which Kouga forms part – being declared a provincial drought disaster area on 4 December 2017, and the Eastern Cape being declared a national drought disaster area two weeks ago on 13 February 2018.

This meant that, despite the municipality putting firm proposals on the table to augment the water supply to our towns, we were left to fund the implementation by ourselves, save for an allocation of R1-million that we received from the district late last year.

This, in turn, meant that we had to reprioritise our existing budget and cut allocations to other services areas, so as to fund those emergency measures required to pull our communities through this disaster.

Our focus in the short to medium term has been on developing our underground water resources and springs. An amount of R10,25-million was set aside to drill, test and get new boreholes into production as quickly as possible.

We started drilling in Oyster Bay in December last year where the drought had affected the existing boreholes to such an extent that the yield was no longer enough to meet the demand and water had to be trucked in.

Two geological formations were targeted, namely the Skurweberg and Peninsula Formations of the Table Mountain Group.

Three exploratory boreholes were drilled, of which two were put into production shortly after being pump tested. The first borehole was not put into production due to the low yield.

Two new boreholes were also drilled at Jeffreys Bay during December 2017.

The first borehole was meant as a replacement for an existing borehole which had collapsed and reportedly used to deliver a high yield. Camera-logging, however, indicated that the borehole could not be rehabilitated and a new borehole was drilled SW of the original borehole, with significant water strikes at 79 m (2.8 L/s), 141m (9.8 L/s) and then a major strike at 174 m (17.2 L/s).

The second borehole was drilled as far NW as is possible on the municipal property alongside the Jeffreys Bay entrance road coming from the N2 turnoff, with the main water strikes being around 182m and 215m with a potential yield of 17 L/s.

It must be noted that the above yields were blow test yields, and the recommended abstraction yields will be confirmed via pump tests. Both these boreholes are currently being test-pumped to determine safe sustainable yields.

At the start of 2018, with the water supply to Hankey and Patensie under severe threat by the drought, the drilling rig was shifted to the Hankey area rather than drilling the remaining sites at Jeffreys Bay.

Unfortunately, the geology and hydrogeology of the Gamtoos River Basin do not support groundwater retention. Boreholes drilled in the area tend to have a relatively low yield and a high level of salinity.

The prime groundwater targets we have been exploring are located approximately 10 km SW of Hankey and studies show they can possibly be accessed with deep drilling.

Fortunately, the municipality owns a piece of land in this area at Soetkloof. Our aim is to establish a high-yielding well-field, consisting of one to three boreholes, which may be sufficient to address Hankey's water requirements.

The elevation of the sites is also higher than the town, which allows for the potential to supply water to Hankey via a gravity pipeline.

At this stage this groundwater target is considered to be the best alternative for Hankey. Water can also be pumped from the Klein River, but the flow of the river has also been affected by the drought and the water quality is an ongoing concern. A Reverse Osmosis Plant will have to be rented to treat the water to a standard safe for human consumption.

The challenge at the Soetkloof site is that the groundwater target, lies at an unknown depth. Despite extensive surveys being done to establish the depth, our first attempt – drilled to a depth of 219m – delivered no yield.

Unfortunately, the drill bit then got stuck and the hole had to be abandoned. This drill target is deep and will be difficult and expensive to drill.

While the target remains a good option, any proposed boreholes will have to be deep to reach the targeted formation.

A replacement borehole is currently being drilled next to the first borehole, but again collapsing ground is slowing progress.

In order to reach the target aquifer, it will be necessary to use a different drilling method to the air percussion we have been using thus far. The proposal is to drill as deep as possible using air percussion, and then to change to core-drilling, mud rotary and reverse circulation, all of which are more expensive forms of drilling than the approach used to date in Oyster Bay and Jeffreys Bay and will necessitate additional funding.

When it comes to Patensie, we have been given the assurance by the Gamtoos Irrigation Board that their balancing dam will be sufficient to meet the water requirements of the town for several months, but we have also been exploring groundwater options in the vicinity.

Geophysics has been done near the Kouga Dam on land belonging to the Department of Water and Sanitation (DWS), and prospective drill sites have been identified. To date only in-principle approval has been obtained from DWS and we are awaiting formal approval to commence with drilling.

Geophysics has also been done for the Humansdorp area and prospective drill sites identified, but drilling has not yet started in this area as our main focus is on Hankey.

We will also be implementing water conservation and demand management measures, starting at Hankey and Patensie. The aim of the initiative will be to decrease water losses by auditing, recording and repairing water meters and internal leaks within properties.

Additional funds have been earmarked on the adjustment budget, to be tabled to Council this afternoon, for the implementation of these measures. The process of appointing a specialist consultant to assist with the implementation of these measures is being finalised.

An option we are very eager to explore is rainwater harvesting. R500 000 has been set aside to buy and install plastic water tanks to collect rain water run-off from roofs. Initially, these tanks will be installed mainly in the Gamtoos area at strategic locations. An order has been placed for tanks and materials for installation. Implementation will commence as soon as the materials have been delivered.

To take this initiative further my office will be rolling out a special programme to install rainwater tanks at the homes of elderly and disabled residents of Hankey. Not only will this allow vulnerable residents easier access to water during the drought, it will also be of great value to them during Hankey's annual dry period.

The trucking in of water is an expensive exercise and one we would prefer to avoid. We are, however, ready to go that route should it become necessary

and would like to thank the Department of Water and Sanitation for making two water tankers available to the municipality for this purpose.

In the medium to long-term we are of the view that a desalination plant is the best way to achieve water security for Kouga. A delegation from Kouga recently visited Israel to learn more about desalination from the world's leaders in this field and the process to appoint a professional services provider to assist with the implementation has been initiated.

Long-term water security will also be the focus of our climate change partnership with IIsfeld Municipality.

During their recent visit to Kouga, three projects were identified on which we will be working together. These are the development of the natural springs at Kruisfontein in Humansdorp, rainwater harvesting and the interlinking of Kouga's bulk supply systems.

What is important to bear in mind about this partnership is that it is about achieving long-term sustainability in the face of climate change. As a result, it is anticipated that the planning and funding of the projects will only be finalised for implementation by October next year.

In the meantime, there is, a possibility of smaller projects, such as the development of the springs at Mosterthoek and Rebelsrus, being implemented jointly.

Honourable Speaker,

As mentioned earlier, the municipality was forced to reprioritise the budget due to the drought disaster and money that was allocated to other service areas had to be re-allocated to water augmentation.

This has not been received well by all communities, leading to threats of protest action and highlighting the need for a stronger educational drive around water.

I want to plea with our ward councillors, in particular, to sensitise their communities to the urgency of the water situation. Only if we are united, can we steer our communities safely through this dire situation.

While some of our day-to-day operations have been affected by the re-allocation, we are pushing ahead with the upgrading of informal settlements and projects for which grant funding has been allocated.

Almost 250 households at Donkerhoek received electricity for this first time in June last year and we will be electrifying a further 270 sites this year.

The formalisation of Stofwolk at Hankey is also underway.

Of great concern is that more than 4 000 households still depend on bucket toilets despite the national deadline for the eradication of this system having come and gone more than a decade ago.

To make matters worse one of the two tankers that were used to clean the buckets was burnt out by protesters at KwaNomzamo last year, which led to serious delays and overflowing buckets in many areas.

In order to continue servicing the buckets promptly a new roster was designed, with staff working around the clock to visit the relevant areas. I would like to thank these staffers for being willing to make the change that was necessary to look after these communities.

As caring governors, we cannot allow the use of bucket toilets to continue in our poor communities. By the time this Council term ends, we do not want a single household to remain dependant on buckets. We have been exploring various alternatives and would like to roll out container ablution facilities in informal areas from the new financial year.

When it comes to bulk sewer upgrades, the good news is that the R85-million upgrade of the Kruisfontein waste water treatment works at Humansdorp has reached practical completion.

Thanks to the upgrade, the plant will now be able to handle up to 5MI of sewerage per day. This is sufficient to cater for the existing needs of the Kruisfontein community and will enable government to build further RDP houses.

Work on the first 391 RDP houses at Kruisfontein started last year - the first houses to be built in Kouga in more than a decade - while we also expect work on the top structures of 220 RDP houses at Pellsrus to commence this year.

R51-million have further been secured for the upgrading of the St Francis Waste Water Treatment Works and a consultant and contractor have been appointed.

Ensuring that all our communities not only have access to but can afford free basic services is of great importance to us.

We would like to encourage indigent households – those with a combined monthly income of two state pensions or less – to register for free basic services.

The municipality is currently on a ward-based drive to re-register those households that already receive these service subsidies and to register new applicants. The drive started earlier this month and will conclude in June.

Also in keeping with our commitment to uplifting poor communities, certain tariff discounts were introduced in the annual budget last year. These included a 20% reduction in the cost to hire halls and sport facilities, as well as cemetery and burial-related tariffs, as had been requested by communities.

In order to stimulate development in previously disadvantaged communities, a 20% reduction for land-use applications in these areas, including rezoning, departures and subdivisions, was also approved and we look forward on building on this going forward.

I would like to end off the SOMA with something which is close to my heart – the cleanliness of our towns and communities.

Last year the “Keep Kouga Clean” campaign was launched as a special project in my office.

Billboards were erected at the entrances to towns and a new fleet of litter-picking trolleys were deployed.

Massive clean-up campaigns were held, using unemployment residents from the municipality’s database, and new skip bins were purchased and placed at dumping hotspots.

Four new refuse trucks were also procured and our two permitted landfill sites were given a proper clean-up to maximise operations and open up economic opportunities for recycling.

We have further acquired 400 wheelie bins which will be stationed at schools throughout the region as part of the educational drive linked to the programme.

I would like to thank our local business and farming communities for the contributions they have made to the campaign.

We have also had successful meetings with the East Cape Department of Cooperative Governance and Traditional Affairs (Cogta EC) to improve the coordination of their Community Worker Programme with the work being done by our municipal cleansing teams.

Littering and illegal dumping are a serious concern as it impacts on the health and economic prosperity of our communities.

While health is not a core function of local government, we do have a role to play and several good initiatives were launched last year.

This included the PinkDrive, which visited Kouga and Koukamma for the first time ever in October last year and conducted more than 1 000 free cancer tests on community members. I would like to thank our local wind farms for making the outreach possible.

I would further like to congratulate the Office of the Speaker for establishing the first Kouga Initiates Forum last year, which brought together all roleplayers in this custom and helped to ensure a successful male circumcision season.

A Local Drug Action Committee and Local Aids Council were also established to address these scourges in our communities.

As part of our efforts to encourage a healthy lifestyle, the Mayor's Cup tourney was held last year, with 67 sporting teams competing across three codes, namely, soccer, rugby and netball.

We will also be upgrading the Weston Sportsfield this year and establish an 'action sports park' at Pellsrus.

While we have had many shocks since we started governing 18 months ago, it has also been a pleasant surprise to see how willing people are to help. If anything, one of the most valuable lessons we have learnt, is the value of partnerships.

It was through partnerships that we were able to extinguish the devastating fire and help those affected at Thornhill and Longmore in June last year

It was through partnerships that we were able to resolve the stalemate around the Paradise causeway and develop a management plan for the Seekoei estuary and mouth, currently open for public comment, so as to help minimise future conflict.

It was also through partnerships that we were able to offer residents and visitors one of the safest and most successful festive seasons in years.

And it is through partnerships that we will continue steering Kouga forward, towards a vibrant and dynamic tomorrow.

As a wise woman once said: Each one of us can make a difference. Together we make change (Barbara Mikulski, American politician).

I thank you.