



**Bitou Local Municipality
Bitou Plaaslike Munisipaliteit
Umasipala WeBitou**

**SPECIAL MAYORAL
COMMITTEE
MEETING**

Venue: Piesang Valley Community Hall,
58 Greenpoint Avenue, Piesang Valley
Plettenberg Bay

22 March 2012

Time: 9h00

BITOU LOCAL MUNICIPALITY


19 March 2012

**Members of the Mayoral Committee
Acting Municipal Manager and Heads of Department**

SPECIAL MAYORAL MEETING: THURSDAY, 22 MARCH 2012

NOTICE is hereby given that a Special Mayoral Committee Meeting will be held in the **Piesang Valley Community Hall, 58 Greenpoint Avenue, Piesang Valley, Plettenberg Bay**, on **THURSDAY, 22 MARCH 2012**, at **09h00**, to consider the business set forth in the Agenda.

Yours faithfully



M Booyesen
Executive Mayor

Cc: The Speaker, Ward Councillors & PR Councillors

Bitou Local Municipality

Special Mayoral Committee Agenda

22 March 2012

Order of Business

1. OPENING

2. ATTENDANCE

The Attendance Registers of members of the Municipal Council, officials and public will be circulated for signature.

3. APPLICATION FOR LEAVE OF ABSENCE

Application for leave of absence, if necessary, will be considered.

4. CONSIDERATION OF REPORTS (OPEN)

4.1 Section 1: Office of the Municipal Manager

No items for consideration

4.2 Section 2: Department of Finance

No items for consideration

4.3 Section 3: Department Corporate Services

Schedule of Items attached

4.4 Section 4: Department Community Services

No items for consideration

Order of Business: Mayoral Committee Meeting of 22 March 2012

4.5 Section 5: Department Municipal Services & Infrastructure Development

No Items for consideration

4.6 Section 6: Department Strategic Services

Schedule of Items attached

5. CLOSURE

PORTFOLIO INDEX**CONSIDERATION OF REPORTS: (OPEN)****SPECIAL MAYORAL COMMITTEE AGENDA****22 MARCH 2012****SECTION 1: OFFICE OF THE MUNICIPAL MANAGER**

ITEM NO	SUBJECT	FILE REF	PAGE NO
	No items for consideration		

SECTION 2: FINANCE

ITEM NO	SUBJECT	FILE REF	PAGE NO
	No items for consideration		

SECTION 3: CORPORATE SERVICES

ITEM NO	SUBJECT	FILE REF	PAGE NO
C/3/32/03/12	PRESENTATION BY BIDDERS ON PROPOSED LONG TERM LEASE OF PLETTENBERG BAY AIRPORT	17/12/3	1 - 2

SECTION 4: COMMUNITY SERVICES

ITEM NO	SUBJECT	FILE REF	PAGE NO
	No items for consideration		

SECTION 5: MUNICIPAL SERVICES & INFRASTRUCTURE DEVELOPMENT

ITEM NO	SUBJECT	FILE REF	PAGE NO
	No items for consideration		

SECTION 6: STRATEGIC SERVICES

ITEM NO	SUBJECT	FILE REF	PAGE NO
C/6/63/03/12	BITOU MUNICIPALITY ANNUAL REPORT 2010/11	5/11/1/1 & 9/1/1	3 - 5

Section 3

Department: Corporate Services

Section 3: Corporate Services

ITEM C/3/32/03/12

Mayoral Committee for recommendation to Council

PRESENTATION BY BIDDERS ON PROPOSED LONG TERM LEASE OF
PLETTENBERG BAY AIRPORT

Department: Corporate Services **Demarcation:** All Wards

File Ref: 17/12/3

Report by: Acting Head Corporate Services

Comments of Acting Head: Corporate Services

Council at its meeting on 27 September 2011 per resolution C/3/22/09/11 resolved as follows:

- “1. That Indiza Airport Management and Virtual Consulting Engineers / Delta Facilities Management Consortium be shortlisted to proceed to stage 2 of the bidding process, during which more specific details of various aspects of their respective proposals will be integrated with a view to select a preferred bidder and ensuring a compliant institutional structure.*
- 2. That the two above-mentioned bidders be informed about their short-listing.*
- 3. That all other bidders (excluding the two mentioned in 1 above) be informed about the short-listing and the fact that they were unsuccessful.*
- 4. That a committee, consisting of specialists, be appointed by the Executive Mayor to formulate a detailed set of requirements to be issued to the short-listed bidders to allow them to prepare a “Best and Final” offer.*
- 5. That an additional specialist legal advisor be appointed by the Executive Mayor to properly formulate an institutional structure for the transaction in order to ensure compliance with ruling legislation.”*

The short-listed bidders were duly informed to submit their “Best and Final” offers on Friday, 13 January 2012, which both bidders did.

The bids were referred to Sarel Liebenberg Business Consultant and Executive Advisor for an assessment of the same and his report was submitted to the Mayoral Committee on 9 February 2012.

Mr Liebenberg was in attendance and verbally introduced his report and answered questions.

Section 3: Corporate Services

The Mayoral Committee then resolved, per resolution M/3/29/02/12 as follows:

- “1. That the report and assessment of Sarel Liebenberg Business Consultant and Executive Advisor regarding the bids for the Long Term Lease of the Plettenberg Bay Airport be noted.*
- 2. That this Item be referred back in order that Indiza Airport Management and Virtual Consulting Engineers / Delta Facilities Management Consortium be invited to do a presentation to the next Mayoral Committee meeting, in order that a recommendation may be formulated for Council.*

Both Bidders were invited to do a presentation, which has been scheduled for 09h30 and 10h00 respectively. To be in line with the competitive bidding processes, the presentations and discussion of the item will be done In-Committee, with only Councillors, officials and affected parties in attendance. (i.e. representatives from the Plett Business Chamber, the hanger owners and sky-diving operations company, and the surrounding owners,.

A summary of the comments / recommendations from Mr Sarel Liebenberg, will be made available to the Councillors present and the Acting Municipal Manager, which must please be regarded as confidential.

Recommendation of the Acting Municipal Manager

That the Executive Mayoral Committee take cognizance of the presentations so to be presented at the Mayoral Committee meeting and that a recommendation be formulated to Council.

Section 6

Department: Strategic Services

Section 6: Strategic Services

ITEM C/6/63/03/12

Mayoral Committee Meeting for recommendation to Council

BITOU MUNICIPALITY ANNUAL REPORT 2010 / 11

Department: Strategic Services **Demarcation:** All Wards

File Ref: 5/11/1/1 & 9/1/1

Attachments: Annexure "A" – Draft Annual Report 2010/11 (Circulated under separate cover)

Report from: Head: Strategic Services

Date: 09 March 2012

Purpose of the report

The Council must consider the annual report for the financial year 2010/11 and publish the report in keeping with the statutory requirements.

Background /Discussion

The 2010/11 Annual Report reflects on the performance of the Bitou Municipality for the period 1 July 2010 to 30 June 2011. The Annual Report is prepared in terms of Section 121(1) of the Local Government: Municipal Finance Management Act, 2003, Act 56 of 2003 (MFMA), in terms of which the Municipality must prepare an Annual Report for each financial year.

The Annual Report and or the Audit Report contained therein were submitted to the required statutory bodies for comment and record prior this submission:

- Bitou Audit Committee;
- Auditor-General; and
- National Treasury.

The Annual Report contains numerous comments and recommendations, the most important of which are located on pages 138 – 143 of Annexure A.

In terms of Section 127 (5) of the Local Government: Municipal Finance Management Act, 2003, the Accounting Office must immediately after an Annual Report is tabled:

- (a) *in accordance with section 21A of the Municipal Systems Act-*
 - (i) *make public the annual report; and*
 - (ii) *invite the local community to submit representations in connection with the annual report; and.*

Section 6: Strategic Services

- (b) *submit the annual report to the Auditor-General, the relevant provincial treasury and the provincial department responsible for local government in the province”.*

National Treasury MFMA Circular No 32, of 15 March 2006 further provides that “*The Oversight Committee should be made up of only non-executive councillors and representatives of the community and can be formed each year to deal with the annual report. Municipal officials cannot be members of an oversight committee as this would pose a conflict of interest.*”

The Annual Report should be made available at all Municipal Offices and Libraries, published on the official website and by a public notice in the relevant newspapers circulating in our area of jurisdiction as to where same can be perused.

The Municipal Council must, before 31 March 2012, adopt an Oversight Report containing the Council’s comments on the annual report which must include a statement whether the Council-

- (a) *has approved the annual report with or without reservations;*
(b) *has rejected the annual report; or*
(c) *has referred the annual report back for revision of those components that can be revised.”*

It is recommended that the Municipal Council establish an Oversight Committee in terms of Sections 33 and 79 of the Local Government: Municipal Structures Act, 1998, read with National Treasury MFMA Circular No 32, to provide a detailed analysis and review of the Annual Report and to draft an oversight report which must be submitted to the Municipal Council before 31 March 2012 and same being made public after adoption.

Financial Implications

The findings of the audit report will have financial implications, to be considered in the 2012/13 budget and IDP.

Relevant Legislation

Constitution of the Republic of South Africa, 1996, Act 108 of 1996 (Constitution).
Local Government: Municipal Finance Management Act, 2003, Act 56 of 2003 (MFMA)
Local Government: Municipal Systems Act, 2000, Act 32 of 2000 (Systems Act).

Comments: Heads of Departments

Comment to be made as required at the meeting.

Recommendation by the Acting Municipal Manager

1. That cognizance be taken of the 2010 / 2011 Annual Report and the timeframes linked to same in terms of adoption.
2. That the Accounting Officer make public the Annual Report 2010/2011 for public comments and recommendations.

Section 6: Strategic Services

3. That Council appoint three non-executive Councillors, and if it so wish, representatives of the community to serve on the *ad-hoc* Oversight Committee to provide a detailed analysis and review of the 2010 / 2011 Annual Report, and to submit an Oversight Report to the Municipal Council before 31 March 2012:
4. That the Annual Report be submitted to the office of the Auditor General, Provincial Treasury and the Provincial Department responsible for local government.