

Mayoral Address – Ordinary Council 25th July 2024

Good morning,

Speaker, Aldermen, Deputy Mayor, Whip of Council, Councillors, Acting Municipal Manager, Directors, Officials, Members of the Public, the Media and to our residents tuned in on our YouTube Channel.

Before we dive into the hefty agenda in front of us all today, I think it is of extreme importance that as the George Municipal Council, we extend our heartfelt sadness to residents across our municipal area that have lost their homes and belongings in fires that we have devastated various regions across our municipal area over the course of this last month. We have experienced a total of 42 fires in this last month and our community services department worked tirelessly to assist those affected with hampers, toiletries, blankets, and mattresses and even worked with our corporate services department to provide shelters when needed. Thank you to our community services departments, and our human settlements departments who have always been ready to assist in the time of disaster. Our thoughts are with those who have been affected by these fires.

Thank you.

As we move ahead to the business of the day, it is important that we take stock of our successes and challenges in the previous financial year, so that we may plan and successfully forge ahead in the new financial. I will touch on each of our departments to allow for better perspective.

Community Services

This department is split up into various sections, but as a whole, the community services department has a capital budget spend of 96.6% for the 2023/2024 financial year.

Then, I am happy to announce that our goal to market George as a clean town has received a massive boost as we acquired a yellow plant fleet. This fleet consists of:

- Two digger loaders
- Two skip trucks
- Two tipper trucks; and
- Two compactors

The acquisition of this equipment will surely assist us to keep our town and broader municipal area clean. We have also completed phase 1 of the Composting facility at the Gwaiing landfill site.

In terms of community safety, I am pleased to announce that we have completed the Integrated Operations Centre which will help us in the pursuit of ensuring the safety of our residents. To ensure that we have fully equipped law enforcement officials, we have signed an MOU with the City of Cape Town to train 17 of our law enforcement officials. This opportunity assists in upskilling our officials to ensure that our standards are on par with the best run metro in the country.

Then, our fire department just procured a new major pumper this purchase will be used to assist our residents if and when disaster strikes. As we plan ahead to accommodate for our growing municipality, we intend to expand on our workforce which will bring about a fourth shift within the new structure. This means new recruits who will do in-service training and development projects. In

order to house this component, the civil engineering services workshop will be transferred to our George Fire Station for this purpose.

In terms of traffic, five projects that be undertaken in the near future. Procurement processes for these projects are near completion and four out of the five projects were approved by the Bid Adjudication Committee (BAC) and are now in the appeal period. The remaining project will be tabled at the BAC this coming Friday. These projects are:

- Upgrading of the Vehicle Registration Division
- Upgrading of the Junior Traffic Training Centre
- Upgrading of the Motor-vehicle Registration Satellite Station in Blanco
- Upgrading of the traffic building in Pacaltsdorp – specifically the waiting area for the public at the driving license testing centre
- Upgrading of the Driving License Facility in Uniondale.

Strategic projects for this department for the 2024/2025 financial year include:

- Cleaner Town Initiative
- Community Safety Response
- Sport Facility Upgrades.

Civil Engineering Services

CES: Water and Sanitation - Operations

Some of the key aspects implemented by the George Municipality to ensure compliance with the Constitution and The Department of Water and Sanitation` legislative mandate include:

Water Distribution:

Various upgrades are underway to the water supply network including pump station, reservoirs, valve, pipeline replacements, installation of pressure loggers, telemetry, early warning burst systems, bulk flow meters and domestic water meters. There is also an ongoing drive to update the Municipality's water master plans, water audits, safety plans, Supervisory control and data acquisition system (SCADA) in an attempt to become a resilient and smart water city, and to improve the city's Blue Drop Status as measured by the Department of Water Sanitation.

Sewer Networks:

Various upgrades to the sewer network are underway that is mainly informed by a pipe replacement prioritization matrix which is informed by our sewer master plan. Following a full audit investigation of all our 116 sewer pump stations, various components to the pump stations can now be prioritised and upgraded including civil, electrical and mechanical components. These upgrades started during 2023 and is well underway. There is also a drive to upgrade the sewer network and pump stations to smarter systems which is be monitored on a SCADA system. This enables operations to respond more effective in case of emergencies.

The Department is also in the process of strengthening its operational capacity to ensure essential service delivery; this includes upgrades to facilities, expansion of fleet, new appointments, training of staff and improved material control measures.

Laboratory:

Various upgrades to the laboratory building are in progress including upgrades and additions to the instrumentation utilised for compliance. The laboratory is responsible to ensure that the city's Treated Drinking water complies with SANS

241-1:2015 standards and that the wastewater discharged from wastewater treatment facilities complies with the legal licensed standards as set by the Department Water Sanitation. Further to this, a river monitoring/tracking programme was implemented by the Directorate to ensure that all rivers are monitored for possible pollution.

CES: Planning and Project Management

The 2024/25 financial year is the fourth and final year of the BFI grant that has allowed George Municipality to catch up significantly on raw water augmentation and potable bulk water backlogs in order to better position the Municipality for future growth and investments, especially in Pacaltsdorp and Thembaletu, with 3 new reservoirs and upgrades to main supply pipelines. These reservoirs will provide emergency water storage supplied by the new 20Ml extension to the Water Treatment Works (WTW), that is due for completion in early 2025. To secure the raw water supply that feeds the Water Treatment Works the upgrading and improvement of the pipework at the Garden Route Dam is nearing completion, as is the significant refurbishment and improvements to the Kaaimans Raw Water Pumpstation. Construction of an additional Raw Water Balancing Dam at the WTW will provide added security in the event that there is a major interruption of supply of the raw water from the Garden Route Dam. The significant refurbishment and upgrade to three of the largest sewer pumpstations will eradicate the frequent sewer spillages into rivers that cause environmental pollution which have been the cause of concern to many residents. All three pumpstations will have permanent generators and are sized to accommodate future development.

The focus is now on the next largest sewer pumpstation, being Thembaletu Pumpstation number 6 that will be upgraded to also provide additional capacity

for growth and development. Various phases of the sewer pipeline upgrades have been completed in Thembalethu and are still underway. Similar planning for the Thembalethu West sewerage systems are also currently underway to also accommodate new Human Settlements projects. The funding for these projects has been supplemented by the IUDG and WSIG grants. The planning is already underway for the eastern bulk sewer system in Thembalethu that intends to eradicate a number of pumpstations, thereby reducing the cost to operate these pumpstations, reduce sewer spillages and in general to add additional capacity for the proposed development of Thembalethu and other areas. The Kleinkrantz sewer pipeline upgrade is also nearing completion.

Funding from the IUDG has targeted a number of critical services upgrades, with the upgrading of the water pipeline networks in Parkdene and Conville currently under construction. These upgrades will provide relief to residents who have been inconvenienced by frequent pipe bursts. New IUDG projects will see water upgrades in Thembalethu Zone1 and Andersonville in Pacaltsdorp.

The updating of the Bulk Raw Water Resources study has been completed and incorporates Uniondale and Haarlem that were previously not included. This study presents the various raw water options available and the preferred sequenced implementation to ensure that the Municipality can timeously plan and budget for the implementation of new resources for a period up to 50 years.

The problematic Herolds Bay sewerage pump station is being addressed in the planning for improvements and upgrades to the sewer system and pumping arrangements in Herolds Bay. The current pumpstation is vulnerable due its exposed position and capacity limits.

Various projects funded through the Flood Disaster Grant are still in process with the intention to complete all works by 30 June 2025. The commencement of a

large portion of the remedial works could not yet be implemented because authorisation through legislated environmental processes are required. It is the intention to not only repair the damage caused by the November/ December 2021 floods but to also “build-back-better” to provide added protection against flooding. The first phase of the stormwater improvements in George South is under construction, but progress has been slower than programmed due to various unforeseen circumstances. Additional funding will be required to complete all phases of this costly stormwater solution, but the first phase will bring enormous improvement to areas worst affected by frequent flooding.

Various road upgrade projects are proceeding, such as the rehabilitation of the Rooidraai Road and numerous other roads throughout George have been rehabilitated over the past year. The Stormwater master plans for all regions in George has also reached near completion and the critical areas are being addressed as funding becomes available. Other strategic roads are also within the planning stages, such as the Rand Street and Rosedale Main extension.

An additional mid-year grant of R 505m was received in March 2024 for specific road improvements and upgrades on public bus transport routes.

The Municipality is currently finalizing appointments for 21 road projects and 9 public transport facilities, with construction already underway on 10 of these projects and the rest set to begin in the next six months.

Key road projects include Airway Road Curve Improvements, PW Botha Avenue, and Mission Street. Amongst others. R 7.5 million is allocated for road design, with plans for future implementation pending additional funding. Public transport upgrades at various locations are progressing, supported by R 13.8 million for new bus shelters and R 9.75 million for sidewalk upgrades. These

efforts underscore our commitment to enhancing connectivity and infrastructure for a more accessible and sustainable city.

With the critical shortage of personnel to plan for and manage these significant capital projects that have to meet the basic service requirements for the *entire* George Municipal area, the Directorate CES has excelled beyond expectation. The Directorate has in excess of 200 individual projects that each have to be managed separately.

ADDITIONAL OPTIONAL (GIPTN)

Key road projects include:

Airway Road Curve Improvements: R 4.5 million

Wellington & Stockenström Intersection Improvements: R 4.9 million

PW Botha Avenue: R 135.7 million

Beer Street: R 15.7 million

O'Connell Street: R 21.3 million

Haydn, Heather & Rose Streets: R 48.3 million

Mission Street: R 58 million

Golf: b King-Main: R 2.5 million

Protea Street: R 19.9 million and R 19.1 million

Tabata Street: R 56.8 million

Ngcakani Street: R 69.3 million

R 7.5 million has been allocated for designing roads like Beukes, Genesis, Pine, Plattner, and Rand Streets. Pending additional funding, these projects are slated for the next financial year.

Financial Services

Concerning the Finances of the Municipality

1. George Municipality is blessed to have received additional grant funding for capital projects.
2. This indicates that we have earned the respect and trust of the national and provincial treasuries who have entrusted us with over R 2 billion additional funding for our capital projects funded over the past couple of financial years.
3. This funding is being used to build the infrastructure needed for our future and the future generations living in George. These projects ensure we can deliver services to all our communities in a sustainable and affordable manner.
4. Capital expenditure for the past financial year totalled R933 million – the highest ever in the history of George.
5. In the past six months we have focused on further refining the financial assistance we provide to lower income households. To this extend we have already achieved the following in the past two financial years:
 - Continuing to provide 70 free basic electricity units instead of the national norm of 50 units. This comes at the cost of R26.1 million to assist indigent households.

- Subsidising the cost of electricity to lower the cost for our consumers
 - providing subsidies of R15.6 million (R2.8 m + 12.8 m) in the last financial year, with R17.6 m budgeted for in the new financial year.
 - Continuing to increase the rebate threshold for property tax with a 53% increase realised in the 2023/24 year.
 - Generously increasing the income threshold for pensioners and low-income earners to receive additional rebates on their property rates. In the 2024/25-year, qualifying pensioners will be able to claim discount on the first R2 million of their primary residence, which is doubling the benefit they used to qualify for.
 - Water leakages at indigent households are repaired by the Municipality at no cost to the household.
 - For normal households, 90% of the water lost through leakage can be written off, up by 10% from the previous threshold of 80%
 - Residents of retirement villages qualify for a 7% rebate on refuse collection cost when they have a centralised collection system in place in their village.
 - Assistance to the poor resulted in municipal write-offs of R70.8 million in the 2023/24 financial year. An Old Debt Task Team has been established to assist households and estate cases to resolve long outstanding municipal accounts in arrears issues.
 - The area offices will be targeted with a rejuvenation effort to make it easier for our residents to access customers services and get assisted on their own areas.
6. In the new, 2024/25 financial year, we are planning to take a renewed focus to our communities to assist them with:

- **Keep George Clean.**
- Contractors will be appointed per ward to deal with illegal dumping and educate communities to reduce waste.
- The use of the Expanded Public Works Programme or EPWP will be used to supplement the local economic and development initiatives.
- Plumbing assistance will be provided to normal households struggling with water leaks in order to preserve our most valuable natural resource – fresh drinking water.

- **Keep George Safe.**
- The newly constructed centralised CCTV control room will become the hub for our local law enforcement, the Police (SAPS) and private security companies to monitor and respond to community safety issues, 24 hours a day.

Electrotechnical Services

As we are here to shed light on the space that our country is in at the moment in terms of electricity and renewable energy, I would like to address what we as a municipality are doing for the future in terms of electricity provision. Now, we are all aware that the energy space is currently very unpredictable, but in this there is opportunity for dynamic municipalities – such as ours to respond in such a way that we protect the public and our residents against increasing tariffs, and unreliable energy sources. We are now seeing more and more industries move towards an open energy market, we see these signals in recent changes to our legislation and the introduction of Independent Power Producers (or IPP's.)

To this end, and to promote this competitive energy market, George Municipality is mobilising itself to do the following:

- Deliver an efficient and reliable electricity network.
- Diversify on energy suppliers.
- Promote an open market, such as Customer Small Scale Embedded Generators (SSEG's) and Wheeling, and,
- Counter the ever-increasing cost of energy.

Furthermore, to correctly position our Municipality for sustainability in this market, we will need to conduct an updated Cost of Supply Study for 2024 to determine if the tariffs are cost reflective as set out by NERSA. The current cost reflective tariff for residents was introduced and consists of:

- Fixed consumer costs.
- Network (capacity/ demand) costs.
- Energy costs.

This will enable the Municipality to promote this competitive energy market where energy can be procured from various suppliers or generated by our residents, the Municipality will then still cover the basic cost to supply the power to even as needed and ensure that the supply remains sustainable.

As we look towards a more efficient and reliable electricity network, as a Municipality we place a lot of emphasis on upgrades, refurbishments, and maintenance. We know that infrastructure that is looked after will be able to last you a lot longer. To this end we are currently busy with the upgrading of most of our substations:

- At Glenwood Substation, a third 20 MVA transformer is being added and we are also increasing the transformer capacity at Protea Substation to accommodate for the growth in the area.
- The Proefplaas and Herolds Bay Substations do not currently have 66/11 kV transformer capacity – this will be addressed by the current projects which will establish 10 MVA transformer capacity at each of these substations.
- The Thembaletu Substation is nearing completion, which will alleviate some of the serious network constraints in the area, at present Thembaletu is supplied with electricity from other areas.

We are also in the process of increasing the town's Notified Maximum Demand from Eskom to allow for growth within the Municipal area. In order to mitigate risk with regards to the supply from our main 132kV substation, the Municipality has started with a project to add a second 120MVA 132/11kV transformer at Schaapkop Substation.

To ensure service delivery in terms of water and sewerage, the Municipality has installed various diesel generators at the critical pumpstations, and water works. These are also supplemented by ground mounted PV Solar systems with BESS. The BESS (Battery Energy Storage Systems) are currently under construction and the main goal is to reduce the diesel usage. The renewable energy installations that were recently completed are as follows:

- 400 – kilowatt peak (kWp) PV at the Outeniqua Wastewater Treatment facility. When we convert the electricity generated here to a Rand value, it shows that George Municipality will be saving just over R1 million per year at this plant. The PV plant at this facility was energised at the end of

August 2023 and can generate in the order of 670 Mega Watt Hours (MWh) annually. The cost for this plant was R7.8 million.

- 500 – kilowatt peak at the PV Gwaiing Wastewater Treatment facility was completed in April this year and will provide a saving of over R1.2 million per year. The cost of this plant was around R8.7 million. The plant is expected to generate in the order of 870 Megawatt hours per year.
- We have a 1 Megawatt peak solar farm (ERF 464) built on municipal land. When we convert the electricity generated here to a Rand value, it shows that the municipality will be saving just over R2.72 million per year. The 1 Megawatt peak PV plant was completed in May this year and cost around R25 million. This plant is expected to generate in the order of 1700 Megawatt hours per year. This plant is the first phase of Solar PV plants for George that will feed directly into the municipal grid.
- Currently, the environmental authorisation process for the 12-Megawatt peak PV plant which is planned for the industrial area near the N2 is close to completion. This plant will cover an area of approximately 10 hectares and may take up to 18 months to complete due to the complex grid connection which includes a 20 MVA 11/66 kV Substation. The estimated budget for this project is R350 million and due to this large capital investment, the project may be delayed until grant funding is obtained. For now, this project is still in the pipeline.

These proactive steps of implementing PV plants were endorsed by the Council for Scientific and Industrial Research as the most feasible solution. As a Municipality we now enter the medium-term planning phase which would be mean larger renewable energy plants, smaller BESS systems, and the procurement of IPP's.

Corporate Services and Human Resources

In terms of our Corporate Services component, we are proud to announce that Uniondale has been identified as the host of the World Food day Event for 2024. This event will take place on the 11th of October 2024. Thank you to our Provincial Government, to Minister Ivan Meyer and the Western Cape Department of Agriculture for this massive endorsement.

From HR's side the following highlights:

- We are currently in the process of reviewing the Organisational Structure. All staff have been afforded an opportunity to provide input on the draft Structure and the input received is currently being considered by the Service Provider.
- The recruitment and selection processes for the posts of Municipal Manager, Director Corporate Services, Director Human Settlements, Planning and Development and, Director Electro-technical Services are currently underway.
- During the last financial year (2023/24) we have filled a total of 173 posts of which 124 were new appointments and 49 were promotions.

As I conclude, I would like to express my thanks and appreciation to our Acting Municipal Manager, Mr. Dawie Adonis, all directors and deputy directors, all managers, and staff of George Municipality for the exceptional work that you have been doing. We have had some changes over the past several months, but I would like to implore you to forge ahead in this new financial year so that we can uphold and better the standard of George Municipality. Thank you