

PIKETBERG MUNICIPALITY

NOTICE:

PIKETBERG MUNICIPALITY & OTHERS / WEST COAST DISTRICT MUNICIPALITY: PROPOSED LONG TERM SERVICE DELIVERY AGREEMENT FOR THE RENDERING OF WATER CONCESSION FUNCTION

Notice is hereby given in terms of Section 33 of the Local Government: Finance Management Act, Act No. 56 of 2003, that the Bergrivier Municipality (Grantor), along with the Saldanha Bay Municipality and the Bergrivier Municipality, intends to enter into a Service Delivery Agreement (SDA) with the West Coast District Municipality (Operator) to perform the Water Concession Function for a period of 10 (ten) years, namely from 1 July 2025 until 30 June 2035, with an option to extend this agreement for a further 10(ten) years.

Since the inception of the Withoogte Water Scheme as well as other smaller Water Purification Schemes, the Water Services Authority status was allocated to the West Coast Divisional Council, Weskus Regional Services Council, and the West Coast District Municipality.

Six (6) years ago the then National Minister of COGTA (Co-operative Government and Traditional Affairs) transferred the Water Services Authority status to the current three (3) partaking Local Municipalities (i.e., Swartland, Saldanha Bay and Bergrivier) with both the rights of Water Services Authority and Water Distributor. This position forces the mentioned Local Municipalities to engage with the West Coast District Municipality in delivering the Bulk Water Service(s).

Simultaneously the relevant Assets were transferred from the West Coast District Municipality to the relevant Local Municipalities in terms of the Municipal Asset Transfer Regulations, 2008.

Since the mentioned transfer, the West Coast District Municipality within a pool of expertise provided a diligent-, professional- and cost-effective service to the three partaking Local Municipalities. Further, since the mentioned transfer, the contractual commitment was based on annual consideration and renewal. However, the parties expressed the need to engage on a long-term contract, for a period of ten years, with an option to extent this agreement with a further 10(ten)years.

Entering into the SDA will impose financial obligations on the Municipality beyond the 2025/26 multi-year budget. In terms of the proposed SDA adjustments to the annual tariffs payable in respect of the service, shall be determined by means of consultation with the local municipalities at the Monitoring Committee (as contemplated in clause 12 of the SDA), in order to reach consensus. Tariffs shall be set and adjusted after taking into account the tariff policy of the respective local municipalities and the costs related to the provision of the service by the District Municipality. The total administrative fee which the District Municipality is entitled to charge in respect of the provision of the services will be an amount not more than 6,5% percent of the operational costs which the District Municipality incurs in providing the services and such fee shall be included in the tariff charged.

Notice is further given in accordance with section 21A of the Local Government Municipal Systems Act, Act No. 32 of 2000 that:

1. The local community and other interested parties are invited to submit comments or representations to the Municipality in respect of the proposed Service Delivery Agreement. Such comments and representations must reach the Municipal Manager by 10 June 2025 via electronic mail on the email address provided hereunder or delivered to the address details provided hereunder.

2. Persons who are physically disabled or unable to write but need to participate in the process may present themselves during office hours at the offices of the Municipality listed below where a staff member will assist them to transcribe the relevant comments and representations.
3. Copies of the proposed Service Delivery Agreement may be viewed during normal office hours at the offices of the Director: Technical Services, Kerk Street, Piketberg.
4. Further details may be requested via email to Mr.Denwin van Turha (dirtech@bergmun.org.za) or telephone (022 913 6000).

PHYSICAL ADDRESS	POSTAL ADDRESS
Bergrivier Municipality Kerk Street Piketberg 7320	Bergrivier Municipality PO Box 60 Piketberg 7320
SUBMISSIONS MUST BE MARKED AS: BERGRIVIER MUNICIPALITY / WEST COAST DISTRICT MUNICIPALITY: SERVICE DELIVERY AGREEMENT RENDERING OF WATER CONCESSION FUNCTION: SECTION 33 PROCESS	

**MUNICIPAL OFFICES
PO BOX 60
PIKETBERG**

**ADV.H.LINDE
MUNICIPAL MANAGER**

MN70-2025

11 April 2025