

SPECIAL MUNICIPAL COUNCIL MEETING
AGENDA
29 SEPTEMBER 2022



Clyde Street
Knysna
6570

Clydestraat
Knysna
6570

iClyde
eKnysna
6570

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Notice is hereby given, in terms of Section 19(b) of the Local Government: Municipal Systems Act, 32 of 2000 as amended, that a **SPECIAL MEETING** of the **MUNICIPAL COUNCIL** of Knysna Municipality will be held in the Municipal Council Chamber **on THURSDAY, 29 SEPTEMBER 2022 at 11:00** to consider the business set forth in the attached agenda.

Kennis geskied hiermee as gevolg van Artikel 19(b) van die Plaaslike Regering : Munisipale Stelsels Wet, 32 van 2000, dat 'n **SPESIALE VERGADERING** van die **MUNISIPALE RAAD** van Knysna Munisipaliteit in die Munisipale Raadsaal op **DONDERDAG, 29 SEPTEMBER 2022 om 11:00** gehou sal word ten einde sake soos uiteengesit in die aangehegte agenda te oorweeg.

Ibhunga lika**MASIPALA** waseKnysna lazisa ngomthetho okwisolotya 19(b) wenkqubo mgaqo olawula oMasipala, 32 of 2000, njengoko utshintshiwe, **NGENTLANGANISO EKHETHEKILEYO** ye**BHUNGA** lika**MASIPALA** waseKnysna eyakubanjelwa **NGOLWESINE, NGOMHLA WE 29 EYOMSINTSI 2022** ngentsimbi ye **11:00** umba iyakuba lushishino oluchazwe kwi-agenda.

CLLR M SKOSANA
The Speaker
Die Speaker
Usomlomo

MR J JONKERS
Acting Municipal Manager
Waarnemende Munisipale Bestuurder
uManejala kaMasipala

Date : 23 September 2022

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1. **OPENING AND WELCOMING**
2. **SILENT PRAYER**
3. **ATTENDANCE OF MEMBERS**
 - 3.1 **COUNCILLORS PRESENT**
 - 3.2 **COUNCILLORS WITH LEAVE**
 - 3.3 **COUNCILLORS WITHOUT LEAVE**
4. **NOTING THE PROVISIONS OF SCHEDULE 1 (CODE OF CONDUCT FOR COUNCILLORS) OF THE LOCAL GOVERNMENT MUNICIPAL SYSTEMS ACT, 2000**
5. **DISCLOSURE OF INTERESTS BY COUNCILLORS**

6. **NEW MATTERS SUBMITTED BY THE ACTING MUNICIPAL MANAGER**

6.1

SC01/09/2022	REQUEST FOR EXTENSION OF TENDER T01/2016/2017 : THE SUPPLY OF BANKING SERVICES TO KNYSNA MUNICIPALITY
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REPORT FROM THE DIRECTOR FINANCIAL SERVICES

PURPOSE OF THE REPORT

To request that the Municipal Council approves the extension of Tender 01/2016/17 for the Supply of Banking Services to Knysna Municipality up to 31 December 2022.

To give effect to the stipulation of section 116(3) of the Municipal Finance Management Act No 56 of 2003 (MFMA) regarding the extension of contract.

PREVIOUS RESOLUTIONS

Extension of bank service until 30 September 2022 – Council resolution SC06/07/22

BACKGROUND / DISCUSSION

Council approved an extension of banking services contract as per Council resolution SC06/07/22 until the 30 September 2022. As per the request or submission by Standard Bank requesting that the implementation of Tender 69 of 2020/2021 be moved from 1 October 2022 to 1 November 2022 (Annexure B) and request from Provincial Treasury (Annexure A), a further extension up to the 31 December 2022 is required.

This will ensure that the conversion to Standard Bank is stable and manageable and to avoid any negative impact on collecting outstanding monthly accounts via electronic transactions, bank statement downloading, bank file uploads to the financial system, creditors and remuneration runs, etc. The extension of the contract has been advertised and no comments were received from the local community.

RELEVANT LEGISLATION

In terms of the Municipal Finance Management Act No 56 of 2003 section 116 (3):

“A contract or agreement procured through the supply chain management policy of the municipality may be amended by the parties, but only after -

- (a) the reasons for the proposed amendment have been tabled in council of the municipality; and*
- (b) the local community -*
 - (i) has been given reasonable notice of the intention to amend the contract or agreement; and*
 - (ii) has been invited to submit representations to the municipality”*

RECOMMENDATION OF THE ACTING MUNICIPAL MANAGER

- [a] That Council note the report on the extension of Tender T01/2016/2017 for the Supply of Banking Services to the Municipality;
- [b] That Council approve the extension of Tender T01/2016/2017 for another three months until 31 December 2022.

APPENDIX / ADDENDUM

Annexure A :	Email Provincial Treasury
Annexure B:	Email Standard Bank
Annexure C:	Advertisement

File Number: 9/1/2/5

Execution: Acting Director Financial Services
Manager Expenditure

ANNEXURE A

Morne Michaels

From: Wesley Baatjes <Wesley.Baatjes@westerncape.gov.za>
Sent: 29 June 2022 12:46
To: Ray-Dean Miles
Cc: Mugelane van Wyk; Morne Michaels
Subject: FW: Primary Bank Account
Attachments: A - Primary Bank Account Details_Muni.xls; B - Other Bank Accounts_Muni and Entity.xls; Circular 61 - Banking Overdraft and Investments.pdf; C - Annual Bank Report_Muni and Entity.doc

Good Afternoon

Please submit the above mentioned in accordance with the Circular 61 and MFMA Section 9 (b) annually before the start of a financial year, the name of each bank where the municipality holds a bank account, and the type and number of the account.

Whilst the MFMA requires 30 day notice of any changes to a primary account before they take effect (sec 8(5)). It is requested that the old primary bank account be kept open for a period of at least 2 calendar months. This will allow sufficient time for verification and communication to appropriate transferring officer(s) to effect systems amendments to the new primary banking details.

Please refer to attachment (Circular 61 page 2 of 6)

Please complete the form(s) applicable to the municipality.

Regards
#staysafe

"All views or opinions expressed in this electronic message and its attachments are the view of the sender and do not necessarily reflect the views and opinions of the Western Cape Government (the WCG). No employee of the WCG is entitled to conclude a binding contract on behalf of the WCG unless he/she is an accounting officer of the WCG, or his or her authorised representative. The information contained in this message and its attachments may be confidential or privileged and is for the use of the named recipient only, except where the sender specifically states otherwise. If you are not the intended recipient you may not copy or deliver this message to anyone."

ANNEXURE B

Morne Michaels

From: du Toit, Gerhardus GP (Account Executive) <Gerrit.DuToit2@standardbank.co.za>
Sent: 24 August 2022 09:48
To: Morne Michaels
Cc: Hendricks, Shereen S; Modise, Bonolo B; Sunday, Junaid J
Subject: Knysna Municipality - Standard Bank Implementation
Attachments: Customer Implementation Plan - Knysna Local Municipality .pdf

Good morning Morne,

Thank you for taking my call. Further to our discussion regarding the implementation date of 01 October 2022;

As mentioned, from experience at least a 2 month period is required for full onboarding. The following must for instance be considered;

- The setting up of the Electronic Banking System which will include integration with your accounting system, payroll system, training and testing.
- The cash secure installation and contracting with G4S (the Cash in Transit company) normally takes a minimum of 4 to 6 weeks to fulfil.

As we can only start with the account opening process today we are already a bit behind on the implementation plan. (See attached) To ensure the Municipality is not at risk when need to process salary payments etc it must please be noted that the implementation date might have to move to 01 November 2022. From the banks side we will still try our best to be ready by 01 October 2022.

I also want to ask that we start with the weekly Teams implementation check in meetings to track the progress. Could you please advise on which day and time of the week it will suites you best? It might be easier to set it up from your side as you please need to include your payroll company and accounting system contact persons as well.

Please let me know if there are any questions or concerns?

Kind regards

Employed Representative of SBSA (FSP 11287)

Gerrit Du Toit

Account Executive / Garden Route Greater Karoo Business Centre

ANNEXURE C

METELERKAMPS has a huge range of fireplaces on their floor for you to choose from. We also will go to site to quote and have our own installation team. www.metelerkamps.co.za

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OPEN WEEKENDS @ Utopia Clivias, 20 Crane Walk, Sedgefield. 17 - 19 Sept and 23 - 25 Sept. 9 - 4 daily. R10 entrance fee. See 100's of clivias in flower.

LOVE GIFTS. Gifting is our joy!

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nadine@knysna@gmail.com
12 Kingsway Leisure Island, Knysna



Knysna

Municipality || Munisipaliteit || uMasipala

inclusive || innovative || inspired

NOTICE OF AMENDMENT OF THE EXISTING CONTRACT

NOTICE IN TERMS OF SECTION 116(3) OF THE LOCAL GOVERNMENT: MUNICIPAL FINANCE MANAGEMENT ACT, 2003 (ACT 56 OF 2003) FOR THE PROPOSED AMENDMENT OF THE EXISTING AGREEMENT:

Notice is hereby given in terms of Section 116 (3) (a) and (b) of the Local Government: Municipal Finance Management Act, 2003 (Act 56 of 2003) that it is the intention of the Knysna Municipality to extend the following existing contract:

TENDER NO	DESCRIPTION	SUPPLIER NAME	EXTENSION PERIOD
T01/2016/17	THE SUPPLY OF BANKING SERVICES TO KNYSNA MUNICIPALITY	NEDBANK	3 months (Up until 31 December 2022)

Notice is hereby further given in terms of Section 21 and 21A of the Local Government: Municipal Systems Act, 2000 (Act 32 of 2000) that the local community and affected parties are invited to submit comments or representations on the proposed amendment of the contract.

CLOSING DATE FOR COMMENTS

Written comments or representations on the proposed extension can be submitted on or before Friday, 23 September 2022 13:30 to S Fourie on sfourie@knysna.gov.za

MR. J. JONKERS
ACTING MUNICIPAL MANAGER



www.knysna.gov.za

6.2

SC02/09/22 REQUEST FOR EXTENSION OF EXPRESSION OF INTEREST (EOI) TENDER 23/2018/19

REPORT FROM THE DIRECTOR COMMUNITY SERVICES

PURPOSE OF THE REPORT

This report serves to request Council for the extension of the Expression of Interest (EOI) Tender 23/2018/19.

BACKGROUND

For the past three (3) years the Parks and Recreation Department has appointed service providers under the Expression of Interest (EOI) Tender 23/2018/19 to assist with the following functions:

- Grass cutting
- Tree maintenance
- Vegetation/Bush Clearing
- Repairs & Maintenance on Boardwalks, Stairs, Braai areas, Sports Facilities and Community Halls.

These appointments were made on a rotational basis. At the Special Council meeting held on 28 April 2022 Council resolved (SM10/04/22) to extend EOI Tender 23/2018/19 until the end of September 2022 with the following resolutions:

- a) *That the contract validity period for EOI Tender 23/2018/19 be extended to the end of September 2022 to allow the Tender and RFQ processes to continue.*
- b) *That a new tender process be followed and service providers be appointed in various wards for a period of 3 years; and*
- c) *That the Parks and Recreation Department proceeds with the process of implementing a rate per square meter, and it be implemented in the New Financial Year 2022/2023 when the funding becomes available.*

A new EOI Tender (EXPRESSION OF INTEREST: EOI TENDER 50/2022/23) was advertised with a closing date being 18 August 2022. The Bid Evaluation Committee (BEC) sitting is in process, thereafter a recommendation to the Bid Adjudication Committee (BAC) for consideration. It is anticipated that the bid evaluations and appointment of service providers will not be completed by end of September 2022. In light of the above, it is requested that EOI Tender 23/2018/19 be extended in order for the Department to deliver on its mandate and plan accordingly with respect to the Festive Season Readiness.

FINANCIAL IMPLICATIONS

Provision is made in the 2022/23 Budget

RECOMMENDATION OF THE ACTING MUNICIPAL MANAGER

- [a] That the report on the extension of Expression of Interest (EOI) Tender 23/2018/19, be noted;
- [b] That Council considers and approve the extension of Expression of Interest (EOI) Tender 23/2018/19 until the end of February 2023.

APPENDIX / ADDENDUM

None

File Number: 9/2/1/5

Execution: Director Community Services

6.3

SC03/09/22 REQUEST TO UTILISE ERF 6817 INSTEAD OF ERF 6774 FOR MUNICIPAL SERVICES: CONSTRUCTION OF A SATELITE FIRE STATION

REPORT FROM THE DIRECTOR COMMUNITY SERVICES

PURPOSE OF THE REPORT

To request Council to:

- i. withdraw the request for Erf 6774, Khayaletu to be made available for the construction of a new Satellite Fire Station as tabled during the Community Services Committee meeting on 24 August 2022 and,
- ii. that the old Khayaletu Library situated on Erf 6817, which was originally earmarked for the same purpose, be converted into a more cost-effective Satellite Fire Station.

Previous resolutions

- i. MC28/02/19 – Status of Satellite Fire Station in Khayaletu

MC28/02/19 STATUS OF SATELLITE STATION IN KHAYALETHU

UNANIMOUSLY RESOLVED
(by the Mayoral Committee on 06 March 2019)

That the report on the status of the Satellite Station in Khayaletu, be noted.

File Number : 9/1/2/5
Execution : Director : Community Services

End of document ■

- ii. C08/08/22 – Status of Satellite Fire Station in Khayaletu

C08/08/22 STATUS OF SATELLITE STATION IN KHAYALETHU

RECOMMENDATION OF THE ACTING MUNICIPAL MANAGER

- [a] That Council notes the report from the Director: Community Services.
- [b] That Council approves the utilisation of Erf 6774 at the corner of Chungwa and Tyityityi Streets to build a fire station.

BACKGROUND

The intention was to convert the old Khayaletu Library situated on Erf 6817 into a suitable Satellite Fire Station. While the planning of the latter was underway, it came to light that the building was leased to a non-governmental organisation (NGO) for a short term lease.

The second option was to seek Council approval to make Erf 6774 at the intersection of Chungwa and Tyityityi Streets available to the Fire Department for the construction of a Fire Station in Khayaletu.

Although an agreement exists between Knysna Municipality and the abovementioned NGO, the Community Services Directorate was advised that the lease agreement may be terminated if the building is required for a municipal service, such as a Fire Station.

In this case, transforming the old Khayaletu Library will be economical than starting a building from scratch.

On 21 September 2022, the Manager: Properties served a notice on the tenant, who agreed to vacate the premises on 1 November 2022.

DISCUSSION

According to Schedule 5 of the Constitution of the Republic of South Africa, fire protection is a function of Local Government. The Fire Brigade Services Act (No. 99 of 1987) also governs the establishment, maintenance, employment, coordination, and standardisation of Fire Brigade Services. It clearly explains that the functions of a service are:

- i. Preventing the outbreak of a fire;
- ii. The protection of life and property against a fire or other threatening danger;
- iii. The rescue of life or property from a fire or other danger;
- iv. Any other function connected with the above.

It is critical that Council make the old Khayaletu Library on Erf 6817 available so that it can be altered into a suitable Satellite Fire Station. The abovementioned termination will enable the Fire Department to fulfil its constitutional mandate and provide an effective and efficient service to the community.

FINANCIAL IMPLICATIONS

R 1 000 000.00 has been budgeted for the construction of a fire station and R 1 200 000.00 for the procurement of a fire engine.

RELEVANT LEGISLATION

The Constitution of the Republic of South Africa
Fire Brigade Services Act, No. 99 of 1987
SANS 10090: Community Protection against Fire
Local Government: Municipal Finance Management Act (56/2003): Municipal Asset Transfer Regulations
Management of Immovable Property Policy

RECOMMENDATION OF THE ACTING MUNICIPAL MANAGER

- [a] That Council notes the report from the Director: Community Services;
- [b] That Council notes the withdrawal of the request for Erf 6774, Khayaletu to be made available for the construction of a new fire station;
- [c] That Council resolve that the short-term lease on the Library be terminated as the premises are required to provide a municipal service (Satellite Fire Station);
- [d] That it be noted that the old Khayaletu Library on Erf 6817 will be converted to accommodate the new Satellite Fire Station.

APPENDIX / ADDENDUM

Previous Resolutions:

- MC28/02/19 - Status of Satellite Fire Station in Khayaletu
- C08/08/22_Status of Satellite Fire Station in Khayaletu

Agreement of Lease entered into by and between Knysna Municipality and Hlelokuhle Environmental Education

File Number: 9/2/1/5

Execution: Director Community Services

SPECIAL MUNICIPAL COUNCIL MEETING
AGENDA
29 SEPTEMBER 2022

COMMUNITY SERVICES COMMITTEE MEETING
MINUTES
24 AUGUST 2022

C08/08/22 STATUS OF SATELLITE STATION IN KHAYALETHU

RECOMMENDATION OF THE ACTING MUNICIPAL MANAGER

- [a] That Council notes the report from the Director: Community Services.
- [b] That Council approves the utilisation of Erf 6774 at the corner of Chungwa and Tyityityi Streets to build a fire station.



AGREEMENT OF LEASE ENTERED INTO BY AND BETWEEN

KNYSNA MUNICIPALITY

(herein represented by **Johannes Jacobs**, identity number **560929 5085 08 1** in his capacity as Acting Municipal Manager, he being duly authorised thereto):
(hereinafter referred to as the LESSOR)

AND

HLELOKUHLE ENVIRONMENTAL EDUCATION

(herein represented by **ANDILE NKULANA**
identity number **960319 6264 08 1**

in his capacity as **Chairperson**, he being duly authorised thereto
(hereinafter referred to as the LESSEE)

WHEREAS the LESSOR has agreed to lease a portion of the PROPERTY situated at a portion of **Erf 6817, Knysna** (± 80 Square Meters as indicated in red on the attached diagram "A") to the LESSEE and the LESSEE is prepared to rent the PROPERTY from the LESSOR;

AND WHEREAS the LESSOR and the LESSEE have reached agreement as to the terms upon which the PROPERTY shall be let, subject to such terms being reduced to writing;

NOW THEREFORE IT IS HEREBY AGREED AS FOLLOWS:

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1

LEASE AND DURATION

The LESSOR hereby lets, and the LESSEE hereby hires, the PROPERTY for a period of **12 months** commencing on the **1st of June 2022** and ending on the **31 May 2023**, notwithstanding the date of the signing of this agreement.

2

THE RENT

The rent payable by the LESSEE to the LESSOR under this lease shall be the sum of **R100.00 (One Hundred Rand only)** per month.

3

USE

The LESSEE shall not be entitled to utilise the PROPERTY for any use other than as an **Environmental Community Training Centre**.

4

RATES AND TAXES, ELECTRICITY AND MAINTENANCE

The LESSEE shall be liable for:

- 4.1.1 Payment of proportional service charges i.e in respect of refuse removal, sewerage etc. or any other service charges raised by the LESSOR;
- 4.1.2 all the costs relating to the establishing of Environmental Community Training Centre on a portion of Erf 6817, Knysna

4.2 The LESSEE shall:

- 4.2.1 Pay all propotional fees for electricity usage;

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SPECIAL MUNICIPAL COUNCIL MEETING
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29 SEPTEMBER 2022

- 4.2.2 use its reasonable efforts to prevent any blockage of any sewerage or water pipes or drains in or used in connection with the leased premises and shall remove at its cost any obstruction or blockage which occurs in the Leased premises during the operation of the lease;
- 4.2.3 have no claim whatsoever, whether for damages or remission of rental or cancellation of the lease, against the Lessor, nor be entitled to withhold or defer payment of rent by reason of any suspension of or interruption in the supply of water, and electricity, or by reason of any amenities in or on the Leased premises and/or building being out of order;
- 4.2.4 not permit the accumulation of domestic refuse in or outside the Leased premises, save in the refuse bins;
- 4.2.5 erect in the Leased premises such fixtures and fittings as may be necessary for the Lessee's purposes and use of the premises to conduct its business, the quality and design of such fittings and fixtures shall be in keeping with the general finish of the building, to the Lessor's approval, which approval shall not be unreasonably withheld, and the LESSEE shall be entitled to remove such fixtures and fittings on termination of this lease, provided the premises is restored to its original condition (fair wear and tear excepted);
- 4.2.6 not be entitled to hold or permit the holding of sales by public auction in or upon the Leased Premises;
- 4.2.7 ensure that the delivery of basic municipal services is not prevented by the leasing of a portion of Erf 6817, Knysna ,
- 4.2.8 have the right to display its name in a proper and neat manner on the PROPERTY to the satisfaction of the LESSOR and shall not be permitted to, or allowed to display any advertisements or any other signage unless prior written permission has been obtained from the LESSOR.
- 4.2.9 not do, or cause or allow to be done, anything which shall or might have the effect of vitiating the fire or other insurance now or hereafter affected by the lessor on the PROPERTY or of increasing the premiums payable in respect thereof. Should such premium be increased as 'n consequence of any act, or

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omission by the LESSEE, the amount of the increase shall be paid by the lessee to the lessor on demand.

5

THE LESSOR'S OBLIGATIONS

The responsibility of the LESSOR for maintenance of the property shall be limited to the following:

- 5.1 The maintenance of the superstructure and exterior of the buildings on the property in order to ensure that the property is at all times fit for the use as stipulated herein;
- 5.2 The replacing of damaged window panes and other fixtures and fittings of the property, provided that such repairs are necessary to ensure that the property is fit for the use as stipulated herein and further provided that the said damage has not been caused by the LESSEE, its employees, person under its control or visitors of the LESSEE;
- 5.3 The repairs of any major structural defects of the sewerage and water system, excluding any blockages, tap leaks and other defects caused by normal wear and tear and have not been caused by the LESSEE, provided that such repairs are necessary to ensure that the property is habitable;
- 5.4 Regarding maintenance that is required to the property during the currency of the lease and which is the responsibility of the LESSOR in terms of this agreement, the parties agree as follows:
 - 5.4.1 The LESSEE shall not be permitted to do any repairs or maintenance to the property and shall not have any claim in respect thereof against the LESSOR unless the LESSEE has given the LESSOR at least 14 (FOURTEEN) days written notice of the repairs that are required and the nature thereof and the LESSOR has failed to effect such repairs within said period;
 - 5.4.2 Any costs that the LESSEE may recover from the LESSOR in respect of repairs effected in circumstances where the

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LESSOR has failed to do so in terms hereof shall be limited to the reasonable and necessary costs of such repairs.

6

FAILURE TO MAINTAIN

Should the LESSEE fail to maintain the PROPERTY properly in terms of this clause, the LESSOR shall have the right to notify the LESSEE in writing to rectify such failure within 14 (FOURTEEN) days and if the LESSEE should thereafter still fail to respond, the LESSOR shall be entitled to undertake such maintenance and to recover the costs thereof from the LESSEE which costs shall be payable on demand. In addition to the rights contained in this clause, the LESSOR shall, in case of failure to maintain, have the normal rights of cancellation as provided for in this agreement.

7

SUBLETTING AND CESSION

The LESSEE shall not be entitled to cede or assign this lease or sub-let, the PROPERTY or any portion thereof, or to permit any other person to use or occupy PROPERTY without the prior written consent of the LESSOR first being obtained.

8

INDEMNIFICATION

- 8.1 The LESSOR will not be responsible for any damage, loss or injury sustained by the LESSEE, its employees, persons acting under its control, its members or any person making use of its facilities at any time caused as a result of any negligent act or omission of the LESSEE, its employees persons acting under its control, its members or any person making use of its facilities and the LESSEE indemnifies the LESSOR against any claim resulting from such damage, loss or injury.
- 8.2 Notwithstanding the above, the LESSOR shall not be liable for damages caused by death or personal injury of the LESSEE or any persons referred to above, unless such damage is the result of an act or omission on the part of the LESSOR.

9

REGULATIONS AND BY-LAWS

The LESSEE shall not contravene or permit any contravention of any statutes, legislation, proclamation or by-laws or any township or title deed condition

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applying to or affecting the PROPERTY, the contents of which the LESSEE acknowledges that he is acquainted with.

10

INSPECTION

- 10.1 The LESSOR shall be entitled, personally or by way of an agent at all reasonable times to inspect the PROPERTY, both externally and internally. In the event of any damages found during these inspections, the LESSEE shall effect repairs within **21 (twenty one)** days from date of notification of such. And the LESSEE shall be obliged during the last two months of this lease to grant access to all potential purchasers and/or LESSEES to view the PROPERTY externally as well as internally.
- 10.2 The LESSEE further acknowledges that the PROPERTY is leased as it stands on the day of the lease becomes effective, without any guarantees given by the LESSOR by implication or otherwise.

11

MISCELLANEOUS

- 11.1 It is an express condition of this agreement that the LESSOR shall, depending on demand, have the right at any time during the term of this Lease agreement to retake possession of the whole or portion of the PROPERTY as the case maybe, should it be required for State or Municipal purpose. Should the Lessor exercise this right, the LESSOR shall;
- 11.1.1 inform the LESSEE by written notification 3 (three) months in advance of its intention to exercise such right;
- 11.1.2 be liable to compensate the LESSEE on a pro rata basis for improvements effected on the PROPERTY with the LESSOR'S approval (The pro rata amount of compensation to be determined by the LESSOR).
- 11.2 The LESSEE shall without compensation be obliged to allow electricity cables, wires, mains and/or other waterpipes, sewerage and drainage including stormwater of any other erf or erven inside or outside the PROPERTY to be conveyed across the leased property if deemed necessary by the LESSOR and in such a manner and position as may from time to time be reasonably required. This

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shall include the right of access of constructing, altering, removing or inspecting any works in connection with the above. It is agreed that these provisions in this paragraph shall not be considered as repossessions of a portion of the property as provided for in paragraph 11.1.

12

CANCELLATION

Should the LESSEE fail to pay any rent on its due date, or commit a breach of any of the other terms of this lease, the LESSOR shall have the right forthwith and without any further notice to the LESSEE,

- 12.1 to cancel this lease and to eject or have ejected from the PROPERTY the LESSEE or any other person occupying the PROPERTY without prejudice to the LESSOR'S rights to claim unpaid rent together with interest thereon at a rate of 15.5% (FIFTEEN COMMA FIVE PERCENT) per annum calculated from the date on which such rent became payable to the date of payment thereof, including collection commission of 10% (TEN PERCENT) on such arrears and any damages the LESSOR may have sustained consequent upon any such failure or breach ;

13

EXPIRATION OF LEASE

The property will revert to the Knysna Municipality at the end of the lease agreement.

14

INDULGENCE BY LESSOR

No relaxation or any indulgence, or any postponement granted by the LESSOR to the LESSEE with regard to any matter contained in this lease or with regard to the payment of rent shall be construed as being a waiver of any of the LESSOR'S rights in terms of this lease, nor shall such relaxation, indulgence or postponement operate as an estoppel against the LESSOR.

AW L.K
SM
N.M

15

DISPUTES

In the event of any dispute regarding the terms of this agreement, the decision of the LESSOR, confirmed by a resolution of its Council in a meeting of the Knysna Municipality Council after having heard the LESSEE shall be final.

16

DOMICILIUM CITANDI ET EXECUTANDI

As domicilium citandi et executandi (the address for delivery of notices and court documents) the LESSEE chooses the address at **101c, Thesen House, Long Street, Knysna** and the LESSOR at **Municipal Buildings, 5 Clyde Street, Knysna**. Any notice by the LESSOR to the LESSEE in connection with this lease, addressed to the LESSEE and posted to such *domicilium* shall be deemed to have been received by the LESSEE on the day after the day upon which it was posted, and vice versa.

17

COSTS OF LEGAL ACTION

In the event of the LESSOR and LESSEE being engaged in litigation regarding the lease, cancellation of enforcement thereof or any claim pertaining thereto, the party being ordered by any court to pay the costs of such litigation, shall be obliged to pay the successful party's costs on a scale as between attorney and client, including such collection commission or other charges as any representative of either party being awarded a costs order may in law be entitled to charge.

18

JURISDICTION

The parties hereby consent to the jurisdiction of the Magistrates Court for the institution of any action resulting from this lease, however the LESSOR reserves the right to institute action in any other competent court of law.

AW J L.K.
SN
N.M.

19

NON-VARIATION

This agreement contains all the conditions of the lease and no agreement at variance with any term of this lease, or addendum or supplement to this agreement or cancellation hereof, or waiver by any party of its rights or any aspect hereof, inclusive of this clause, shall be binding upon the parties unless contained in a written document signed by the LESSOR and the LESSEE.

SIGNED AT KNYSNA ON THIS DAY OF 31/06/2022.....

AS WITNESSES:

1. 

2. 



LESSEE
(Andile Nkulana)

SIGNED AT KNYSNA ON THIS ²⁶ DAY OF May 2022.....

AS WITNESSES

1. 

2. 


LESSOR (Acting Municipal Manager)

7. **CONSIDERATION OF MOTIONS**

None.

8. **CONSIDERATION OF QUESTIONS**

None

9. **CONSIDERATION OF MOTIONS OF EXIGENCY**

None

10. **IN COMMITTEE ITEMS**

None.

11. **ADJOURNMENT**

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