

KNYSNA LOCAL MUNICIPALITY

Notice is hereby given of a

INFRASTRUCTURE SERVICES COMMITTEE MEETING

Which will be held on

Tuesday, 03 March 2026

at

09:00

In the Council Chamber
to consider the following items

MUNICIPAL OFFICES
KNYSNA

DR. RICHARD MARTIN
**ACTING MUNICIPAL
MANAGER**

A G E N D A

Chairperson: ***Cllr R Arends***

Members: Cllr R Kakora
Cllr N Louw
Cllr A Tsengwa
Cllr M Gericke
Cllr P Bester
Cllr C Vanston

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A G E N D A

1. Opening and Welcome
2. Attendance (as per attendance register)
 - 2.1 Members: Present
 - 2.2 Members: Absent with Leave
 - 2.3 Members: Absent Without Leave
 - 2.4 Other Councillors Present
 - 2.5 Officials Present
 - 2.6 Members of the Audit Committee Present
 - 2.7 Members of the Public Present
3. Noting the Provisions of Schedule 1 (Code of Conduct for Councillors) of the Local Government Municipal Systems act, 32 of 2000 and Code for Ethical Leadership as adopted by Council

4. **MINUTES OF THE PREVIOUS MEETING**

4.1 **TECHNICAL SERVICES COMMITTEE MEETING: THURSDAY, 13
NOVEMBER 2025**

That the minutes of the Technical Services Committee meeting held on 13 November 2025, be confirmed.

KNYSNA LOCAL MUNICIPALITY

MINUTES

of a meeting of the

INFRASTRUCTURE SERVICES COMMITTEE

held in the Council Chamber

Thursday, 13 November 2025

at

14:00

1. Opening and Welcoming

At 14:00, the Chairperson welcomed Councillors, officials and members of the public to the meeting where after a roll call was conducted.

Mpumelelo Nzuzo opened the meeting with a prayer.

2. Attendance of Members:

2.1 Members Present

Cllr R Arends (Chairperson)
Cllr W Grootboom (*Via MSTEAMS from 14:45*)
Cllr M Gericke (*Via MSTEAMS from 15:01*)
Cllr P Bester
Cllr A Tsengwa (*Via MSTEAMS from 14:51*)
Cllr C Vanston (*Via MSTEAMS*)
Cllr N Louw (*Via MSTEAMS from 14:59*)

2.2 Other Councillors Present

Cllr S Sabbagh
Cllr L Nohana (*Via MSTEAMS*)
Cllr L Davies (*Via MSTEAMS*)
Cllr M Khumelwana

2.3 Members Absent with leave

None

2.4 Members Absent without leave

None

2.5 Officials Present

Douglas, J	Acting Municipal Manager
Wesso, R	Director: Infrastructure Services
Boyce, M	Director Corporate Services
Parry, R	Manager: Water and Sewer
Mbotho, L	Senior Manager: Electrical
Talmaggies, R	Senior Technician
Nzuzo, M	Manager: Project Management
Lakay, J	Head: Council Committees and Cllr Support
Gwayi, Z	Senior Clerk: Committees
Xibiya, N	Committee Officer

2.6 Members of the Audit Committee Present

The meeting was live-streamed on YouTube and MSTEams.

2.7 Members of the Public Present

The meeting was live-streamed on YouTube.

3. **NOTING OF THE PROVISIONS OF SCHEDULE 1 (CODE OF CONDUCT FOR COUNCILLORS) OF THE LOCAL GOVERNMENT MUNICIPAL SYSTEMS ACT, 2000 AND DECLARATION OF INTEREST**

RESOLVED

- [a] That the provisions of Schedule 1 (Code of Conduct for Councillors) of the Local Government Municipal Systems Act, 2000, be noted; and
- [b] That it be noted that no member or other Councillor declared any interest in any item on the Agenda.

4. **CONFIRMATION OF THE PREVIOUS MEETING**

4.1 **INFRASTRUCTURE SERVICES COMMITTEE MEETINGS: 14 & 18 AUGUST 2025**

UNANIMOUSLY RESOLVED

That the minutes of the Infrastructure Services Committee Meeting held on the 14 & 18 August 2025, be confirmed.

5. **MATTERS SUBMITTED BY THE MUNICIPAL MANAGER**

IS01/11/25 **PROGRESS REPORT ON IMPLEMENTATION OF 2025/2026 INFRASTRUCTURE CAPITAL PROJECTS**

UNANIMOUSLY RESOLVED

That Council notes the contents of the progress report for 2025/2026 capital projects.

File Number: 9/1/2/1
Execution: Manager: PMU

IS02/11/25 **REPORT ON A WATER AUGMENTATION SUPPLY SCHEME FOR BUFFALO BAY AREA**

Council Break 14:40 – 14:53

UNANIMOUSLY RESOLVED

That Council note the report on the Water Augmentation Supply Scheme for Buffalo Bay Area.

File Number: 9/1/2/1
Execution: Manager: Water & Sewer

**IS03/11/25 ELECTRICAL & MECHANICAL DEPARTMENT CAPITAL PROJECT
REPORT FROM JULY TO AUGUST 2025**

UNANIMOUSLY RECOMMENDED

- [a] That the contents of the Electrical & Mechanical Department Capital Project report from July and August 2025 be noted.
- [b] That the Committee recommends to council to approve the purchasing of electrical metres to deal with the backlog of unmetered households that are currently taking place.
- [c] That the Finance department assist the Infrastructure department by identifying which properties are not paying for electricity consumption, and to be able to identify which properties have been further bypassed.

File Number: 9/1/2/1
Execution: Manager: Electro Technical

IS04/11/25 EXPENDITURE REPORT ON GRANT FUNDS END SEPTEMBER 2025

UNANIMOUSLY RECOMMENDED

That council takes note of the contents of the grants progress report.

File Number: 9/1/2/1
Execution: Manager: PMU

**IS05/11/25 ELECTRICAL & MECHANICAL SERVICES KNYSNA MUNICIPAL FLEET
FROM JULY TO AUGUST 2025**

Council break 16:36 – 16:41

UNANIMOUSLY RESOLVED

That Council note the contents of the report and that the request for vehicles to be auctioned, be forwarded to the disposal committee.

File Number: 9/1/2/1
Execution: Manager: Electro Technical

**IS06/11/25 REPORT OF THE ROADS, TRANSPORT & STORM WATER & BUILDINGS
MAINTENANCE DIVISION (RTSBMD) FOR QUARTER 1 (25/26)**

UNANIMOUSLY RECOMMENDED

- [a] That Council note the Report of the Roads, Transport & Storm Water & Buildings Maintenance Division (RTSBMD) for Quarter 1 25/26.
- [b] That the Infrastructure Services meet with CWP to investigate the possibility and the number of participants who would be able to assist within the department.

File Number: 9/1/2/1
Execution: Manager: Public Works

IS07/11/25 DRAFT REPORT ON POTENTIAL DROUGHT IN THE GREATER KNYSNA AREA

UNANIMOUSLY RECOMMENDED

- [a] That council note the content of the report
- [b] That the Finance Services assist the Infrastructure Services by identifying which properties are not paying for water consumption, and to be able to identify which properties have been further bypassed.
- [c] That the awareness of level 3 water restrictions be amplified.
- [d] That Council recommends a special council meeting to declare the Local drought.

File Number: 9/1/2/1
Execution: Manager: Water & Sewer

IS08/11/25 REPORT ON WATER QUALITY AND SEWER EFFLUENT QUALITY

UNANIMOUSLY RESOLVED

- [a] That the following **Immediate Mitigation Measures to be taken**, be approved:
 - Appoint a dedicated millwright contractor to respond promptly to emergencies and equipment breakdowns at the plant.
 - Appointments of certified and skilled Water and Sewer Treatment works Supervisors to comply with DWS Regulation 3630.
 - Assign dedicated personnel to carry out proactive maintenance activities at the water and wastewater treatment facilities.
 - Commencement of desludging programs at overloaded facilities. Clean and restore drying beds for sludge wastage.
 - Pump sludge from old oxidation ponds.
- [b] That the following **Strategic Recommendations to Improve Wastewater Quality**, be approved:

a) Technical Upgrades

- Undertake phased upgrades of critical infrastructure (e.g. mechanical screens, aeration systems, clarifiers, mixers etc.).
- Install automated monitoring equipment for real-time quality control such as inline DO, pH, TSS, and CODs to allow immediate response to changes in water and effluent quality, optimizing treatment processes and ensuring compliance with regulations and utilise ozone for disinfection as an alternative for chlorine gas disinfection.
- Procure laboratory equipment for continuous and effective quality control.

b) Financial Investment

- Allocate sufficient operational budget for maintenance.
- Apply for infrastructure grants from the Municipal Infrastructure Grant (MIG) and Water Services Infrastructure Grant (WSIG).
- Explore Public-Private Partnerships for large-scale refurbishments.

c) Policy and Regulatory Alignment

- Ensure alignment with the **National Water Act (Act 36 of 1998)** and **Water Services Act (Act 108 of 1997)**.
- Update Standard Operating Procedures to align with **General and Special Authorisations under the NWA**.
- Adhere to the draft norms and standards that will be promulgated in 2026.

d) Risk Mitigation and Monitoring

- Implement the updated Wastewater Risk Management Plan, including contingencies for spills.
- Conduct a full technical assessment of the affected pump stations to identify root causes and infrastructure limitations.
- Implement and enforce a strict preventative maintenance schedule for all pump stations and associated sewer networks.
- Prioritise the upgrade of aging infrastructure and installation of emergency power systems (generators) at critical stations.

- [c] That the findings and recommendations contained in the report, be noted and approved.

File Number: 9/1/2/1

Execution: Manager: Water & Sewer

IS09/11/25 REPORT ON WATER EFFICIENT SANITATION SYSTEMS (WESS)

UNANIMOUSLY RECOMMENDED

- [a] That the committee notes the Water Efficient Sanitation Systems (WESS) training that was attended by the Directors, Infrastructure Services, Integrated Human Settlements and Community Services that was fully funded by the training organisers.
- [b] That the Infrastructure committee notes the contact that was made with the Director: Infrastructure Services during the week of 20 October 2025 and a meeting with the aim of further development of the concept note is scheduled for 6 November 2025 via MS Teams.

File Number: 9/1/2/1

Execution: Director Technical Services

IS10/11/25 REPORT ON THE IMPLEMENTATION OF WATER AND WASTEWATER SERVICES OPERATIONAL BUDGET 2025/2026 (JULY AND AUGUST 2025)

UNANIMOUSLY RECOMMENDED

That Council note the contents of the report.

File Number: 9/1/2/1
Execution: Manager: Water & Sewer

IS11/11/25 STATUS QUO REPORT ON WATER SUPPLIES FOR THE GREATER KNYSNA JULY AND AUGUST 2025

UNANIMOUSLY RECOMMENDED

That Council note the contents of the report.

File Number: 9/1/2/1
Execution: Manager: Water & Sewer

6. Closure

The Chairperson thanked everyone present for their contributions and the meeting concluded at 18:40.

Approved:

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Chairperson: Cllr R Arends

-oOo-

.....
Date

5. **MATTERS SUBMITTED BY THE ACTING MUNICIPAL MANAGER**

5.1

IS01/02/26	ELECTRICAL & MECHANICAL SERVICES KNYSNA MUNICIPAL FLEET FROM SEPTEMBER TO DECEMBER 2025
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REPORT FROM THE DIRECTOR: TECHNICAL SERVICES

PURPOSE OF THE REPORT

This document aims to present an overview of the monthly activities carried out by the Municipal Workshop, along with the associated costs. It will detail all the initiatives undertaken during the period of September to December 2025.

PREVIOUS RESOLUTIONS

N/A

BACKGROUND

The fleet of the Knysna Municipality comprises a total of 288 vehicles, as demonstrated in Table 1.

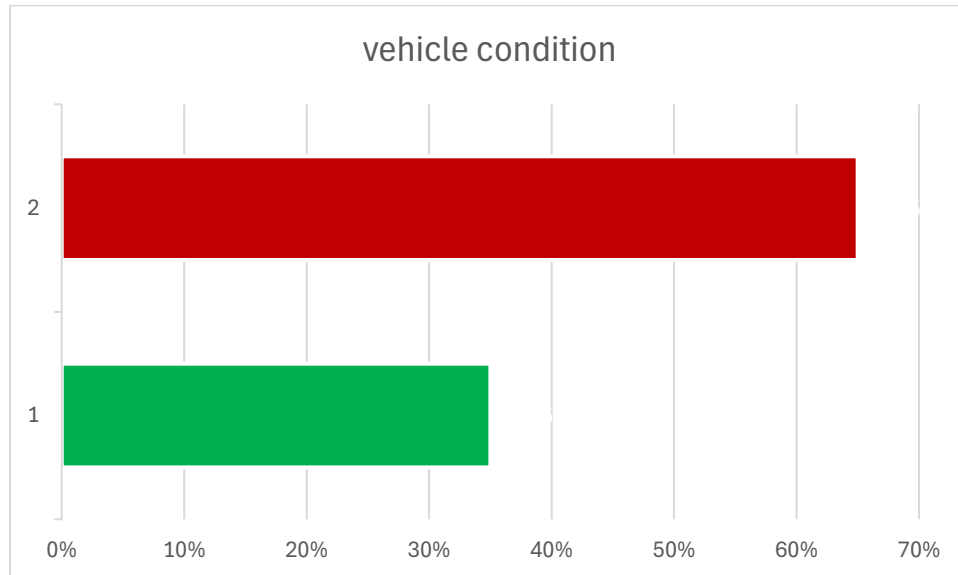
Table 1: Knysna Municipal Fleet

Fleet Type	Community Services	Corporate Services	Financial Services	Infrastructure Services	Planning & HIS Services	Grand Total
Backhoe Loader				5		5
Chipper	5					5
Combi	1				1	2
Digger Loader	1			1		2
Forklift			1			1
Mobile generator				2		2
Grader				2		2
LDV	28		3	59	4	94
Motorcycle	2		23	1		26
Panel Van			1	1		2
Roller				2		2
Sedan	11	1			1	13
Sweeper	3			1		4
Tractor	11			1		12
Trailer	23			25		54
Truck	34			28		60
Grand Total	125	1	28	128	6	288

DISCUSSION

Vehicle repaired

The predominant portion of the fleet managed by the Knysna municipality is categorized as being in Very Poor to Average condition, which constitutes 65% of the total, indicated in red as poor, whereas merely 35% is assessed as Good to Very Good, represented in green.



Significantly, the fleet primarily consists of vehicles that are more than twenty years old. This outdated vehicles greatly influences the rate of mechanical breakdowns and the related repair costs for these old vehicles.. Nevertheless, inadequate budget provisions for vehicle repairs severely restrict the fleet department's capacity to quickly service and reinstate vehicles for operation, which ultimately impacts service delivery. It is crucial to allocate sufficient financial resources for the upkeep and repair of each vehicle to guarantee efficient and effective service. The fleet section will recommend that the municipality acquire new vehicles, as it has reached a point where all outdated vehicles need to be replaced. The municipality's plant and equipment are currently experiencing more frequent breakdowns due to their age. Consequently, the municipality must hire additional plant. To ensure that all old equipment (including water tankers, honey suckers, vacuum tankers, tipper trucks, TLBs, and LDVs) is replaced, the municipality must allocate a budget for this.

Vehicle Auction

Among the 288 vehicles in the municipal fleet, there is a necessity to replace 65% of them. The list has been forwarded to the assets department to facilitate their auction before the conclusion of the financial year in June 2026. This indicates that 150 vehicles are deemed too old and require replacement. The auctioning process for these vehicles is currently in progress. The 65% of the municipality's vehicles incur substantial maintenance costs to remain operational for service delivery.

Vehicle Booked-in September to December 2025

The booking process has uncovered several ongoing issues, including worn brake pads, suspension problems, disc wear, and hydraulic leaks. Furthermore, three vehicles have been identified as needing clutch replacements. Due to the age of many vehicles, the workshop is currently facing an increase in front suspension repairs for light delivery vehicles (LDVs), with

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some of the older vehicles being uneconomical to repair and requiring replacement. The breakdown of compactors is a significant concern, as the municipality spends a considerable amount to keep them operational. The frequent failures of compactor slides and shoes, along with auto electrical issues, present substantial challenges. Additionally, the behavior of drivers within the municipality raises serious concerns, as there appears to be a lack of accountability for their actions. It is essential to address this issue to ensure that drivers are held responsible for their conduct on the roads. Currently, we are facing a major obstacle in the vehicle repair process. To resolve this issue, the municipality should centralize the repair and maintenance budget, enabling the fleet section to function more effectively in the repair of municipal vehicles. This strategy would remove the necessity for frequent approvals from various departments. Moreover, the municipality has three service providers available to assist with major vehicle repairs; however, the lack of a budget complicates the timely completion of these repairs. The municipal workshop encounters several limitations that impede the repair process. One of the most critical factors is the staffing situation. To ensure an efficient workshop, the municipality must hire two qualified mechanics, which would help reduce the amount of work outsourced to service providers. The table below illustrates the monetary value for vehicles repairs for the period September to December 2025.

	Sep-25	Oct-25	Nov-25	Dec-25
Corporate	R 5 201,84	R 5 210,00	R -	R 304,35
PUBLIC PARTICIPATION	R 5 201,84	R 5 210,00	R -	R 304,35
Finance	R 4 242,00	R 14 590,00	R 85,00	R 690,00
METER READING	R 4 242,00	R 14 590,00	R 85,00	R 690,00
Community	R 87 173,40	R 333 497,96	R 128 278,14	R 408 014,16
CLEANSING REFUSE REMOVAL SERV.	R 31 162,35	R 147 706,61	R 104 428,64	R 165 624,59
LIBRARY	R -	R -	R -	R -
PARKS RECREATION	R 5 652,00	R 110 621,20	R 15 827,24	R 192 485,10
SAFETY FIRE BRIGADE SERVICES	R 43 391,84	R 59 110,15	R -	R 44 257,76
SAFETY LAW ENFORCEMENT	R 1 948,46	R 6 200,00	R -	R -
SAFETY TRAFFIC DEPARTMENT	R 5 018,75	R 9 860,00	R 8 022,26	R 5 646,71
HOUSING	R -	R 4 720,00	R 304,35	R -
Housing	R -	R 4 720,00	R 304,35	R -
Electrical	R 2 322,60	R 54 707,81	R 6 339,63	R 23 764,09
WORKSHOP DEPOT	R 1 500,43	R 217,39	R 2 337,25	R 5 938,79
Electrical	R 822,17	R 54 490,42	R 4 002,38	R 17 825,30
Technical	R 45 794,05	R 224 165,78	R 69 507,84	R 324 240,38
WATER RETICULATION	R 2 147,75	R 133 773,17	R 7 717,38	R 26 725,27
Streets	R 36 887,77	R 82 121,74	R 61 573,07	R 157 664,65
Waste Water	R 6 758,53	R 8 270,87	R 217,39	R 139 850,46
Grand Total	R 144 733,89	R 636 891,55	R 204 514,96	R 757 012,98

Fuel Consumption Cost

Fuel expenditure from September to December 2025

The table below illustrate the fuel expenditure.

BUDGET	R	6 303,23	R	4 720,81	2912,91	35,88
COMMUNITY SERVICES	R	362 974,27	R	370 080,65	7454,14	12203,98
CORPORATE SERVICES	R	1 608,99	R	2 765,76	834,95	30,13
PLANNING & HIS SERVICES	R	16 083,17	R	13 767,78	119881,28	120291,84
TECHNICAL SERVICES	R	343 547,11	R	392 278,54	4414,37	6236
INFRASTRUCTURE SERVICES	R	107 447,23	R	115 866,01	23562,23	18354,03
FINANCIAL SERVICES	R	11 005,76	R	18 162,64	407823,96	450452,62
LOCAL ECONOMIC	R	1 845,09	R	784,15	323784,02	407593,33
Total	R	850,814.85	R	918,426.34	890,667.86	1015197,81

FINANCIAL IMPLICATIONS

The exorbitant expenses associated with repairs significantly impede the institution's capacity to provide services, a predicament that can be mitigated through the complete implementation of the Facility Management System (FMS).

If the municipality can replace all old vehicles the projected amount will be 53 million for the replacement of the following vehicles

- 3 X vacuum tankers
- 5 X honey suckers
- 3 X TLBs
- 2 X 8000L water tankers
- 3 X 6000L water tankers
- 5 X 8 ton tipper trucks
- 6 X 4 ton tipper trucks
- 4 X Compactors

And a further 15 million to replace all LDVs and sedans totaling 68 million to replace all old fleet

The amount above is without the fire service

Hire of vehicles

The municipality is in the process of hiring light-duty vehicles (LDVs), for which it allocates a monthly expenditure of R 210,000. These vehicles are primarily utilized in various sections where water reticulation incurs the highest costs.

Regarding the hiring of yellow plant equipment, the municipality has spent approximately 55 million under the contract T17/2023/24.

RELEVANT LEGISLATION

N/A

RECOMMENDATION OF THE ACTING MUNICIPAL MANAGER

That Council note the contents of the report.

APPENDIX / ADDENDUM

N/A

File Number: 9/1/2/1

Execution: Manager Electro Technical

5.2

IS02/02/26 REPORT ON EXPENDITURE OF GRANT FUNDS 2025/2026 FINANCIAL YEAR

REPORT FROM THE DIRECTOR TECHNICAL SERVICES

PURPOSE OF THE REPORT

The purpose of this report is to inform the Section 80 committee on the current spending status of external grants, challenges and make specific recommendations.

PREVIOUS RESOLUTIONS

N/A

BACKGROUND

The Municipality has received the following grant funding from external government departments;

- Water Services Infrastructure Grant (**WSIG**)
- Municipal Infrastructure Grant (**MIG**)
- Neighbourhood Development Partnership Grant (**NDPG**)
- Municipal Energy Resilience Grant (**MERG**)
- Water Resilience Grant (**WRG**)
- Integrated National Electrification Programme (**INEP**)

Below is the current spending status of the grants;

DISCUSSION

Summary of grants received in 2024/2025

Grant Fund	Total Allocation	Expenditure to Date	% Expend.	Comments
WSIG	R7 000 000	R 1 872 621	71%	Contractor on site Project to complete by February 2025 No challenges
MIG	R29 765 000	R 9 319 621,04	31%	Currently completing projects rolled over from previous years and; 1 x new project on completed in November 2025. 2 x projects established site in December 2025. 3 x Projects on BEC stages 1 X Project on Pre-BSC Stages Challenges: Delays in approval of the revised MIG Budget for the 2 x new projects has led to delay in construction.

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				Bongani Sportsfield consultant poorly performed and ultimately terminated. Hornlee Internal Roads contractor poorly performed and put on terms again on beginning of December 2025.
MIG (Rollover)	R 3 995 945	R 1 484 018,08	37%	Currently completing projects rolled over from previous year. 1 x project on construction – Bongani Sportsfield. 1 x project on construction – Rehabilitation of Hornlee Internal Roads.
NDPG	R 15 000 000	R 3 448 148,43	23%	Project linked to Rehabilitation of Concordia Road (Rehabilitation of Landslide opposite Kunjani Mall) Payment of final accounts of previous service providers settled in December 2025.
INEP	R10 000 000	R 201 387,02	2%	T21/2024/2025 was awarded in September 2025, for Knysna Main Intake Substation Upgrade. Programmed scope entails, replacement of existing critical infrastructure with new infrastructure. The programmed activities include only supply of long lead materials and equipment. Budget will be fully spent by end April 2025.

1. REPORT PER PROJECT

1.1 WATER SERVICES INFRASTRUCTURE GRANT (WSIG)

Project Name	Allocation	Expenditure to Date	% Expend.	Balance	Comments
Water Conservation and Demand Management – Phase 2	R7 000 000	R 4 963 717,42	71%	WSIG	Contractor on-site and performing optimally, completion expected in February 2026.

1.2 MUNICIPAL INFRASTRUCTURE GRANT (MIG)

Project Name	Allocation	Expenditure to Date	% Expend.	Balance	Comments
Hornlee Internal Streets	R1 787 084	R 1 214 524	67.96%	R 572 560	Contract 3 supposed to complete by End April 2025. Contractor on catch-up plan but severely behind schedule. Contractor on Penalties.
Bongani Sport	R 2 208 861	R1 779 315	80.50%	R 429 546	The contractor is behind schedule.

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					Contractor submitted a catch-up plan. Council needs to allocate co-funding of R 3million to complete the remaining scope of works, i.e. Changerooms and Netball Combi Court.
Rheenendal Bulk Water Supply – Phase 1	R 7 400 898	R 1 072 818	14.50%	R 6 328 080	T26 of 2024/25 was awarded in September 2025. Contractor on site established site camp.
Knysna Dam	R 2 533 531	R 2 031 393	81%	R 502 138	T28-2024/25 was awarded in September 2025. Drilling Contractor de-established site after works were completed. Project awaits geotechnical investigation results.
Surfacing of Gravel Roads – Ward 5	R 3 165 627	R 1 645 793	51.98%	R 1 519 834	T34 of 2024/25 was awarded in September 2025. Contractor on site having established site camp.
Surfacing of Gravel Roads – Ward 4	R 4 055 752	R 345 206	8.51%	R 3 710 546	The project is on bid evaluation stages.
Surfacing of Gravel Roads – Ward 3	R 4 125 000	R 186 628	4.52%	R 3 938 372	The project is on bid evaluation stages.
Surfacing of Gravel Roads – Ward 7	R 2 000 000	R 544 173	27.20%	R 1 455 827	The project is on bid evaluation stages.
Surfacing of Gravel Roads – Ward 1	R 1 000 000	R 0	0%	R 1 000 000	The project is on bid specification stages.
PMU	R 1 488 250	R 744 125	50%	R 744 125	Project Management Office Operational Outputs per PMU Business Plan

1.3 NEIGHBOURHOOD DEVELOPMENT PARTNERSHIP GRANT (NDPG)

Project Name	Allocation	Expenditure to Date	% Expend.	Balance	Comments
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Concordia Road Rehabilitation	R 15 000 000	R 3 448 148,43	23%	R 11 551 851,57	Project linked to Rehabilitation of Concordia Road The budget is spent on the following activities; Payment of final accounts of previous service providers done in December 2025. PSP appointed to oversee Rehabilitation the Landslide opposite Kunjani Mall
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1.4 WATER RESILIENCE GRANT (WRG)

Project Name	Allocation	Expenditure to Date	% Expend.	Balance	Comments
Water Resilient Grant	R 2 500 000	R 0	0%	R 2 500 000	The funding is linked to Rehabilitation of Khayaletu Suspended Sewer Bridge – Re-routing of Sewer Lines Project construction tender closed on 19 th November 2025.

1.5 INTEGRATED NATIONAL ELECTRIFICATION PROGRAMME (INEP)

Project Name	Allocation	Expenditure to Date	% Expend.	Balance	Comments
Knysna Main Intake Substation Upgrade	R 10 000 000	R 201 387,02	2%	R 9 798 612,98	T21-2024/25 awarded in September 2025. Project on has ordered critical electrical equipment to a value of R 3 2 million.

2. 2024/2025 ROLLOVER APPLICATION STATUS

The following is summary of grant expenditure and rollover status;

GRANT NAME	AMOUNT APPROVED	AMOUNT SPENT	AMOUNT REMAINING IN JUNE 2025	ROLLOVER AMOUNT AT END JUNE 2025	ROLLOVER APPLICATION OUTCOMES
INTERGRATED NATIONAL ELECTRIFICATION PROGRAMME (INEP)	R 9 900 000	R 947 781,29	R 8 952 218,71	R 8 952 218,71	R 0
MUNICIPAL INFRASTRUCTURE	R 28 487 000	R 19 610 113,29	R 8 876 886,71	R 8 876 886,71	R 3 995 945

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RE GRANT (MIG)					
WATER RESILIENCE GRANT (WRG)	R 9 136 000	R 4 362 652,22	R 4 773 347,78	R 4 773 347,78	R4 773 347,78
MUNICIPAL ENERGY RESILIENCE GRANT (MERG)	R 600 000	R25 236,26	R 574 763,74	R 574 763,74	R 574 763,74
WATER SERVICES INFRASTRUCTURE GRANT (WSIG)	R 9 000 000	R 9 000 000	R 0	R 0	R 0
NEIGHBOURHOOD DEVELOPMENT PARTNERSHIPS GRANT (NDPG)	R 10 477 000 R 10 000 000 (ADDITIONAL APRIL 2025)	R 14 736 883,37	R 5 740 116,63	R 5 740 116,63	R 0
	R 77 600 000	R 48 682 666,43	R 28 917 333,57	R 28 917 333,57	R9 344 056,52

FINANCIAL IMPLICATIONS

A total amount of R 19 573 277, 05 from the rollover application was not approved by October 2025. An appeal was made by the municipality to Treasury to reconsider its position of not approving rollover for critical municipal projects, leading to an approval of a grant amount of R 332 000 for Disaster Management Grant which was previously unapproved.

The projects affected by the unapproved rollover are as follows;

MUNICIPAL INFRASTRUCTURE GRANT

PROJECT DETAILS	PROGRESS	ROLLOVER AMOUNT
1. 3. New Lower Knysna River Dam Ph1, 2, 3, 4 & 5	The project completed in November 2025.	R 4 848 475,62
TOTAL UNAPPROVED ROLLOVER		R 4 848 475,62

INTERGRATED NATIONAL ELECTRIFICATION PROGRAMME (INEP)

PROJECT DETAILS	PROGRESS	ROLLOVER AMOUNT
Upgrade Of 66/22kv Transformer Bays and Switchgear at Main Intake Substation No. 1 in Knysna.	The project was awarded in September for a 3-year period ending in 2027.	R 7 839 060,75
Hlanani Formal Electrification phase 1	The project was awarded and at 60% completion by June 2025.	R 881 313,20
TOTAL UNAPPROVED ROLLOVER		R 8 720 373,95

NEIGHBORHOOD DEVELOPMENT PARTNERSHIP GRANT

PROJECT DETAILS	PROGRESS	AMOUNT TO BE ROLLED OVER
Rehabilitation of Concordia Road	The project is currently on final design for landslide portion of the scope of work before contractor begins with construction.	R 5 740 116,63
TOTAL EXPENDITURE BY END JANUARY 2025		R 5 740 116,63

RELEVANT LEGISLATION

Municipal Finance Management Act, Act 56 of 2003

RECOMMENDATION OF THE ACTING MUNICIPAL MANAGER

That Council takes note of the contents of the grants progress report.

APPENDIX / ADDENDUM

Annexure A – Rollover Application 2024/2025
Annexure B – Rollover Outcome (National)
Annexure C – Rollover Outcome (Provincial)
Annexure D – Rollover Outcome (National)

File Number: 9/1/2/1
Execution: Manager PMU



Collab No.
L Mapholoba
lmapholoba@knysna.gov.za

27 October 2025

Deputy Director-General: Intergovernmental Relations
Department: National Treasury
40 Church Square
Pretoria
0002

Attention: Ogalaletseng Gaarekwe

Per Email: Sello.Mashaba@treasury.gov.za

Dear Mr/Ms Gaarekwe

RE: APPLICATION FOR ROLL OVER OF UNSPENT CONDITIONAL GRANTS FOR THE 2024/25 FINANCIAL YEAR – APPEAL TO RECONSIDER APPLICATION

Your letter dated 22 October 2025, with subject: “APPLICATION FOR ROLL OVER OF UNSPENT CONDITIONAL GRANTS FOR THE 2024/25 FINANCIAL YEAR” refers;

The municipality herewith seeks to make an appeal to the National Treasury to reconsider its decision not to approve certain of the grant funding which was unspent by Knysna Municipality at the end of June 2025.

The following conditional grants have been affected by the recent rollover application decision.

- Municipal Infrastructure Grant (MIG)
- Integrated National Electrification Programme (INEP)
- Neighbourhood Development Partnership Grant (NDPG)
- Municipal Disaster Response Grant (MDRG)

1. BACKGROUND:

Municipal Infrastructure Grant

The Knysna Municipality acknowledges the approved rollover amount of R3.9 million to fund the following projects:

- Upgrade Bongani Sport field (R2.2 million); and
- Rehabilitation of Hornlee Internal Road (R1.8 million).

The municipality further wishes to make an appeal to the National Treasury to consider approval of the rollover related to the New Lower River Dam Project which is funded through Municipal Infrastructure Grant (MIG).

Motivation

The municipality acknowledges response in relation to INEP Grant and the reason for non-approval being: "With regards to MIG, the service provider has not been appointed for the New Lower River Dam project". However, the municipality wishes to make an appeal to National Treasury to reconsider approval of the rollover application for New Lower River Dam given that the Knysna Municipality has already committed service providers for the project with a committed value of R 4 848 475,62. This project is one of the catalytic projects to improve water security of Knysna Water Supply Scheme for a 50 years horizon. The funds are linked to payment of Geotechnical Drilling Investigative works which is expected to provide crucial details in relation to project viability and unlock future funding for the ultimate development of a Dam.

Relevant service provider appointments are attached for your ease of reference.

Integrated National Electrification Programme

The Knysna Municipality received an amount of **R 9 900 000** grant funding through Municipal Infrastructure Grant by beginning July 2024 to implement its capital plan for 2024/25 financial year.

Although there were numerous challenges including loss of vital staff members from Electrical Department early in the financial year 2024/25 causing delays in the spending of the INEP, the municipality managed to spend up to **R 947 781,29** which translates to **10%**. The remaining balance of **R 8 952 218,71** has been committed to already appointed service providers.

Motivation

The municipality acknowledges response in relation to INEP Grant and the reason for non-approval being: "the service provider has not been appointed to the INEP project, and the request is more than 50% of the allocation". However, we wish to appeal that the National Treasury considers the Knysna Municipality's resubmission with evidence of appointment of service providers.

The INEP Grant is linked to two service delivery projects which are crucial for revenue enhancement and in ensuring that the municipality has adequate energy capacity to cater for future human settlements developments. The Upgrade of Main Intake Substation of Knysna is currently operating almost at full operational capacity, rendering a huge risk of total electricity shutdown in the entire Knysna Supply Area should one of the critical infrastructure components fail at any point. This may be detrimental for the Knysna Municipality's ability to maintain a positive revenue collection. Therefore, it is crucial that the INEP Rollover amount is maintained.

The municipality has appointed a Professional Service Provider and Contractor and the supply and delivery of crucial Phase 1 equipment e.g. Transformers, Circuit Brakers, Cables, Load Protection Equipment etc. is crucial to completing the most critical stages of this 3-year intervention. Approval of the INEP rollover will lead to a stable Municipal fiscus for capital projects and reduce the rate counter-funding.

Relevant service provider appointments are attached for your ease of reference.

Neighbourhood Development Partnership Grant

The Knysna Municipality received an amount of **R 20 477 000,00** grant funding through National Development Partnerships Grant by beginning July 2024 to implement its capital plan for 2024/25 financial year.

Although there were numerous challenges in the financial year 2024/25 causing delays in the spending of the NDPG, the municipality managed to spend up to **R 14 736 883,37** which translates to **72%**. Due to termination of a professional service provider towards the end of the financial year, physical progress and expenditure was severely hampered. However, the municipality managed to appoint a replacement professional service provider to manage implementation the project.

Motivation

The municipality acknowledges response in relation to NDPG Grant and the reason for non-approval being; "No supporting documents were not submitted for NDPG rollover application as outlined in the Circular". However, we wish to appeal that the National Treasury considers the Knysna Municipality's resubmission with evidence relating to appointment of service providers.

The NDPG Grant has been reserved to implement rehabilitation and beautifications on the Concordia Road. An amount of R 10 477 000 was allocated for the project in 2024/2025 financial year. The municipality managed to spend the full allocation by March 2025. An additional budget of R 10 million was allocated to the municipality during the grant re-allocation period. The municipal allocation was ultimately increased to R 20 477 000.

The remainder of the funding is linked to rehabilitation of the land slide in Concordia Road. The Landslide risks slipping off the entire road section, opposite Kunjani Mall. This may result in destruction and interruption of the municipal adjacent services and loss of economic opportunities for the community of Concordia. Approval of this rollover amount will enable the municipality to implement a permanent solution for the landslide. Funding has been committed to already appointed service providers who must implement these rehabilitation measures.

Relevant service provider appointments are attached for your ease of reference.

Municipal Disaster Response Grant (MDRG)

The Knysna Municipality acknowledges the decision not to approve the MDRG, however wishes to submit an appeal on the basis below:

Motivation

The grant is linked to rehabilitation of boardwalk in Brenton on Sea, one of the popular tourist attraction destinations in Knysna Municipality. The municipality has managed to complete the construction of the boardwalk in 2024/2025 financial year. However, there is scope for improvement/strengthening of the boardwalk so that it will withstand the harsh environmental conditions. Due to exceptionally high tide experienced in October 2025, there has been further impact on the Brenton Boardwalk which requires the contractor to improve specific details of the boardwalk. We therefore appeal that the national Treasury considers approval of the rollover amount so that the project may be fully completed to the desired specifications.

Relevant service provider appointments are attached for your ease of reference.

2. ROLLOVER EXPENDITURE PLAN

Municipal Infrastructure Grant

The MIG rollover funding will be spent on the table below.

PROJECT DETAILS	PROGRESS	AMOUNT TO BE ROLLED OVER
1. 3. New Lower Knysna River Dam Ph1, 2, 3, 4 & 5	The project is under construction currently, with a progress of 60% completion.	R 4 848 475,62
TOTAL ROLLOVER		R 4 848 475,62

MIG Rollover Budget Cash Flow 2025

MONTH	AMOUNT
July 2025	R 0
August 2025	R 0
September 2025	R 652 148,70 (Actual)
October 2025	R 741 710,79 (Actual)
November 2025	R 1 151 538,71 (Projected)
December 2025	R 1 151 538,71 (Projected)
January 2026	R 1 151 538,71 (Projected)

TOTAL EXPENDITURE BY END OCTOBER 2025	R 4 848 475,62
--	-----------------------

The municipality will be able to spend all the rollover funding by the end of January 2026.

Integrated National Electrification Programme

The INEP rollover funding will be spent on the on the table below;

PROJECT DETAILS	PROGRESS	AMOUNT TO BE ROLLED OVER
Upgrade Of 66/22kv Transformer Bays and Switchgear at Main Intake Substation No. 1 in Knysna.	The project is awarded for a 3-year period ending in 2027.	R 7 839 060,75
Hlanani Formal Electrification phase 1	The project is awarded and currently at 60% completion	R 881 313,20
TOTAL EXPENDITURE BY END OCTOBER 2025		R 8 720 373,95

INEP Rollover Budget Cash Flow 2025

MONTH	AMOUNT
July 2025	R 0
August 2025	R 0
September 2025	R 0
October 2025	R 300 000
November 2025	R 3 250 000
December 2025	R 4 000 000
January 2026	R 1 170 373,95
TOTAL EXPENDITURE BY END SEPTEMBER 2025	R 8 720 373,95

The municipality will be able to spend all the rollover funding by the end of January 2025.

Neighborhood Development Partnership Grant

The NDPG rollover funding will be spent on the on the table below;

PROJECT DETAILS	PROGRESS	AMOUNT TO BE ROLLED OVER
Rehabilitation of Concordia Road	The project is currently on final design for landslide portion of the scope of work before contractor begins with construction.	R 5 740 116,63
TOTAL EXPENDITURE BY END JANUARY 2025		R 5 740 116,63

NDPG Rollover Budget Cash Flow 2025

MONTH	AMOUNT
July 2025	R 128 100
August 2025	R 0
September 2025	R 0
October 2025	R 124,184.53
November 2025	R 2 970 000
December 2025	R 480 000
January 2026	R 2 037 832,10
TOTAL EXPENDITURE BY END SEPTEMBER 2025	R 5 740 116,63

The municipality will be able to spend all the rollover funding by the end of January 2025.

MDRG Rollover Budget Cash Flow 2025

MONTH	AMOUNT
July 2025	R 0
August 2025	R 0
September 2025	R 0
October 2025	R 0
November 2025	R 290 000
December 2025	R 42 000
TOTAL EXPENDITURE BY END SEPTEMBER 2025	R 332 000

The municipality will be able to spend all the rollover funding by the end of December 2025.

3. CONCLUSION

The Knysna Municipality is appealing for a second review of its application for rollover for the abovementioned conditional grants. The municipality is committed to implement the rollover funding for the designated projects with restructured construction programmes to ensure that spending is expedited.

Should you require further clarification on this submission please contact office of the Municipal Manager through Ms. Anita Strydom on 044 302 6300.

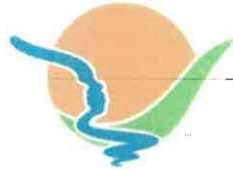
Yours faithfully,

DR LULAMILE MAPHOLOBA
MUNICIPAL MANAGER
/mn

ANNEXURES

Annexure A: Contract Awards and Commitments

INFRASTRUCTURE SERVICES COMMITTEE MEETING
AGENDA
03 MARCH 2026



Knysna

Municipality Munisipaliteit uMasipala
Inclusive • innovative • inspired

Collab No: 130 2455
File Ref: T 36/2021/22
V.Nobatana

HCC Energy (Pty) Ltd
77 Herbet Pery
Penhill Estate
7100

Per electronic mail: christopher@hccenergy.co.za / simone@hccenergy.co.za

ATTENTION: Simone

Dear Sir/Madam

TENDER 36/2021/22: ELECTRIFICATION OF INFORMAL AREAS IN KYSNA MUNICIPAL AREA FOR A PERIOD ENDING 30 JUNE 2025.

Our previous letter dated **18 August 2022** has reference.

On behalf of Knysna Municipality, I am pleased to inform you that your bid has been accepted. The bid is awarded to yourselves who scored the highest points at a tendered amount of **R 4,459,933.34** including **10%** contingencies and **15% VAT**. The tendered amount is indicative, cost will be incurred in accordance with the tendered rates on an as and when the housing projects are completed and funding becomes available, the maximum expenditure to be incurred must not exceed **R 10,000,000.00**.

It is hereby confirmed that no appeal/objection has been lodged on this matter.

Kindly contact **Mr N. Naki** should you require clarity on the information provided at telephone number **044 302 6404**

Yours faithfully


MR ROLAND BUTLER
ACTING MUNICIPAL MANAGER

DATE: 10/11/2022

Please address all correspondence to the Municipal Manager and quote the above reference
P O Box 21 • Knysna • 6570 • Tell: 044 302 6300 • Fax: 044 302 6333 • E-mail: knysna@knysna.gov.za

**Knysna**Municipality • Munisipaliteit • uMasipala
INCLUSIVE. INNOVATIVE. INSPIRED.**EVALUATION REPORT****RFQ 450/2023/24: Professional Services for Electrification of Hlalani Formal Houses (2024/2025 INEP Project)**

Contract Number	RFQ 450/2023/24
Contract Description	Professional Services for Electrification of Hlalani Formal Houses (2024/2025 INEP Project)
Date of Advertisement	18 April 2024
Date of Closing	25 April 2024
Advertisement Platform	Knysna Municipal Website
Number of RFQ submissions received	2
Number of Functional RFQ's	2
Lowest Responsive Submission	BDE Consulting Engineers (PTY) LTD
Accepted Price	R202 508.10

Functionality Evaluation

We received two bids from BED Consulting Engineers and APS Innovation Group. The RFQ had functionality that was weighed 30 points and bidder are suppose to score atleast 20 points in order to be evaluated for price.

Evaluation 80/20**Non-Responsive Bids**

Both bidders were found responsive on functionality and were further evaluated on price.

Recommendation

That RFQ 450/2023/24 be awarded to **BDE Consulting Engineers (PTY) LTD** because they are responsive and the price submitted is in line with our budget.

~~Recommended~~ / Not Recommended


N Naki

INFRASTRUCTURE SERVICES COMMITTEE MEETING

AGENDA

03 MARCH 2026

FROM: KNYSNA MUNICIPALITY

VAN: P O Box 21
KNYSNA Tel:044-3026300
Fax:044-3026340

TO: BDE CONSULTING ENGINEERS
AAN: POSBUS 1862
GEORGE
6530

REQUISITION/REKWISISIE: N /125072
DATE/DATUM: 30/09/2024
PAGE/BLADSY: 1
ACCOUNT/REKENING: 2 3329
REQUESTED BY: bd Baranese Dra
CAPTURED BY: nmi Nompulelo Ml
AUTHORISED BY: nna Ndipiwe Naki
BTW/VAT REG : 4360193876

CONTACT/KONTAK:
FAX NO/NR:
RFQ450/2023/24
Professional Services for

DESCRIPTION/BESKRYWING : Hlalani Electrification - Prof Services

SEQ ALLOCATION NR TOEWYSING	LINE DESCRIPTION ITEM BESKRYWING	QTY. HOEV.	UNIT PRICE EEN. PRYS	AMOUNT BEDRAG
1 9/104-305-305	Professional Services for Electrification of Hlala	1	176094.00	176094.00
498 292723672623	WITHDRAWAL RETENTION			0.00
499 292723671623	DEPOSIT RETENTION			0.00
555 11140141101	V.A.T / B.T.W			26414.10
	TOTAL/TOTAAL	1		202508.10

CHECKED APPROVED

Please quote order number on all invoices.
NB. All deliveries must be accompanied by an invoice.

For Official Use Only

VAT NO: 4520213648	ORDERS FOR	2024-2025	2023-2024
COMP REG NO: 2004/033886/07			
TAX CLEARANCE: 0002/2/2025/000718276816/	C 1	202508.10	0.00
EMAIL ADDR: devries@bdeconsult.co.za	TOTAL ORDERS	202508.10	0.00
HDI%: 90.40			
WOMEN: 40.00			
ENTERPRISE: QSE			
CATEGORY: 17-Prof. services			
CORE FUNCTION: 72005-Consultants			
TOWN:			
BEE STATUS: LEVEL 0			
BEE PROC.RECOG: 0%			



EVALUATION REPORT

RFQ 38/2024/25: APPOINTMENT OF THE PROFESSIONAL SERVICE PROVIDER FOR THE UPGRADE OF THE 66/22kV POWER SUPPLY (66/22kV INDOOR PANEL REPLACEMENT).

RFQ Details

Contract Number	RFQ 38/2024/25
Contract Description	Appointment of the professional service provider for the upgrade of the 66/22kV power supply (66/22kV indoor panel replacement).
Date of Advertisement	14 August 2024
Date of Closing	21 August 2024
Advertisement Platform	Knysna Municipal Website
Number of RFQ submissions received	2
Number of Functional RFQ's	1
Lowest Responsive Submission	CMB SOUTH (Pty) Ltd
Accepted Price	R290 950

Functionality Evaluation

Point's allocation for functionality

1. Company history and experience on similar works with proof of experiences (Number of projects/Jobs). (25)
2. Staff and Key Personnel professionally registered with ECSA. (15)
3. Company registration with CESA (5)

Criteria	Scoring criteria	CMB	UPHILO TRAD
Previous Experience in Design and Construction Demonstrated experience in design and construction management of electrical engineering projects completed within the ten (10) year period (From 2013 – current).	Projects/Jobs 5 Projects = 25 Points 4 Projects = 20 Points 3 Projects = 15 Points 2 Projects = 10 Points 1 Project = 5 Points	25	NO Supporting documents provided to claim points

INFRASTRUCTURE SERVICES COMMITTEE MEETING
AGENDA
03 MARCH 2026

	None = 0 Point		
Staff and Personnel Professionally Registration with ECSA. 1. Pr Eng with more than 8 years post registration. 2. Pr Tech Eng with more than 5 years post registration.	Pr Eng = 10 Points Pr Tech Eng = 5 Points	15	NO Supporting documents provided to claim points
CESA registration (Provide proof of registration)	Proof = 5 points None = 0 points	5	No Registration document
Total	45	45	

Tenderers must achieve a minimum of 35 points in order to qualify for further evaluation on price and preference points

Evaluation 80/20

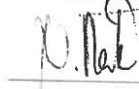
Non-Responsive Bids

- Uphilo Trading

Recommendation

That RFQ 38/2024/25 be awarded to **CMB South (Pty) Ltd** because they are responsive and the price submitted is in line with our budget.

Recommended/Not Recommended

 28/08/2024

N Naki

INFRASTRUCTURE SERVICES COMMITTEE MEETING

AGENDA

03 MARCH 2026



Category 2 (A) Distribution
(Underground & Overhead Services
(10366) (Year 1)

Collab. Ref.: 796215
File Ref.: 16/3/R 16/3/2/1
P Hariparsad

2019-07-29

Director
Clinkscapes Maughan-Brown (South)(Pty) Ltd
P O Box 2551
George
6530

E-mail Address: rsteenekamp@cmbgeorge.co.za

ATTENTION: Rohann Steenekamp

Dear Sir,

**KNYSNA MUNICIPALITY: KNYSNA CAPITAL PROJECTS ELECTRICAL
INFRASTRUCTURE: FINANCIAL YEAR 2019/20; CONSULTING ELECTRICAL
ENGINEERING SERVICES .**

Knysna Municipality is pleased to announce that Clinkscapes Maughan-Brown (South)(Pty) Ltd has been appointed as consultant for the following projects:

- Eastford Substation Extension Phase 2.
- Brenton- Upgrade of power supply
- Homlee/Oupad power upgrade

All work is to comply with relevant municipal standards, which can be obtained from the Electro-technical services.

The Municipality agrees with your project proposal submitted to the Electro-technical services for year 2019/20 and the proposed work must be completed before the end of June 2020.

Please address all correspondence to the Municipal Manager and quote the above reference
PO Box 21, Knysna, 6570 | Tel: 044 302 6306 | Fax: 044 302 6323 | Email: knysna@knysna.gov.za | www.knysna.gov.za

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INFRASTRUCTURE SERVICES COMMITTEE MEETING

AGENDA

03 MARCH 2026



Table1: Electrical power upgrade project cost

Item	Project	2018/19	2019/20	2020/21
1.0	Eastford Substation Extension Phase 2	R 2 950 000	R 830 000	R 1 200 000
2.0	Brenton – Upgrade of power supply	R 800 000	R 1 200 000	R 3 200 000
3.0	Industrial Area – Upgrade of network and cabling	R 340 000	Nil	Nil
4.0	Homlee/Oupad power upgrade	R 3 000 000	R 2 000 000	R 2 000 000
5.0	SCADA Upgrade	R 700 000	Nil	Nil
	Total excluding VAT	R 7 790 000	R 4 030 000	R 6 400 000

Table 2: Professional service fees

Item	Project	2018/19	2019/20	2020/21
1.0	Eastford Substation Extension Phase 2	R 318 000	R 33 000	R 48 000
2.0	Brenton – Upgrade of power supply	R 241 000	R 48 000	R 128 000
3.0	Industrial Area – Upgrade of network and cabling	R 27 000	Nil	Nil
4.0	Homlee/Oupad power upgrade	R 400 000	R 80 500	R 80 500
5.0	SCADA Upgrade	R 56 000	Nil	Nil
	Total excluding VAT	R 1 042 000	R 161 500	R 256 500

Should you have any further enquiries, please contact Jacques Lawrence on telephone number: 044 302 6409 or via e-mail address: jlawrence@knysna.gov.za.

Yours faithfully


DR SW VATALA
MUNICIPAL MANAGER
 /j/

Please address all correspondence to the Municipal Manager and quote the above reference
 PO Box 21, Knysna, 6570 | Tel: 044 302 6388 | Fax: 044 302 6333 | Email: knysna@knysna.gov.za | www.knysna.gov.za

18

INFRASTRUCTURE SERVICES COMMITTEE MEETING
AGENDA
03 MARCH 2026



Collab. No:
File Ref: T 36/2019/20
V.Nobatana

Clinkscales Maughan-Brown Consulting Mechanical and Electrical Engineers (Pty) Ltd
39 Victoria Street
George
6530

Per electronic mail: sadams@cmbgeorge.co.za

ATTENTION: Stiaan Adams

Dear Sir/Madam,

CONFIRMATION OF APPOINTMENT: UPGRADE OF 66/22KV TRANSFORMER BAYS AND SWITCHGEAR AT MAIN INTAKE SUBSTATION NO. 1 IN KNYSNA (INEP FUNDED).

The above tender has reference.

On behalf of Knysna Municipality, I am pleased to advise you that your proposal to implement the project as Project Engineer was accepted, with full project Professional Services value of **R 3 548 594,10** VAT inclusive. The financial component of Professional Services is broken down as follows;

ITEM	AMOUNT
Total Proposal Amount	R 3 895 918,00
Less 20% Discount	(R 779 184)
Less Credit for work completed to date through RFQ (Inception to Tender Stages)	(R 253 000)
Allowance for Employer's H&S Agent	R 120 000
Disbursements and Expenses	R 100 000
Total, excl. VAT	R 3 083 734
Total, incl. VAT	R 3 548 594,10

Please be advised that this appointment is per the Engineering Profession Act 2000 (Act 46 of 2000), Board Notice 22 of 2021 with the following normal project stages;

- Contract Administration
- Construction Monitoring

INFRASTRUCTURE SERVICES COMMITTEE MEETING

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- Occupational health and Safety
- Disbursements and Expenses
- Close-Out

The payment procedure for the above mentioned stages will occur as per the Guideline Scope of Services and Tariff of Fees for Persons Registered in terms of the Engineering Profession Act 2000 (Act No.46 of 2000). It is anticipated that Clinkscapes Maughan-Brown Consulting Mechanical and Electrical Engineers (Pty) Ltd will receive this appointment, within 7 days of acceptance of the appointment.

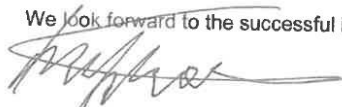
It is anticipated that Clinkscapes Maughan-Brown Consulting Mechanical and Electrical Engineers (Pty) Ltd will within 7 days of receipt and signing the acceptance of this appointment letter provide the Knysna Municipality with a project programme detailing activities and time frames for the subsequent stages of the project. The detailed project programme should be presented to Knysna Municipal Project Steering Committee. A separate SLA will be signed between Messrs. Clinkscapes Maughan-Brown Consulting Mechanical and Electrical Engineers (Pty) Ltd and Knysna Municipality within 14 days of signing of acceptance of appointment.

In terms of the Construction Regulations published in July 2003 of the OHS Act (Act No. 85 of 1993), the Municipality has to comply with certain provisions pertaining to the duties the "Client" has to perform. As part of your additional services to this contract you are required as an agent of the municipality to assume the responsibility to implement the OHS Act (Act No. 85 of 1993) for the duration of the project.

Furthermore, all deliverables as clearly stated in the Engineering Profession Act 2000 (Act 46 of 2000), Board Notice 22 of 2021 concerning Project Close-Out Stage are to be submitted and approved prior to release of the Close-Out moneys. It is placed upon the control of the professional service provider in this case Clinkscapes Maughan-Brown Consulting Mechanical and Electrical Engineers (Pty) Ltd to ensure that these conditions are met and the deliverables thereto are in place. Failure to submit all relevant deliverables will be construed as poor performance and contravention with the Engineering Profession Act 2000 (Act 46 of 2000), Board Notice 22 of 2021.

Kindly contact Mr **M Nzuzo** should you require clarity on the information provided on telephone number **044 302 6392**.

We look forward to the successful implementation of the project with your firm.



L. MAPHOLOBA
MUNICIPAL MANAGER

DATE: 18/07/2025

T21/2024/25:

Collab No:
File Ref: T 21/2024/25
V.Nobatana

VE RETICULATION
11 Barrier Street
Mossdustria
6510



Email: finb@veretification.co.za

Dear Sir/Madam

TENDER NO T21 OF 2024/25: UPGRADE OF 66/22Kv TRANSFORMER BAYS AND SWITCHGEAR AT MAIN INTAKE SUBSTATION NO. 1 IN KNYNSA.

This letter has reference.

On behalf of the Greater Knysna Municipality, I am pleased to inform you that your bid has been accepted. The tender is awarded to your company who scored the highest number of points at a tendered amount of **R 56,999,889.15** including **15% VAT**. The costs will be incurred as per the project scope of work approved by the Municipality, in accordance with the tendered amount and subject to budget availability.

Your appointment is in accordance with Municipal Supply Chain Management Policies and any other related legislations or regulations applicable to the Municipality.

Your company is advised to accept this offer in writing within 04 working days from the date of receiving this letter. Your company appointment is subject to all standard bid terms and conditions stipulated in the submitted bid, General Conditions of Contracts and where applicable, the Special Conditions of Contracts.

The Municipality will enter into a Service Level Agreement with your company within 14 working days following the acceptance of the offer. The Municipality reserve the right to review or alter or withdraw the appointment letter.

Poor performance or failure to execute the contract as per the accepted price will result in a termination of the contract. Your company will subsequently be blacklisted.

For any clarification or more information please do not hesitate contact the Municipal Supply Chain Management Office at Tel 044 302 6595/ 6549 or Email: vnobatana@knysna.gov.za or mmato@knysna.gov.za.

I hope you will find all of the above in order and your business association with the Municipality will remain pleasant.

Yours Faithfully


LULAMILE MAPHOLOBA
MUNICIPAL MANAGER
DATE: 12/03/2025

Please address all correspondence to the Municipal Manager and quote the above reference
P O Box 21 • Knysna • 6570 • Tel: 044 302 6300 • Fax: 044 302 6333 • E-mail: knysna@knysna.gov.za



KNYSNA
Municipality Munisipaliteit uMasipala
INCLUSIVE. INNOVATIVE. INSPIRED.

Collab. No.: 190078
File Ref: Aurecon Group
R Parry

2019/06/28

AURECON
Suite 201
2nd Floor
Bloemhof Building
65 York Street
P.O Box 509
GEORGE
6530

Email address: george@aurecongroup.com

ATTENTION: Mr. P Erasmus

Dear Sir

PROVISION OF PROFESSIONAL ENGINEERING SERVICES FOR 2019/2020 PERIOD

Knysna WWTW Mechanical and Electrical – 501562/19.7 PE/am; Knysna Bulk Water Kruisvallei Dam - 502660/19.3 PE/am; Charlesford and Eastford Pump stations Civil Work - 503220/19.15 KP/kk; Charlesford and Eastford Pump Stations Mechanical and Electrical – 503220/19.4 KP/kk; Emergency repair and maintenance – 502661/19.3PE/kk; Long-Term Sewage Sludge - 401087/19.9 PE/kk.

Knysna Municipality is pleased to announce that Aurecon has been appointed as consultant for the following projects;

- Knysna Waste Water Treatment Works: Conversion of Sequential Batch Reactor : Mechanical and Electrical Works
- Knysna Bulk Water Augmentation Kruisvallei Dam: Feasibility Investigation
- Charlesford and Eastford Pump Stations: Civil Work
- Charlesford and Eastford Pump Stations: Mechanical and Electrical
- Emergency repair and maintenance: Civil

INFRASTRUCTURE SERVICES COMMITTEE MEETING
AGENDA
03 MARCH 2026



KNYSNA
Municipality Munisipaliteit uMasipala
INCLUSIVE. INNOVATIVE. INSPIRED.

- Long Term Sewage Sludge Disposal or Utilization Contract

Should you have any further enquiries, please contact Rhoydon Parry on telephone number: 044 302 6332 or via e-mail address: rparry@knysna.gov.za

Yours faithfully



DR. SW VATALA
MUNICIPAL MANAGER
/rp/ph

INFRASTRUCTURE SERVICES COMMITTEE MEETING
AGENDA
03 MARCH 2026

T28/2024/25:



Collab No:
File Ref: T 28/2024/25
V.Nobatana

MUKONA GEOTECHNICS
Halfway House
Midrand
Gauteng
1685

Dear Sir/Madam

TENDER NO T28 OF 2024/25: GEOTECHNICAL DRILLING AND MATERIALS INVESTIGATION OF THE PROPOSED KRUISVALLEI DAM SITE.

Our previous letter dated 15/07/2025 has reference.

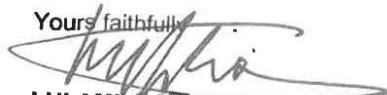
On behalf of the Greater Knysna Municipality, I am pleased to inform you that your bid has been accepted. The tender is awarded to your **company** who scored the highest number of points at a tendered amount of **R 2,323,535.19** including **5% Contingencies** and **15% VAT**. The costs will be incurred as per the project scope of work approved by the Municipality, in accordance with the tendered amount and subject to budget availability.

The appointment of your company is in accordance with Municipal Supply Chain Management Policies and any other related regulations applicable to the Municipality. The company is advised to accept this offer in writing within **04** working days from the date of receiving this letter. The company appointment is subject to all standard bid terms and conditions stipulated in the submitted bid, General Conditions of Contracts and the Special Conditions of Contracts where applicable.

The Municipality will enter into a Service Level Agreement with your company within **14** working days following the acceptance of the offer. The Municipality reserve the right to review, alter, or withdraw the appointment letter.

Kindly contact **Mr V. Nobatana** should you require clarity on the information provided at telephone number **044 302 6595**.

Yours faithfully,


LULAMILE MAPHOLOBA
MUNICIPAL MANAGER

DATE: **05/08/2025**

Please address all correspondence to the Municipal Manager and quote the above reference
P O Box 21 • Knysna • 6570 • Tel: 044 302 6300 • Fax: 044 302 6333 • E-mail: knysna@knysna.gov.za

INFRASTRUCTURE SERVICES COMMITTEE MEETING
AGENDA
03 MARCH 2026



Collab No:
File Ref: T 29/2023/24
V.Nobatana

INYAMEKO TRADING 618
C925 Concordia
Knysna
6570

Per electronic mail: inyamekotrading@gmail.com

ATTENTION: Nozuko Thelma Kameni

Dear Sir/Madam

**TENDER29/2023/24-RFQ01:CONSTRUCTIONOFPUBLIC ACCESS/BOARDWALK
BRENTON ON SEA.**

The above tender has reference.

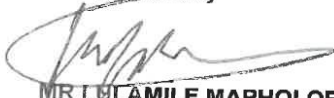
On behalf of Knysna Municipality, I am pleased to advise you that your bid has been accepted. The tender is awarded to your company as you have scored the highest number of points at a tendered amount of **R 2,516,085.00** including 15% VAT and subject to budget availability.

The appointment of your company is subject to Municipal Supply Chain Management policies and procedures, General Conditions of Contract and Special Conditions of Contract and where applicable

A binding contract between your Company and Municipality will only be entered into after below mentioned conditions have been satisfied, namely:

The Municipality reserve the right to withdraw or amend this letter. For any clarity please do not hesitate to contact the Office of Manager Supply Chain Management at the telephone number 044 302 6595 or email

Yours Faithfully


MR LULAMILE MAPHOLOBA
MUNICIPAL MANAGER
DATE: 11/03/2025

Please address all correspondence to the Municipal Manager and quote the above reference
P O Box 21 • Knysna • 6570 • Tell: 044 302 6300 • Fax: 044 302 6333 • E-mail: knysna@knysna.gov.za

INFRASTRUCTURE SERVICES COMMITTEE MEETING

AGENDA

03 MARCH 2026

FROM: KNYSNA MUNICIPALITY

VAN: P O Box 21
KNYSNA Tel:044-3026300
Fax:044-3026340

TO: INYAMEKO TRADING 618 CC
AAN: C925 CONCORDIA

KNYSNA
6571

ORDER/BESTELLING: T/24029159
REQUISITION/REKWISISIE: N /128761
DATE/DATUM: 02/04/2025
PAGE/BLADSY: 1
ACCOUNT/REKENING: 2 5314
REQUESTED BY: ang Amanda Ndlan
CAPTURED BY: nmi Nompulelo Ml
AUTHORISED BY: axd Director Pla
BTW/VAT REG : 4360193876
CONTACT/KONTAK: Amanda
FAX NO/NR: 044 302 6374
Construction of public access Brenton on

DESCRIPTION/BESKRYWING : Construction of public access Brenton on

SEQ NR	ALLOCATION TOEWYSING	LINE DESCRIPTION ITEM BESKRYWING	QTY. HOEV.	UNIT PRICE EEN. PRYS	AMOUNT BEDRAG
1	9/183-213087-60975	Construction of public access Brenton on Sea	1	1556609.57	1556609.57
498	292723672623	WITHDRAWAL RETENTION			0.00
499	292723671623	DEPOSIT RETENTION			0.00
566	11140141301	V.A.T / B.T.W			233491.43
TOTAL/TOTAAL			1		1790101.00

CHECKED APPROVED

Please quote order number on all invoices.
NB. All deliveries must be accompanied by an invoice.

For Official Use Only

VAT NO: 4320315882	ORDERS FOR	2024-2025	2023-2024
COMP REG NO: 2006/045799/23	A	1	2000.00
TAX CLEARANCE: 0700/2/2026/A00269333704/	B	2	45056.45
EMAIL ADDR: inyamekotrading618@gmail.	D	1	0.00
HDI%: 100.00	R	7	151000.00
WOMEN: 0.00	T	27	6022389.06
ENTERPRISE:			
CATEGORY: 27-Contractors	TOTAL ORDERS	6220445.51	8650854.40
CORE FUNCTION:			
TOWN:	Tender/RFQ	109	10529769.07
BEE STATUS: LEVEL 1			
BEE PROC.RECOG: 110%			
BEE EXPIRY DATE: 31/12/2016			

INFRASTRUCTURE SERVICES COMMITTEE MEETING

AGENDA

03 MARCH 2026

FROM: KNYSNA MUNICIPALITY

VAN: P O Box 21
KNYSNA Tel:044-3026300
Fax:044-3026340

TO: INYAMEKO TRADING 618 CC
AAN: C925 CONCORDIA
KNYSNA
6571

ORDER/BESTELLING: T/24029168
REQUISITION/REKWISISIE: N /129720
DATE/DATUM: 06/06/2025
PAGE/BLADSY: 1
ACCOUNT/REKENING: 2 5314
REQUESTED BY: ang Amanda Ndian
CAPTURED BY: nmi Nompulelo Ml
AUTHORISED BY: PB Pamela Booth
BTW/VAT REG : 4360193876
CONTACT/KONTAK: Amanda
FAX NO/NR: 044 302 6374
Construction of public access Brenton

DESCRIPTION/BESKRYWING : Construction of public access Brenton

SEQ ALLOCATION NR TOEWYSING	LINE DESCRIPTION ITEM BESKRYWING	QTY. HOEV.	UNIT PRICE EEN. PRYS	AMOUNT BEDRAG
1 9/183-213087-60975	Construction of public ac cess Brenton	1	232744.83	232744.83
498 292723672623	WITHDRAWAL RETENTION			0.00
499 292723671623	DEPOSIT RETENTION			0.00
566 11140141301	V.A.T / B.T.W			34911.73
	TOTAL/TOTAAL	1		267656.56

CHECKED APPROVED

Please quote order number on all invoices.
NB. All deliveries must be accompanied by an invoice.

For Official Use Only

VAT NO: 4320315882
COMP REG NO: 2006/045799/23
TAX CLEARANCE: 0700/2/2026/A00269333704/
EMAIL ADDR: inyamekotrading618@gmail.
HDI#: 100.00
WOMEN: 0.00
ENTERPRISE:
CATEGORY: 27-Contractors
CORE FUNCTION:
TOWN:
BEE STATUS: LEVEL 1
BEE PROC.RECOG: 110%
BEE EXPIRY DATE: 31/12/2016

ORDERS FOR	2024-2025	2023-2024
A 1	2000.00	0.00
B 2	45056.45	0.00
D 1	0.00	350000.00
R 8	203000.00	175620.00
T 27	5484972.15	8125234.40
TOTAL ORDERS	5735028.60	8650854.40
Tender/RFQ	115	10907275.35

INFRASTRUCTURE SERVICES COMMITTEE MEETING
AGENDA
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RFQ443/2023/24

Appointment of a Professional Services



Contract no	RFQ443/2023/24
Contract description	Appointment of a Professional Service Consultant for the Design and Implementation of the Construction of Public Access Boardwalk to Brenton on Sea beach
RFQ closing date	15/04/2024
Date of advertisement	08/04/2024
Place where advertised	KM Website & Notice boards
Number of RFQ received	2
Number of responsive RFQ	1
Lowest responsive and realistic RFQ	COBUS LOUW PROFESSIONAL ENGINEER CC
RFQ Price	R 170 864,7

SECTION 4: VENDOR ASSESSMENT

THE FOLLOWING QUOTES WERE RECEIVED ON THE CLOSING DATE AND TIME:

Tenderer	Cred no.	Price Excluding	Vat	Price Including	Tax Clearance	BBBEE	Town	VAT Registered
COBUS LOUW PROFESSIONAL ENGINEER CC	1	148 575,00	15%	170 864,70	Y	L1	Mossel Bay	Y
Tusk Construction Support	2	269 434,22	15%	309 849,35	Y	L3	Centurion	Y

Eliminations:

Tusk Construction Support :Non-responsive quoted above R300 000,00

Evaluation

Tenderer	PT	Pmin	Price	BBBEE	Total
COBUS LOUW PROFESSIONAL ENGINEER CC	170 864,70	170 864,70	80,00	20,00	100,00

EVALUATION SCHEDULE

Tenderer	Previous Company Experience	Key Personnel	Points Claimed
COBUS LOUW PROFESSIONAL ENGINEER CC	25	25	50/50

Recommendation

It is recommended that RFQ443/2023/24:Appointment of a Professional Services Consultant to be awarded to Cobus Louw Professional Engeneer who scored 100 points and give a quote of R170 864,70 Incl 15% Vat

Declaration

We the undersigned herewith declare that I have no interest/relationship with any bidder (family member, friend or other) who has submitted a bid for this, which may jeopardise the evaluation and or adjudication of this bid.

Compiled By:

P. Mseleni

P. Mseleni (SCM Senior Practitioner)

19/04/2024

Date

T. Mankwana
T. Mankwana (SCM Manager)

Approved/Not approved

P. Booth

P. Booth (Manager Environmental Management)

19/04/2024

Date

EVALUATION REPORT

RFQ443 2023/24—APPOINTMENT OF PROFESSIONAL SERVICE PROVIDER FOR THE DESIGN AND IMPLEMENTATION OF THE CONSTRUCTION OF PUBLIC ACCESS BOARDWALK TO BRENTON-ON-SEA.

Price schedule

Company Name	Price incl VAT
Cobus Louw Professional Engineer	170 864.70
Tusk Construction Support Services	309 849.35

Company	Key personnel	Company Experience	Total
Cobus Louw Professional Engineer	25	25	50
Tusk Construction Support Services	0	15	35

Recommendation:

Based on the above, it is recommended that **Cobus Louw Professional Engineer** is appointed based on functionality and price.

Procuring department: Environmental Management

Bid evaluators:



Manager: Environmental Management, P. Booth



Manager: Parks and Recreation, I. Van Wyk



Manager: Project Management Office, M. Nzuzo

INFRASTRUCTURE SERVICES COMMITTEE MEETING
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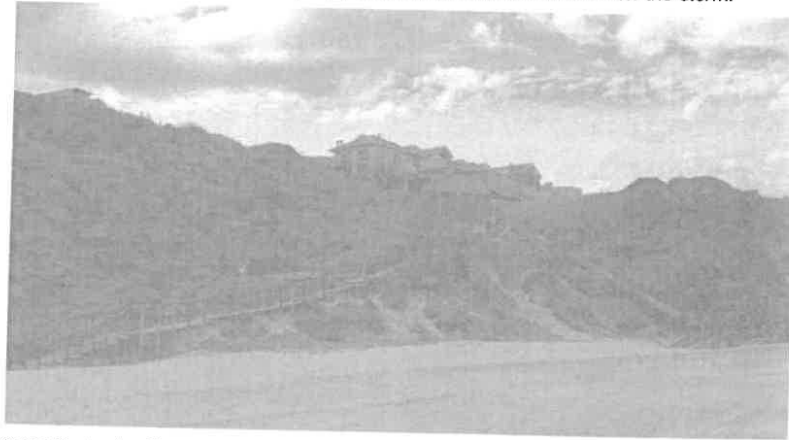
BACKGROUND:

Below is an extract from the application for funding to the National Disaster Management Centre:

STORM DAMAGE AT BRENTON ON SEA: BOARDWALK REPLACEMENT

Knysna Municipality installed temporary access to Brenton beach in December according to approved S30A Directive to allow visitors to safely access the beach over the 2023/24 holiday season.

The images below show the original boardwalk before the storm; the boardwalk after the storm in September and the temporary access that was constructed after the storm.



Original Brenton beach boardwalk and access ramp, April 2023. Note stormwater pipe at right.

INFRASTRUCTURE SERVICES COMMITTEE MEETING
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Original boardwalk April 2023

The end of the boardwalk was severely damaged during the storm surge. Foundations were exposed and entire portions of the boardwalk were washed away.



End of boardwalk. Most of the boardwalk was completely washed away.



Remnants of boardwalk after storm, steep exposed sandy cliffs prevented safe access to the beach.

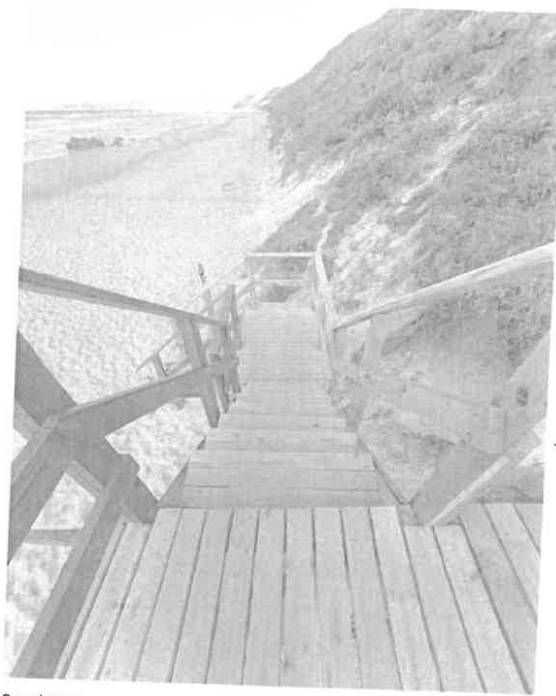
Emergency repairs commenced in November starting with the placement of sandbags at the base of the old boardwalk.

INFRASTRUCTURE SERVICES COMMITTEE MEETING
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The temporary boardwalk was constructed over a period of 4 weeks to enable safe access to the beach. It is an acceptable structure considering the time and resource constraints of the municipality and the fact that Brenton Beach was awarded Blue Flag status and there was an expectation that adequate access should be in place before the start of the Blue Flag season in December. However, the temporary access was not designed to withstand prolonged usage or with dune stability in mind, never mind moderate tidal surges.

The photograph below clearly shows the proximity of the temporary structure to the unstable dune which puts the entire structure at risk during the next tidal surge or storm. Although our internal staff did an excellent job of constructing the boardwalk and stairs in a very short period of time it does not meet the full safety and comfort standards expected by visitors. The structure is very steep; the rise on the stairs is uneven and the foundation of the final landing is unstable. Apart from these safety risks to visitors there is a real risk that the structure will not survive the next storm surge as it is built on the highly exposed and erodible face of the primary dune.



Completed temporary structure showing proximity to erodible dune face.

INFRASTRUCTURE SERVICES COMMITTEE MEETING
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Base of temporary boardwalk showing additional support structures for stability.



Unstable dune directly beneath the temporary boardwalk

INFRASTRUCTURE SERVICES COMMITTEE MEETING
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Motivation for replacement of temporary structure:

Tidal action and storm surges are increasingly going to challenge conventional coastal infrastructure in the Southern Cape. Boardwalks, staircases and access ramps for the public are all at risk. In the last 5 years we have experienced flood events combined with storm surges that have destroyed access paths, pipelines and private property. The Brenton Boardwalk is no exception. It is also the only access to the beach from Brenton village.

The need for a properly designed and constructed access point that can safely provide residents and visitors passage to the beach is essential for Brenton which is one of Knysna's two Blue Flag beaches. Knysna Municipality would like to appoint a coastal engineer to conduct a comprehensive assessment of the stability of the dune and the selection of a suitable site for an access point that can withstand tidal action and storm surges. The engineer will similarly assist with design and oversight of the construction of the access point to ensure an optimal outcome.

Knysna Municipality has received a funding allocation from the Municipal Disaster Response Grant (MDRG) for infrastructure damages caused by the floods and storm surge of 2023. The grant is to be used expressly for the replacement of the temporary boardwalk and access ramp to the beach at Brenton on Sea.

SPECIFICATIONS:

Notwithstanding the above, a suitably qualified and experienced professional service provider is required to draft specifications, including a Bill of Materials, and to conduct oversight for the duration of the project. The Professional Service Provider will ensure that the necessary environmental authorisations are procured in partnership with the Environmental Management department and the Provincial Disaster Management Centre who have committed to expediting such authorisations. They will ensure that progress reports are provided timeously to meet the requirements of the grant and that the project is completed before the end of August 2024.

PRICING SUMMARY:

It is estimated that the total cost of construction will be R2 300 000.00.

Bids are going to price for the entire project i.e. with the following activities:

1. Inception
2. Planning and Design
3. Procurement and tender
4. Construction and administration
5. Close-out

It is anticipated that there will be travelling from office to site. The following conditions are applicable:

1. The municipality will not pay for flights
2. The municipality will not pay for accommodation
3. It is expected that the professional services company will use the closest office to the site
4. Maximum travel distance 150km per trip return, with four (04) times in a month

INFRASTRUCTURE SERVICES COMMITTEE MEETING
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It is assumed that the project structure will constitute the following:

1. Professional Engineer - category B for project design purposes
2. Professional Engineering technician - category D for construction monitoring

It is estimated that the construction duration will be a maximum of 6 months

It is assumed that all printing and consumables will be claimed under contract administration. Therefore there is no separate bill item for printing & any other related consumables.

The successful bidder will be required to submit statutory reports on a by weekly and monthly basis. Reporting formats will be supplied to the successful bidder on project inception.

It is assumed that construction monitoring will be paid under the Construction and Administration Item. Therefore the Professional Service Provider should price for construction monitoring within the above Item.

Description	Unit	Quantity	Rate	Total
1. NORMAL SERVICES				
1.1 Inception and Consultation	Sum	1	R 5 328.90	R 5 328.90
1.2 Planning & Design	Sum	1	R 26 644.50	R 26 644.50
1.3 Procurement & Tender	Sum	1	R 53 289.00	R 53 289.00
1.4 Construction & Administration	Sum	1	R 57 986.70	R 57 986.70
1.5 Close Out	Sum	1	R 5 328.90	R 5 325.90
2. DISBURSEMENTS				
2.1 Travelling	Sum	7	R 18 000.00	R 18 000.00
SUB-TOTAL 1			R 148 575.00	
ADD 15% VAT			R 22 286.70	
GRAND TOTAL			R 170 864.70	



INFRASTRUCTURE SERVICES COMMITTEE MEETING

AGENDA

03 MARCH 2026

FROM: KNYSNA MUNICIPALITY
VAN: P O Box 21
KNYSNA Tel:044-3026300
Fax:044-3026340

TO: CORUS LOUW PROFESSIONAL ENGINEER
AAN: PO BOX 1247
HARTENBOS

6520

ORDER/BESTELLING: C/ 77044
REQUISITION/REKWISIISIE: N /124004
DATE/DATUM: 20/08/2024
PAGE/BLADES: 1
ACCOUNT/REKENING: 2 9778
REQUESTED BY: ang Amanda Ndlan
CAPTURED BY: nmi Nompulelo Ml
AUTHORISED BY: mdm Mulalo Domin
BTW/VAT REG : 4360193876
CONTACT/KONTAK: Amanda
FAX NO/NR: 044 302 6374
Design & Construction of Brenton Boardwa
RFQ 443/2023/24

DESCRIPTION/BESKRYWING : Design & Construction of Brenton Boardwa

SEQ ALLOCATION NR TOEWYSING	LINE DESCRIPTION ITEM BESKRYWING	QTY. HOEV.	UNIT PRICE SEN PRYS	AMOUNT BEDRAG
1 9/183-213087-60975	Design & Construction of Brenton Boardwalk	1	148578.00	148578.00
498 292723672623	WITHDRAWAL RETENTION			0.00
499 292723671623	DEPOSIT RETENTION			0.00
555 11140141101	V.A.T / B.T.W			22286.70
	TOTAL/TOTAAL	1		170864.70

CHECKED APPROVED

Please quote order number on all invoices.
NB. All deliveries must be accompanied by an invoice.

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VAT NO: 4800219380
COMP REG NO: 2004/095751/23
TAX CLEARANCE: 0700/2/2025/A00113481727/
EMAIL ADDR: cobuslouwsabsamail.co.za
HDI#: 0.00
WOMEN: 0.00
ENTERPRISE: EME
CATEGORY: 17-Prof. services
CORE FUNCTION:
TOWN:
BEE STATUS: LEVEL 0
BEE PROC.RECOG: 0%

ORDERS FOR 2024-2025 2023-2024
C 1 170864.70 0.00
TOTAL ORDERS 170864.70 0.00

INFRASTRUCTURE SERVICES COMMITTEE MEETING
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03 MARCH 2026



national treasury

Department:
National Treasury
REPUBLIC OF SOUTH AFRICA

CONFIDENTIAL

Private Bag X115, Pretoria, 0001 | 40 Church Square, Pretoria, 0002 | Tel: +27 12 315 5111

@TreasuryRSA National Treasury RSA National Treasury RSA @treasuryrsa | www.treasury.gov.za

Mr L Mapholoba
The Municipal Manager
Knysna Municipality
P O BOX 21
KNYSNA
6570

Dear Mr Mapholoba

APPLICATION FOR ROLL OVER OF UNSPENT CONDITIONAL GRANTS FOR THE 2024/25 FINANCIAL YEAR

Your letter dated 28 August 2025 refers.

Approval is hereby granted in terms of section 21(2) of the 2024 Division of Revenue Act, (Act No. 24 of 2024) (DoRA), as amended by the Division of Revenue Amendment Act, (Act No. 48 of 2024) (DoRAA) to retain a lesser amount of **R3.9 million** of the requested amount of **R23.8 million** allocated to your municipality in the 2024/25 financial year through the DoRA. This approval is in respect of the Municipal Infrastructure Grant (MIG).

The National Treasury used the criteria set out in Circular No.130 of the Municipal Finance Management Act, 2003 (Act No.56 of 2003) as a guide to assess the roll over request by your municipality.

The reduced amount of R3.9 million is to fund the following projects:

- Upgrade Bongani Sport field (R2.2 million); and
- Rehabilitation of Hornlee Internal Road (R1.8 million).

The rejected amount of R19.8 million for the MIG (R4.9 million), Municipal Disaster Response Grant (MDRG) (R332 thousand), Neighbourhood Development Partnership Grant (NDPG) (R5.7 million), and Integrated National Electrification Programme (Municipal) Grant (INEP) (R8.8 million) is based on the following reason:

- With regards to MIG, the service provider has not been appointed for the New Lower River Dam project;
- MDRG, this is a rollover of a rollover, unspent funds from 2023/24 financial year which could not be fully spent by June 2025;
- No supporting documents were not submitted for NDPG rollover application as outlined in the Circular; and

INFRASTRUCTURE SERVICES COMMITTEE MEETING
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APPLICATION FOR ROLL OVER OF UNSPENT CONDITIONAL GRANTS FOR
THE 2024/25 FINANCIAL YEAR

CONFIDENTIAL

- The service provider has not been appointed for the INEP project, and the request is more than 50% of the allocation.

The National Treasury advises your municipality to adjust your grant income projections according to section 28 of the Municipal Finance Management Act, (Act No. 56 of 2003) by passing a municipal adjustments budget. In this regard, please take note of the requirements of section 23(1) of the Municipal Budget and Reporting Regulations (Government gazette No. 32141 dated 17 April 2009) which provides for dates by which a Municipal Council should pass an adjustments budget.

All approved roll overs must be reported in a format approved by National Treasury. Further, municipalities must also report expenditure incurred on rolled over amounts monthly to the relevant Transferring Officer. Municipalities are also encouraged to also send a copy of the roll over reports to the respective provincial departments (provincial treasury and provincial local government department).

NB: This process only covers the 2024 DoRAA allocated amounts.

Kind regards



PP
OGALA LETSENG GAAREKWE
Deputy Director-General: Intergovernmental Relations
22 October 2025

CC: Office of the Auditor-General

For more information contact:

Name: Sello Mashaba
Email: Sello.Mashaba@treasury.gov.za
File Ref: WC048/14

INFRASTRUCTURE SERVICES COMMITTEE MEETING
AGENDA
03 MARCH 2026



Western Cape
Government

Provincial Treasury
Zoleka Hans
Local Government Public Finance
mfma.mfma@westerncape.gov.za | Tel: 021 483 3845

REFERENCE NUMBER: PTR 16/1/26/1

Private Bag X9165
CAPE TOWN
8000

Enquiries: Ms Zoleka Hans

The Municipal Manager
Knysna Municipality
PO BOX 21
KNYSNA
6570

For attention: Mr L Mapholoba

OUTCOME FOR ROLL-OVER OF UNSPENT PROVINCIAL INFRASTRUCTURE CONDITIONAL GRANTS FOR THE 2024/25 FINANCIAL YEAR

Your letter dated 29 August 2025 refers.

The Western Cape Provincial Treasury has in principle granted approval, in terms of Section 10(2) of the Western Cape Appropriation Act, 2024 (Act No. 1 of 2024) to roll-over the unspent amount of R903,339 for Western Cape Financial Management Capability Grant, the unspent amount of R4,773,348 for Municipal Water Resilience Grant and the unspent amount of R574,764 for Municipal Energy Resilience Grant.

All roll-over amounts approved must be fully spent by 30 June 2026 as no further roll-over will be allowed should there be unspent funds remaining at 30 June 2026.

The Municipality **must** provide the final unspent amount for the above-mentioned conditional grant when the 2024/25 Annual Financial Statements have been audited. The approval granted to Municipality will be reviewed again once the audited 2024/25 Annual Financial Statements have been received and may be withdrawn if anomalies are identified.

The unspent amount of R144,000 for Western Cape Financial Management Capability Grant for training on financial system, was not approved as this request represents a rollover of a previous rollover.

The Municipality is requested to return the unspent funds to the transferring department using the relevant banking details as communicated in Treasury Circular Mun No. 5 of 2025.

The due date for the repayment of the above unspent funds is **28 November 2025** and proof of payment **must** be sent to mfma.mfma@westerncape.gov.za for attention of Ms ZM Hans.

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Provincial Treasury advises the Municipality to adjust grant income projections for these grants according to Section 28 of the Municipal Finance Management Act (Act No. 56 of 2003) by passing a municipal adjustment budget. Please note the requirements of regulation 23(1) of the Municipal Budget and Reporting Regulations (Government Gazette No. 32141 dated 17 April 2009) which provides for timeframes by which a municipal council should pass an adjustment budget.

The Provincial Treasury together with the relevant provincial departments will continue to monitor the spending of provincial conditional grants allocated to the Municipality. The Municipality must ensure that all the funds that have been approved to be rolled over are reflected in Table SC7(2) of the C-Schedule and are fully spent during the 2025/26 financial year.

Kind regards,



MR S KENYON
CHIEF DIRECTOR: LOCAL GOVERNMENT PUBLIC FINANCE
DATE: 13 NOVEMBER 2025

Cc: The Head of Department: Provincial Treasury
The Head of Department: Department of Local Government
The Chief Financial Officer: Knysna Municipality

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AGENDA
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national treasury

Department:
National Treasury
REPUBLIC OF SOUTH AFRICA

CONFIDENTIAL

Private Bag X115, Pretoria, 0001 | 40 Church Square, Pretoria, 0002 | Tel: +27 12 315 5111

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Mr L Mapholoba
The Municipal Manager
Knysna Municipality
P O BOX 21
KNYSNA
6570

Dear Mr Mapholoba

REPAYMENT OF UNSPENT CONDITIONAL GRANTS FOR THE 2024/25 FINANCIAL YEAR

Your letter dated 27 October 2025 refers.

Following the representation in terms of the Municipal Disaster Recovery (MDRG), National Treasury hereby has revised its decision to approve an amount of R332 thousand to be rolled over into the 2025/26 financial year. The approval is with respect to the MDRG, and it is to fund the rehabilitation of boardwalk in Brenton on Sea. National Treasury has taken a decision to support municipalities with disaster unspent funds, given the motivation from the municipality and the nature of the grant.

With regard to the Municipal Infrastructure Grant (MIG) (R4.8 million), Neighbourhood Development Partnership Grant (NDPG) (R5.7 million), and Integrated National Electrification Programme (Municipal) Grant (INEP) (R8.8 million), National Treasury hereby still maintains its decision not to approve an amount of R19.4 million for the grants mentioned.

The rollover request for MIG was not recommended by the Department of Cooperative Governance on the basis that there is no contractor on site. For INEP and NDPG, please note that National Treasury does not accept additional information after the deadline of 31 August 2025.

In the case of your municipality, National Treasury concluded that an amount of R19.5 million remains unspent and should be repaid to the NRF. The unspent amount is in respect of the Neighbourhood Development Partnership Grant (NDPG) (R5.7 million), Municipal Infrastructure Grant (MIG) (R4.8 million), Integrated National Electrification Programme Grant (INEP) (R8.8 million) and the Water Services Infrastructure Grant (WSIG) (R111 thousand). This is unspent as per the 2025 pre-audited AFS and the rollover which was declined and for WSIG, no rollover was requested.

INFRASTRUCTURE SERVICES COMMITTEE MEETING
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REPAYMENT OF UNSPENT CONDITIONAL GRANTS FOR THE 2024/25
FINANCIAL YEAR

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Kindly ensure that the unspent amount stipulated above should be paid into the following bank account on or before **19 November 2025**:

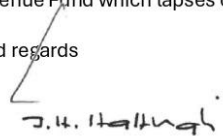
Account holder	National Treasury
Bank	ABSA
Branch code	632005
Account No.	405 236 8632
Reference	Municipal demarcation code and name (E.g. EC144 Gariep)

The proof of payment must be e-mailed to Ms. [Drienkie Scholtz at Drienkie.Scholtz@treasury.gov.za](mailto:Drienkie.Scholtz@treasury.gov.za) and Mr Sello Mashaba at Sello.Mashaba@treasury.gov.za.

Should the municipality fail to return the unspent conditional grants to the National Revenue Fund or comply with section 21(1) of the 2024 Division of Revenue Act, (Act No. 24 of 2024) as amended by the Division of Revenue Amendment Act, (Act No. 48 of 2024) (DoRAA). National Treasury will offset the entire unspent amount from the municipality's 09 December 2025 equitable share installment available to your municipality in terms of section 21(4) of the 2024 DoRAA.

Please note that in terms of section 21(4) of DoRAA, the municipality has 14 days upon receipt of this letter to propose an alternative repayment arrangement for the unspent conditional grants to be paid into the National Revenue Fund which lapses on **26 November 2025**.

Kind regards


pp
OGALETSENG GAAREKWE
Deputy Director-General: Intergovernmental Relations
12 November 2025

CC: Office of the Auditor-General

For more information contact:

Name: Sello Mashaba
Email: Sello.Mashaba@treasury.gov.za
File Ref: WC048/14

5.3

IS03/02/26 REPORT ON THE WATER QUALITY AND SEWER EFFLUENT QUALITY (SEPTEMBER – DECEMBER 2025)

REPORT FROM THE DIRECTOR: TECHNICAL SERVICES

PURPOSE OF THE REPORT

To report to Council on the implementation of the Water and Wastewater Services Operational Budget 2025/2026 (September to December 2025).

PREVIOUS RESOLUTIONS

N/A

BACKGROUND

In terms of the Service Delivery Budget Implementation Plan (SDBIP) the department must submit monthly reports to Council to give an overview of the operation and maintenance of the department. The portable water quality monthly average compliance rate for drinking water parameters (including microbiological, physical, and chemical indicators) in December 2025 was found to be 98, 3% with Belvedere and Brenton Boreholes included. (See attached, Annexure)

ANALYSIS OF WATER TREATMENT SEPTEMBER 2025

Parameter	SANS 241:2015	Buffalo Bay WTP	Karatara WTP	Knysna WTP	Rheenedal WTP	Sedgefield WTP
pH	5.5-9.7	6,5	9,2	5,0	8,6	8,3
E Conductivity	<170mS/m	39,1	34,3	25,1	23,0	59,9
Turbidity	<1 NTU	0,48	0,5	0,92	0,23	0,34
Colour	<15 mg/l	4	4	5	5	4
Calcium	<150 mg/l	10,1	41,8	3,7	3,5	8,4
Magnesium	<70 mg/l	5,4	2,2	4,0	2,9	5,8
Aluminium	<300 ug/l	334	300	982	70	192
E.coli	NIL /100ml	1	1	1	1	1
Total Coliform	<10/ml	1	1	1	1	1
H Plate Count	<1000/ml	1	1	1	1	1

ANALYSIS OF WATER TREATMENT OCTOBER 2025

Parameter	SANS 241:2015	Buffalo Bay WTP	Karatara WTP	Knysna WTP	Rheenedal WTP	Sedgefield WTP
pH	5.5-9.7	7,4	9,0	9,5	9,2	8,8
E Conductivity	<170mS/m	310	33,6	33,6	23,3	543
Turbidity	<1 NTU	0,77	0,5	0,33	0,39	0,63
Colour	<15 mg/l	4	4	7	4	6
Calcium	<150 mg/l	37,5	40,3	3,8	3,7	35,9
Magnesium	<70 mg/l	57,3	2,2	4,5	2,5	93,8
Aluminium	<300 ug/l	442	183	727	176	913

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E.coli	NIL /100ml	1	1	1	1	1
Total Coliform	<10/ml	1	1	1	1	1
H Plate Count	<1000/ml	250	1	1	1	1

ANALYSIS OF WATER TREATMENT NOVEMBER 2025

Parameter	SANS 241:2015	Buffalo Bay WTP	Karatarra WTP	Knysna WTP	Rheenedal WTP	Sedgefield WTP
pH	5.5-9.7	9,3	9,2	9,40	9,3	8,9
E Conductivity	<170mS/m	76,3	33,6	30,2	27,0	103
Turbidity	<1 NTU	0,52	1,3	0,35	0,67	0,76
Colour	<15 mg/l	4	4	10	7	4
Calcium	<150 mg/l	9	40,1	4,3	5,9	12,9
Magnesium	<70 mg/l	12,6	2,4	5,1	2,3	15,2
Aluminium	<300 ug/l	583	330	250	1345	352
E.coli	NIL /100ml	1	1	1	1	1
Total Coliform	<10/ml	1	1	1	1	1
H Plate Count	<1000/ml	1	1	1	1	1

ANALYSIS OF WATER TREATMENT DECEMBER 2025

Parameter	SANS 241:2015	Buffalo Bay WTP	Karatarra WTP	Knysna WTP	Rheenedal WTP	Sedgefield WTP
pH	5.5-9.7	9,4	9,00	6,4	7,50	9,3
E Conductivity	<170mS/m	57,1	34,7	24,8	15,7	69,1
Turbidity	<1 NTU	0,77	0,55	0,44	0,91	0,83
Colour	<15 mg/l	6	4	5	6	12
Calcium	<150 mg/l	7,5	42,7	3,2	4,1	11,7
Magnesium	<70 mg/l	7,9	2,4	3,9	2	8,2
Aluminium	<300 ug/l	923	261	236	473	244
E.coli	NIL /100ml	1	1	1	1	1
Total Coliform	<10/ml	1	1	1	1	1
H Plate Count	<1000/ml	1	1	1	1	1

However the wastewater treatment plant results in the Greater Knysna, across the months and as reflected in the annual averages, fall short to meet acceptable standards in key physical and chemical parameters, including:

- Chemical Oxygen Demand (COD)
- Ammonia
- Nitrates
- Total Suspended Solids

ANALYSIS OF SEWERAGE FINAL EFFLUENT SEPT - DEC 2025 KNYSNA WASTEWATER TREATMENT PLANT

Parameter	Special Standard	Knysna STP SEPT	Knysna STP OCT	Knysna STP NOV	Knysna STP DEC
pH	5.5-7.5	6,5	6,9	7	7,2
E Conductivity	100 mS/m	140	163	101	110
COD	30 mg/l	72,5	74,7	56,7	79,5
Ammonia Nitrogen	1 mg/l	9,6	4	13,7	27,6
Nitrate/Nitrate	1.5 mg/l	7,1	8,6	7,9	4,5
TSS	10 mg/l	23	28	5	14
Ortho Phosphate	2.5 mg/l	1,4	0,2	1,3	2,2
E.coli	100org/100ml	1	152	1	2419

ANALYSIS OF SEWERAGE FINAL EFFLUENT SEPT 2025

Parameter	General Standard	Belvedere STP	Brenton STP	Karatara STP	Rheenendal STP	Sedgefield STP
pH	5.5-9.5	7	5,5	7,5	4,4	6,1
E Conductivity	150 mS/m	156	107	143	125	132
COD	75 mg/l	204	70,6	114	108	25,9
Ammonia Nitrogen	6 mg/l	31,8	0,16	41,2	0,54	0,1
Nitrate/Nitrate	15 mg/l	0,2	31,5	4,1	74,5	27,3
TSS	25 mg/l	108	33	28	35	4
Ortho Phosphate	10 mg/l	7,2	6,4	6,7	8,8	5,8
Faecal Coliforms	1000org/100ml	2419	1	14	10	1

ANALYSIS OF SEWERAGE FINAL EFFLUENT OCT 2025

Parameter	General Standard	Belvedere STP	Brenton STP	Karatara STP	Rheenendal STP	Sedgefield STP
pH	5.5-9.5	7,4	7,4	7,6	7,8	7,5
E Conductivity	150 mS/m	116	88	117	159	260
COD	75 mg/l	107	51,6	96,9	112	74,5
Ammonia Nitrogen	6 mg/l	13,2	0,1	68,2	0,27	0,1
Nitrate/Nitrate	15 mg/l	12,7	19,3	4,5	104	2,9
TSS	25 mg/l	43	18	18	72	28
Ortho Phosphate	10 mg/l	9,1	3,4	6,9	5,8	9,3
Faecal Coliforms	1000org/100ml	2	1	1	1	13

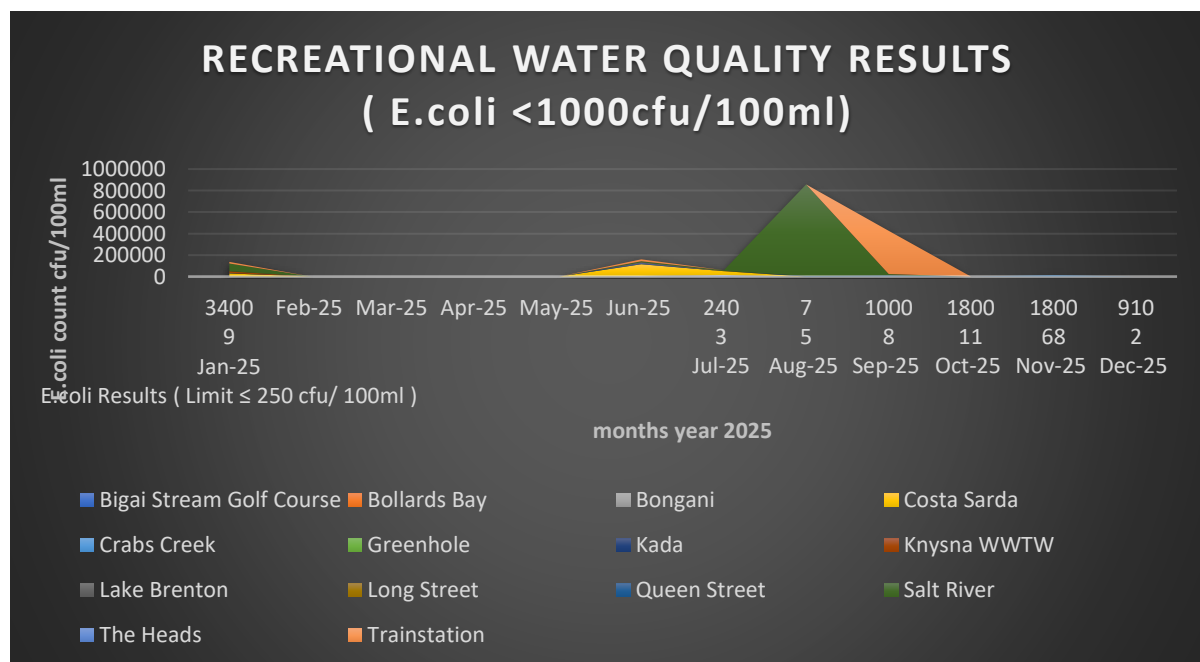
The monthly compliance for these parameters significantly declined to 52,5% in December 2025, with some treatment plants reporting even lower figures. (See attached Annexure B and D)

As part of ongoing water quality monitoring in the Knysna area, final effluent and estuarine sampling points are tested regularly by the Garden Route District Municipality to assess compliance with national water quality standards. During the most recent sampling cycle, 7 points of the 15 surrounding the Knysna Estuary constantly shows non-compliant results (particularly **Bigai; Bongani; Kada; Long Street; Queen Street; Salt River and Train Station**).

The primary contributing factor identified is the frequent overflow and spillage incidents at wastewater pump stations located in proximity to the estuary. These spillages are often caused by mechanical failures, electrical outages, aging infrastructure, or blockages in the reticulation system.

GARDEN ROUTE DISTRICT MUNICIPALITY WATER QUALITY RESULTS IN AND AROUND KNYSNA ESTUARY

	E.coli Results (Limit ≤ 1000 cfu/ 100ml)							
Sample Site	May-25	Jun-25	Jul-25	Aug-25	Sep-25	Oct-25	Nov-25	Dec-25
Belvedere	9	28	3	5	8	11	68	2
Bigai Stormwater	3400	5700	240	7	1000	1800	1800	910
Bigai Stream Golf Course			6900					2
Bollards Bay	1	19	2	89	11	1	3	4
Bongani	4000	4600	6900	19700	7200	15700	15000	15000
Costa Sarda	25000	110000	36000	100	170	1120	1130	193
Crabs Creek	18	0	6	5	4	48	11	1
Greenhole	243	350	940	81	40	111	120	12
Kada	3100	14600	280	500	7000	3600000	1430	2300
Knysna WWTW	15000	0	0	3	530	160	460	590
Lake Brenton	28	301	0	22	71	21	11	12
Long Street	2360	4200	3200	60 000	180000	2700	15000	15000
Queen Street				7200	12900	500	15000	170
Salt River	73000	9900	3800	850	11200	1100	160	15000
The Heads	22	37	14	12	29	80	0	1
Train station	14300	17400	1000		400000	23400	15000	0



DISCUSSION

POSSIBLE CAUSES OF POOR WASTEWATER QUALITY

The following are likely contributing factors to the continued poor wastewater quality:

- Overloaded systems: rapid urban growth has increased influent volumes beyond what the systems were designed to handle in areas such as Karatara, Knysna and Sedgefield (informal areas). This overload compromises critical treatment stages such as biological nutrient removal, secondary clarification, and disinfection. Peaks during wet weather events exacerbate hydraulic surges, resulting in overflow bypasses or partial treatment.
 - ***Karatara and Rheenendal Treatment works will be upgraded, when housing development will commence and Windheuwel Works in Knysna to mitigate the situation.***
- Inadequate maintenance: lack of routine upkeep has led to frequent breakdowns in critical equipment like aerators, pumps and etc. Several critical components including aerators, pumps, sludge return systems, and backup power units are either intermittently functional or entirely inoperative. In particular, the failure of aeration blowers and return activated sludge (RAS) pumps has led to poor biological treatment efficiency and solids washout.
- Skills shortages: Some facilities such as Sedgefield and Knysna WWTW suffer from insufficient process control supervisors. The absence of real-time process control systems, such as Supervisory Control and Data Acquisition (SCADA) and automated sensors for key parameters (e.g., DO, pH, MLSS, etc), prevents timely response to process upsets. Process Controllers must rely on manual sampling and delayed lab results, limiting proactive intervention and consistent compliance with permit conditions.
 - ***Senior process controller position/ supervisor recruitment in process.***
- Environmental and public health implications: Non-compliant effluent discharges with elevated BOD, TSS, and nutrient loads pose risks to receiving water bodies, aquatic life, and downstream users.
 - ***All the issues are dealt with through section 154 action plan.***

FINANCIAL IMPLICATIONS

Regulatory Fines: Potential fines under the National Water Act/Environmental Management Act or equivalent can result into a hefty fine for non-compliance.

Emergency Repairs: Short-term mechanical fixes are significantly costlier than scheduled maintenance.

Long-Term Liability: Continued non-compliance may lead to lawsuits, environmental remediation orders, and restricted operating permits.

- ***This cannot be quantified as costing for rehabilitation plans will be required.***

RELEVANT LEGISLATION

National Health Act, No.61 of 2003.

National Environmental Management Act, No.107 of 1998.

Water Act, No.36 of 1998.

Constitution, Republic of South Africa, No.108 of 1996.

Municipal Finance Management Act

Risks of Continued Non-compliance

If poor performance persists, the following risks may materialise:

Environmental degradation: Discharge of untreated or partially treated effluent can pollute rivers, estuaries, lagoons and wetlands.

Public health threats: Pathogens in effluent may contaminate water sources and pose health risks to nearby communities.

Regulatory penalties: The Department of Water and Sanitation may issue directives or impose fines.

Reputational damage: Ongoing failures can erode public trust in municipal services.

Legal liability: Non-compliance may expose the municipality to litigation from affected stakeholders or environmental groups.

RECOMMENDATION OF THE DIRECTOR INFRASTRUCTURE SERVICES

Immediate Mitigation Measures Taken

- Appoint a dedicated millwright contractor to respond promptly to emergencies and equipment breakdowns at the plant.
- Appointments of certified and skilled Water and Sewer Treatment works Supervisors to comply with DWS Regulation 3630.
- Assign dedicated personnel to carry out proactive maintenance activities at the water and wastewater treatment facilities.
- Commencement of desludging programs at overloaded facilities. Clean and restore drying beds for sludge wastage.
- Pump sludge from old oxidation ponds.

Strategic Recommendations to Improve Wastewater Quality

a) Technical Upgrades

- Undertake phased upgrades of critical infrastructure (e.g. mechanical screens, aeration systems, clarifiers, mixers and etc.).

- Install automated monitoring equipment for real-time quality control such as inline DO, pH, TSS, and CODs to allow immediate response to changes in water and effluent quality, optimizing treatment processes and ensuring compliance with regulations and utilise ozone for disinfection as an alternative for chlorine gas disinfection.
- Procure laboratory equipment for continuous and effective quality control.

b) Financial Investment

- Allocate sufficient operational budget for maintenance.
- Apply for infrastructure grants from the Municipal Infrastructure Grant (MIG) and Water Services Infrastructure Grant (WSIG).
- Explore Public-Private Partnerships for large-scale refurbishments.

c) Policy and Regulatory Alignment

- Ensure alignment with the **National Water Act (Act 36 of 1998)** and **Water Services Act (Act 108 of 1997)**.
- Update Standard Operating Procedures to align with **General and Special Authorisations under the NWA**.
- Adhere to the draft norms and standards that will be promulgated in 2026.

d) Risk Mitigation and Monitoring

- Implement the updated Wastewater Risk Management Plan, including contingencies for spills.
- Conduct a full technical assessment of the affected pump stations to identify root causes and infrastructure limitations.
- Implement and enforce a strict preventative maintenance schedule for all pump stations and associated sewer networks.
- Prioritise the upgrade of aging infrastructure and installation of emergency power systems (generators) at critical stations.

Conclusion and way forward

While the drinking water quality is commendably high, the wastewater quality performance is currently unsatisfactory but gradually improving. Continued urgent interventions, supported by structured investment and capacity development, are required to reverse the decline and meet regulatory obligations. A coordinated effort involving technical, financial, and governance reforms will be essential to restore compliance and protect environmental and public health. The health of the Knysna estuary and the integrity of the municipal sanitation system are of strategic environmental and public health importance. Immediate interventions are necessary to address pump station failures and reduce the risk of estuarine contamination. The implementation of the above recommendations will support legal compliance, environmental protection, and sustainable service delivery.

RECOMMENDATION OF THE ACTING MUNICIPAL MANAGER

That Council note the contents of the report.

APPENDIX / ADDENDUM

Annexure A – Portable Water Quality Results September to December 2025 (Greater Knysna)
Annexure B – Sewerage Final Effluent Quality Results September to December 2025 (Greater Knysna)

File Number: 9/1/2/1
Execution: Manager Water & Sewer

INFRASTRUCTURE SERVICES COMMITTEE MEETING
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ANNEXURE A: ANALYSIS OF WATER TREATMENT (SEPTEMBER 2025 - DECEMBER 2025)

ANALYSIS OF WATER TREATMENT 2025/2026																												
BUFFALO BAY WTW			(compliance Class 1= 1 : Class 2 = 0.5)																									
Parameter	Class 1	Class 2	Jul-25	OK	Aug-25	OK	Sep-25	OK	Oct-25	OK	Nov-25	OK	Dec-25	OK	Jan-26	OK	Feb-26	OK	Mar-26	OK	Apr-26	OK	May-26	OK	Jun-26	OK	% TOTAL COMPLIANCE	current month compliance
pH	5.5-9.7	4.0-10.0	7.1	1	6.9	1	6.5	1	7.4	1	9.3	1	9.4	1													100.00%	100.00%
E Conductivity	<170mS/m	170-370	28.1	1	39.3	1	39.1	1	310	0.5	76.3	1	57.1	1													91.67%	100.00%
Turbidity	<1 NTU	1-5 NTU	1.1	0.5	1.9	0.5	0.48	1	0.77	1	0.82	1	0.77	1													83.33%	100.00%
Colour	<15 mg/l	15-50	4	1	4	1	4	1	4	1	4	1	4	1													100.00%	100.00%
Calcium	<150 mg/l	150-300	7.9	1	12.3	1	10.1	1	37.5	1	9	1	7.5	1													100.00%	100.00%
Magnesium	<70 mg/l	70-100	4.1	1	5.3	1	5.4	1	57.3	1	12.6	1	7.9	1													100.00%	100.00%
Chloride	<300 mg/l	300-500	66.8	1	90.9	1	81.8	1	917	0	198	1	146	1													83.33%	100.00%
Fluoride	<1.0 mg/l	1.0-1.5	0.5	1	0.5	1	0.5	1	0.5	1	0.5	1	0.5	1													100.00%	100.00%
Sodium	<200 mg/l	200-400	39.8	1	48.3	1	50.1	1	564	0	120	1	85.5	1													83.33%	100.00%
Potassium	<50 mg/l	50-100	1.0	1	1.4	1	1	1	18.8	1	4.4	1	2.8	1													100.00%	100.00%
Zinc	<5.0 mg/l	5.0-10.0	0.01	1	0.01	1	0.01	1	0.01	1	0.01	1	0.01	1													100.00%	100.00%
Ammonia	<1.0 mg/l	1.0-2.0	0.1	1	0.1	1	0.15	1	0.1	1	0.1	1	0.1	1													100.00%	100.00%
Nitrate/Nitrate	<11 mg/l	11-20	0.2	1	0.2	1	0.44	1	0.37	1	0.24	1	0.29	1													100.00%	100.00%
Sulphate	<250 mg/l	250-500	8.5	1	12.6	1	10.2	1	115	1	27.9	1	18.5	1													100.00%	100.00%
TDS	<1200 mg/l	1200-2400	199	1	260	1	262	1	2039	0.5	509	1	340	1													91.67%	100.00%
Iron	<300 ug/l	300-2000	71	1	215	1	108	1	138	1	66	1	113	1													100.00%	100.00%
Manganese	<100 ug/l	100-1000	20	1	20	1	20	1	20	1	20	1	20	1													100.00%	100.00%
Aluminium	<300 ug/l	300-500	429	0.5	809	0	334	0.5	442	0.5	583	0	923	0													25.00%	0.00%
Chemical compliance =																								92.13%	94.44%			
E.coli	NL /100ml		1	1	1	1	1	1	1	1	1	1	1	1													100.00%	100.00%
Total Coliform	<10/ml		1	1	2	1	1	1	1	1	1	1	1	1													100.00%	100.00%
H Plate Count	<1000/ml		1	1	1	1	1	1	250	1	1	1	1	1													100.00%	100.00%
Bacteriological compliance =																								100.00%	100.00%			
Comments																												
BUFFALO BAY WTW Total compliance Class 1 SANS 241 =																								93.25%	95.24%			

ANALYSIS OF WATER TREATMENT 2025/2026																												
KARATARA WTW			(compliance Class 1 = 1 : Class 2 = 0.5)																									
Parameter	Class 1	Class 2	Jul-25	OK	Aug-25	OK	Sep-25	OK	Oct-25	OK	Nov-25	OK	Dec-25	OK	Jan-26	OK	Feb-26	OK	Mar-26	OK	Apr-26	OK	May-26	OK	Jun-26	OK	% TOTAL COMPLIANCE	current month compliance
pH	5.5-9.7	4.0-10.0	8.8	1	8.8	1	9.2	1	9.0	1	9.2	1	9.00	1													100.00%	100.00%
E Conductivity	<170mS/m	170-370	33.2	1	33.7	1	34.3	1	33.6	1	33.6	1	34.7	1													100.00%	100.00%
Turbidity	<1 NTU	1-5 NTU	0.9	1	0.32	1	0.5	1	0.5	1	1.3	1	0.55	1													100.00%	100.00%
Colour	<15 mg/l	15-50	4	1	4	1	4	1	4	1	4	1	4	1													100.00%	100.00%
Calcium	<150 mg/l	150-300	44.5	1	42.5	1	41.8	1	40.3	1	40.1	1	42.7	1													100.00%	100.00%
Magnesium	<70 mg/l	70-100	1.9	1	2.1	1	2.2	1	2.2	1	2.4	1	2.4	1													100.00%	100.00%
Chloride	<300 mg/l	300-500	25.2	1	28.6	1	28.5	1	34.9	1	35.4	1	40.3	1													100.00%	100.00%
Fluoride	<1.0 mg/l	1.0-1.5	0.5	1	0.5	1	0.5	1	0.5	1	0.5	1	0.5	1													100.00%	100.00%
Sodium	<200 mg/l	200-400	12.9	1	15.1	1	15.7	1	17.1	1	18.1	1	17.5	1													100.00%	100.00%
Potassium	<50 mg/l	50-100	1	1	1	1	1	1	1.1	1	1	1	1	1													100.00%	100.00%
Zinc	<5.0 mg/l	5.0-10.0	0.01	1	0.01	1	0.01	1	0.01	1	0.01	1	0.01	1													100.00%	100.00%
Ammonia	<1.0 mg/l	1.0-2.0	0.1	1	0.1	1	0.1	1	0.1	1	0.1	1	0.1	1													100.00%	100.00%
Nitrate/Nitrate	<11 mg/l	11-20	0.39	1	0.2	1	0.2	1	0.2	1	0.2	1	0.2	1													100.00%	100.00%
Sulphate	<250 mg/l	250-500	99.4	1	79	1	79.9	1	84.1	1	79.1	1	67.8	1													100.00%	100.00%
TDS	<1200 mg/l	1200-2400	220	1	222	1	228	1	222	1	220	1	232	1													100.00%	100.00%
Iron	<300 ug/l	300-2000	20	1	20	1	20	1	20	1	253	1	20	1													100.00%	100.00%
Manganese	<100 ug/l	100-1000	20	1	20	1	20	1	20	1	20	1	20	1													100.00%	100.00%
Aluminium	<300 ug/l	300-500	230	1	329	0.5	300	0.5	183	1	330	0.5	291	1													75.00%	100.00%
Bacteriological compliance =																								98.81%	100.00%			
E.coli	NIL /100ml		1	1	1	1	1	1	1	1	1	1	1	1												100.00%	100.00%	
Total Coliform	<10/ml		1	1	1	1	1	1	1	1	1	1	1	1												100.00%	100.00%	
H Plate Count	<1000/ml		1	1	10	1	1	1	1	1	1	1	1	1												100.00%	100.00%	
Comments																								KARATARA WTW Total compliance Class 1 SANS 241 =		98.81%	100.00%	

KNYSNA WTW Total compliance Class 1 SANS 241 =	95,63%	100,00%
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RHEENENDAL WTW Total compliance Class 1 SANS 241 =	98,41%	97,62%
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SEDGEFIELD WTW Total compliance Class 1 SANS 241 =	94,44%	97,62%
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ANNEXURE B: ANALYSIS OF SEWERAGE FINAL EFFLUENT 2025/2026

ANALYSIS OF SEWERAGE FINAL EFFLUENT 2025/2026																																
KNYSNA WWTW													(compliance = 1)																			
Parameter	Special Standard	Jul-25	OK	Aug-25	OK	Sep-25	OK	Oct-25	OK	Nov-25	OK	Dec-25	OK	Jan-26	OK	Feb-26	OK	Mar-26	OK	Apr-26	OK	May-26	OK	Jun-26	OK	% TOTAL COMPLIANCE	month complian					
pH	5.5-7.5	6.5	1	7	1	6.5	1	6.9	1	7	1	7.2	1													100, 00%	100,00%					
E Conductivty	100 mS/m	183	0	171	0	140	0	163	0	101	0	110	0													0, 00%	0,00%					
COD	30 mg/l	49.6	0	57	0	72.5	0	74.7	0	56.7	0	79.5	0													0, 00%	0,00%					
Amonia Nitrogen	1 mg/l	9.4	0	8.3	0	9.6	0	4	0	13.7	0	27.6	0													0, 00%	0,00%					
Nitrate/Nitrate	1.5 mg/l	6.2	0	7.7	0	7.1	0	8.6	0	7.9	0	4.5	0													0, 00%	0,00%					
TSS	10 mg/l	16	0	18	0	23	0	28	0	5	1	14	0													16,67%	0,00%					
Ortho Phosphate	1 mg/l	0.42	1	0.84	1	1.4	0	0.2	1	1.3	0	2.2	0													50, 00%	0,00%					
E.coli	100org/100ml	1	1	1	1	1	1	152	0	1	1	2419	0													23,81%	0, 00%					
																														66,67%		0,00%
																		Bacteriological compliance =										66,67%		0,00%		
KNYSNA WWTW TOTAL compliance =																										29,17%		12,50%				

ANALYSIS OF SEWERAGE FINAL EFFLUENT 2025/2026																											
BELVIDERE WWTW																	(compliance = 1)										
Parameter	General Limit	Jul-25	OK	Aug-25	OK	Sep-25	OK	Oct-25	OK	Nov-25	OK	Dec-25	OK	Jan-26	OK	Feb-26	OK	Mar-26	OK	Apr-26	OK	May-26	OK	Jun-26	OK	%TOTAL COMPLIANCE	current month compliance
pH	5.5-9.5	7	1	6.9	1	7	1	7.4	1	7.5	1	7.4	1													100.00%	100.00%
E Conductivity	150 mS/m	143	1	138	1	156	1	116	1	114	1	112	1													100.00%	100.00%
COD	75 mg/l	74.8	1	88.8	0	204	0	107	0	83.2	0	65.5	1													33.33%	100.00%
Amonia Nitrogen	6 mg/l	10.4	1	23.6	0	31.8	0	13.2	0	0.1	1	7.5	0													33.33%	0.00%
Nitrate/Nitrate	15 mg/l	15.8	0	14.1	1	0.2	1	12.7	1	17.7	0	18.5	0													50.00%	0.00%
TSS	25 mg/l	36	0	16	1	108	0	43	0	14	1	13	1													50.00%	100.00%
Ortho Phosphorus	10 mg/l	5.2	1	6.1	1	7.2	1	9.1	1	11.8	0	7.4	1													83.33%	100.00%
Chemical compliance =																										64.29%	71.43%
Faecal Coliforms	1000org/100ml	1	1	1	1	2419	0	2	1	1	1	1	1													83.33%	100.00%
Bacteriological compliance =																										83.33%	100.00%
BELVIDERE WWTW TOTAL compliance =																										66.67%	75.00%

ANALYSIS OF SEWERAGE FINAL EFFLUENT 2025/2026																													
BRENTON WWTW														(compliance = 1)															
Parameter	Parameter	General Limit	Jul-25	OK	Aug-25	OK	Sep-25	OK	Oct-25	OK	Nov-25	OK	Dec-25	OK	Jan-26	OK	Feb-26	OK	Mar-26	OK	Apr-26	OK	May-26	OK	Jun-26	OK	% TOTAL COMPLIANCE	current month compliance	
pH	pH	5.5-9.5	5.9	1	6.3	1	5.5	1	7.4	1	Plant faulty																100.00%	0.00%	
E Conductivity	E Conductivity	150 mS/m	90.1	1	85.4	0	107	1	88	1																		75.00%	0.00%
COD	COD	75 mg/l	89.2	0	171	0	70.6	1	51.6	1																		50.00%	0.00%
Amonia Nitrogen	Amonia Nitrogen	6 mg/l	0.12	1	3.8	0	0.18	1	0.1	1																		75.00%	0.00%
Nitrate/Nitrate	Nitrate/Nitrate	15 mg/l	16.3	0	30.1	1	31.5	0	19.3	0																		25.00%	0.00%
TSS	TSS	25 mg/l	38	0	66	0	33	0	18	1																		25.00%	0.00%
Ortho Phosphorus	Ortho Phosphorus	10 mg/l	3	1	4.8	1	6.4	1	3.4	1																		100.00%	0.00%
Faecal Coliforms	Faecal Coliforms	1000org/100ml	1	1	219	1	1	1	1	1																		100.00%	0.00%
Chemical compliance =																										64.29%	0.00%		
Bacteriological compliance =																										100.00%	0.00%		
BRENTON WWTW TOTAL compliance =																										68.75%	0.00%		
Comments																													
Plant not sampled November 2025- Faulty																													

ANALYSIS OF SEWERAGE FINAL EFFLUENT 2025/2026																											
KARATARA WWTW																											
(compliance = 1)																											
Parameter	General Limit	Jul-25	OK	Aug-25	OK	Sep-25	OK	Oct-25	OK	Nov-25	OK	Dec-25	OK	Jan-26	OK	Feb-26	OK	Mar-26	OK	Apr-26	OK	May-26	OK	Jun-26	OK	% TOTAL COMPLIANCE	current month compliance
pH	5.5-9.5	7.32	1	6.8	1	7.5	1	7.6	1	7.9	1	7.8	1													100.00%	100.00%
E Conductivity	150 mS/m	111	1	116	1	143	1	117	1	117	1	109	1													100.00%	100.00%
COD	75 mg/l	67.6	1	70.9	1	114	0	96.9	0	55.6	1	66.7	1													66.67%	100.00%
Amonia Nitrogen	6 mg/l	28.1	0	34.3	0	41.2	0	68.2	0	45.9	1	44.7	0													16.67%	0.00%
Nitrate/Nitrate	15 mg/l	12.4	1	14.7	1	4.1	1	4.5	1	6	1	6.1	1													100.00%	100.00%
TSS	25 mg/l	10	1	84	0	28	0	18	1	14	1	19	1													66.67%	100.00%
Ortho Phosphorus	10 mg/l	5.7	1	5.7	1	6.7	1	6.9	1	6.1	1	6.4	1													100.00%	100.00%
Chemical compliance =																									78.57%	85.71%	
Faecal Coliforms	1000org/100ml	5	1	1	1	14	1	1	1	19	1	1	1													100.00%	100.00%
Bacteriological compliance =																									100.00%	100.00%	
KARATARA WWTW TOTAL compliance =																									81.25%	87.50%	

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ANALYSIS OF SEWERAGE FINAL EFFLUENT 2025/2026																												
RHEENENDAL WWTW														(compliance = 1)														
Parameter	General Limit	Jul-25	OK	Aug-25	OK	Sep-25	OK	Oct-25	OK	Nov-25	OK	Dec-25	OK	Jan-26	OK	Feb-26	OK	Mar-26	OK	Apr-26	OK	May-26	OK	Jun-26	OK	% TOTAL COMPLIANCE	current month compliance	
pH	5.5-9.5	7	1	5.9	1	4.4	0	7.8	1	7.8	1	no sample pump fault														66,67%	0,00%	
E Conductivity	150 mS/m	128	1	114	1	125	1	159	0	233	0																50,00%	0,00%
COD	75 mg/l	48	1	176	0	108	0	112	0	61,1	1																33,33%	0,00%
Ammonia Nitrogen	6 mg/l	0.48	1	5.8	1	0.54	1	0.27	1	0.1	1																83,33%	0,00%
Nitrate/Nitrate	15 mg/l	75.6	0	66.9	0	74.5	0	104	0	159	0																0,00%	0,00%
TSS	25 mg/l	5	1	145	0	35	0	72	0	7	0																16,67%	0,00%
Ortho Phosphate	10 mg/l	7.1	1	8.3	1	8.8	1	5.8	1	1.2	1															83,33%	0,00%	
Chemical compliance =																									47,62%	0,00%		
Faecal Coliforms	1000org/100ml	1	1	1	1	10	1	1	1	1	1															83,33%	0,00%	
Bacteriological compliance =																									0/83,33%	0,00%		
COMMENTS																												
Dec 2025 - No sample inlet pump faulty																												
RHEENENDAL WWTW TOTAL compliance =																									52,08%	0,00%		

COMMENTS

Dec 2025 - No sample inlet pump faulty

SEDGEFIELD WWTW																	(compliance = 1)										current month compliance		
Parameter	General Limit	Jul-25	OK	Aug-25	OK	Sep-25	OK	Oct-25	OK	Nov-25	OK	Dec-25	OK	Jan-26	OK	Feb-26	OK	Mar-26	OK	Apr-26	OK	May-26	OK	Jun-26	OK	%TOTAL COMPLIANCE			
pH	5.5-9.5	5,8	1	5	0	6,1	1	7,5	1	6,2	1	7	1													83,33%	100,00%		
E Conductivity	150 mS/m	119	1	121	1	132	1	260	0	200	0	299	0													50,00%	0,00%		
COD	75 mg/l	56	1	57	1	25,9	1	74,5	1	11	1	62,4	1													100,00%	100,00%		
Ammonia Nitrogen	6 mg/l	0,1	1	0,14	1	0,1	1	0,1	1	0,1	1	0,27	1													100,00%	100,00%		
Nitrate/Nitrate	15 mg/l	44,1	0	29,7	0	27,3	0	2,9	1	15,3	0	3,7	1													33,33%	100,00%		
TSS	25 mg/l	13	1	4	1	4	1	28	0	4	1	4	1													83,33%	100,00%		
Ortho Phosphate	10 mg/l	6,6	1	4,6	1	5,8	1	9,3	1	2,8	1	2,4	1													100,00%	100,00%		
																	Chemical compliance =										78,57%	65,71%	
																												100,00%	100,00%
																	Bacteriological compliance =										100,00%	100,00%	
																	SEDGEFIELD WWTW TOTAL compliance =										81,25%	87,50%	

ANALYSIS OF SEWERAGE FINAL EFFLUENT 2025/2026: DECEMBER 2025 ALL WWTW

		current month compliance
Total Chemical compliance =	71,43%	48,57%
		current month compliance
Total Bacteriological compliance =	86,67%	60,00%
		current month compliance
ALL KNYSNA WWTW TOTAL compliance =	75,83%	52,50%

Comments

The overall effluent quality compliance for the Greater Knysna Wastewater Treatment Plants for the period July to December 2025 is 75,83%, while the effluent quality compliance for the current reporting month stands at 52,50%

5.4

IS04/02/26 DISPOSAL OF THE OLD PREPAID WATERMETERS
--

REPORT FROM THE DIRECTOR: TECHNICAL SERVICES

PURPOSE OF THE REPORT

To share with the committee the test results of the water meter inside the pre-paid water meters.

PREVIOUS RESOLUTIONS

N/A

BACKGROUND

Our turnkey contractor, that is dealing with the water conservation water demand management project, was tasked to send a sample of the water meters away for testing.

This was to obtain if the water meter inside the prepaid unit was usable or not.

A random sample of 31, which included 15 and 20mm meters water meters, were chosen.

The meters were sent to an accredited laboratory for the testing.

DISCUSSION

During the verification process, the meters were subjected to standard accuracy and performance test.

The summary of the key findings:

Based on the observation and recorded during the verification and testing the examination revealed significant issues that invalidated the accuracy assessment. The following material issues were identified across multiple meters in the sample:

- Visible leakages were observed at the meter body and/or window
- Leakage was evident at low to nominal test pressure and intensified as test pressure increased.
- Due to the presence of leaks, accuracy testing results could not be validated.
- Under non-sealed operating conditions, recorded meter readings cannot be considered reliable or compliant

Risk Assessment

Proceeding with installation of these meters could expose Knysna Local Municipality to:

- Compliance Risk: Failure to meet standards could result in fines or legal challenges.
- Reputational Risk: Inaccurate metering could erode consumer trust and lead to complaints or disputes.
- Financial Risk: Potential costs for repairs, replacements, or lost revenue from unmetered usage. The full report is attached.

FINANCIAL IMPLICATIONS

The meters must be disposed of in terms of Council Policy.

RELEVANT LEGISLATION

N/A

RECOMMENDATION OF THE ACTING MUNICIPAL MANAGER

That the already impaired pre-paid water meters be disposed of in terms of Council's Policy.

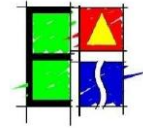
APPENDIX / ADDENDUM

ANNEXURE 1: Evaluation of water meter sample testing and recommendation for installation.

File Number: 9/1/2/1

Execution: Manager Water & Sewer

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04 February 2026

KNYSNA LOCAL MUNICIPALITY
P.O. BOX 21
Knysna
6570

Sent via email: directortechical@knysna.gov.za

Attention: Mr Wesso

EVALUATION OF WATER METER SAMPLE TESTING AND RECOMMENDATIONS FOR INSTALLATION

Following the instruction received by KLM for accuracy and conformity testing to be undertaken on a sample of water meters currently held in stock for an intended water meter installation/replacement programme, we hereby provide our findings and recommendations for consideration prior to any installation at consumer properties.

A random sample of 31 water meters was selected from an estimated stock holding of approximately 2 000 meters and submitted for independent testing by an accredited laboratory. The details of the selected meters, comprising **15 × 15 mm** and **16 × 20 mm** water meters, are provided in the table below:

Serial Number	Meter Type	Model	Reading (ℓ)
19A016979	1.5 KSM	15mm KSM	257342.05
18A035348	1.5 KSM	15mm KSM	635010.17
18A038815	1.5 KSM	15mm KSM	194104.27
19A025253	1.5 KSM	15mm KSM	182601.85
18A033813	1.5 KSM	15mm KSM	635981.81
19A025095	1.5 KSM	15mm KSM	125442.89
19A016205	1.5 KSM	15mm KSM	147771.17
19A032920	1.5 KSM	15mm KSM	238234.99
18A035595	1.5 KSM	15mm KSM	601250.44
18A037972	1.5 KSM	15mm KSM	236667.79
18A026559	1.5 KSM	15mm KSM	450172.98
19A007497	1.5 KSM	15mm KSM	177595.35
19A007460	1.5 KSM	15mm KSM	311397.16
18A033488	1.5 KSM	15mm KSM	566798.45
18A038623	1.5 KSM	15mm KSM	830783.05
18C001105	2.5 KSM	20mm KSM	442778.32
17C000642	2.5 KSM	20mm KSM	237895.56
17C001760	2.5 KSM	20mm KSM	527937
17C001301	2.5 KSM	20mm KSM	372947.96
1475195	2.5 KSM	20mm KSM	406877.17

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Serial Number	Meter Type	Model	Reading (ℓ)
17C000333	2.5 KSM	20mm KSM	515033.26
17C001493	2.5 KSM	20mm KSM	399965.46
15C000832	2.5 KSM	20mm KSM	763860.21
17C001145	2.5 KSM	20mm KSM	425158.49
1475476	2.5 KSM	20mm KSM	708359.58
17C000623	2.5 KSM	20mm KSM	702407.59
17C000282	2.5 KSM	20mm KSM	451402.1
18C000755	2.5 KSM	20mm KSM	669526.27
17C001537	2.5KSM	20mm KSM	447737.76
15C000191	2.5 KSM	20mm KSM	334278.3
1475544	2.5 KSM	20mm KSM	439168.85

The testing was undertaken by **Elster Kent Metering (Pty) Ltd** (a Honeywell company), an accredited laboratory by the South African National Accreditation System (SANAS) with accreditation number **LTF0151**. The testing was conducted to ensure compliance with national standards and operational reliability. A copy of the full certificate (**No. SA1527**), together with Elster Kent Metering's **accreditation certificates**, is attached for your reference.

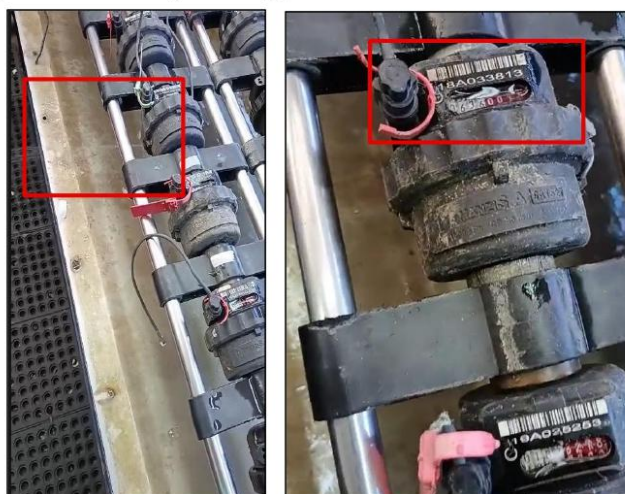
Summary of key findings:

During the verification process, the meters were subjected to standard accuracy and performance tests.

Based on the observations recorded during verification and testing the examination revealed significant issues that invalidated the accuracy assessments. The following material issues were identified across multiple meters in the sample:

- Visible leakage was observed at the meter body and/or window.
- Leakage was evident at low to nominal test pressures and intensified as test pressures increased.
- Due to the presence of leaks, accuracy testing results could not be validated.
- Under non-sealed operating conditions, recorded meter readings cannot be considered reliable or compliant.

Please refer to the images below, which illustrate visible leakage from the water meter body, with water discharging from the areas highlighted in red, as observed during the testing process.



As a result, the testing laboratory could not conduct or validate accuracy readings, citing safety, compliance, and reputational risks.

Based on the Conformity and Test Certificate issued by Elster Kent Metering (Pty) Ltd and our subsequent internal review of the document, the JV wishes to highlight the following:

- **Leakage Issues:** The primary concern is the consistent leakage observed across multiple units. This indicates potential defects in sealing and assembly, which could stem from manufacturing or storage-related factors. Such leaks compromise the meter's integrity, leading to inaccurate readings and water loss, once installed.
- **Invalidated Testing:** Due to the non-sealed conditions caused by leaks, accuracy testing was deemed unreliable. Installing meters with unverified performance could result in billing disputes, regulatory non-compliance (e.g., under South African National Standards, the metrology act or local water authority guidelines), and increased maintenance costs.
- **Broader Implications for Stock:** While only a sample of 31 meters was tested, the prevalence of issues in this subset raises concerns about the overall quality of the remaining ~2,000 units in stock. Extrapolating from the sample, there is a high risk that similar defects may affect a significant portion of the inventory, potentially leading to widespread operational problems if installed.
- **Risk Assessment:** Proceeding with installation of these meters could expose KLM to:
 - Compliance Risks: Failure to meet standards could result in fines or legal challenges.
 - Reputational Risks: Inaccurate metering could erode consumer trust and lead to complaints or disputes.
 - Financial Risks: Potential costs for repairs, replacements, or lost revenue from unmetered usage.

Summary of Implications for the Water Meter Installation and Replacement Programme

Proceeding with the installation or replacement programme using these meters, under the current circumstances, would introduce the following risks:

- Increased water losses due to leakage at the meter body,
- Incorrect or unreliable billing due to inaccurate meter registration,
- Increased likelihood of early meter failure and consumer complaints,
- Potential non-compliance with applicable standards and municipal requirements,
- Reputational and contractual risk associated with premature or defective installations.

Recommendations and way forward

To mitigate the identified risks and ensure reliable metering solutions it is our opinion that the meters, in their current condition, **should not be installed at consumer properties** and that KLM should consider the following steps:

1. **Expanded Testing:** Select and test an additional, larger sample (e.g., 300 units) from the remaining stock to determine if the problems are isolated or systemic. This could be conducted by the same or an independent accredited laboratory to provide a more comprehensive assessment. This has a cost implication of approximately R 125,000 (Excl. VAT) for KLM.
 - Should a larger sample rate result in more meters passing the test and the KLM selects to continue with the current batch of meters, it would be advisable to pressure test the meters at the KLM prior to the installation as well. The risk remains that the meters will start leaking earlier than expected once installed.

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2. **Supplier Engagement:** Initiate discussions with the original supplier to investigate root causes, such as manufacturing defects in sealing and assembly controls. Request a quality audit report for the batch of meters supplied, potential recalls, or replacements if under warranty.
3. **Sourcing New Meters:** In light of the findings and the risks identified above, it is further recommended that KLM consider sourcing new, compliant water meters for installation under the Water Meter Installation and Replacement Programme, to ensure reliability, regulatory compliance, and long-term operational performance

Please do not hesitate to contact us should you require any clarification or additional support.

Kind regards



Pieter Joubert
For Re-Solve / EAS Joint Venture

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 73 Heugh Road, Walmer, Port Elizabeth
 P O Box 13867, Humewood, 6013

Enclosed: (1) Elster Kent Metering's accreditation certificates
(2) Laboratory certificate (No. SA1527)



CERTIFICATE OF ACCREDITATION

In terms of section 22(2)(b) of the Accreditation for Conformity Assessment, Calibration and Good Laboratory Practice Act, 2006 (Act 19 of 2006), read with sections 23(1), (2) and (3) of the said Act, I hereby certify that:-

ELSTER KENT METERING (PTY) LTD
Co. Reg. No.: 1968/008276/07
JOHANNESBURG

Accreditation Number: **LTF0151**

is a South African National Accreditation System accredited Verification Laboratory
provided that all SANAS conditions and requirements are complied with

This certificate is valid as per the scope as stated in the accompanying scope of accreditation,
Annexure "A", bearing the above accreditation number for

VOLUME MEASURING INSTRUMENTS

The facility is accredited in accordance with the recognised National Standard

LM-P-045-09-19

The accreditation demonstrates technical competency for a defined scope and the operation of a
laboratory quality management system

While this certificate remains valid, the Accredited Facility named above is authorised to use
the relevant SANAS accreditation symbol on verification certificates and/or test reports

A handwritten signature in black ink, appearing to read 'M Phaloane', is written over a horizontal line.

Mr M Phaloane
Acting Chief Executive Officer

Effective Date: 31 January 2024
Certificate Expires: 30 January 2028

This certificate does not on its own confer authority to verify in terms of the Legal Metrology Act.
Approval to verify is granted by the Regulator NRCS: Legal Metrology.



ANNEXURE A

SCOPE OF ACCREDITATION

Accreditation Number: LTF0151

Permanent Address of Laboratory: Elster Kent Metering (Pty) Ltd 64 Commando Road Industrial Ext.2 Johannesburg 2093 Postal Address: P O Box 201 Auckland Park 2006 Tel: (011) 470-4900/83 Fax: (011) 474-0175 E-mail: andrew.sekulane@Honeywell.com	Technical Signatories: Mr MM Mambu V900 Ms C Hattingh V898 Mr SK Nkwanyana V649 Mr DI Makoane V897 Ms L Morebodi V1259 Ms N Njoko V1258 Ms P Letuku V1259 Ms D Veldman V1268 Ms C Thompson V1255 Ms M Langeveldt V1257	Scope: VG1, VG2 VG1, VG2 C1, C3 VG1, VG2 VG1 VG1 VG1 VG1 VG1
Nominated Representative: Mr A Sekulane		Issue No.: 26 Date of Issue: 31 January 2024 Expiry Date: 30 January 2028
FIELD OF VERIFICATION	TYPE OF VERIFICATION AND RANGE	STANDARDS, SPECIFICATIONS, ACT, REGULATIONS
Regulatory: The supply of services as a verification laboratory in the field of volume measuring instruments.	Water Meters: Verification of mechanical water meters for cold potable water. Range: Normal bore not exceeding 100mm Pre-Payment Systems: Verification of Pre-payment systems for cold potable water. Range: Systems with Qp not exceeding 1,5m³/h.	Legal Metrology Regulations 2017 Regulation 80 SANS 1529-1 SANS 1529-9 Legal Metrology Act, 2014 (Act 09 of 2014)

Original date of accreditation: 20 December 1996

Page 1 of 1

KEY:

C – Water meters

C1 - Mechanical water meters

C3 - Electronic components when fitted to previously verified water meters

VG – Water meters

VG1 – Mechanical water meter

VG2 – Water meters with electronic indicators and prepay systems

ISSUED BY THE SOUTH AFRICAN NATIONAL ACCREDITATION SYSTEM


Accreditation Manager

INFRASTRUCTURE SERVICES COMMITTEE MEETING
AGENDA
03 MARCH 2026



Elster Kent Metering (Pty) Ltd
Reg. No.: 1968/008276/07
PO Box 201
Auckland Park
2006
56-64 Commando Road
Industria Ext. 2 Johannesburg Tel.:
(011) 470 4900
Fax.: (011) 474 0175

Conformity and Test Certificate

Form No: R12 (Rev 0)

Certificate No: SA1527(15mm & 20mm)

Customer/Client Address	Ecno Print Suppliers
	20 College Avenue
	Port Elizabeth
	6001

The results relate only to the meters tested as detailed on this certificate. All measuring instruments used during testing are traceable to national standards.

This certificate is issued without alteration and Copyright of this certificate is owned by Elster Kent Metering (Pty) Ltd and may not be reproduced other than in full, except with the prior written approval of the aforementioned.

Serial Number	Meter Type	Model	Reading
19A016979	1.5 KSM	15mm KSM	257342.05
18A035348	1.5 KSM	15mm KSM	635010.17
18A038815	1.5 KSM	15mm KSM	194104.27
19A025253	1.5 KSM	15mm KSM	182601.85
18A033813	1.5 KSM	15mm KSM	635981.81
19A025095	1.5 KSM	15mm KSM	125442.89
19A016205	1.5 KSM	15mm KSM	147771.17
19A032920	1.5 KSM	15mm KSM	238234.99
18A035595	1.5 KSM	15mm KSM	601250.44
18A037972	1.5 KSM	15mm KSM	236667.79
18A026559	1.5 KSM	15mm KSM	450172.98
19A007497	1.5 KSM	15mm KSM	177595.35
19A007460	1.5 KSM	15mm KSM	311397.16
18A033488	1.5 KSM	15mm KSM	566798.45
18A038623	1.5 KSM	15mm KSM	830783.05
18C001105	2.5 KSM	20mm KSM	442778.32
17C000642	2.5 KSM	20mm KSM	237895.56
17C001760	2.5 KSM	20mm KSM	527937.00
17C001301	2.5 KSM	20mm KSM	372947.96
1475195	2.5 KSM	20mm KSM	406877.17
17C000333	2.5 KSM	20mm KSM	515033.26
17C001493	2.5 KSM	20mm KSM	399965.46
15C000832	2.5 KSM	20mm KSM	763860.21
17C001145	2.5 KSM	20mm KSM	425158.49
1475476	2.5 KSM	20mm KSM	708359.58
17C000623	2.5 KSM	20mm KSM	702407.59
17C000282	2.5 KSM	20mm KSM	451402.10
18C000755	2.5 KSM	20mm KSM	669526.27
17C001537	2.5 KSM	20mm KSM	447737.76
15C000191	2.5 KSM	20mm KSM	334278.30
1475544	2.5 KSM	20mm KSM	439168.85

INFRASTRUCTURE SERVICES COMMITTEE MEETING
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OBSERVATIONS DURING EXAMINATION: During verification and accuracy testing of water meters, multiple units exhibited leakage under standard test conditions. As a result, accuracy testing cannot be conducted or validated, and proceeding presents safety, compliance, and reputational risks.

OUTCOME OF THE ANALYSIS/REPAIRS:

- Visible leakage at meter body/window
- Leak onset at low-to-nominal pressures, worsening at higher test steps
- Test invalidation: Accuracy readings cannot be trusted under non-sealed conditions

RECOMMENDATION: Do not proceed with accuracy or performance until leak-free operation is confirmed.

Consider a supplier quality focusing on sealing and assembly controls

S.K. Nkwanyana

Service & Repair Technician: Initials and Surname

**Sycology
Nkwanyana**
Checked by: Signature

Digitally signed by Sycology Nkwanyana
DN: cn=Sycology Nkwanyana, o=Sycology, email=sycology@nkwanyana.co.za
Reason: I am approving this document
Date: 2025.12.12 09:17:36+0200
PDF: PDFlib v1.8.0-2024.4.1

L Morebodi

Checked By:

**Lerato
Morebodi**
Checked by: Signature

Digitally signed by Lerato Morebodi
DN: cn=Lerato Morebodi, email=lerato.morebodi@nkwanyana.co.za
Reason: I am approving this document
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PDF: PDFlib v1.8.0-2024.4.1

Issue
Date: 12 December 2025

End of Certificate

5.5

IS05/02/26	REPORT ON THE IMPLEMENTATION OF WATER AND WASTEWATER SERVICES OPERATIONAL BUDGET 2025/2026 (SEPTEMBER – DECEMBER 2025)
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REPORT FROM THE DIRECTOR: TECHNICAL SERVICES

PURPOSE OF THE REPORT

To report to Council on the execution of the Water and Wastewater Services Operational Budget 2025/2026 (September to December 2025).

PREVIOUS RESOLUTIONS

N/A

BACKGROUND

In terms of the Service Delivery Budget Implementation Plan (SDBIP) the department must submit monthly reports to Council to give an overview of the operation and maintenance of the department.

DISCUSSION

Maintenance

Below is a summary of complaints and activities of the department for the period September to December 2025.

*** It must be noted that all after hour complaints are channelled through the office and Fire Station. ***

Table 1: Complaints and Maintenance summary

ACTIVITY	SEPTEMBER 2025	OCTOBER 2025	NOVEMBER 2025	DECEMBER 2025	COMMENT
Water complaints received during working hours	127	114	111	64	Complaints such as burst pipe, pump failures, HH complaints
Water complaints received after Hours	14	50	30	40	Complaints received from the Fire station after normal working hours
Water Truck Deliveries	21	7	11	3	These figures only include residents/businesses that buy water. Deliveries to informal areas and various areas during emergencies is not included in this data
New water meter installations – new houses/applications	0	0	1	0	Normal domestic water meters

INFRASTRUCTURE SERVICES COMMITTEE MEETING

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Sewer complaints received during working hours	143	103	174	31	Complaints such as sewer line blockages
Sewer Complaints received after hours	18	55	22	31	Complaints received from the Fire station
Septic Tank Removals	410	119	98	124	This data is only for the households or business removals requested. Challenges were experienced w.r.t. broken plant. Furthermore, there are more vacancies in the section, which were given to the department.
Faulty pre-paid water meter replacements	177	109	147	119	Batteries faulty, vandalism nuisance calls, meters not activated on system.
Faulty pre-paid water meter replacements after hours	49	55	66	52	Batteries faulty, vandalism nuisance calls, meters not activated on system.
Bypassed pre-paid water meter replacements	66	55	83	67	The Service Level Agreement was signed with the service provider. They are busy with phase 1 of synchronizing the data, etc. A follow-up meeting will be scheduled with the service provider to discuss the roll out program
Town planners' application of building control.	34	25	14	21	Scrutinised building plans and comments at developments and subdivisions.

Water Produced (Ml/m³) Greater Knysna	453	488	475	503	The consumption figures are for the entire Knysna Area
Water Treatment Plants compliance	All plants compliant – except one	All plants compliant	All plants compliant	All plants compliant	The potable water conformed to SANS241-15 standards; Five Parameters consists of pH, Conductivity, Turbidity, Colour and Chlorine. Knysna WTP failed pH due to blocked soda ash line.
Effluent Produced (Ml/m³) Greater Knysna	275	286	280	288	Outflow meter readings were used on a by-pass that was opened because of a faulty electronic meter.

INFRASTRUCTURE SERVICES COMMITTEE MEETING
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Waste Water Treatment Plants compliant (Biological) Total:7 Sewer Works	All plants compliant	All plants compliant - except one	All plants compliant	All plants compliant - except one	Knysna was not compliant due to maturation pond and chlorine contact tank high solid content
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Operational Tenders

Challenges in the Department	Solutions
We received pre-directives and directives from various entities regarding pollution.	Council needs to prioritize and urgently provide funding to deal with these effectively in order for the Municipality to function and comply with the relevant legislation/Constitution.
Vandalism and theft	Community awareness and security programs were rolled out on 20 & 21 August 2024 in Hornlee and Concordia
Electrical failures which have led to infrastructure problems. Thus, an increase in contractors having to get involved in operational work as opposed to preventative work	Generators are required for smooth and uninterrupted service delivery and required to be services according to the design manuals.
Increase in informal areas	Planning for new developments. Our department of Human Settlements to provide basic services.
Shortage of key human resources	Council approved key staff interim then was submitted in September.
Stormwater intrusion in sewer network	Stormwater masterplan to be prioritised
Sinkholes - sewer	Contract will commence in mid-October 2024
Pump breakdowns – constant breakdowns	Preventative maintenance needs to takes place, which include cleaning of sumps, oil and grease equipment.
Decreased overtime threshold that is causing substantial backlog on complaints resulting in decreased service delivery, longer reaction time and public irritability	The Department needs to be capacitated – by filling funded vacant posts. The organogram also must be reviewed.
Non-dedicated plant for the water and sewer department's operations, which needs to be hired or scheduled in from other departments or contractors	Purchase key Plant to reduce overtime and hiring efficiency to certain activities to fulfil mandate to deliver basic services.
Financial challenges experienced by Municipality putting strain on operational and capital budgets	Additional funding required. System was rolled out from the early 70's
Aged reticulation that is prone to breakages in desperate need of an upgrade	Budget is required for upgrades

INFRASTRUCTURE SERVICES COMMITTEE MEETING
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Inaccessibility to pump stations and other infrastructure – due to illegal dumping and establishment of informal settlement on Municipal services	An integrated approach needs to be implemented between all user Departments within the Municipality to deal with this challenge
By-law enforcement	Relevant department must act on lawlessness with regard to water and sewer by-laws.

Overtime

The deficiency in human resources yields a challenge for the section, relating to overtime, as services need to be kept running at all times to prevent water supply and/or sewer interruptions.

The pre-paid water meters are beyond its useful life span and need replacements, which further impact overtime.

There is currently no Millwright contractor assisting the Municipality in emergency situations with our mechanical and electrical equipment.

The limited overtime hours have an effect on the level of service to the community and creates backlogs, which influence service delivery negatively. The overtime is, however, Significantly less than the previous months, except for during the holiday periods.

Below table sums up the overtime in the water and sewer reticulation section for the Greater Knysna Area:

<u>MONTH</u>	<u>OVERTIME HOURS WORKED</u>
SEPTEMBER 2025	3653
OCTOBER 2025	4602
NOVEMBER 2025	5109
DECEMBER 2025	6231

FINANCIAL IMPLICATIONS

Operating budget

Table 2 below summarizes the Operational budget expenditure for the period ending December 2025:

Table 2 Operating budget expenditure (CFO Monthly report as at December 2025)

INFRASTRUCTURE SERVICES COMMITTEE MEETING
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	2025 ORIG BUDGET	YTD BUDGET	COMMITTED	YTD ACTUAL %
WATER RETICULATION				
CONTRACTED SERVICES	6 430 521,00	4 451 680,00	1 950 614,70	69%
ESKOM	5 902 607,00	2 912 386,00	1 993 560,89	49%
OTHER EXPENDITURE	3 988 862,00	1 332 410,00	102 557,36	33%
HIRE CHARGES	5 973 170,00	2 429 344,00	2 788 124,75	41%
SEWER PURIFICATION				
CONTRACTED SERVICES	4 004 622,00	1 120 204,00	845 239,04	28%
OTHER EXPENDITURE	56 176,00	28 843,00	220,65	51%
HIRE CHARGES	1 000 000,00	484 918,00	774 589,51	48%
SEWERAGE RETICULATION				
CONTRACTED SERVICES	2 381 060,00	499 584,00	986 739,73	21%
OTHER EXPENDITURE	127 929,00	55 376,00	1 779,80	43%
SEWERAGE SANITATION				
CONTRACTED SERVICES	151 151,00	21 595,00	5 772,62	14%
OTHER EXPENDITURE	287 774,00	188 418,00	-	65%
WATER PURIFICATION				
CONTRACTED SERVICES	2 174 615,00	299 875,00	143 034,78	14%
OTHER EXPENDITURE	21 180 422,00	5 175 112,00	9 886 049,65	24%
HIRE CHARGES	63 684,00	43 320,00	46 200,00	68%

Capital budget expenditure (CFO Monthly report as at August 2025), latest report received from Finance

	ORIGINAL BUDGET	YTD BUDGET	COMMITMENTS	YTD ACTUAL %
SEWERAGE PURIFICATION SERVICES	4 700 000	649 997	-	14%
SEWERAGE RETICULATION SERVICES	18 500 000	2 255 000	1 158 304	12%
WATER PURIFICATION WORKS	2 173 913	217 391	203 549	10%
WATER RETICULATION	57 861 676	10 134 103	9 702 457	18%

RELEVANT LEGISLATION

National Health Act, No.61 of 2003.
National Environmental Management Act, No.107 of 1998.
Water Act, No.36 of 1998.
Constitution, Republic of South Africa, No.108 of 1996.
Occupational Health and Safety Act
Basic Conditions of Employment Act
Municipal Finance Management Act

RECOMMENDATION OF THE ACTING MUNICIPAL MANAGER

That Council note the contents of the report.

APPENDIX / ADDENDUM

INFRASTRUCTURE SERVICES COMMITTEE MEETING
AGENDA
03 MARCH 2026

File Number: 9/1/2/1
Execution: Manager Water & Sewer

5.6

IS06/02/26	STATUS QUO REPORT ON WATER SUPPLIES FOR THE GREATER KNYSNA SEPTEMBER TO DECEMBER 2025
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REPORT FROM THE DIRECTOR: TECHNICAL SERVICES

PURPOSE OF THE REPORT

To report to Council on the Status Quo Report on water supplies for the Greater Knysna Area.

PREVIOUS RESOLUTIONS

N/A

BACKGROUND

During September– December 2025 Knysna’s potable-water system experienced intermittent supply interruptions, planned outages for repairs and conservation work, and heightened operational risk caused by low river flows and outstanding equipment contracts. The municipality ran a Water Conservation & Demand Management (WCDM) Phase 2 programme (network audit and loss-reduction contractors), issued multiple planned interruption notices across wards (Sedgefield, Dam-se-Bos, Paradise, Brenton-on-Sea, etc.), and reported precautionary suspensions of raw-water extraction from some sources.

DISCUSSION

1. Frequency and geography of interruptions

The Municipality issued multiple planned interruption notices across Knysna and Sedgefield during August 2025 (for example: Dam-se-Bos on 19 Aug, Sedgefield on 27 Aug, Paradise on 28 Aug, and Brenton-on-Sea on 20 Aug). These were a mix of planned maintenance and work tied to the WCDM project.

2. Low raw-water flows and temporary extraction suspensions

Knysna River flows were reported as low in September and continues to intensify, as a precaution, raw-water extraction from the Charlesford source (and related adjustments) had been reduced. Low source flows directly constrained treatment plant throughput and increased reliance on stored reservoirs.

3. Active water conservation and demand-management work

The Municipality launched or continued a Water Conservation & Demand Management — Phase 2 programme (Aug 2025–Jan 2026), engaging contractors to audit the network and reduce leaks/losses (Re-Solve/EAS JV named in public materials). This is a positive mitigation step but will require timely delivery and capital to realize benefits.

Primary causes and contributing factors

Hydrological stress — low Knysna River flows in August reduced available raw water and increased reliance on stored reserves.

Asset availability— delayed installation of critical pumps at Charlesford reduced resilience.

Planned maintenance and WCDM work — necessary network works caused planned interruptions but aim to reduce losses long term.

Ageing infrastructure and system losses — implicit in need for audits and pump work; network audits were commissioned to address this.

Risks (short — medium term)

- a. Supply shortfalls, if low river flows persist combined with incomplete pump upgrades/installations.
- b. Increased interruptions during continued network repair phases, especially where contingency storage or alternative abstraction is limited.
- c. Issuance of planned interruption notices to affected consumers and suburbs.
- d. WCDM Phase 2 procurement and appointment of audit/loss-reduction contractors.
- e. Council reporting and motion to review pump status — agenda items and supplementary reports were tabled in August.

FINANCIAL IMPLICATIONS

Unable to quantify at this stage.

RELEVANT LEGISLATION

National Health Act, No.61 of 2003
National Environmental Management Act, No.107 of 1998
Water Act, No.36 of 1998
Constitution, Republic of South Africa, No. 108 of 1996
Occupational Health and Safety Act
Basic Conditions of Employment Act
Municipal Finance Management Act

RECOMMENDATION OF THE ACTING MUNICIPAL MANGER

That Council note the contents of the report.

APPENDIX / ADDENDUM

ANNEXURE A: STATUS QUO REPORTS SEPTEMBER 2025 UNTIL DECEMBER 2025

File Number: 9/1/2/1

Execution: Manager Water & Sewer

INFRASTRUCTURE SERVICES COMMITTEE MEETING
AGENDA
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ANNEXURE A: STATUS QUO REPORTS SEPTEMBER 2025 UNTIL DECEMBER 2025

<u>STATUS QUO REPORT ON WATER SUPPLIES FOR THE GREATER KNYSNA</u>	
<u>SEPTEMBER 2025</u>	
<u>SEDGEFIELD</u>	
a) Desalination Plant	: Plant not operational and in preservation mode (Derelict state)
b) Boreholes	: 2 boreholes operational (2 boreholes pumps purchased and will be installed shortly)
c) Water Treatment Works	: Fully operational
d) Weir in river	: Gates Closed
e) Karatara River	: Very Low Flow
f) Swartvlei	: Mouth closed
g) Rainfall	: mm
h) Average Water Production	: ML/day
<u>BUFFALO BAY</u>	
a) Goukamma River	: Very Low Flow
b) The Goukamma River mouth	: Closed
c) Water Works Plant	: Operational, produce intermittent water
d) Rainfall	: mm
e) Average Water Production	: 86 KL/day (carted due to high salinity)
<u>KARATARA</u>	
a) Dam	: 98% (40 MI capacity)
b) Karatara River	: Very Low Flow
c) Rainfall	: mm
d) Average Water Production	: ML/day
<u>RHEENENDAL</u>	
a) Dam	: 92% (1MI capacity) raw water balancing storage is only designed to simplify dosing of chemicals
b) Homtini River	: No Low Flow
c) Rainfall	: mm
d) Average Water Production	: ML/day
<u>KNYSNA</u>	
a) Reverse Osmosis Plant	: Not Operational and in preservation mode, the membranes were purchased in 2020 but are now beyond their lifespan.
b) Boreholes	: Boreholes are not operational, due to vandalism and high iron content.
c) Knysna River	: Normal flow, Pumping. 2 pumps operational, 3rd pump with supplier. (The Environmental water release(EWR) level, is measured on a daily basis)
d) Gouna River	: 23 L/s
e) Akkerkloof Dam	: ± 22 % (860 MI capacity)
f) Glebe Dam	: ± 27 % (pumping)
g) Rainfall	: 22 mm
h) Average Water Production	: 11,79 ML/day

INFRASTRUCTURE SERVICES COMMITTEE MEETING
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STATUS QUO REPORT ON WATER SUPPLIES FOR THE GREATER KNYSNA

OCTOBER 2025

SEDGEFIELD

- | | |
|-----------------------------|--|
| a) Desalination Plant | : Plant not operational and in preservation mode (Derelict state) |
| b) Boreholes | : 2 boreholes operational (2 boreholes pumps purchased and will be installed shortly) |
| c) Water Treatment Works | : Fully operational |
| d) Weir in river | : Gates Closed |
| e) Karatara River | : Very Low Flow |
| f) Swartvlei | : Mouth closed |
| g) Rainfall | : 22mm |
| h) Average Water Production | : 2,48 ML/day |

BUFFALO BAY

- | | |
|-----------------------------|---|
| a) Goukamma River | : Very Low Flow |
| b) The Goukamma River mouth | : Closed |
| c) Water Works Plant | : Operational, produce intermittent water |
| d) Rainfall | : 46 mm |
| e) Average Water Production | : 68 ML/day |

KARATARA

- | | |
|-----------------------------|------------------------|
| a) Dam | : 98% (40 MI capacity) |
| b) Karatara River | : Very Low Flow |
| c) Rainfall | : 40 mm |
| d) Average Water Production | : 0,19 ML/day |

RHEENENDAL

- | | |
|-----------------------------|---|
| a) Dam | : 92% (1MI capacity) raw water balancing storage is only designed to simplify dosing of chemicals |
| b) Homtini River | : Very Low Flow |
| c) Rainfall | : 42mm |
| d) Average Water Production | : 0,30ML/day |

KNYSNA

- | | |
|-----------------------------|--|
| a) Reverse Osmosis Plant | : Not Operational and in preservation mode, the membranes were purchased in 2020 but are now beyond their lifespan. |
| b) Boreholes | : Boreholes are not operational, due to vandalism and high iron content. |
| c) Knysna River | : Normal flow, Pumping. 2 pumps operational, 3rd pump with supplier.
(The Environmental water release(EWR) level, is measured on a daily basis) |
| d) Gouna River | : 23 L/s |
| e) Akkerkloof Dam | : ± 22 % (860 MI capacity) |
| f) Glebe Dam | : ± 27 % (pumping) |
| g) Rainfall | : 69 mm |
| h) Average Water Production | : 12,38ML/day |

STATUS QUO REPORT ON WATER SUPPLIES FOR THE GREATER KNYSNA

NOVEMBER 2025

SEDGEFIELD

- | | |
|-----------------------------|---|
| a) Desalination Plant | : Plant not operational and in preservation mode (Derelict state) |
| b) Boreholes | : 4 boreholes operational |
| c) Water Treatment Works | : Fully operational |
| d) Weir in river | : Gates Closed |
| e) Karatara River | : Low Flow |
| f) Swartvlei | : Mouth closed |
| g) Rainfall | : 44mm |
| h) Average Water Production | : 2,65 ML/day |

BUFFALO BAY

- | | |
|-----------------------------|---|
| a) Goukamma River | : Very Low Flow |
| b) The Goukamma River mouth | : Closed |
| c) Water Works Plant | : Operational, produce intermittent water |
| d) Rainfall | : 15mm |
| e) Average Water Production | : 68 KL/day |

KARATARA

- | | |
|-----------------------------|------------------------|
| a) Dam | : 95% (40 MI capacity) |
| b) Karatara River | : Low Flow |
| c) Rainfall | : 44 mm |
| d) Average Water Production | : 0,17 ML/day |

RHEENENDAL

- | | |
|-----------------------------|---|
| a) Dam | : 92% (1MI capacity) raw water balancing storage is only designed to simplify dosing of chemicals |
| b) Homtini River | : Low Flow |
| c) Rainfall | : 40mm |
| d) Average Water Production | : 0,33ML/day |

KNYSNA

- | | |
|-----------------------------|--|
| a) Reverse Osmosis Plant | : Not Operational and in preservation mode, the membranes were purchased in 2020 but are now beyond their lifespan. |
| b) Boreholes | : Boreholes are not operational, due to vandalism and high iron content. |
| c) Knysna River | : Normal flow, Pumping. 2 pumps operational, 3rd pump with supplier.
(The Environmental water release(EWR) level, is measured on a daily basis) |
| d) Gouna River | : 23 L/s |
| e) Akkerkloof Dam | : ± 27 % (860 MI capacity) |
| f) Glebe Dam | : ± 27 % (pumping) |
| g) Rainfall | : 27mm |
| h) Average Water Production | : 12,41 ML/day |

STATUS QUO REPORT ON WATER SUPPLIES FOR THE GREATER KNYSNA

DECEMBER 2025

SEDGEFIELD

a) Desalination Plant	: Plant not operational and in preservation mode (Derelict state)
b) Boreholes	: 4 boreholes operational
c) Water Treatment Works	: Fully operational
d) Weir in river	: Gates Closed
e) Karatara River	: Very Low Flow
f) Swartvlei	: Mouth closed
g) Rainfall	: 4mm
h) Average Water Production	: 2,64 ML/day

BUFFALO BAY

a) Goukamma River	: Very Low Flow
b) The Goukamma River mouth	: Closed
c) Water Works Plant	: Operational, produce intermittent water
d) Rainfall	: 18 mm
e) Average Water Production	: 0,22 ML/day

KARATARA

a) Dam	: 98% (40 MI capacity)
b) Karatara River	: Very Low Flow
c) Rainfall	: 48 mm
d) Average Water Production	: 0,18 ML/day

RHEENENDAL

a) Dam	: 92% (1MI capacity) raw water balancing storage is only designed to simplify dosing of chemicals
b) Homtini River	: No Low Flow
c) Rainfall	: 42mm
d) Average Water Production	: 0,36ML/day

KNYSNA

a) Reverse Osmosis Plant	: Not Operational and in preservation mode, the membranes were purchased in 2020 but are now beyond their lifespan.
b) Boreholes	: Boreholes are not operational, due to vandalism and high iron content.
c) Knysna River	: Normal flow, Pumping. 2 pumps operational, 3rd pump with supplier. (The Environmental water release(EWR) level, is measured on a daily basis)
d) Gouna River	: 23 L/s
e) Akkerkloof Dam	: ± 22 % (860 MI capacity)
f) Glebe Dam	: ± 27 % (pumping)
g) Rainfall	: 47 mm
h) Average Water Production	: 12,53 ML/day

5.7

IS07/02/26	REPORT OF THE ROADS, TRANSPORT & STORM WATER & BUILDINGS MAINTENANCE DIVISION (RTSBMD) FOR QUARTER 2 (25/26)
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REPORT FROM THE DIRECTOR: TECHNICAL SERVICES

PURPOSE OF THE REPORT

To report on the Actual percentage budget spent for all approved Roads and Storm water Maintenance Projects for Quarter 2 of the 2025-2026 financial year, and to inform Council of the deployment and availability of resources in the Division. The report will also serve as portfolio of evidence for the SDBIP.

PREVIOUS RESOLUTIONS

None

BACKGROUND

The Key Performance Areas (KPA's) of the Division relates to Operations and Maintenance of the roads and storm water systems on municipal property, and the subsidized maintenance of the N2/Main Street. The Division also maintains existing and paints new traffic markings, acts as the maintenance agent for repairs to municipal buildings for the user department's account and does other ad-hoc activities with and behalf of other directorates.

DISCUSSION

Resources

The division reported on staff resources previously and can report that the Senior Superintendent (Roads & Storm water) left the organization on the 31st of December 2025 and sadly one of the general workers passed away. This will result in the **top two operational tiers (Senior Superintendents and Superintendents) of the section being 100% vacant as from 1 January 2026**. The division has however received funding for a Senior Superintendent (Gravel roads) and Superintendent (West) ex. Sedgefield, and it is anticipated that those positions will be filled by the end of the 3rd quarter or beginning of the 4th quarter. Similarly, the recently vacated post of Senior Superintendent (Roads & Storm water) will be ready for advertisement as soon as post has been closed off.

As reported previously the division's vacancy rates for **Roads and Storm water** has increased by 1% during the period due to the afore mentioned, and currently sits at 74%.

Maintenance plans

As reported previously, the division has had to review its maintenance programmes and plans given the lack of resources. The division had two teams stationed in Sedgefield to service Sedgefield, Karatara and Buffalo Bay who only did potholes and reinstatements, and ad-hoc storm water cleaning. Two teams stationed in Knysna serviced Knysna, Belvidere, Brenton-on-Sea, Brenton-on-Lake and Rheenendal and they have been split: one team focused on potholes and the other on service break reinstatements. The third team, stationed in Knysna, serviced all gravel roads throughout the Greater Knysna. The public works team services all departments in respect of any building, carpentry and paint work.

The Mayor initiated the municipality's Service Delivery Recovery Innovation Action Plan and established a Ward Room with the inaugural meeting taking place on 27 October 2025, and the division reported weekly on the priorities thereafter. The maintenance program for Quarter

4 was circulated to all ward councillors on the 28th and it was indicated that the division was approximately two weeks behind program. It was anticipated that time would be made up with the appointment of contractors and casual workers.

One of the priorities as set by the War Room was that the Season Readiness Plan (SRP) had to commence earlier, and the division commenced with the SRP on the 17th of November 2025. Casual workers were also to be employed and 2 CWP workers were deployed in each ward to clean storm water drains for 2 days per week with the CWP program closing on the 5th of December 2025. RFQ's were also advertised for potholes, reinstatements and storm water drains however the process took longer than anticipated to conclude due to bidders not submitting the required information timeously. In the end no service providers could be employed for storm water due to non-compliance with the bid conditions and the pothole and reinstatement contractors only started at the beginning of December 2025, less than 10 days before the annual closure of material suppliers.

During the December 2025 closure period the standby team continued to work as normal on the non-public holiday days and responded to complaints as reported through the Fire Station. As per the Resolution those staff members would then take the time off as between January and March 2026.

SDBIP

Table 1 lists the division's SDBIP indicators, targets and achievements up to the end of the reporting period in terms of the units prescribed in the SDBIP. The achievements are also split between 'Internal' meaning achieved using own internal resources and 'External' meaning achieved through outsourcing. Annexures 1, 2 and 3 provide the rolling totals to date.

Table 1: Maintenance outputs vs the SDBIP (Internal and External)

Activity	Target	Achievements up to 31 December 2025
D228 General road maintenance (m ²)	10 000 annually	Internal: 2 086 External: 0 Total: 2 086 (21%)
D230 Gravel roads (km)	15 annually	Internal: 13.8 External: 0 Total: 13.8 (92%)
D 231 Storm water drains (no.) (including manholes, catch pits and outlets)	100 annually	Internal: 117 External: 0 Total: 117 (117%)
Storm water pipes (m) (including open drains and ditches)	No target	Internal: 2 733 External: 0 Total: 2 733

Budget expenditure

The Repairs and Maintenance expenditure report is shown in Table 2 and is based on the report from the Budget Office. The *Activity* column indicates the line item, and the *Budget* column indicates the Original Budget (OB). The *Expenditure* column indicates the actual Expenditure in Rands and percentage against the Original Budget as at 31 December 2025.

Table 2: Maintenance Budget Expenditure

Activity	Original Budget (OB)	Expenditure (excluding Orders)	Available after Expenditure and Orders
General road maintenance	3 800 000	1 174 720 31 %	1 965 089 52 %
Gravel Roads	1 800 000	554 815 31 %	167 725 9 %
Storm water drains	1 000 000	104 630 10 %	572 832 57 %

Conclusions

The division's vacancy rate increased by 1% during the reporting period in respect of Roads and Storm water maintenance but remained stable on the Public Works side. In respect of the SDBIP, storm water and gravel are on track and this is mainly due to the employment of the CWP workers and the insourcing of a complete gravel plant unit.

In respect of surfaced road maintenance, the performance lags and this is mainly due to the lack of internal resources as well as slow performance of small contractors. For the purposes of reporting on the SDBIP, the work done by contractors is only acknowledged when work is completed and as such work-in-progress has not been considered in the measurements, even though it has been partly invoiced.

The budget expenditure for road repairs and storm water maintenance lagged but would be within 2% and 7% respectively once December invoices and virements for plant hire are processed. Gravel road maintenance is ahead in respect of the SDBIP and expenditure and would require virement or additional funds if the program is to be sustained.

FINANCIAL IMPLICATIONS

N/A

RELEVANT LEGISLATION

N/A

RECOMMENDATION OF THE ACTING MUNICIPAL MANAGER

That Council notes the report.

APPENDIX / ADDENDUM

Annexure 1 Maintenance Report for Regraveling 2024_2025 Financial Year
Annexure 2 Maintenance Report for Stormwater Cleaning 2024_2025 Financial Year
Annexure 3 Maintenance Report for Pothole Repairs 2024_2025 Financial Year

File Number: 9/1/2/1

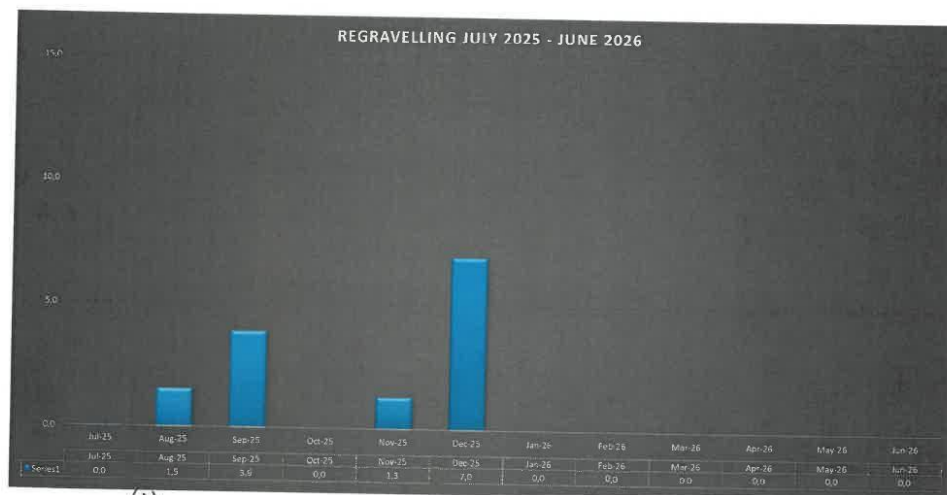
Execution: Manager Public Works

INFRASTRUCTURE SERVICES COMMITTEE MEETING
AGENDA
03 MARCH 2026

ANNEXURE 1

KNYSNA MUNICIPALITY
MAINTENANCE REPORT FOR REGRAVELLING : 2025/2026 FINANCIAL YEAR

No.	Month	INTERNAL TEAMS	EXTERNAL CONTRACTORS	Total Length(km)
		Length(km)	Length(km)	
1	Jul-25	0,0	0,0	0,0
2	Aug-25	1,5	0,0	1,5
3	Sep-25	3,9	0,0	3,9
4	Oct-25	0,0	0,0	0,0
5	Nov-25	1,3	0,0	1,3
6	Dec-25	7,0	0,0	7,0
7	Jan-26	0,0	0,0	0,0
8	Feb-26	0,0	0,0	0,0
9	Mar-26	0,0	0,0	0,0
10	Apr-26	0,0	0,0	0,0
11	May-26	0,0	0,0	0,0
12	Jun-26	0,0	0,0	0,0
TOTAL		13,8	0,0	13,8




SIGNATURE : MANAGER
S. MARE

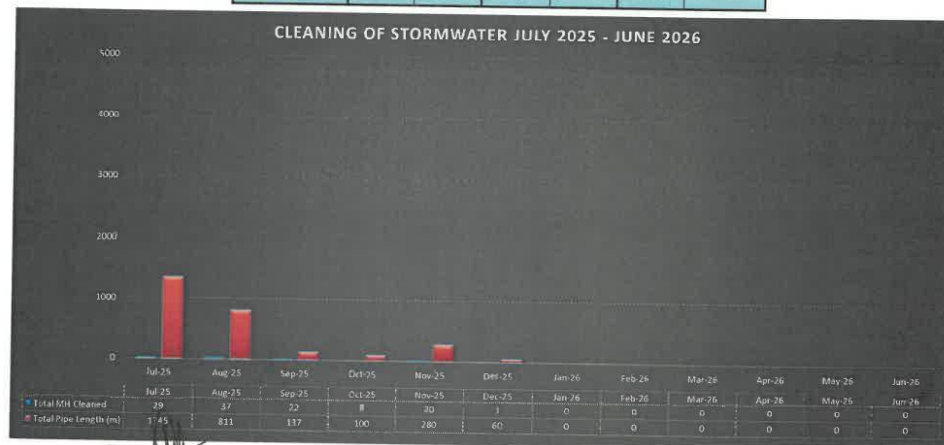
SIGNATURE : DIRECTOR
R. WESSO

INFRASTRUCTURE SERVICES COMMITTEE MEETING
AGENDA
03 MARCH 2026

ANNEXURE 2

KNYSNA MUNICIPALITY
MAINTENANCE REPORT FOR STORMWATER CLEANING : 2025/2026 FINANCIAL YEAR

No.	Month	INTERNAL TEAMS		EXTERNAL CONTRACTORS		SUMMARY	
		No. of MH cleaned	Pipe Length (m)	No. of MH cleaned	Pipe Length (m)	Total MH Cleaned	Total Pipe Length (m)
1	Jul-25	29	1345	0	0	29	1345
2	Aug-25	37	811	0	0	37	811
3	Sep-25	22	137	0	0	22	137
4	Oct-25	8	100	0	0	8	100
5	Nov-25	20	280	0	0	20	280
6	Dec-25	1	60	0	0	1	60
7	Jan-26	0	0	0	0	0	0
8	Feb-26	0	0	0	0	0	0
9	Mar-26	0	0	0	0	0	0
10	Apr-26	0	0	0	0	0	0
11	May-26	0	0	0	0	0	0
12	Jun-26	0	0	0	0	0	0
TOTAL		117	2733	0	0	117	2733



SIGNATURE : SNR MANAGER
S. MAREE

SIGNATURE : DIRECTOR
R. WESSO

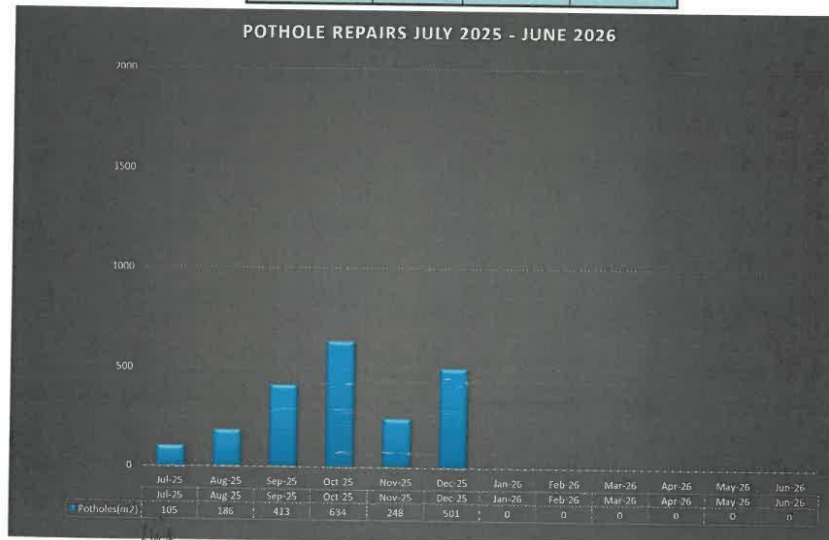
INFRASTRUCTURE SERVICES COMMITTEE MEETING
AGENDA
03 MARCH 2026

ANNEXURE 3

KNYSNA MUNICIPALITY
MAINTENANCE REPORT FOR POTHOLE REPAIRS : 2025/2026 FINANCIAL YEAR

SUMMARY

No.	Month	INTERNAL TEAMS	EXTERNAL TEAMS	TOTAL
		Area (m2)	Area (m2)	
1	Jul-25	105	0	105
2	Aug-25	186	0	186
3	Sep-25	413	0	413
4	Oct-25	634	0	634
5	Nov-25	248	0	248
6	Dec-25	501	0	501
7	Jan-26	0	0	0
8	Feb-26	0	0	0
9	Mar-26	0	0	0
10	Apr-26	0	0	0
11	May-26	0	0	0
12	Jun-26	0	0	0
TOTAL		2086	0	2086



SIGNATURE : SNR MANAGER
S. MAREE

SIGNATURE : DIRECTOR
R. WESSO

5.8

IS08/02/26 REPORT ON THE REPAIRS & MAINTENANCE OF SEWER PUMPSTATIONS

REPORT FROM THE DIRECTOR: TECHNICAL SERVICES

PURPOSE OF THE REPORT

To report on the project the Water & Sewer section have embarked on to repair and maintain critical sewer pumpstations.

PREVIOUS RESOLUTIONS

N/A

BACKGROUND

The Knysna Municipality have 113no. sewer pumpstations and due to the section's inability to service and maintain the pumpstation routinely some 30no. of pumpstations have experienced failure and has been vandalised causing major overflows into the environment and estuary.

DISCUSSION

The municipality previously contracted service providers to provide mechanical and electrical assistance on all sewer pumpstation, however these services ended during 2024. This situation placed enormous pressure on the internal teams which is currently understaffed and we do not have required resources to effectively maintain pumpstations.

Due to the excessive environmental pollution caused by the sewerage overflows the department embarked on an intervention and procured contractors on the electrical tender T46/2023/2024 – Panel of Service Providers to Perform Electrical and Associated Works for a 3 Year Period. It was established that the tender will assist the department to get most of the critical pumpstations back into operations. We appointed MDL Engineering (Pty) Ltd. and B Sparks Electrical CX and had a meeting on 09 December 2025 to discuss all the logistics and how we envisage the project will proceed. Authorised orders were received on 17 December 2025 and distributed to the Contractors. Unfortunately, the annual builders break from 19 December 2025 – 12 January 2026 have slightly delayed immediate response from the Contractors, however they are back on site and have commenced with repairs to their assigned pumpstations.

The Knysna Infrastructure Group have also indicated that they are willing and, in a position, to assist the municipality with repairs and maintenance to the sewer pumpstation without any cost to the municipality. This was accepted as part of the Municipal Partnership Agreement (MPA) with the municipality. The following critical pumpstations were allocated to the respective Contractors and KIG:

No.	B SPARK ELECRITICAL CX	MDL ENGINEERING	KIG
1	Rheenendal PS1	Dam se Bos PS1	Sedgefield PS3
2	Rhobololo PS1	Dam se Bos PS2	Cola Beach PS2
3	Rhobololo PS2	Dam se Bos PS3	Concordia PS1
4	Ethembeni PS1	Sanlam PS	Meedings PS
5	Ethembeni PS2	Coney Glen PS1	Simola PS No.9
6	White Location PS3		The Point PS

INFRASTRUCTURE SERVICES COMMITTEE MEETING

AGENDA

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PROGRESS

B SPARK ELECTRICAL CX	PUMPSTATION DESCRIPTION	ACTIONS	COMPLETION STATUS
	Rheenendal PS1	Pump was installed, cable repaired, control gear replaced.	Operational 12 Dec 2025
	Rhobololo PS1	- Sump cleaned - Tested pumps– 1 x duty pump operating at full capacity. - Standby pump returned from rewinders and installed during week of 02 Feb 2026. - PS operational however the MCC panel must be rewired to ensure we do not encounter electrical failures.	Operational 09 Feb 2026
	Rhobololo PS2	- Health of PS assessed - Only duty pump currently installed - Standby pump installed on 10 Feb 2026 - PS operational however the MCC panel must be rewired to ensure we do not encounter electrical failures.	Operational 11 Feb 2026
	Ethembeni PS1	- Health of PS assessed - Only duty pump currently installed and operating.	Operational 09 Feb 2026
	Ethembeni PS2	- Access challenges will be assessed the week of 16 Feb 2026. - Health of PS to be assessed during the week of 16 Feb 2026.	Anticipated completion 06 Mar 2026

	PUMPSTATION DESCRIPTION	ACTIONS	COMPLETION STATUS
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INFRASTRUCTURE SERVICES COMMITTEE MEETING

AGENDA

03 MARCH 2026

MDL ENGINEERING	Dam se Bos PS1	- Access and area of pumpstation cleared. - MCC panels rewiring - Honeysucker services scheduled for week of 16 Feb 2026	Anticipated completion 27 Feb 2026
	Dam se Bos PS2	- Access and area of pumpstation cleared. - MCC panels rewiring - Honeysucker services scheduled for week of 16 Feb 2026	Anticipated completion 27 Feb 2026
	Dam se Bos PS3	- Access and area of pumpstation cleared. - MCC panels rewiring - Honeysucker services scheduled for week of 16 Feb 2026	Anticipated completion 06 Mar 2026
	Sanlam PS	- Access and area of pumpstation cleared. - MCC panels rewiring - Honeysucker services scheduled for week of 16 Feb 2026	Anticipated completion 06 Mar 2026
	Coney Glen PS1	- Sump cleaned, new pump installed, temporary MCC panel installed with soft starter. - Operational with duty pump. - Standby pump removed for repairs.	Operational 22 Dec 2025

	PUMPSTATION DESCRIPTION	ACTIONS	COMPLETION STATUS
KIG	White Location PS3	Repaired and operational.	Operational 12 Dec 2025

INFRASTRUCTURE SERVICES COMMITTEE MEETING

AGENDA

03 MARCH 2026

	Cola Beach PS2	• Health of PS assessed • Sump cleaned and faulty pumps removed • 2 x Pumps with rewinders for repairs	Anticipated completion 27 Feb 2026
	Concordia PS1	• MCC panel rewired and ready to be commissioned • Duty pump to be installed in the week of 16 Feb 2026 • Standby pump down to earth and will be sent to rewinders.	Anticipated completion 20 Feb 2026
	Meedings PS	• Health of PS assessed • Sump cleaned and faulty pumps removed • Duty pump with rewinders for repairs	Anticipated completion 27 Feb 2026
	Simola PS No.9	• Health of PS assessed • Variable Speed Drive (VSD) burned and needs replacement.	Anticipated completion Mar 2026
	The Point PS	• PS was repaired in Dec 2025 • Overflow in Jan 2026 due to pump impeller issue, however, was resolved • PS fully operational	Operational Dec 2025
	Sedgefield PS3	• Health of PS assessed • Sump cleaned and faulty pump removed • Duty pump with rewinders for repairs	Anticipated completion 27 Feb 2026

FINANCIAL IMPLICATIONS

The total order amount of the contract is R971 404.08.

RELEVANT LEGISLATION

N/A

RECOMMENDATION OF THE ACTING MUNICIPAL MANAGER

That Council note the contents of the report.

APPENDIX / ADDENDUM

File Number: 9/1/2/1
Execution: Manager Water & Sewer

5.9

**IS09/02/26 ELECTRICAL & MECHANICAL DEPARTMENT CAPITAL PROJECT REPORT
FROM SEPTEMBER TO DECEMBER 2025**

REPORT FROM THE DIRECTOR: TECHNICAL SERVICES

PURPOSE OF THE REPORT

This report serves to provide report back to Council through the Section 80 Committee on the Capital Projects budgeted for under the Electrical & Mechanical Department.

PREVIOUS RESOLUTIONS

N/A

BACKGROUND

The Electrical and Mechanical Department budget year 2025/2026 entails the following projects.

1. Formal Housing Electrical Connections
2. Informal Housing Electrical Connections
3. Bulk Upgrade Main Intake Substation: Knysna (INEP Funded)
4. Smart electrical meters-Pilot
5. Smart electrical meters-To replace bypassed meters

DISCUSSION

A. Report on Electrification of Formal Housing Connections

1. Purpose of the Report

The purpose of this report is to provide an update on the implementation, financial expenditure, and progress of the Electrification of Formal Housing Connections project, funded through the approved internally Generated Funds, with an initial budget of R 1000 000.00.

2. Financial Overview

2.1 Approved Budget

Budget Allocation: R 1 000 000.00

2.2 Expenditure to Date

Period	Ward	Area	Description	Amount (R)
November 2025	Ward 8	Happy Valley	6 Formal housing connections	R 24 343.62
December 2025	Ward 7	Teachers' Quarters	12 Formal housing connections including network extension.	R 423 606.00
December 2025	Ward 8	Concordia, Joodse and Ethembeni	11 connections in progress. (Funds committed, contractor appointed. Purchase Order sent on the 18/12/2025)	R 49 606.00
Total Spent and Committed				R 497 552.05

Total Expenditure to Date: R 497 552.05

Available Budget: R 502 447.05

3. Project Implementation Status

6 Formal Housing Connections were successfully completed in Happy Valley- Ward 8.

12 Formal Housing Connections were successfully completed in Teachers' Quarters – Ward 7. The scope included a required network extension, which contributed to higher project costs.

11 Formal Housing Connections in Concordia, Joodsekamp and Ethembeni areas – Ward 8 are currently in progress. The contractor has been appointed and funds have been committed, with the purchase order issued on the 18th of December 2025.

Overall, the project implementation progress is assessed as satisfactory and in line with the approved budget and planned scope.

4. Current and Upcoming Activities

A site inspection meeting is scheduled for Tuesday, 10 February 2026 with contractors for inspection and assessment.

Connection lists received to date:

Ward 8 – 11 New Formal Housing Connections.

Ward 3 – 2 New Formal Housing Connections.

Ward 7 – Connection list awaited.

These additional connections will be evaluated and prioritised based on available budget, technical feasibility, and compliance requirements.

5. Conclusion

The Electrification of Formal Housing Connections project is progressing well, with expenditure remaining within the approved budget. Available funds of R 502 447.05 will be utilised to address additional approved connections once outstanding ward lists are received and site assessments are concluded.

Continued coordination with Human Settlement Section, Ward Councillors, Contractors, and Internal stakeholders is recommended to ensure timely completion and optimal utilisation of the remaining budget.

B. Electrification of Informal Settlements

1. Area of Informal Settlement: Ward 6 & 11

Scope of Work

Electrification of ±39 informal settlement in Ward 6.

Project Costs

Total Budget for Ward 6 = R722 000

Total Committed Budget for Ward 6 = R718 054.44

Total Available Budget for Ward 6 = R3945, 56

Ward 6- Green Oaks

Scope of Work

Electrification of ±43 informal settlement in Ward 6.

Project Costs

Total required Budget for Ward 11 = +R 749,089.36

Total Committed Budget for Green Oaks = R0

Total Available Budget for Ward 11 = R3945.56

This quotation was done on 38 electrical connections, and the number has grown up to 43 connections.

2. Area of Informal Settlement: Different areas in Ward 7

3. Scope of Work

Electrification of ±12 informal settlements in Ward 7.

Project Costs

Total Budget for Ward 7 = R111000

Total Committed Budget for Ward 7 = R109718.97

Total Available Budget for Ward 7 = R1392.03

**4. Area of Informal Settlement: Different areas in Ward 8
Scope of Work**

Replacement of airdac cables in 3 informal settlements in Joodsekamp due to theft/vandalism.

Project Costs

Total Budget for Ward 8 = R111000

Total Committed Budget for Ward 7 = R13 768.03

Total Availability Budget = R97 342.97

5. Area of Informal Settlement: Different areas in Ward 4

Scope of Work

Electrification of ±13 informal settlements in Ward 4.

Project Costs

Total Budget for Ward 4 = R111000

Total Committed Budget for Ward 4 = R111000

Total Availability Budget = R0

The site assessment has been done with the contractor, electrical department, and human settlement department. We are waiting for the Quotations from the contractors.

6. Area of Informal Settlement: Different areas in Ward 1

This project cannot be done during this financial year due to the insufficient electricity capacity in Sedgefield. There is a need for the Smutsville Electrical Network Upgrade. We have done the grant application to resolve the issue, and we have not received positive feedback regarding the application.

C. Bulk Upgrade Main Intake Substation: Knysna (INEP Funded)

Scope of Work

Main Intake Substation Upgrade

Project Costs

Total funds received for Main Intake Substation Upgrade = R4500 000

Total Committed funds for Main Intake Substation Upgrade = R3 499 210, 43

Total Availability Budget = R1000 789, 57

Total Capital Expenditure = 78%

Department of Energy withheld R2 000 000 due to under-expenditure as the municipality was supposed to spend about 40% of the funds received.

D. Smart electrical meters-Pilot

The installation of Smart meters is seating at 100% and training has been done with the electrical department employees which took place on Tuesday 11th of November 2025. The pilot is currently under monitoring until the end of February 2026. Once the monitoring is done we will know if it is recommended to install the smart meters.

E. Smart electrical meters-To replace bypassed meters

The electrical department has placed an order for 300 single phase smart meters and 20 three phase smart meters to reduce the number of bypassed meters in the network so the municipality can collect revenue from the consumers.

F. Unplanned Outages

Unplanned breakdowns involve understanding the sudden, unscheduled loss of power supply. These events, often termed "technical failures" or "faults," arise from unexpected, immediate equipment failures or external factors that halt the distribution of electricity to consumers. Unplanned power outages present a critical, multifaceted challenge for Knysna municipal electrical departments, stemming from a combination of aging infrastructure, maintenance backlogs, and external factors like severe weather or vandalism. These events create significant financial, social, and economic disruption, including revenue loss for both the municipality and local businesses, and the deterioration of essential services such as water supply. Unplanned outages directly impact revenue through non-technical losses (electricity theft/meter bypassing during dark hours) and cause artificial demand spikes upon restoration, triggering higher bulk purchase costs.

Overtime spending increases when there is a high volume of unplanned outages.

FINANCIAL IMPLICATIONS

The R2 million INEP grant that was withheld will lead to significant project delays and there is a risk of not completing the infrastructure upgrade within the allocated period.

RELEVANT LEGISLATION

MFMA

RECOMMENDATION OF THE ACTING MUNICIPAL MANAGER

That Council notes the contents of the report.

APPENDIX / ADDENDUM

N/A

File Number: 9/1/2/1
Execution: Manager Electro Technical

5.10

IS10/02/26	ELECTRICAL & MECHANICAL DEPARTMENT CAPITAL PROJECT REPORT FROM SEPTEMBER TO DECEMBER 2025
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REPORT FROM THE DIRECTOR TECHNICAL SERVICES

PURPOSE OF THE REPORT

NERSA has issued a gazette to ensure the efficient, expeditious and uniform administration of grid capacity allocation and third-party access to transmission and distribution power systems and to create sustainable and justifiable considerations for licensees to apply when allocating grid capacity, thus facilitating a fair balance between the interests of customers and end users, licensees, investors in the electricity supply industry and the public.

PREVIOUS RESOLUTIONS

N/A

BACKGROUND

Grid access refers to the process of connecting electricity generators, as well as consumers, to the transmission and distribution power systems. A crucial element of this access process is that renewable energy generated not only enters the grid, but is also allowed to be dispatched and sold according to the relevant grid connection rules and codes.

DISCUSSION

1.1

As demand for electricity generation rises and the shift from fossil fuels to renewable sources continues, it is essential to have well-defined policies and rules that protect grid access matters. These rules ensure fairness and consistency in their implementation.

1.2

However, available grid connection capacity is becoming increasingly limited, particularly at the substation level and throughout the western part of the country. This scarcity highlights the need for regulatory measures to establish structured rules for grid capacity allocation.

1.3

Delays that happen after the allocation of grid access, resulting in the actual start of project construction being deferred to later dates, often occur due to financial constraints or lengthy environmental approval processes.

1.4

The inadequate development of grid infrastructure not only hinders the connection of new generation power sources, but also slows down the energy transition, resulting in higher costs for clean energy developments. Thus, it is important to evaluate key factors that can ensure efficiency, effectiveness, and fairness in grid connection processes.

1.5

Given the shortages in grid connection capacity and the rapidly changing landscape of electricity generation markets, it has become clear that Grid Capacity Allocation Rules must be crafted to ensure non-discriminatory and open access. This approach should be fair and transparent for all Applicants seeking grid connection capacity.

1.6

In the past, licensees allocated grid capacity on a first-come, first-served (fc-fs) basis. However, as the demand for electricity generation increased, it has become clear that the process of allocating grid capacity should be refined further to ensure efficient distribution and to minimise the risk of speculators monopolising the grid without a genuine commitment to fostering investment. Hence, the first-ready, first-served principle is being adopted as a way of allocating grid capacity. Section 4 further clarifies the provisions of the readiness and the first-ready, first-served principles.

1.7

The rules are designed to promote a balanced allocation of grid capacity among all Applicants, which is essential for maintaining long-term energy security. Consequently, non-discriminatory access will enhance customer options for affordable and reliable electricity supply.

1.8

In the South African market, regulating the allocation of grid access by transmission and distribution network owners is essential, especially as the energy sector moves towards a more competitive environment. In this context, the ER has deemed it necessary to outline key regulatory principles for the use and allocation of access to transmission and distribution grids. This aims to ensure that access is granted fairly and that the available capacity in the grid is utilised efficiently and effectively.

1.9

As electrical transmission and distribution lines are historically natural monopolies, it is vital to ensure fair access to these power systems to allow healthy competition in the electricity market, with the aim to result in competitive prices for end users.

2. LEGAL MANDATE

2.1

The National Energy Regulator of South Africa (NERSA) is a regulatory authority established as a juristic person in terms of section 3 of the National Energy Regulator Act, 2004 (Act No. 40 of 2004) ('NERA').

2.2

NERSA's mandate is to regulate the electricity, piped-gas and petroleum pipeline industries in terms of the Electricity Regulation Act, 2006 (Act No. 4 of 2006), Gas Act, 2001 (Act No. 48 of 2001) and Petroleum Pipelines Act, 2003 (Act No. 60 of 2003).

2.3

Section 2A of the Electricity Regulation Act, 2006 (Act No.4 of 2006), as amended ('the Act') confirms that the Act is applicable to the generation, transmission, distribution, reticulation, system operation, trading, and import and export of electricity activities, and to persons undertaking such activities.

2.4

In terms of section 3 of the Act, the Energy Regulator ('the ER') is the custodian and enforcer of the regulatory framework provided for in the Act and has regulatory authority over persons undertaking activities that are subject to the Act. Therefore, the ER is entrusted with ensuring that the objectives of the Act are achieved.

2.5

The ER is obliged, in terms of section 4(a)(iv) of the Act, to issue rules designed to implement the national government's electricity policy framework, the integrated resource plan and this Act.

2.6

Section 35(1) of the Act empowers the ER to make rules, guidelines, directives and codes of conduct and practice after consultation with licensees, municipalities that reticulate electricity and such other interested persons as may be necessary.

2.7

Section 35(3) of the Act further provides that, without derogating from the general nature of the empowerment, the ER makes rules that relate to '(c) the security, operation, use and maintenance of transmission and distribution power systems' and '(k) any other ancillary or administrative matter for which it is necessary to make rules for the proper implementation of this Act'.

2.8

Policy position 5 of the Electricity Pricing Policy (EPP) of 2008 details the circumstances under which access must be provided to all users, which aligns with

the provisions of section 21 of the Act, which requires transmission and distribution licensee to provide non-discriminatory access to its transmission or distribution power system to third parties.

2.9

In the development of delegated or subordinate legislation, the following interactive factors play a role in enabling the legality of such subordinate legislation:

- (a) The extent to which the discretion of the delegated authority is structured and guided by the enabling legislation.
- (b) The public importance and constitutional significance of the measures.
- (c) The shortness of the period to develop such subordinate legislation.
- (d) The extent to which the subject matter necessitates the use of forms for rapid intervention, which could otherwise be slow and inhibit other processes.

2.10

The justification for having the rule-making powers vested in administrative bodies, such as NERSA, is based on numerous practical considerations, including the following:

- (a) The technical nature of financial regulation and the degree to which specialist knowledge is needed for effective rule-making.
- (b) The importance of the time factor in addressing matters where rapid intervention is critical.
- (c) Issues on which regulations are made are often of a non-political, administrative/technical nature.
- € Best practices in other jurisdictions indicate that rule-making powers are vested in administrative authorities/bodies rather than in political office-bearers.
- (e) Rules are subject to the ultra vires rule, which means that they may be struck down by a court if not authorised in the enabling Act.

1.2 To meet the legality requirement, the ER has ensured that the appropriate powers have been exercised to ascertain jurisdictional fact and satisfy the stakeholder consultation legal requirements.

1.3 These rules are developed to ensure uniformity in the consideration of applications, relevant factors and the lapsing of such right to access that has been given.

2. OBJECTIVES OF THE GRID CAPACITY ALLOCATION RULES

2.1 The objectives of these Rules are to:

- (a) promote investment in the Electricity Supply Industry (ESI);
- (b) ensure the efficient, fair, and reliable use of the electricity grid infrastructure;
- (c) improve capacity allocation to prioritise projects that are ready to connect while maintaining options for Applicants;
- (d) bring clarity and order to how grid capacity is allocated to potential generation and load projects; and
- (e) ensure that potential entrants to the industry have sufficient preliminary information to enable proper assessment and informed investment decisions.

3. PRINCIPLES OF THE GRID CAPACITY ALLOCATION RULES

3.1 The Network Service Provider (NSP) must adhere to the following principles in the provision of grid access:

- (a) Non-discriminatory access: Third parties must be granted equal access to the grid, encouraging competition and fairness.
- (b) Protection of existing customers: The rights and responsibilities of current customers are safeguarded, ensuring that their interests are not jeopardised by new connections or projects.
- (c) Compliance with the Grid Code: Any party seeking to connect to the grid must comply with the standards and guidelines established in the Grid Code, which governs technical and operational practices.
- (d) Fair access process: Access to the grid must be granted through a transparent and fair procedure, reducing barriers for legitimate connections.
- (e) Capacity limitations: NSPs may refuse access if they can objectively demonstrate insufficient network capacity to maintain system integrity.
- (f) Capacity discrimination: NSPs may not discriminate between customers or classes of customers regarding access, tariffs, prices, and conditions of service, except for objectively justifiable and identifiable differences approved by the Regulator.
- (g) Information costs: Parties requesting information about network capacity may be charged a reasonable fee, which helps cover the costs associated with providing such information.

3.2 Acceptance of the Cost Estimate Letter (CEL): Both parties must agree that the acceptance of the CEL recognises the indicative nature of the costs that are provided, including the technical scope, which might change when the scope becomes more accurate at the Budget Quote (BQ) stage. The acceptance of the CEL by the Applicant puts an obligation on the NSP to reserve capacity for an Applicant. The provisions below establish the framework for determining a project's readiness level for grid access:

- (a) First ready: A threshold of readiness of the Applicant's project to build the generation Facility and related grid infrastructure in accordance with the published rules.

- (b) For the purposes of these Rules, readiness refers to the demonstrable stage at which a generation, transmission or distribution project has met all regulatory, technical, financial, and contractual conditions required to proceed with physical grid connection and energisation within a defined timeframe, as verified by the NSP.

4. APPLICABILITY OF THE RULES

- 4.1 These rules shall apply to NSPs that are legal entities to provide electrical network services and are responsible for planning, processing connection application, operation, and maintenance of an electricity network in their respective jurisdictions. The scope of an application encompasses electricity transmission and distribution activities, including the following:
- (a) An Applicant intending to develop, operate, and maintain a Facility.
 - (b) A licensee or its appointed representative that develops, operates and maintains the distribution network.
 - (c) A licensee or its appointed representative that develops, operates and maintains the transmission network.
- 4.2 These rules shall also apply to Applicants seeking grid connection allocation, including renewable energy, thermal energy sources, Battery Energy Storage Systems (BESS), pumped hydro, and hybrid systems integrating storage to enhance dispatchability and provide ancillary services and/or any other technology that generates electricity.

5. INFORMATION REQUIRED TO BE MADE AVAILABLE TO THE PUBLIC

- 5.1 The Transmission NSP shall develop the Transmission Development Plan (TDP) annually and ensure its availability to the public by publishing it on its official website.
- 5.2 The Distribution NSP shall develop the NDP every three years, with a minimum window period of five years, and make it available to the public on request.
- 5.3 The Grid Code, as an extension of the Act, mandates the NSP to indicate available network capacity by publishing the TDP and making the NDP available on request.
- 5.4 Such network capacity information and any other network information that must be made available to an Applicant, must be on time, be accurate, be complete, and be sufficiently detailed to ensure that Applicants are fully informed and able to make decisions based on reliable and adequate information.
- 5.5 The NSP may charge a reasonable fee to be published in a schedule of fees

for the cost of providing additional information relating to the network capacity and measures that would be necessary to reinforce the network on application.

- 5.6 The NSP shall develop the grid allocation policies, processes, and procedures and publish them on their website.
- 5.7 The NSP shall publish the connection application form with the information pack indicating the application process.

6. GRID CAPACITY ALLOCATION PROCESS REQUIREMENTS

- 6.1 The grid capacity allocation process shall have three stages that include the pre-feasibility stage, reservation stage and allocation stage, as shown in Figure 1 below.

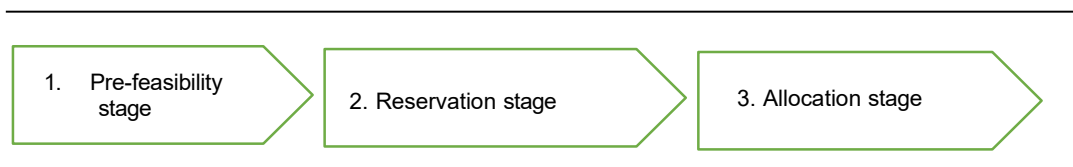


Figure 1: Grid capacity allocation process

- 6.2 **Pre-feasibility stage:** An Applicant shall apply for a CEL with a relevant NSP and demonstrate project development intent, showing that they have started engagements with relevant authorities such as the Department of Environmental Affairs and landowners.
- 6.3 The Applicant should be able to determine the project location, size of the project in terms of Megawatts (MWs) and technology.
- 6.4 The Applicant shall also be required to pay a reasonable fee for the cost of the provision of a CEL.
- 6.5 The timelines for the provision of a CEL shall be in line with the requirements of the Grid Code, unless the NSP has a reduced timeline compared to those indicated in the Grid Code.
- 6.6 **Reservation stage:** The capacity shall be reserved for a project when an Applicant has accepted the CEL and has paid the CEL fee.
- 6.7 The Applicant must also provide proof of the following readiness documents:
- (a) Environmental authorisation for the generation site
 - (b) Provision of a financial guarantee
 - (c) Verified site resource data, such as twelve months site resource data for

wind technology or satellite-verified data for solar technology

- (d) Proof confirming that it has applied for/obtained registration or a generation licence with NERSA.

6.8 Thereafter, the Applicant shall be required to apply for a BQ.

6.9 The BQ shall be accompanied by all the relevant agreements such as connection agreements and implementation agreements.

6.10 The timelines for the provision of a BQ shall be in line with the requirements of the Grid Code, unless should the NSP have a reduced timeline compared to those indicated in the Grid Code.

6.11 **Allocation stage:** The capacity shall be allocated to a project when it has proof of the following readiness documents:

- (a) When the BQ has been accepted and provision of financial guarantees related to project execution.
- (b) When the Applicant and an NSP have signed legally binding agreements such as a connection agreement(s) and/or implementation agreement.

6.12 The connection agreement(s) and/or implementation agreement shall contain the technical scope, project timelines, and the Commercial Operation Date (COD).

6.13 Construction schedules and Engineering Contracts may be submitted to the NSP to ensure the successful commissioning of the project.

6.14 The readiness of the three stages of the grid capacity allocation process shall be assessed by either a pass or fail condition based on the requirements/criteria emanating from each of the three stages. An NSP shall be required to use the readiness criteria illustrated in Table 1 to move the project from one stage to the next.

Table 1: Readiness criteria to be used by an NSP to move a project from one stage to the next

Stage	Criteria	Pass requirements	Fail condition
1. Pre-feasibility	1. Proof that an Applicant has applied for the CEL. 2. Proof that an Applicant has paid a fee for the provision of a CEL.	If both aspects of the criteria are met.	No supporting evidence provided.

	2. Reservation	1. Acceptance of a CEL. 2. Proof of provision for a financial guarantee. 3. Environmental authorisation and/or land rights for the generation site. 4. Verified site resource data such as twelve months site resource data for wind technology or satellite-verified data for solar technology. 5. Proof that an Applicant has applied for a generation licence or a registration certificate. 6. Proof that an Applicant has applied for a BQ.	If all six aspects are met.	If some of the requirements are not met.
	3. Allocation	1. Acceptance of a BQ and provision of a financial guarantee related to project execution. 2. When both the Applicant and an NSP have signed legally binding agreements such as a connection agreement, implementation agreement, and use-of-system agreement.	If both aspects of the criteria are met.	If both aspects of the criteria are not met.

6.15 The approach set out in Table 1 supports the first-ready, first-served principle whereby a project will only move to the next grid capacity allocation stage when all conditions from a previous stage are met.

7. THE QUEUING PROCEDURE

7.1 The NSP shall develop a fair and transparent queuing procedure to manage multiple applications, ensuring equitable treatment of all Applicants. The queuing procedure developed by the NSP shall be in line with the grid capacity allocation process requirements stipulated in section 7 of these rules.

7.2 The queuing procedure shall outline a clear tracking or allocation system, detailing how applications are assessed and moved up or down the queue at each phase of the allocation process (i.e. pre-feasibility, reservation and allocation) as stipulated in section 7 of these rules.

Queue Provisions

- 7.3 NSPs shall implement a three-stage queuing system consisting of **project registration (pre-feasibility), capacity reservation and capacity allocation**.
- 7.4 This system shall apply to all Applicants seeking connection to the Grid. Queue positions shall be based on progression through defined project milestones and validated evidence of project readiness.

Project Registration (Pre-feasibility)

- 7.5 NSPs shall keep an official record of Applicants that have signalled initial project intent and submitted a complete application.
- 7.6 In order to be placed on the project list/register, the Applicant must fulfil the following:
- (a) Submit a completed application
 - (b) Submit a request for a CEL to the NSP, pay the CEL fee and provide a proof of payment.
 - (c) Submit documentary proof of initial engagements with affected landowners and Department of Environmental affairs.
- 7.7 On receipt of the above, the NSP shall:
- (a) Enter the project into the project register/list
 - (b) Issue a CEL within the timelines stipulated in the Grid Code.
- 7.8 The CEL is valid for a period of 12 months. If it is not accepted by the Applicant within 12 months, the CEL expires, and the project is removed from the project list.
- 7.9 On acceptance of the CEL and payment of the CEL acceptance fee within this period, the project will progress to be officially placed in the queue for capacity reservation.
- 7.10 A project that meets all requirements set out in section 7.6 and 7.7 of these rules ahead of schedule, will move up in the reservation queue, ahead of a project that has delayed its progress despite earlier registration.

Capacity Reservation Queue

- 7.11 Initial queue positions are determined by the date of CEL acceptance, submission of a formal request for BQ and payment of the relevant CEL acceptance fee.
- 7.12 The project must also demonstrate enhanced project readiness by meeting the following:
- (a) Provision of required guarantees or security payments
 - (b) Obtaining Environmental Authorisations

- (c) Obtaining land and rights
- (d) Having 12 months validated generation resource data (validated generation resource data means for example independently verified solar irradiance or wind speed records)
- (e) Having proof that confirms that it has applied for/obtained registration or a generation licence with NERSA.

7.13 On receipt of the above (8.11 and 8.12), the NSP shall reserve capacity for the project, and prepare and issue a BQ within the timelines stipulated in the Grid Code.

7.14 The BQ is valid for a period of six months (i.e. six months post BQ issue date). If it is not accepted by the Applicant within six months, the BQ expires and the capacity reservation lapses.

7.15 Projects failing to meet the advancement milestones within the validity period of the BQ will be removed from the queue and the reserved capacity will go to the next eligible project.

7.16 The NSP may, on receipt of a substantiated written request from the Applicant, grant a single extension of no more than six months for the fulfilment of the BQ requirements. The outcome of this stage is that once all the requirements are met by the Applicant (i.e. BQ accepted and payment made by the applicant), the project progresses to the capacity allocation queue.

Capacity Allocation Queue

7.17 To enter the capacity allocation queue, the project must demonstrate readiness by having fulfilled the following:

- (a) Accepted the BQ and paid the BQ acceptance fee.
- (b) Completed legally binding agreements such as a connection agreement, use-of-system agreement and implementation agreement.

7.18 Connection timelines are contractually binding and monitored for compliance.

7.19 On fulfilment of the above (8.18) by the Applicant, the NSP shall formally allocate capacity to the project and remove it from the competitive queue.

7.20 Capacity may be revoked and reallocated if the project fails to reach its milestones within the agreed timelines in the relevant agreements.

General Provisions/Principles on Queuing

7.21 All Applicants must submit an application in accordance with the process specified by the NSP, including the required technical information and applicable application/CEL fee.

- 7.22 On receipt of the application, the NSP shall validate the completeness and accuracy of the submission.
- 7.23 On successful validation, the NSP shall record the project in the project register, indicating the date on which a complete application was made.
- 7.24 The NSP is required to provide feedback on incomplete applications within 10 working days.
- 7.25 Queuing shall commence at the capacity reservation stage based on CEL acceptance and related submissions.
- 7.26 Queuing shall apply where multiple applications are received for connection capacity at a specific node or geographic area. Where no competition exists for capacity, queuing principles shall not apply.
- 7.27 Advancement from the project register to the capacity reservation queue is determined by the date of acceptance of the CEL.
- 7.28 Queue positions are non-transferable, except in cases of change of ownership.
- 7.29 Applicants must maintain their queue position in good standing by complying with:
- (a) all applicable requirements at each stage (e.g. agreements, documentation, financial guarantees); and
 - (b) the prescribed deadlines.
- 7.30 Each queueing stage has defined validity periods. Failure to advance within these periods will result in removal from the queue.
- 7.31 NSP delays shall not negatively impact the Applicant, meaning Applicants may not lose their queue positions due to NSP delays.
- 7.32 Applicants may be eligible for refunds of financial security deposits if actual network upgrade costs exceed initial estimates by thresholds higher than those stated in the CEL or BQ.
- 7.33 Any disputes regarding queue positions or readiness assessments shall be referred to NERSA for adjudication.
- 7.34 If a project is ready but capacity is insufficient, it retains its queue position for the validity period of the CEL or respective stage.
- 7.35 The NSP should notify the Applicant within 10 business days once capacity becomes available again.
- 7.36 NSP shall publish a public queue status report monthly, subject to

confidentiality protections.

7.37 Queue information must be publicly disclosed and updated monthly, and must exclude commercially sensitive data.

7.38 The following queue information shall be published by the NSP:

- (a) Project/Applicant reference number
- (b) Application date
- (c) Size/capacity applied for
- (d) Technology
- (e) Location e.g. substation or node
- (f) Status
- (g) Position
- (h) Total capacity available at key nodes
- (i) Total queued capacity per node
- (j) Timeline estimates for when capacity may become available.

7.39 The following information shall not be publicised by the NSP, as it is deemed to be sensitive:

- (a) Project/Applicant identity
- (b) Commercial/financial information

7.40 The NSP shall, at a minimum, update the queue information on the public tracking system monthly.

8. REVOCATIONS

8.1 The following aspects shall be the triggers for capacity revocation:

- (a) Non-compliance with project milestones within the allocated timeframe.
- (b) Termination of the connection agreement(s) and/or related contracts.

8.2 However, the NSP shall not revoke capacity for a project if the delays are caused by a force majeure event.

9. COMPLIANCE

NSPs are subject to the enforcement of these rules in accordance with the licence conditions, and compliance will be strictly monitored and enforced by NERSA.

10. DISPUTES

Disputes shall be dealt with as contracted for, and/or referred to NERSA for resolution by means of mediation and/or arbitration.

11. IMPLEMENTATION DATE

These Rules shall be published in the Government Gazette and shall take effect immediately on publication.

FINANCIAL IMPLICATIONS

None

RELEVANT LEGISLATION

Section 35(1)
Section 35(3)
Act No. 40 of 2004) ('NERA').

RECOMMENDATION OF THE ACTING MUNICIPAL MANAGER

That the municipality to adhere to the gazette grid capacity allocation requirements.

APPENDIX / ADDENDUM

File Number: 9/1/2/1
Execution: Manager Electro Technical

5.11

IS11/02/26	REPORT ON THE TARIFFS FOR RAW WATER AND RESOURCE MANAGEMENT FOR WATER RELATED ACTIVITIES
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REPORT FROM THE DIRECTOR: TECHNICAL SERVICES

PURPOSE OF THE REPORT

The purpose of this report is to inform Council of the tariffs for raw water and resource management for water related activities.

PREVIOUS RESOLUTIONS

N/A

BACKGROUND

The consultation process was undertaken from 23 to 30 July 2025 in accordance with the requirements of section 56 of the National Water Act, 1998 (Act 36 of 1998), and the Pricing Strategy for Water Use Charges as published in Government Gazette No. 29697, Notice No. 201 of 16 March 2007.

As communicated during the consultation process, the Minister of Water and Sanitation may, with the concurrence of the Minister of Finance, establish pricing strategies for water use charges by notice in the Government Gazette. Stakeholders were also advised that the approved Pricing Strategy, 2024 will only be implemented in respect of water resources, waste and infrastructure related charges with effect from the 2027/28 financial year onwards.

As presented, the Pricing Strategy provides for the setting of water use charges in order to:

- a) Recover the costs of water resource management activities undertaken by the BOCMA and other water management institutions, in terms of section 56(2)(a) of the Act;
- b) Promote the equitable and efficient allocation of water through the application of an economic charge, in terms of section 56(2)(c) of the Act; and
- c) Provide for differential charging for waste discharges (WDCS) in terms of section 56(5) of the Act.

Unit sectoral water resource management charges for each Water Management Area (WMA) were determined by dividing the total recoverable costs, per activity, by the registered or estimated allocable annual volume per sector within the under-utilised WMAs. These unit costs were then applied to sectoral volumes to determine the applicable charge per activity.

Split Tariff Approach for the Breede - Olifants WMA

The Breede - Olifants Water Management Area was established through the merger of the former Berg - Olifants and Breede - Gouritz WMAs, each of which historically operated under different approved tariffs. The immediate application of a single, uniform tariff would have resulted in disproportionate increases for certain user sectors and would not have been aligned with the principles and limitations of the Pricing Strategy.

Accordingly, a joint BOCMA / the Department of Water & Sanitation (DWS (Western Cape) Task Team assessed alternative tariff models. The following two options were considered during the consultation process:

Option 1: A single tariff per sector across the entire WMA

This option would have implemented a uniform sectoral tariff from 1 April 2026, but was found not to be aligned with the existing capping principles of the Pricing Strategy and would have resulted in increases that exceed the permissible limits for certain sectors.

Option 2: A split tariff per sector (recommended and adopted)

Under this approach, a consolidated budget was developed, and expenditure was apportioned separately for the former Berg - Olifants and Breede - Gouritz service areas. Tariffs were calculated using the historical approved sectoral tariffs as baseline inputs. This approach is compliant with the relevant provisions of the Pricing Strategy (PS), including the following provisions of the PS:

- I. Item 6.1 - Budgeting of activity costs;
- II. Item 6.2 - Water resource management activities eligible for cost recovery;
- III. Item 6.3 - Determination of sectoral WRM charges for abstraction-related uses;
- IV. Item 6.4 - Determination of WRM charges for waste discharge-related uses;
- V. Item 6.5 - Funding limitations and other funding sources; and
- VI. Item 10 - Application of the Pricing Strategy to user categories.

Taking the above into account, the split tariff per sector approach was confirmed as the most equitable, legally compliant and financially sustainable mechanism.

DISCUSSION

BOCMA is pleased to announce that the confirmed approved water resource management raw water use charges 2026/27fy are as per Table 1 below: Table 1: BOCMA's Confirmed Approved Raw Water Use Charge(s) 2026/27FY

Water Management Area: River Catchments	Domestic / Mining / Industrial Sector (c/m³)	Agricultural Sector (c/m³)	Stream Flow Reduction Activity (c/m³)
Berg – Olifants	6.59	3.22	3.15
Breede – Gouritz	6.60	3.44	1.81

During the consultation process, the Department of Water & Sanitation and BOCMA also presented the proposed Water Resource Management Charge (WRMC) for waste-related activities, and an additional online briefing sessions were conducted to provide further technical clarity.

BOCMA is pleased to confirm that the WRMC for waste-related activities has been approved as presented and as (now) reflected in Table 2 below:

Table 2: BOCMA's Confirmed approved WRMC for waste related activities 2026/27FY

Water Management Area: River Catchments	Domestic / Mining / Industrial Sector (c/m³)	Agricultural Sector (c/m³)	Stream Flow Reduction Activity (c/m³)
Berg – Olifants	4.87	4.87	0
Breede – Gouritz	6.75	6.75	0

Attached please find Government Gazette No. 53818 dated 9 December 2025 (General Notice 3687 of 2025), which formally publishes the approved 2026/27 raw water use charges and WRMC tariffs for your information and future reference.

FINANCIAL IMPLICATIONS

N/A

RELEVANT LEGISLATION

N/A

RECOMMENDATION OF THE ACTING MUNICIPAL MANAGER

That council note the content of the report and tariffs of raw water resources management.

APPENDIX / ADDENDUM

- Letter from Breede Olifants Water Management Area
- Government Gazette: Vol 726, dated 9 December 2025

File Number: 9/1/2/1

Execution: Manager Water & Sewer



Cnr Mountain Mill & East Lake Roads, Worcester 6850, Private Bag X 3055, Worcester, 6850

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E-mail: zmngoma@bocma.co.za

Date: 10 December 2025

BREEDDE OLIFANTS WATER MANAGEMENT AREA

Dear Water User(s) / Stakeholder(s)

NATIONAL FISCAL YEAR (FY) 2026 / 27:

WATER RESOURCE MANAGEMENT: RAW WATER USE CHARGE(S) AND WATER RESOURCE MANAGEMENT CHARGE FOR WASTE RELATED ACTIVITIES: APPROVED TARIFF(S)

The Breedde-Olifants Catchment Management Agency (BOCMA), hereby wishes to express its sincere appreciation to all water use sectors and their representatives for their active participation and constructive input during the public consultation process on the proposed raw water use charges for the 2026/27 financial year.

The consultation process was undertaken from **23 to 30 July 2025** in accordance with the requirements of **section 56 of the National Water Act, 1998 (Act 36 of 1998)**, and the **Pricing Strategy for Water Use Charges** as published in Government Gazette No. 29697, Notice No. 201 of 16 March 2007.

As communicated during the consultation process, the Minister of Water and Sanitation may, with the concurrence of the Minister of Finance, establish pricing strategies for water use charges by notice in the Government Gazette. Stakeholders were also advised that the **approved Pricing Strategy, 2024** will only be implemented in respect of water resources, waste and infrastructure-related charges with effect from the **2027/28 financial year** onwards.

As presented, the Pricing Strategy provides for the setting of water use charges in order to:

- a) Recover the costs of water resource management activities undertaken by the BOCMA and other water management institutions, in terms of section 56(2)(a) of the Act;
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Unit sectoral water resource management charges for each Water Management Area (WMA) were determined by dividing the total recoverable costs, per activity, by the registered or estimated allocable annual volume per sector within the under-utilised WMAs. These unit costs were then applied to sectoral volumes to determine the applicable charge per activity.

Split Tariff Approach for the Breedde - Olifants WMA

The Breedde - Olifants Water Management Area was established through the merger of the former **Berg - Olifants** and **Breedde - Gouritz** WMAs, each of which historically operated under different approved tariffs. The immediate application of a single, uniform tariff would have resulted in disproportionate increases for certain user sectors and would not have been aligned with the

principles and limitations of the Pricing Strategy.

Accordingly, a joint **BOCMA / the Department of Water & Sanitation (DWS (Western Cape) Task Team** assessed alternative tariff models. The following two options were considered during the consultation process:

Option 1: A single tariff per sector across the entire WMA

This option would have implemented a uniform sectoral tariff from 1 April 2026, but was found not to be aligned with the existing capping principles of the Pricing Strategy and would have resulted in increases that exceed the permissible limits for certain sectors.

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Under this approach, a consolidated budget was developed, and expenditure was apportioned separately for the former Berg - Olifants and Breede - Gouritz service areas. Tariffs were calculated using the historical approved sectoral tariffs as baseline inputs. This approach is compliant with the relevant provisions of the Pricing Strategy (PS), including the following provisions of the PS:

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- V. Item 6.5 - Funding limitations and other funding sources; and
- VI. Item 10 - Application of the Pricing Strategy to user categories.

Taking the above into account, the **split tariff per sector approach** was confirmed as the most equitable, legally compliant and financially sustainable mechanism.

BOCMA is pleased to announce that the confirmed approved water resource management raw water use charges 2026/27fy are as per Table 1 below:

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During the consultation process, the Department of Water & Sanitation and BOCMA also presented the proposed **Water Resource Management Charge (WRMC) for waste-related activities**, and an additional online briefing sessions were conducted to provide further technical clarity.

BOCMA is pleased to confirm that the **WRMC for waste-related activities** has been approved as presented and as (now) reflected in Table 2 below:

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Attached please find **Government Gazette No. 53818 dated 9 December 2025 (General Notice 3687 of 2025)**, which formally publishes the approved 2026/27 raw water use charges and WRMC tariffs for your information and future reference.

Should you require any further clarification or technical support, please do not hesitate to contact this office.

Yours faithfully



ZANELE MNGOMA (Ms)
CHIEF FINANCIAL OFFICER
DATE: 10/12/2025



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INFRASTRUCTURE SERVICES COMMITTEE MEETING
AGENDA
03 MARCH 2026

2 No. 53818

GOVERNMENT GAZETTE, 9 DECEMBER 2025

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GENERAL NOTICES • ALGEMENE KENNISGEWINGS

DEPARTMENT OF WATER AND SANITATION

GENERAL NOTICE 3687 VAN 2025

RAW WATER USE CHARGES FOR 2026/27 FINANCIAL YEAR

By virtue of the powers vested in me in terms of Section 57(3)(a) of the National Water Act, 1998 (Act. 36 of 1998), I, PEMMY C.P. MAJODINA, in my capacity as the Minister of Water and Sanitation, hereby give notice of the increase in the Raw Water Use Charges for the period 1 April 2026 to 31 March 2027.

1. The following charges will be applicable from 1 April 2026 to 31 March 2027.
2. Water resource management charges

These charges serve as financial support for water resource management activities within each Water Management Area (WMA). These activities encompass the safeguarding, allocation, conservation, management, and regulation of the nation's water resources. The Water Resource Management Charge comprises of two main components: abstraction and the waste related activities.

a) Abstraction Related uses

CMA / PROTO CMAs	Approved Tariffs 2026/27 FY		
	Domestic & Industrial	Irrigation	Forestry
	c/m ³	c/m ³	c/m ³
Limpopo North-West	5,21	3,86	3,23
Olifants	4,78	3,72	2,89
Inkomati - Usuthu	6,06	2,71	2,38
Pongola - Mzimkhulu	3,66	2,64	2,49
Vaal	3,11	2,64	2,64
Orange	1,98	1,15	-
Mzimvubu - Tsitsikama	4,60	3,52	3,40
Breede - Gouritz	6,60	3,44	1,81
Berg - Olifants	6,59	3,22	3,15

b) Waste Related activities

The charge for waste related activities will be implemented in all WMA from the 2026/27 financial year for the Domestic & Industry Sector.

	Approved Tariffs 2026/27 FY
9 CMA / PROTO CMA's	c/m³
Limpopo North-West	4,18
Olifants	3,88
Inkomati-Usuthu	5,65
Pongola-Mzimkhulu	3,90
Vaal	2,47
Orange	2,20
Mzimvubu-Tsitsikama	3,58
Breede-Gouritz	6,75
Berg-Olifants	4,87

3. Water Resource Infrastructure Charges

- a) Water Resource Infrastructure charges intend to recover costs associated with the planning, design, construction, operation, maintenance, refurbishment, and betterment of Government water schemes. The infrastructure charge is categorised into 3 components, namely: 1) Depreciation; 2) Return on Assets; 3) Operation and Maintenance (O&M).
- b) The water resource infrastructure charges for all other systems/schemes and water user categories are approved as follows:

Sector	Approved Increase Range
Domestic & Industry	0% – 10.5%
Irrigation	0% – 10.5%

- c) The full list of the approved water resource infrastructure charges is uploaded on the Department website. [DWS: WARMS - Water Charges 2026/27](#)

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4. Trans-Caledon Tunnel Authority – Capital Unit Charges

These charges are recovered to fund the repayment of loans for government schemes funded off-budget. The approved charges are sufficient to enable the Department and TCTA to service loans through cost recovery in the year under review.

Scheme		2026/27 Approved tariffs
Berg Water Project (BWP)	BWP Capital Charge (R/m ³)	0,0773
	BWP Third Party Capital Charge (R/m ³)	18,966
Vaal River System (VRS)	VRS Capital Unit Charge (CuC) (R/m ³)	2.805
	Bulk Operation and Royalties Charge (BO&RC) (R/m ³)	2.303
	Marginal Tariff (R/m ³)	5,998
Vaal River Eastern Sub-System Augmentation Project (VRESAP)	Eskom-User tariff (R/m ³)	1,861
	Sasol-User tariff (R/m ³)	2,817
	Marginal tariff (R/m ³)	5,033
Komati Water Scheme Augmentation Project (KWSAP),	KWSAP User tariff (R/m ³)	3.184
	KWSAP Marginal tariff (R/m ³)	7.260
Mokolo and Crocodile River (West) Water Augmentation Project Phase -1 (MCWAP-1)	User tariff (R/m ³)	4.53
	Marginal Tariff (R/m ³)	6.95
Mooi-Mgeni Transfer Scheme 2 (MMTS-2)	MMTS-2 Capital tariff (R/m ³)	0.000
	MMTS-2 Incremental tariff (R/m ³)	5.277
Umkhomazi Water Project -Phase 1 (uMWP-1)	Raw Water Tariff (R/m ³)	2.324

5. If above charges remain wholly or partly unpaid after due date, interest shall be charged in terms of section 59(3)(a) of the National Water Act (Act No.36 of 1998) on the outstanding amount at a rate determined from time to time by the Minister with concurrence of the Minister of Finance by notice in gazette.
6. Section 59(3)(b) stipulates that if a water use charge is not paid, the supply of water to the water user from a waterwork or the authorisation

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to use water may be restricted or suspended until the charges, together with interest, have been paid.

7. The effective date of this Notice is 1 April 2026.



MISS PEMMY C.P. MAJODINA, MP
MINISTER OF WATER AND SANITATION

DATE: 28/11/2025

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6. **CLOSURE**

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