

Annexure 1:

Council resolution of 31 October 2012 (C 54/10/12) entitled *2012 MyCiTi Business Plan: Phases 1A, 1B and N2 Express of Cape Town's MyCiTi Integrated Rapid Transit System*

- (b) the funds in (a) above be disbursed and managed in terms of Section 67 of the Municipal Finance Management Act (Act 56 of 2003) and the City of Cape Town's Allocation of Section 67 Grants Policy
- (c) funds to the amount R342 478.67 (14% VAT where applicable) to the above beneficiary be debited to Cost Centre 18070072, Tygerberg Health Management, GL 457100, GIA: MFMA Section 67
- (d) the City Health Directorate, in consultation with the Legal Services Department, conclude a Memorandum of Agreement (MoA) with Ma Afrika Tikkun.

ACTION : I BROMFIELD**C 53/10/12 PROPOSED SECTION 67 GRANT ALLOCATION TO THE CAPE OF GOOD HOPE SPCA IN 2012/13 FINANCIAL YEAR - CITY HEALTH DIRECTORATE****RESOLVED that:**

- (a) a disbursement of R500 000 (14% VAT where applicable) be made to the Cape of Good Hope SPCA in the form of a Section 67 grant for the 2012/2013 financial year
- (b) the funds in (a) above be disbursed and managed in terms of Section 67 of the Municipal Finance Management Act (Act 56 of 2003) and the City of Cape Town's Allocation of Section 67 Grants Policy
- (c) funds be verimented from Cost Centre 18070000, GL 455100 to Cost Centre 18070000 and GL 457100
- (d) funds to the amount of R500 000 (14% VAT where applicable) to the above beneficiary be debited to Cost Centre 18070000; Health Management, GL 457100 GIA: MFMA Section 67
- (e) the City Health Directorate, in consultation with the Legal Services Department, conclude a Memorandum of Agreement (MoA) with the Cape of Good Hope SPCA.

ACTION : C HUGO, I BROMFIELD**C 54/10/12 2012 MYCITI BUSINESS PLAN: PHASES 1A, 1B AND N2 EXPRESS OF CAPE TOWN'S MYCITI INTEGRATED RAPID TRANSIT SYSTEM**

This matter was extensively debated.

The recommendation was put to the vote with the results as follows:

In favour : 125
 Against : 67
 Abstentions : 5

The recommendation was therefore carried.

RESOLVED that:

- (a) the 2012 MyCiTi Business Plan for Cape Town's MyCiTi Integrated Rapid Transit (IRT) system, covering Phases 1A, 1B and N2 Express (referred to as "*the 2012 MyCiTi Business Plan*") be approved by Council as a basis for the continued implementation of Phase 1A and the implementation of Phases 1 Band N2 Express
- (b) approval be granted to plan, design and implement the necessary infrastructure, acquire such property, purchase such fleet and contract such operators and professional services, as required to provide the services as described in the Business Plan, subject to approved budgets, compliance with legal requirements and following prescribed procurement processes
- (c) all MyCiTi capital costs, as well as MyCiTi operating costs related to the design, planning and implementation of the MyCiTi system, as provided for in terms of the Public Transport Infrastructure and Systems Grant (PTISG) framework conditions as set out in the Division of Revenue Act (Act 5 of 2012) (DORA), be covered from the PTISG
- (d) MyCiTi recurrent costs be covered between PTISG funding and Council's own funds, at a percentage breakdown where the City never contributes more than 50% of such costs, with the proviso that, as required by the PTISG framework conditions contained in DORA, Council's own contribution may not be less than the difference between direct vehicle operational costs and system revenue, unless national government agrees to an arrangement that is more favourable to the City, .
 - subject to the condition that the City's commitment to funding be capped at 4% of property rates income;
 - where MyCiTi recurrent costs are defined as including all operating costs arising from: (1) automated fare collection; (2) control centre; (3) station management; (4) MyCiTi marketing; (5) management and oversight of MyCiTi operations by Directorate: IRT Operations; (6) services by

other City departments arising as a result of the provision of MyCiTi services; (7) the difference between direct vehicle operational costs and system revenue (including fare and advertising revenue); including legitimate secondary charges for support services but excluding depreciation where capital assets are grant-funded.

- (e) the principle be adopted that non-core costs incurred by other departments indirectly related to MyCiTi services, such as costs related to cleansing and landscaping, but actually more related to improvement of municipal services in areas serviced by MyCiTi, not be treated as MyCiTi operational costs, except for an initial period as required for the relevant departments to budget appropriately for such costs in future years, but that, after such initial period the costs be absorbed by the City, as set out in more detail in the 2012 MyCiTi Business Plan
- (f) costs be contained and fare levels and levels of service be set such that the funding level established in (d) above is not exceeded, unless national funding is secured to cover the difference
- (g) the Executive Director: Transport, Roads & Stormwater, in consultation with the Chief Financial Officer, engage with National Department of Transport and National Treasury with a view to establishing an agreed approach in the long term that limits the City's contribution to MyCiTi to a maximum of approximately the level established in recommendation (d) above and that, if an alternative solution emerges in discussion with these national departments, they report back to Council for its approval
- (h) the Compensation Policy attached as Annexure F to the 2010 Business Plan be rescinded and the Compensation Policy attached as Annexure F to the 2012 MyCiTi Business Plan, be adopted and applied to Phases 1 A, 1 B and N2 Express
- (i) authority be granted to the Executive Director: Transport, Roads and Stormwater to determine, in consultation with the Chief Financial Officer, the compensation to be offered to minibus taxi operators, and to determine the process to be followed regarding the offer and payment of such compensation, including the authority:
 - (i) to effect amendments to Annexure F of the 2012 MyCiTi Business Plan as may be necessary to ensure the successful conclusion of the compensation process, provided that -
 1. the total amount of compensation to be paid in

accordance with the amended Annexure F does not exceed the amounts for compensation payments approved by Council;

2. any such amendments be noted at the first possible Council meeting, taking into account dates of closure of agendas for Council and its committees.

(ii) to exercise any authority reasonably necessary for, or incidental to, the effective implementation of the Compensation Policy, including the authority to sign any compensation offer on behalf of the City, subject to proviso (i)(1) above.

- (j) the authority provided by Council on 26 October 2011 (item C 33/10/11) to proceed with all works (inclusive of acquisition of land, procuring of vehicles, construction of depots/staging areas and other infrastructure works) necessary for the fast track implementation of Phase 2, subject to budgetary provisions and funding being in place, be confirmed.

[The ANC requested that their vote be recorded against the above decision] [Cllr B Herron left the meeting during the discussion of this item to attend to other official matters.]

ACTION : D BOSCH, M WHITEHEAD

C 55/10/12 DRAFT EDUCATION, TRAINING AND DEVELOPMENT POLICY FRAMEWORK

RESOLVED that the Draft Education, Training and Development Policy Framework attached as Annexure A to the report on the agenda, be approved.

ACTION : Y SCHOLTZ, F HABIB, P STOFIE, S ABEL

C 56/10/12 REQUEST FOR ASSISTANCE TO HOST A PUBLIC PARTICIPATION PROGRAMME FOR THE SOUTH AFRICAN DEFENCE REVIEW IN THE CITY OF CAPE TOWN MUNICIPALITY ON 15 SEPTEMBER 2012

RESOLVED that the actions of the Administration in so far as it had assisted the National Department of Defence with the provision of safety measures during its community consultation process by providing the services listed under paragraph 8 of the report on the agenda, be ratified.

ACTION : A VITI, I ROBSON, R BOSMAN

Annexure 2:

**2015 MyCiTi Business Plan – Full
document on CD**

Annexure 3:

**Resolution of the Interdepartmental
Advisory Committee on MyCiTi**



2015 MyCiTi Business Plan for Phase 1 and the N2 Express Update

Resolution of the Interdepartmental Advisory Committee on MyCiTi

The Interdepartmental Advisory Committee on MyCiTi hereby confirms that:

- a. It has reviewed the contents of the 2015 MyCiTi Business Plan for Phase 1 and the N2 Express Update relevant to their line department/branch and has considered its financial strategy and, financial and legal implications.
- b. It concurs that the Business Plan is ready to be tabled for approval by MAYCO, subject to minor edits to be effected based on comments provided.

Date: 27 February 2015

<i>L.M. Muller</i>		Comment: Supported/Not supported
DIRECTOR Finance: Shareholding Management		1) Chapter 9 reviewed in depth + supported for onward submission with changes. 2) Ongoing updates to be provided to Advisory Committee regarding the progress made with initiatives and final costing for the Central Centre Management.
NAME	LOUISE MULLER	

		Comment: <u>Supported</u> /Not supported
DIRECTOR TCT: Financial Management		C#9 Reviewed <i>2/3/15</i>
NAME	CRAIG WHITTLE	

		Comment: <u>Supported</u> /Not supported
MANAGER TCT: Contract Operations		
NAME	SIDNEY PRETORIUS	

		Comment: Supported/Not supported
LEGAL ADVISOR Legal Services		SEE MEMO ATTACHED.
NAME	ROBERT VERWANT	



CITY OF CAPE TOWN
ISIXEKO SASEKAPA
STAD KAAPSTAD

COMPLIANCE AND AUXILIARY SERVICES
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2015-03-02

TRANSPORT FOR CAPE TOWN

ATTENTION: DAWIE BOSCH

Dear Sir

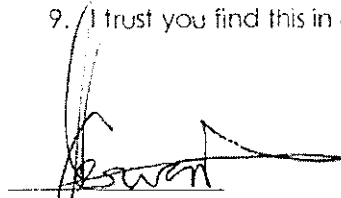
RE: 2015 MYCITI BUSINESS PLAN FOR PHASE 1 AND THE N2 EXPRESS UPDATE

1. I refer to the above matter.
2. As a member of the Interdepartmental Advisory Committee on MyCiti I have received a copy of the Draft Business Plan Update with the last version being v1.9.
3. I was furthermore present at a presentation on the current Chapter 9 dealing with MyCiti finances-funding and financial management together with Ms Louise Muller(Finance Directorate) and Mr Craig Whittle (Director: Finance TCT).
4. I agree and concur that during the presentation it was highlighted that the correct procedures were followed to give effect to Council resolution to engage with The National Treasury and the National Department of Transport to ensure the future sustainability of the MyCiti IRT system. I concur that having regard to the Division of Revenue Bill published on the 13th of February 2015 and updated on the 25th of February 2015 everything possible had been done to keep within the framework established by Treasury.
5. I have perused the Draft Business Plan on a cursory level and on the face of it there are no immediate problematic areas that jump out as being of concern with respect to legal issues. The Business Plan is set within the legislative framework of various pieces of legislation, the most important being the National Land Transport Act 5 of 2009, the Municipal Finance Management Act 56 of 2003 and for it's structure The Constitution for TCT By Law.
6. At the moment of writing the Business Plan Update is not yet final and as such I can not comment on the chapters not yet provided or finalised.

CIVIC CENTRE IZIKO LEENKONZO ZOLUNTU BURGERSENTRUM
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7. PLEASE NOTE that this MEMO is a comment on the issues presented to the Advisory Committee . it does NOT replace the requirement that the Report that goes to Council must be vetted for Legal Compliance and this does not replace said compliance requirement.
8. Having regard to paragraph 7 above, I concur and agree that the Business Plan Update (subject to minor edits) is ready to be tabled at the Mayoral Committee meeting.
9. I trust you find this in order. If there any queries, please do not hesitate to contact me.

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

ROBERT VERWANT
LEGAL ADVISOR
CORPORATE ADVISORY SERVICES