

Saldanha Bay Municipality

SECTION 19 COMPLIANCE: PROJECT WITH TOTAL VALUE EXCEEDING R50 MILLION

| A.) Project Description:                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                        |                 | GPS Co-ordinates:             |                        | 33°04' 07" S              |                             | 18° 39'57" E     |                  |                  |                  |                  |                  |                  |                  |                  |                  |                  |                  |                  |
|-------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------|-----------------|-------------------------------|------------------------|---------------------------|-----------------------------|------------------|------------------|------------------|------------------|------------------|------------------|------------------|------------------|------------------|------------------|------------------|------------------|------------------|
| B.) Estimated starting date:                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                    |                 | C) Estimated completion date: |                        | May-30                    |                             |                  |                  |                  |                  |                  |                  |                  |                  |                  |                  |                  |                  |                  |
| D.) Planned date when project will be operational:                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                              |                 | E.) Estimated useful life     |                        | 50 years                  |                             |                  |                  |                  |                  |                  |                  |                  |                  |                  |                  |                  |                  |                  |
| F.) EIA starting date                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                           |                 | G.) EIA completion date       |                        | N/A                       |                             |                  |                  |                  |                  |                  |                  |                  |                  |                  |                  |                  |                  |                  |
| Project Name                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                    | CP3 Project ID: | Funding Source                | Estimated Project Cost | *Budgeted in MTREF Amount | Adjustment Budget 2024/2025 | Forecast 2025/26 | Forecast 2026/27 | Forecast 2027/28 | Forecast 2028/29 | Forecast 2029/30 | Forecast 2030/31 | Forecast 2031/32 |                  |                  |                  |                  |                  |                  |
| Withhoofte final reservoir                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                      | 762             | ANN                           | 83,888,000             | -                         | -                           | -                | -                | 500,000          | 11,000,000       | 82,388,000       | -                | -                |                  |                  |                  |                  |                  |                  |
| TOTAL VALUE OF PROJECT                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                          |                 |                               | 93,888,000             | -                         | -                           | -                | -                | 500,000          | 11,000,000       | 82,388,000       | -                | -                |                  |                  |                  |                  |                  |                  |
| Not budgeted for in MTREF and committed herewith outside MTREF as per funding source- External loan.                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                            |                 |                               |                        |                           |                             |                  |                  |                  |                  |                  |                  |                  |                  |                  |                  |                  |                  |                  |
| S19 (Estimated future Operational Cost and redemption of loans)                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                 |                 |                               |                        |                           |                             |                  |                  |                  |                  |                  |                  |                  |                  |                  |                  |                  |                  |                  |
| <p>The system is operated by West Coast District Municipality in terms of a concession Service Delivery Agreement. The current WCDDM personnel will operate the system and the reservoir adds additional capacity to the current reservoir and will be operated together. Any additional cost in terms of repairs and maintenance will form part of the bulk water purchase tariff which is decided on annually at the Water Monitoring Committee.</p> <p>Repairs and Maintenance</p> <p>Personnel costs</p> <p>Estimated interest on annuity external loans</p> <p>Depreciation</p> <p>Redemption of loan</p> <p>Insurance</p> <p>Sanitation and Refuse removal</p> <p>Water</p> <p>Electricity</p> <p>Savings Operational costs   Rental IPIC Building</p> <p>Estimated total operational costs per financial year</p>                                                                                                                        |                 |                               |                        |                           |                             |                  |                  |                  |                  |                  |                  |                  |                  |                  |                  |                  |                  |                  |
| <p>Implications municipal rates and tariffs / Operating Impact Future Revenue</p> <p>As the project will be completed in 2030 additional revenue can only be generated after the operational date. The project unlocks future development potential. It is estimated that the project could provide capacity for up to an additional 10 000 households, but the net up to this project alone, as various other upgrades are needed to reach that figure. I have apportioned the additional revenue to be generated to a conservative 100 households per year with an average usage of 20k/month. Based on the 2024/25 tariffs the income will be as follows. The income is based on no water restrictions. 0 - 6 M month @ R 12.81 and 7 - 20M @ R 18.47 and the basic charge at R 150.20 per household per month. The conservative income is this as follows: (100*6*12.81*12) + (100*14*18.47*12) + (100*150.20*12) = R 507 168.00/annum.</p> |                 |                               |                        |                           |                             |                  |                  |                  |                  |                  |                  |                  |                  |                  |                  |                  |                  |                  |
| <p>Forecast 2025/26</p>                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                         |                 |                               |                        |                           |                             |                  |                  |                  |                  |                  |                  |                  | Forecast 2026/27 | Forecast 2027/28 | Forecast 2028/29 | Forecast 2029/30 | Forecast 2030/31 | Forecast 2031/32 |
| <p>199 665 444</p>                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                              |                 |                               |                        |                           |                             |                  |                  |                  |                  |                  |                  |                  | 209 648 716.20   | 220 131 152.01   | 231 137 709.61   | 242 694 595.09   | 254 820 324.85   | 267 570 791.09   |
| <p>-</p>                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                        |                 |                               |                        |                           |                             |                  |                  |                  |                  |                  |                  |                  | -                | 92 710           | 2 132 331        | 17 431 257       | 16 924 089       | 16 968 731       |
| <p>0.00%</p>                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                    |                 |                               |                        |                           |                             |                  |                  |                  |                  |                  |                  |                  | 0.00%            | 0.04%            | 0.92%            | 7.19%            | 6.64%            | 6.32%            |
| <p>Future Revenue</p> <p>Total water service charges revenue@ 5% increase per annum</p> <p>Additional revenue required for project</p> <p>Additional Percentage increase in water service charges required</p>                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                  |                 |                               |                        |                           |                             |                  |                  |                  |                  |                  |                  |                  |                  |                  |                  |                  |                  |                  |
| <p>199 665 444</p>                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                              |                 |                               |                        |                           |                             |                  |                  |                  |                  |                  |                  |                  | 209 648 716.20   | 220 131 152.01   | 231 137 709.61   | 242 694 595.09   | 254 820 324.85   | 267 570 791.09   |
| <p>-</p>                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                        |                 |                               |                        |                           |                             |                  |                  |                  |                  |                  |                  |                  | -                | 92 710           | 2 132 331        | 17 431 257       | 16 924 089       | 16 968 731       |
| <p>0.00%</p>                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                    |                 |                               |                        |                           |                             |                  |                  |                  |                  |                  |                  |                  | 0.00%            | 0.04%            | 0.92%            | 7.19%            | 6.64%            | 6.32%            |

Signed off: Director IPS:   
 Name: G. Smith  
 Signature:   
 Date: 20/03/2025