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THEMBISILE HANI LOCAL MUNICIPALITY

AND

RAND WATER

BETWEEN

BULK WATER SUPPLY CONTRACT

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17. OWNERSHIP OF CUSTOMER CONNECTIONS.....28

16. INSTALLATION OF CUSTOMER CONNECTION AND RELATED CHARGES27

15. APPLICATION.....26

SECTION E: NEW OR INCREASED WATER SUPPLY REQUIREMENTS26

14. DROUGHTS25

13. EMERGENCIES24

12. METERS 18

11. NORMAL MAINTENANCE AND REPAIRS.....15

SECTION D: SYSTEM OPERATING STANDARDS.....15

10. WATER PRESSURE.....14

9. FLOW RATE.....9

8. WATER QUALITY.....9

7. QUANTITY OF WATER AND CUSTOMER CONNECTIONS.....8

SECTION C: WATER SUPPLY STANDARDS.....8

6. REVIEW 8

5. COMMENCEMENT AND DURATION.....7

4. APPOINTMENT AND SCOPE.....7

SECTION B: APPOINTMENT, SCOPE, DURATION AND REVIEW.....7

3. OBJECTIVES OF THE CONTRACT6

2. INTERPRETATION AND PRELIMINARY1

1. RECORDAL1

SECTION A: INTRODUCTION.....1

CONTENTS

Handwritten initials and scribbles at the top left of the page.

31. DIRECT SUPPLY BY THE WATER BOARD TO THE MUNICIPALITY'S CONSUMERS . 45

SECTION J: OTHER WATER RELATED ACTIVITIES IMPACTING ON THE PARTIES.....45

30. ACTION OR OMISSION OF THE MUNICIPALITY44

29. FAILURE OF THE WATER BOARD TO MEET OBLIGATIONS40

28. KEY PERFORMANCE AREAS40

SECTION I: PERFORMANCE MANAGEMENT40

27. SPECIAL PAYMENT ARRANGEMENTS.....39

26. ACCOUNTS FOR PAYMENT OF BULK WATER SUPPLY SERVICES CHARGES37

25. PROCEDURE FOR SETTING OF BULK WATER SUPPLY SERVICES CHARGES AND ADOPTION OF CAPITAL EXPENDITURE PROGRAMME32

24. CAPITAL CONTRIBUTION CHARGES30

23. PERMISSIBLE CHARGES30

SECTION H: BULK WATER SUPPLY CHARGES AND PAYMENT30

22. FINANCIAL STATEMENTS AND ANNUAL REPORTS29

21. ACCESS TO INFORMATION REQUESTED29

SECTION G: INFORMATION AND REPORTING29

20. COORDINATION29

19. COMMUNICATION WITH THE MUNICIPALITY'S END CONSUMERS28

18. COMMUNICATION.....28

SECTION F: COMMUNICATION AND COORDINATION28

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48. ARBITRATION.....60

47. MEDIATION.....59

46. NEGOTIATION.....59

45. DISPUTE RESOLUTION.....59

SECTION O: DISPUTE RESOLUTION.....59

56

SECTION N: PROCESS FOR ADDRESSING MATTERS IMPACTING ON MUNICIPAL CUSTOMERS.....56

43. TERMINATION PROCESS.....55

42. REASONS FOR TERMINATION.....55

SECTION M: TERMINATION.....55

41. VIS MAJOR.....54

40. BREACH.....52

SECTION L: BREACH AND VIS MAJOR.....52

39. WARRANTIES.....52

38. GUARANTEES.....51

37. INSURANCE.....51

36. LIABILITIES AND INDEMNITIES.....50

35. PERMITS, LICENSES, EXEMPTIONS, PERMISSION AND APPROVALS.....49

34. LIMITATION AND DISCONNECTION OF WATER SUPPLY SERVICES.....48

SECTION K: RISK MANAGEMENT.....48

33. USE OF WATER FROM SOURCES OTHER THAN THE WATER BOARD.....47

32. DIRECT SUPPLY BY THE WATER BOARD TO CONSUMERS OF ANOTHER MUNICIPALITY WHICH IS NOT A CUSTOMER OF THE WATER BOARD.....46

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SECTION P: GENERAL.....61

49. PREVENTION OF CORRUPT ACTION.....61

50. CONFIDENTIALITY AND PUBLICITY.....62

51. SUB-CONTRACTING.....61

52. ASSIGNMENT, TRANSFER, CESSION AND DELEGATION.....63

53. NOTICES AND DOMICILIUM CITANDI ET EXECUTANDI.....63

54. WHOLE AGREEMENT, NO AMENDMENT.....65

55. FAILURE TO REACH AGREEMENT.....66

56. LEGISLATIVE AND REGULATORY CHANGES.....66

57. LIABILITY FOR EXPENSES.....67

58. RELATIONSHIP BETWEEN PARTIES.....67

59. CONSENT TO JURISDICTION.....67

60. PRESERVATION OF THE POWERS AND DUTIES OF THE MUNICIPALITY.....67

61. SUPREMACY OF THIS CONTRACT.....67

62. CONTRACT BINDING ON SUCCESSORS-IN-TITLE.....67

63. MUTUAL COOPERATION AND GOOD FAITH.....68

64. COUNTERPARTS.....68

65. GOVERNING LAW.....68

66. ANNEXURES.....69

67. SIGNATURES.....68

ANNEXURE A: RECORDAL OF BULK WATER SUPPLY SERVICES PROVIDED ON THE EFFECTIVE DATE.....1

ANNEXURE B: RECORDAL OF STORAGE PROVIDED BY THE WATER BOARD IN RESPECT OF WHICH THE MUNICIPALITY HAD MADE A CAPITAL CONTRIBUTION.....1

ANNEXURE C: CONTACT PERSONS IN EMERGENCIES.....1

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SECTION A: INTRODUCTION

1. THE PARTIES RECORD THAT :

Whereas the MUNICIPALITY is responsible for ensuring that all residents within the jurisdictional area of the MUNICIPALITY have access to water services in accordance with the Constitution of the Republic of South Africa, Act 108 of 1996, the Local Government: Municipal Structures Act, Act 117 of 1998, the Local Government: Municipal Systems Act, Act 32 of 2000 and the Water Services Act, Act 108 of 1997 and at the effective date is providing water services to the residents and will continue to do.

And Whereas, at the effective date, the WATER BOARD has been providing bulk water supply services to the MUNICIPALITY and has the expertise, capacity and infrastructure to continue to provide bulk water supply services to the MUNICIPALITY.

THEREFORE the Parties agree that the WATER BOARD be appointed to provide bulk water services to the MUNICIPALITY on the terms and conditions as more fully set out in this Contract.

THE PARTIES AGREE AS FOLLOWS :

2. INTERPRETATION AND PRELIMINARY

2.1 Unless a contrary intention indicates, words imparting -

2.1.1 the singular include the plural and vice versa;

2.1.2 any one gender include both genders; and

2.1.3 natural persons include created entities (corporate or unincorporated) and the Government.

2.2 The following terms shall have the meanings assigned to them hereunder and cognate expressions shall have corresponding meanings, namely -

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- 2.2.1 "Bulk Water Supply Services" means the provision of potable water by the WATER BOARD to the MUNICIPALITY at identified customer connections;
- 2.2.2 "Department" means the National Department of Human Settlements, Water and Sanitation herein represented by the Director General or any other official duly authorised by him;
- 2.2.3 "Capital Expenditure Programme" means the programme of the WATER BOARD describing all capital expenditure to be incurred or investments to be made by the WATER BOARD in respect of all immovable assets, including but not limited to pipelines, reservoirs and pumping stations;
- 2.2.4 "Competent Authority" means collectively the Minister, all spheres of Government, any court of competent jurisdiction or any agency, authority, body or standard setting institution, established or appointed in terms of any regulatory provision to regulate and oversee or regulate or oversee, the activities of the MUNICIPALITY or the WATER BOARD pursuant to this Contract or if the context is appropriate any one of them;
- 2.2.5 "Contract" means this Contract and any annexure or annexures hereto, as well as any subsequent amendment, notation or substitution of this Contract and annexure or annexures in accordance with this Contract;
- 2.2.6 "Contract Term" means the period defined in Clause 5;
- 2.2.7 "CPI" means the Consumer Price Index excluding interest on mortgage bonds, for metropolitan and other urban areas (Base 2000=100) published from time to time by Statistics SA in Statistical Release PO141.1;
- 2.2.8 "Customer Connection" means the equipment installed by the WATER BOARD to connect the MUNICIPALITY to the WATER BOARD's existing infrastructure, namely the connection to the existing

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2.2.15	<p>“MUNICIPALITY” means Thembsile Hani Local Municipality being a municipality duly established an constituted in terms of Notice</p>
2.2.14	<p>“Municipal Customers” means the MUNICIPALITY and all other municipalities and water services providers to whom the WATER BOARD provides bulk water supply services, individually or collectively, as the context may require;</p>
2.2.13	<p>“Minister” means the Minister of Human Settlements, Water and Sanitation;</p>
2.2.12	<p>“Meter” means a meter which is used to determine the volume of water provided to the MUNICIPALITY at the customer connection on which bulk water supply services charges payable by the MUNICIPALITY is calculated;</p>
2.2.11	<p>“Effective Date” means the date of last signature of this Contract;</p>
2.2.10	<p>“Hourly Peak Flow” means the maximum flow rate required to meet the demand of end consumers within the MUNICIPALITY’S area;</p>
2.2.9	<p>“Daily Peak Flow” means the maximum flow rate, which if maintained evenly over a day, will not exceed the annual average daily demand, multiplied by the agreed peak day factor;</p>
	<p>a) the proper functioning of the meter; and</p> <p>b) the accessibility of the meter installation and non-interference with the WATER BOARD’S infrastructure or adjacent infrastructure;</p>
	<p>WATER BOARD pipeline, the piping from the connection to the meter installation, the meter installation itself (that is, the meter, meter housing and the upstream and downstream isolation valves) and the 1,5 meters of piping downstream of the outer meter housing, with the length of piping between existing WATER BOARD infrastructure and the meter installation limited to the minimum length necessary to ensure –</p>

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2.2.19 "Regulatory Provisions" means collectively, the provision of any legislation or any regulation, a notice issued pursuant to such legislation, or a policy directive or notice issued by a competent authority, any or all of which are directly related to the provision of bulk water supply services or the related activities of the MUNICIPALITY or the WATER BOARD, or if the context is

2.2.18 "Parties" means the MUNICIPALITY and the WATER BOARD, individually or collectively, as the context may require;

2.2.17.3 where the growth in demand for water in a financial year or a number of financial years has not been defined by the MUNICIPALITY in its Integrated Development Plan, the estimated growth based on the best available information in respect of projected social and economic development within the MUNICIPALITY's area;

2.2.17.2 where the growth in demand for water in a financial year or a number of financial years defined by the MUNICIPALITY in its Integrated Development Plan which estimate is based on social and economic development; or

2.2.17.1 the agreed growth in demand for water in a financial year or a number of financial years; or

2.2.17 "Normal Growth" means -

2.2.16 "Municipal Manager" means the municipal manager as defined in section 81(1)(a) of Local Government: Municipal Structures Act, Act 117 of 1998;

6770 of 2000 an promulgated in terms of Section 12 (1) of the Local Government: Municipal Structures Act, Act 117 of 1998 as amended;

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- appropriate, any one of them;
- 2.2.20 "SANS 241" means the South African National Standard for Drinking Water, as may be amended from time to time;
- 2.2.21 "SALGA" means the South African Local Government Association recognised in terms of the Organised Local Government Act, Act 52 of 1999, to represent local government nationally;
- 2.2.22 "The Act" means the Water Services Act 108 of 1997;
- 2.2.23 "WATER BOARD" means Rand Water, a water board deemed to be or established in terms of the Water Services Act 108 of 1997;
- 2.2.24 "Water Board Infrastructure" means the WATER BOARD's overall bulk water supply services infrastructure and equipment including customer connections;
- 2.2.25 "Water Services Manager" means the most senior manager in the MUNICIPALITY responsible for water supply services in the MUNICIPALITY;
- 2.3 Clause headings in this Contract are for the purpose of convenience and shall not be used in interpretation to modify or amplify the terms or any clause of this Contract.
- 2.4 If any provision in a definition or the recordal is a substantive provision conferring rights or imposing duties on any Party, notwithstanding that it is only in the definition or recordal clause, effect shall be given to it as if it were a substantive provision in the operative part of this Contract.
- 2.5 When any period of days is prescribed, days shall mean calendar days and the period shall be reckoned exclusively of the first day and inclusively of the last day and shall include any Saturday or Sunday or any public holiday.
- 2.6 Where any term is defined within the context of any particular clause in this Contract, the term so defined, unless it is clear from the clause in question that the term so defined has limited application to the relevant clause, shall bear

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- the meaning ascribed to it for all purposes in terms of this Contract, notwithstanding that term has not been defined in this interpretation clause.
- 2.7 Where consent or approval of a Party must be obtained or a Party is required to consider or renew something in terms of this Contract, unless it is specifically provided for otherwise, it will act reasonably and within a reasonable period.
- 2.8 Where figures are referred to in numerals and in words, if there is any conflict between the two, the words shall prevail.
- 2.9 Expressions defined in this Contract shall bear the same meanings in schedules or annexures to this Contract that do not themselves contain their own definitions.
- 2.10 The expiration or termination of this Contract shall not affect such of the provisions of this Contract as expressly provide that they will operate after any such expiration or termination or which of necessity must continue to have effect after such expiration or termination, notwithstanding that the clauses themselves do not expressly provide for this.
- 2.11 General words preceded or followed by words such as "other" or "including" or "particular" shall not be given a restrictive meaning because they are preceded or followed by a particular example intended to fall within the meaning of the general words.
- 3. OBJECTIVES OF THE CONTRACT**
- 3.1 Recognising the executive authority of the MUNICIPALITY to provide water services within its area of jurisdiction the Parties agree that this Contract should be concluded to –
- 3.1.1 formalise and record the current and continued provision of bulk water supply services by the WATER BOARD to the MUNICIPALITY in writing in accordance with the requirements of the Water Services Act, Act 108 of 1997 and this Contract; and
- 3.1.2 provide for the rendering of bulk water supply services in an

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5.2 The Contract may be extended at the end of the period or during the period as

case may be of this Contract.
charges then the same will be dealt with in terms of Clauses 45 to 48, as the
the provisions of Clause 25 and should there be any disagreement on the said
services charges is done on an annual basis for budgetary purposes subject to
shall endeavour to reasonably ensure that the setting of bulk water supply
initial period of 3 (three) years subject to extension by the Parties. The Parties
This Contract shall commence on the effective date and shall endure for an

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5. COMMENCEMENT AND DURATION

Therefore the Parties agree that the WATER BOARD will continue to
supply water to its operational sites to ensure that the sites have access
to water.
water for domestic use.

4.2.3 Recognising that the WATER BOARD provides the operational sites with

of this Contract.
WATER BOARD supplies water for purposes of furthering the objective

4.2.2 Recognising that the WATER BOARD has operational sites to which the

4.2.1 Recognising that the WATER BOARD is appointed as Water Services
Provider;

4.2 Approval to Supply

4.1 The MUNICIPALITY hereby appoints the WATER BOARD, who herewith accepts
such appointment as the Water Services Provider to the MUNICIPALITY.

4. APPOINTMENT AND SCOPE

SECTION B: APPOINTMENT, SCOPE, DURATION AND REVIEW

3.1.3 set terms that is fair and equitable to the MUNICIPALITY and the
WATER BOARD.
efficient, equitable, cost effective and sustainable manner; and

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7.3 If the MUNICIPALITY, at any time, requires the WATER BOARD to provide water in excess of the maximum quantity of water determined or estimated in Annexure A or a new customer connection, the MUNICIPALITY must apply to the WATER BOARD for an increased supply in accordance with Clause 15 and the WATER BOARD may, after due consideration of the application and its

7.2 The WATER BOARD may only adjust the estimated quantity of water specified in Annexure A with the agreement of the MUNICIPALITY.

7.1 It is hereby recorded that, on the effective date, the WATER BOARD provided and shall continue to provide at all times, unless the provisions of Clauses 14 and 41 apply, the quantities and estimated quantities of water for future years at the existing customer connections to the MUNICIPALITY as set out in Annexure A.

7. QUANTITY OF WATER AND CUSTOMER CONNECTIONS

SECTION C: WATER SUPPLY STANDARDS

6.2 Any amendments resulting from any review contemplated in this Clause shall be reduced to writing and signed by both Parties.

6.1 Notwithstanding any other provisions in this Contract, this Contract shall be reviewable at any time during the Contract period or extended period at the request of the MUNICIPALITY or the WATER BOARD.

6. REVIEW

5.3 Notwithstanding the duration of the Contract period, the intention of the Parties to foster a long-term relationship necessitated by the natural monopoly of the WATER BOARD in respect of access to bulk water resources and infrastructure is recognised and will inform all future Contracts to be negotiated by the Parties.

may be necessitated by the recovery period of any capital contribution agreed by the Parties, provided that the Parties reach agreement on the terms and conditions of the extension.

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8.2.1 The WATER BOARD shall communicate all minor water quality deviations at the quarterly water quality meetings.

8.2 Water quality deviations

8.1.2.2 in the opinion of the MUNICIPALITY, an unusual number of complaints are reported by its end consumers over a period of 3 (three) consecutive days.

8.1.2.1 the WATER BOARD through its normal testing detects a problem; or

The WATER BOARD shall on becoming aware of taste or odour problems within its water supply network (including water resources utilised), such as may be caused by the presence of Geosmin in the water supplied, invoke the incident management protocol and communicate to the MUNICIPALITY. Taste and odour problems may be noticed either by:

8.1.2 Taste and odour

8.1.1 The WATER BOARD, unless the provisions of Clause 41 apply, shall provide water that complies with SANS 241, as may be amended from time to time.

8.1 Minimum standard

8. **WATER QUALITY**

7.4 The WATER BOARD must notify the MUNICIPALITY, at least 14 (fourteen) days in advance, of any planned reduction in the quantity of water at any customer connection in circumstances other than those provided for in Clause 11, the reasons therefore, the actions to be implemented to rectify the reduction and the duration of such a reduction, in accordance with the agreed system operating standards.

practical ability to meet such new demands, increase its supply to the MUNICIPALITY.

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- 8.2.2 The WATER BOARD shall communicate all emergency water quality deviations as per Annexure C as amended from time to time.
- 8.2.3 The WATER BOARD must inform the MUNICIPALITY, at least 14 (fourteen) days in advance, of any planned deviations in the quality of water at any customer connection in circumstances other than those provided for in Clause 11 or Sub-clause 8.3 below, the reasons thereof, the actions to be implemented to rectify such deviation and the period of such deviation, in accordance with the agreed system operating standards.
- 8.2.4 The MUNICIPALITY undertakes to inform the WATER BOARD of any modifications, additions, or alterations to the water supplied by the WATER BOARD including, amongst other, the blending of the water to better position the WATER BOARD to respond to possible queries from end consumers.
- 8.2.5 The Parties have identified Kwaga and Tswane Reservoirs as areas where water is being blended by the MUNICIPALITY and as a result the MUNICIPALITY hereby indemnifies the WATER BOARD for any losses, claims, demands, proceedings, damages, costs (including all legal fees), charges and expenses of whatsoever nature in respect of injury or health risk or death of any person arising from the blending of the WATER BOARD's water at the aforesaid areas and/or reservoirs.
- 8.2.6 The MUNICIPALITY hereby, indemnifies the WATER BOARD for any losses, claims, demands, proceedings, damages, costs (including all legal fees), charges and expenses of whatsoever nature in respect of injury or health risk or death of any person arising from blending of the WATER BOARDS' water anywhere in the MUNICIPALITY's infrastructure.
- 8.2.7 The MUNICIPALITY shall forward to the WATER BOARD the areas and/or reservoirs where the blending of water is undertaken by the MUNICIPALITY and such areas and/or reservoirs will be listed in this Contract as Annexure D. The MUNICIPALITY undertakes to inform the

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9.1.1 The annual average daily demand at each existing customer connection and the projected annual average daily demand are as recorded in Annexure A.

9.1.2 The WATER BOARD will every 2 (two) years in August, provide the MUNICIPALITY with a list of all the MUNICIPALITY's customer connections and the annual average daily demand of the last full year of supply at each of the customer connections.

9.1 Annual Average Daily Demand

9. FLOW RATE

8.3.1 The WATER BOARD shall do monitoring and reporting according to SANS 241, inclusive of the risk assessment and risk defined monitoring program which will also be shared with the MUNICIPALITY. The WATER BOARD shall inform the head of the water quality section (Chief Engineer) electronically of the water quality results, by no later than the 15th day of the following month or, in the event that the 15th day is a Saturday, Sunday or any public holiday, the first working day thereafter. A paper copy of the results must be delivered to the MUNICIPALITY's offices by the 21st day of the month.

8.3.2 The MUNICIPALITY shall make the results of all water quality tests undertaken by it available to the WATER BOARD as soon as reasonably possible after the results have been obtained.

8.3.3 In the event of poor quality results, the MUNICIPALITY must furnish the WATER BOARD with such results within a period of twenty four (24) hours.

8.3 Water quality monitoring

WATER BOARD everytime where blending of water taking place in order to enable the WATER BOARD to update Annexure D.

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met by the WATER BOARD due to water demand management

MUNICIPALITY'S total projected annual average daily demands to be anticipated reduction of more than 15% (fifteen per cent) in the other municipal customers at least 1 (one) year in advance of any The MUNICIPALITY shall further notify the WATER BOARD and all

9.1.8

any other similar circumstances.
litres (Mℓ) per day due to water demand management initiatives or any customer connection that supplies or exceeds 10 (ten) mega (fifteen per cent) in the projected annual average daily demands at year in advance of any anticipated reduction of more than 15% The MUNICIPALITY shall notify the WATER BOARD at least 1 (one)

9.1.7

apply.
customer connection, unless the provisions of Clauses 14 and 41 demand projections as increased by normal growth at each The WATER BOARD shall at all times meet the annual average daily

9.1.6

incorrect estimates.
infrastructure) that may be incurred by the MUNICIPALITY due to required to operate and maintain under-utilised water board capital costs incurred or committed and operational resources years and shall not be liable for any increased costs (in the form of expected normal growth, for the forthcoming 15 (fifteen) financial the projected demands for each customer connection, based on required in terms of Clause 9.1.3, the WATER BOARD may determine In the event that the MUNICIPALITY fails to provide the information

9.1.5

customer connection with the agreement of the MUNICIPALITY.
The WATER BOARD may only adjust the normal growth at each

9.1.4

forthcoming 15 (fifteen) financial years.
customer connection, based on expected normal growth, for the projected demands at set intervals, for each existing or planned referred to in Clause 9.1.2 provide the WATER BOARD with THE MUNICIPALITY must within 2 (two) months of receipt of the list

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Where the Parties fail to reach agreement on the estimated daily flows to be met by the WATER BOARD shall be agreed by the Parties. On completion of the assessment in terms of Clause 9.2.4 the peak

9.2.3

$$\text{Peak day factor} = 1,25 + \frac{0,21 \times Q^2 + 1}{1}$$

per day (Mℓ) -

The WATER BOARD shall at all times from the effective date until completion of the assessment in terms of Clause 9.2.4, meet the MUNICIPALITY'S estimated daily peak flows as calculated in accordance with the following formula where Q equals mega litres

9.2.2

Notwithstanding the provisions of Clause 9.1, the WATER BOARD shall at all times meet the MUNICIPALITY'S agreed estimated daily peak flows and must take all reasonable measures to ensure that this demand is met at all times. Where the Parties fail to reach agreement on the estimated daily peak flows or the method of calculating the estimated daily peak flows either Party may refer the matter for resolution in terms of section O of this Contract.

9.2.1

9.2 Daily and Hourly Peak Flows

Where the MUNICIPALITY fails to inform the WATER BOARD in accordance with Clause 9.1.8 or fails to initiate the process referred to in Clause 9.1.9 the MUNICIPALITY shall remain liable for all costs associated with its projected annual average daily demand prior to any reduction, irrespective of whether it uses lower quantities of water or not.

9.1.10

The MUNICIPALITY must, on receipt of a notice referred to in Clause 9.1.8, initiate the process set out in Clause 44.

9.1.9

initiates or any other similar circumstances. The WATER BOARD must within 2 (two) months of receiving a notice from the MUNICIPALITY notify the MUNICIPALITY and other municipal customers of the projected financial implications of such a reduction.

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10.1 The WATER BOARD shall at all times maintain pressures between the minimum and maximum supply pressure per customer connection under normal operating conditions based on existing and projected annual average daily demand.

10. WATER PRESSURE

9.2.6 The MUNICIPALITY shall be responsible for meeting its hourly peak flow demands, except that where storage in respect of which the MUNICIPALITY had made a capital contribution as recorded in Annexure B, is provided by the WATER BOARD on the effective date the WATER BOARD shall be responsible for meeting the MUNICIPALITY's hourly peak flow demands.

9.2.5 On completion of the assessment in terms of Clause 9.2.4 and when the WATER BOARD can demonstrate to the satisfaction of the MUNICIPALITY that it is able to meet the MUNICIPALITY's agreed daily peak flow demand, the Parties will agree on a suitable management framework, that may include surcharges or the installation of flow limiting devices, to limit or prevent the MUNICIPALITY from exceeding the agreed daily peak flow demand. Where the Parties fail to reach agreement either Party may refer the matter for resolution in terms of Section O of this Contract.

9.2.4 The WATER BOARD shall, within 1 (one) year of the effective date, undertake a detailed assessment of its ability to meet the MUNICIPALITY's daily peak flows and agree with the MUNICIPALITY a detailed action plan, with identified priorities, for meeting the MUNICIPALITY's daily peak flow demand, where it was unable to do so on the effective date. Where the Parties fail to reach agreement either Party may refer the matter for resolution in terms of Section O of this Contract.

peak flows or the method of calculating the estimated daily peak flows either Party may refer the matter for resolution in terms of Section O of this Contract.

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11.1.2 The WATER BOARD shall give 21 (twenty-one) days written notification of its intention to interrupt a supply and the estimated
 11.1.1 The WATER BOARD may interrupt the MUNICIPALITY'S supply for the purpose of renewing, testing, examining, repairing, maintaining or rehabilitating the WATER BOARD'S infrastructure. The WATER BOARD shall endeavour to keep interruptions to a minimum.

11. NORMAL MAINTENANCE AND REPAIRS

SECTION D: SYSTEM OPERATING STANDARDS

10.4 The WATER BOARD must inform the MUNICIPALITY timeously of any planned reduction or increase in water pressure at any customer connection, the reasons therefore, and the actions implemented to rectify such reduction or increase and the period thereof, in accordance with the system operating standards.

10.3 On completion of the assessment in terms of Clause 10.2, the minimum and maximum supply pressure per customer connection under normal operating conditions based on existing and projected annual average daily demand shall be agreed by the Parties. Where the Parties fail to reach agreement on the estimated daily peak flows or the method of calculating the estimated daily peak flows either Party may refer the matter for resolution in terms of Section O of this Contract.

10.2 The WATER BOARD shall, within 1 (one) year of the effective date, undertake a detailed assessment of the minimum and maximum supply pressure per customer connection under normal operating conditions based on existing and projected annual average daily demand and agree with the MUNICIPALITY a detailed action plan, with identified priorities, for maintaining the pressure, where it was unable to do so on the effective date. Where the Parties fail to reach agreement either Party may refer the matter for resolution in terms of Section O of this Contract.

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11.2 Particles

duration of such an interruption. The WATER BOARD may proceed with a planned interruption unless the MUNICIPALITY indicates that the interruption may not take place. Where the MUNICIPALITY indicates that an interruption may not take place, it must within a reasonable time propose alternative dates for such an interruption. The WATER BOARD may only interrupt water supply to the MUNICIPALITY without giving a 21 days' written notice in cases where emergency repairs needs to be undertaken. During such emergencies, the WATER BOARD must still communicate to the MUNICIPALITY regarding the emergency work. The WATER BOARD shall include in such communication proof of evidence that in fact such emergency is the true event.

11.2.1

The WATER BOARD, on becoming aware of any problem caused by or exacerbated by the presence of particles, shall immediately take the necessary measures to eliminate such problems and inform the MUNICIPALITY of the measures taken

11.2.2

The WATER BOARD will endeavour to resolve issues relating to the presence of particles, in particular bitumen, arising from deterioration of pipe linings. The WATER BOARD is planning the re-lining, and, if necessary, partial replacement, of its bitumen-lined pipelines. This is a long-term process, but the WATER BOARD will prioritise and take further intervention measures in the case of problematic lines. The WATER BOARD shall reimburse the MUNICIPALITY for the cost incurred by it resulting from the accumulation of bitumen debris in equipment and appliances provided that the MUNICIPALITY can reasonably demonstrate that such cost are necessary, reasonable and solely due to the accumulation of bitumen originating within the WATER BOARD's network.

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Pipe diameters	Time to repair
Up to 1 000 mm	within 12 hours
Larger than 1 000 to 1 800 mm	within 15 hours
Larger than 1 800 to 2 100 mm	within 18 hours
Larger than 2 100 mm	within 24 hours

11.3.1 The WATER BOARD shall repair unexpected failures and leaks in its infrastructure causing a deviation in the agreed quantity, quality, flow rate or pressure within the following times –

11.3 Failures and Leaks

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12.1.2 The WATER BOARD must annually, 2 (two) months prior to the commencement of the forthcoming financial year, submit a summary report detailing all meters and maintenance conducted in respect of meters for the preceding year and maintenance planned

12.1.1 The WATER BOARD must develop and agree with the MUNICIPALITY on a meter testing and calibration program for all meters. Where the Parties fail to reach an agreement either Party may refer the matter for resolution in terms of Section O of this Contract.

12.1 Maintenance of meters

12. METERS

11.4.1.1 Should the WATER BOARD plan to make changes or any modifications to its disinfection processes which could have an impact on the disinfectant residual of the water at point of sale to the MUNICIPALITY, the WATER BOARD will enter into discussions with the MUNICIPALITY prior to implementation.

11.4.1 Should the WATER BOARD plan to make changes or any modifications to its processes which could have an impact on the MUNICIPALITY'S processes and operations, the WATER BOARD will give prior written notice within 30 business days prior to implementation, to that effect to the MUNICIPALITY.

11.4 Modifications to Processes

11.3.2 If it becomes clear that it will not be possible to adhere to the times specified in Clause 11.3.1 the WATER BOARD shall immediately notify the MUNICIPALITY. It is specifically recorded that all repairs that exceeds 24 (twenty-four) hours will be treated as an emergency by both Parties and that the provisions of Clause 13 will therefore apply.

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Differential pressure meters	2% for the measuring range between the minimum and maximum range (Q min and Q max)
Mechanical meters	5 % for minimum flows (Q min to Q t) and 2% for flows between transitional and maximum flows (Q t and Q max)

The WATER BOARD and MUNICIPALITY agree that the maximum levels of acceptable errors on meters to be installed are as set out in the table below. The maximum levels of acceptable errors must be guaranteed by the supplier prior to installation.

12.2.3

The MUNICIPALITY reserves the right to introduce check meters (owned by the MUNICIPALITY) as close to the WATER BOARD's meters as technically feasible in order to check the accuracy of the WATER BOARD's meters. In the event the MUNICIPALITY elects to introduce check meters, the principles in Clauses 12.1, 12.2.1, 12.3, 12.4, and 12.5 which applies to the WATER BOARD shall also apply to the Municipality.

12.2.2

The WATER BOARD shall do all that it can reasonably do to ensure that all its meters are at all times correctly sized and that they operate under optimum conditions. The MUNICIPALITY reserves the right to introduce any alternative measure to ensure the accuracy of the volume supplied to the MUNICIPALITY e.g logging information at the WATER BOARD's disposal to be made available to the MUNICIPALITY on a daily basis or whenever requested.

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12.2 Accuracy of meters

for the forthcoming year, including meters replaced or to be replaced.

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12.3.4 In the event that there is a dispute with regards to the accuracy of a meter, the WATER BOARD in consultation with the MUNICIPALITY,

12.3.3 Where any meter tested is found to be operating outside the allowable accuracy tolerance, the principles of Clause 12.7 shall be applied in determining any adjustment to calculated consumption and billing.

12.3.2.3 confirmation of the test or calibration results for each re-installed meter.

12.3.2.2 on a monthly basis, the results of each meter test undertaken during the preceding month, together with the location from which each meter was removed; and

12.3.2.1 at the start of each financial year, a list of the meters scheduled for change out during each month of that year;

12.3.2 In terms of the change out programme, the WATER BOARD will submit the following to the MUNICIPALITY:

12.3.1 The WATER BOARD will test all mechanical meters as part of a planned change out programme. The change out interval for all meter sizes will be 5 years.

Mechanical meters

12.3 Meter testing

Electromagnetic flow meters 0.5% for flow velocities of 0.5meters per second to 10 meters per second (in the operational range of the meter) where the velocity is through the restricted section	Ultrasonic flow meters 2% for flow velocities of 0.5 meters per second to 10 meters per second
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12.4.3 If the MUNICIPALITY and the WATER BOARD cannot agree on a measuring device where the installation of a temporary meter is impractical, the MUNICIPALITY's consumption during the period for which no measuring through an agreed device could take place will be determined by the average monthly water consumption over a period of three months after repair or replacement of the meter has been effected.

12.4.2 The WATER BOARD must give notice to the MUNICIPALITY in the event that the repair or replacement of the meter is likely to take longer than the stated period and indicate the reason or reasons therefore and the period within which the repair or replacement will be completed. The WATER BOARD, in these circumstances, must install a temporary meter or any other measuring device as agreed with the MUNICIPALITY where the installation of a temporary meter is impractical.

12.4.1 In the event of a meter malfunctioning either by way of not registering at all or by registering outside of the agreed levels of accuracy, the WATER BOARD must repair or replace the meter within 7 (seven) days of the malfunction.

12.4 Malfunctioning meters

The WATER BOARD shall carry out verification testing of each magnetic flow meter on a bi - annual basis (every six months). In - situ verification of all magnetic flow meters from size 100mm to 800mm shall be conducted annually and such results shall be made available to the MUNICIPALITY.

12.3.6 Magnetic flow meters

12.3.5 In - situ verification of all bulk meters from size 100mm to 800mm shall be conducted annually and such results shall be made available to the MUNICIPALITY.
shall agree to send the particular meter to an external independent accredited facility for verification.

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12.7.1 The quantity of water consumed and the bulk water supply charges charged during a period that the meter registered incorrectly shall be

12.7 Adjustment and calculation of consumption where meter malfunctions

12.6.5 If a meter is tested and found to be registering within the agreed accuracy levels, the MUNICIPALITY shall be liable for the cost of testing the meter.

12.6.4 If a meter is tested and found to be registering outside the agreed accuracy levels, the WATER BOARD shall be liable for the cost of testing the meter and shall repair or replace the meter at its own cost.

12.6.3 The methods of testing must be agreed by the WATER BOARD and the MUNICIPALITY. Where the Parties fail to reach an agreement either Party may refer the matter for resolution in terms of section O of this Contract.

12.6.2 The WATER BOARD must investigate the query and, at the request of the MUNICIPALITY, test the relevant meter or meters within 14 (fourteen) days of a query having been made.

12.6.1 The MUNICIPALITY may query the consumption reflected on an account. Where a query is not lodged with the WATER BOARD prior to the payment date of an account in accordance with Clause 26.5, the MUNICIPALITY must query the consumption reflected on the account within 60 (sixty) days of receiving the account, subject to Clause 26.6.

12.6 Queries

12.5.2 The WATER BOARD must provide the MUNICIPALITY with a meter-reading schedule and the MUNICIPALITY may be present at any meter-reading.

12.5.1 The WATER BOARD must read all meters monthly, within 7 (seven) days of the end of the preceding month.

12.5 Meter reading

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New meters may be installed by the WATER BOARD on the WATER BOARD'S infrastructure. Such installations shall occur in accordance with regulatory provisions and the specifications of the manufacturer of the meter. The WATER BOARD shall inform the MUNICIPALITY whenever such installations occur.

1 2.8 New meters to be installed

1 2.7.4 The retrospective adjustment shall be made for the time period within which the meter has registered incorrectly.

1 2.7.3 If the MUNICIPALITY and the WATER BOARD cannot agree on a method referred to in Clause 12.7.2(b) will be used.

- (b) the average monthly water consumption over a period of three months after repair or replacement of the meter has been effected.
- (a) the average monthly consumption of water during the three months prior to the last registration; or

1 2.7.2 Where a check meter was not installed by the MUNICIPALITY, the period that the meter registered incorrectly will be assumed to be 30 (thirty) days if the WATER BOARD cannot determine the actual period or the quantity of water consumed, during a period within which a meter was found to be registering outside the agreed accuracy levels, shall be calculated as in accordance with one of the following methods as agreed by the MUNICIPALITY and WATER BOARD -

adjusted in accordance with the degree of error found, provided that where a check meter has been installed by the MUNICIPALITY the reading of the MUNICIPALITY's meter shall be used to determine the quantity of water consumed. The MUNICIPALITY shall ensure that all its check meters are at all times correctly sized and that they operate under optimum conditions.

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- 13. EMERGENCIES**
- 13.1 An incident, event or occurrence will be considered an emergency when there is, in the opinion of either the MUNICIPALITY or the WATER BOARD, a substantial variation from –
- 13.1.1 the agreed quantity, flow rate and pressure for a period longer than 24 (twenty four) hours;
- 13.1.2 the agreed quality and such variation constitutes an agreed health risk; or
- 13.1.3 the agreed repair times referred to in Clauses 11.3.1 and 11.3.2 exceeds 24 (twenty-four) hours.
- 13.2 Notification
- 13.2.1 The WATER BOARD or MUNICIPALITY shall within 1 (one) hour of becoming aware of an emergency or possible emergency immediately notify the persons identified in Annexure C.
- 13.2.2 On notification the Parties identified in Annexure C must –
- 13.2.2.1 confirm that the incident, event or occurrence is an emergency;
- 13.2.2.2 agree on a process for addressing the emergency; and
- 13.2.2.3 nominate the persons from each Party that will be responsible for addressing the emergency.
- 13.2.3 The Parties agree to immediately inform the other Party of any changes to the information reflected in Annexure C.
- 13.3 Communication
- 13.3.1 All communications in respect of an emergency shall be approved by both Parties and jointly undertaken.

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14.3 The WATER BOARD must annually, within 2 (two) months of the commencement of its financial year, provide the MUNICIPALITY with a detailed report on the security of supply to the MUNICIPALITY. The report must reflect availability concerns identified by the WATER BOARD; indicate which measures

information on water quantity.
14.2 The WATER BOARD is responsible for obtaining all information required to monitor and forecast all factors influencing the quantity of water available. The MUNICIPALITY agrees to assist the WATER BOARD, where possible, in obtaining

14.1 For the purposes of this clause a drought is defined as any event, series of events or changes in water allocation which impact or impacts on the availability of raw water to the WATER BOARD and consequently on the agreed quantity of water to be provided to the MUNICIPALITY in terms of this Contract.

14. DROUGHTS

Where an emergency arises that affects more than one municipal customer the WATER BOARD must immediately call a meeting with all affected municipal customers to address the emergency. The procedures as set out in this clause shall *mutatis mutandis* apply to such an emergency, in as far as reasonable.

13.6 Emergencies affecting more than one municipal customer

Where an emergency has been addressed by the Parties, a debriefing meeting may be requested by either Party to review the process and procedure employed to address the emergency and a formal report will be prepared by the WATER BOARD in respect thereof.

13.5 Debriefing

Each Party must ensure that maps detailing its infrastructure and area are available at all times.

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13.4.1 The Parties agree to make the necessary resources for addressing the emergency available.

13.4 Resources

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- 15.3 If the new or increased water supply requirements require a new, altered or upgraded customer connection, the WATER BOARD may charge the MUNICIPALITY an installation charge calculated in terms of Clause 16, and a capital contribution, if applicable.
 - 15.2 The WATER BOARD will provide the increased bulk water supply requirements if sufficient water is available and within the quantity authorised for abstraction in any relevant license.
 - 15.1 The MUNICIPALITY, in its discretion, may apply to the WATER BOARD for new or increased bulk water supply requirements on the standard application form of the WATER BOARD. An application in terms of this clause must specify when the new or increased supply is required, the required quantity, estimated quantity for future years, flow rate and pressure.
- 15. APPLICATION**

SECTION E: GUARANTEE, NEW OR INCREASED WATER SUPPLY REQUIREMENTS

- 14.5 The WATER BOARD shall convene a forum with all affected municipalities within 1 (one) month after a drought warning is issued.
 - 14.4 The WATER BOARD must issue a written drought warning to the MUNICIPALITY within 7 (seven) days of it being notified by the Department that it will be implementing water restrictions. The WATER BOARD must withdraw a drought warning issued within 7 (seven) days of the Department lifting water restrictions. The agreed water supply to the MUNICIPALITY shall however remain as agreed in this agreement and the applicable Annexures, for a period of 3 (three) months subsequent to the written drought warning being issued (unless it is not feasible), in order to allow the MUNICIPALITY to institute the necessary measures for the implementation of water restrictions or implementation of the Drought Management Plan.
- The WATER BOARD shall make recommendations as to actions that may be taken by the MUNICIPALITY to address or alleviate concerns.
- will be implemented by the WATER BOARD to address or alleviate concerns.

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- 16.4 In the event that the MUNICIPALITY considers the quote referred to in Clause 16.3.2 unreasonable the Parties must agree on a reasonable cost and revised reasonable cost for the equipment and installation.
- 16.3.3 demonstrate to the MUNICIPALITY that the quote represents a reasonable cost for the equipment and installation.
- 16.3.2 provide the MUNICIPALITY with a fixed price quote for the equipment and the installation thereof; and
- 16.3.1 provide the MUNICIPALITY with the specifications of the equipment to be installed;
- 16.3 Prior to the supply or installation of the consumer connection or connections, the WATER BOARD must -
- 16.2 The MUNICIPALITY shall pay the WATER BOARD an installation charge for the customer connection or connections and a capital contribution charge, where applicable on agreed terms of payment.
- 16.1 The WATER BOARD shall be responsible for the supply and installation of equipment necessary for the agreed customer connection or connections.
- 16. INSTALLATION OF BULK CONNECTION AND RELATED CHARGES**
- 15.6 Save where the provisions of Clauses 14 and/or 41 and/or any other provisions of this Contract, the WATER BOARD shall endeavour to supply the MUNICIPALITY with the agreed to water quantities as per the MUNICIPALITY'S Water Demand Projections.
- 15.5 The WATER BOARD shall use the estimated quantity of water in the planning and design of the WATER BOARD infrastructure.
- 15.4 The WATER BOARD and the MUNICIPALITY shall agree on the number and position of customer connections on the existing WATER BOARD infrastructure from which the new or increased water supply requirements will be supplied. Where the Parties fail to reach an agreement either Party may refer the matter for resolution in terms of Section O of this Contract.

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19.1 The WATER BOARD in collaboration with the MUNICIPALITY will jointly engage with the MUNICIPALITY's end consumers. Both Parties will issue a joint communication in matters concerning the services of this Contract.

19. COMMUNICATION WITH THE MUNICIPALITY'S END CONSUMERS

For purposes of Section F, "communication" means any form of communication whatsoever, including but not limited to sponsorships, advertisements, campaigns, education, brochures, media statements, broadcasts, marketing, meetings, forums, web-pages and liaison.

18. COMMUNICATION

SECTION F: COMMUNICATION AND COORDINATION

17.3 The MUNICIPALITY must inform the WATER BOARD in the event that it closes the downstream isolating valve for any reason.

17.2 Apart from the downstream isolating valve, the MUNICIPALITY may not operate or interfere with the customer connection. Nothing in this clause may be construed as limiting the MUNICIPALITY's access to the customer connection for meter-reading purposes.

17.1 The ownership of the customer connection or connections vest in the WATER BOARD and the WATER BOARD is responsible for all maintenance, rehabilitation or modification associated with the equipment and is responsible for insuring such equipment against loss or damage.

17. OWNERSHIP OF BULK CONNECTIONS

16.5 The WATER BOARD shall install the customer connection or connections within a period agreed to between the Parties. Where the Parties fail to reach an agreement either Party may refer the matter for resolution in terms of Section O of this Contract.

refer the dispute for resolution in terms of Section O of this Contract.

specification. Where the Parties fail to reach an agreement either Party may

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22.3 The annual report of the WATER BOARD prepared in accordance with the regulatory provisions referred to in Clause 22.1 must provide details of any

the auditor's report.

22.2 The WATER BOARD must submit a copy of its audited financial reports for each financial year to the MUNICIPALITY on submission thereof to the Minister in accordance with the Water Services Act. The reports must comply with all regulatory provisions and include complete audited financial statements and

financial statements and annual reporting.

22.1 The WATER BOARD must comply with the Water Services Act, Act 108 of 1997 and Public Finance Management Act, Act 1 of 1999 in respect of audited

22. FINANCIAL STATEMENTS AND ANNUAL REPORTS

(one) month.

21.2 All information must be requested in writing and must be provided within 1 (one) month of the date of a request, unless another period has been set in terms of this Contract or agreed to by the Parties, in writing. Where the Parties need to agree on a period within which information must be provided, both Parties must act reasonably and agree on a reasonable period. Where the Parties cannot agree on a period, the period for providing such information will be 1

obligations in terms of this Contract.

21.1 The Parties shall timeously provide each other with all information in whatever form reasonably required for compliance or monitoring of compliance with

21. ACCESS TO INFORMATION REQUESTED

SECTION G: INFORMATION AND REPORTING

schedules of future meetings will be agreed at the first meetings.

20.2 The WATER BOARD shall be responsible for calling the first meetings and

relating to or affecting this Contract.

20.1 The Parties shall, at least, meet on a quarterly basis to discuss all matters

20. COORDINATION

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24.3 Where any alteration or alteration to the WATER BOARD's existing infrastructure will serve only one of the WATER BOARD's customers directly, the full capital equipment.

24.2 A capital contribution shall constitute the full cost of capital associated with the operational resources that will be required to operate and maintain the BOARD's infrastructure at the time of the application and the costs associated equipment and the installation thereof, any required alteration of the WATER

24.1 The WATER BOARD must charge a new or existing customer, on application for a new or increased water supply, a capital contribution for all equipment required to provide the customer's required quantity, quality, pressure and flow rate of water, which is not part of the customer connection.

24. CAPITAL CONTRIBUTION CHARGES

23.1.3 capital contribution charges where a new or increased water supply requires capital expenditure as set out in Clause 24.

23.1.2 installation charges for new customer connections determined in accordance with Clause 16; and

23.1.1 volume based charges in respect of water consumed;

The WATER BOARD may impose the following bulk water supply services charges only -

23. PERMISSIBLE CHARGES

SECTION H: BULK WATER SUPPLY CHARGES AND PAYMENT

22.4 The MUNICIPALITY shall, in terms of Section 22 (b) (ii) and 37 (1) (b) of the Local Government: Municipal Finance Management Act No. 56 of 2003, provide annual budgetary and financial information to the WATER BOARD.

penalties incurred by the WATER BOARD in terms of Clause 29 and a copy thereof must be submitted to the MUNICIPALITY on submission thereof to the Minister in accordance with the Water Services Act.

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- 24.9 Capital contribution charges may recovered by way of –
- 24.9.1 a once-off payment;
 - 24.9.2 an availability charge;
 - 24.9.3 a minimum quantity to be purchased;
- 24.8 The MUNICIPALITY must on receipt of a notice referred to in Clause 24.7 initiate the process set out in Clause 44.
- 24.7 The WATER BOARD must notify the MUNICIPALITY and its other municipal customers of its intention to charge a municipal customer a capital contribution less than that stated in Clause 24.3.
- 24.6 Where the WATER BOARD is of the opinion that the sustainability and viability of a municipal customer in respect of providing water services as defined in the Water Services Act will be negatively affected by the implementation of this clause, it may charge a municipal customer a capital contribution less than that stated in Clause 24.3, provided that the WATER BOARD is able to motivate and demonstrate how the sustainability and viability of the relevant MUNICIPALITY will be affected and all municipal customers have agreed to the capital contribution to be charged in these circumstances.
- 24.5 Where any alteration or alterations to the WATER BOARD's existing infrastructure will serve all the WATER BOARD's existing customers at the time of the alteration/s the full capital costs associated therewith shall be for the WATER BOARD's own cost and must be recovered as a fixed fee payable by all customers as part of the water supply services charges.
- 24.4 Where any alteration or alteration to the WATER BOARD's existing infrastructure will serve more than one but not all the WATER BOARD's customers directly, the full capital costs associated therewith shall be proportionately recovered from those customers.
- costs associated therewith shall be recovered from those customers.

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- (c) the costs associated with operational resources that will be required to operate and maintain the immovable assets on completion of the construction thereof; and
- (b) all proposed capital projects relating to immovable assets;
- (a) the manner in which the demand projections of the municipal customers informed the programme;

- 25.1.4 a five-year capital expenditure programme specifying – WATER BOARD; and
- 25.1.3 A clear indication as to how the costs associated with other activities as defined in the Water Services Act, are dealt with by the variable and fixed costs;
- 25.1.2 A detailed cost breakdown of the proposed charges, including all
- 25.1.1 A five-year projection for bulk water supply services charges;
- 25.1 The WATER BOARD must annually, before or on 31 January of each year, submit its proposed bulk water supply services charges and capital expenditure programme for the forthcoming year to its municipal customers for acceptance, together with –

25. PROCEDURE FOR SETTING OF BULK WATER SUPPLY SERVICES CHARGES AND ADOPTION OF CAPITAL EXPENDITURE PROGRAMME

- 24.9.6 any other method as may be agreed to by the Parties because of their specific circumstances, provided that such a method does not detract from the WATER BOARD'S obligation to impose and the MUNICIPALITY'S obligation to pay capital contribution charges in accordance with Clause 24.2.
- 24.9.5 a uniform tariff payable by all the WATER BOARD'S customers; or
- 24.9.4 a differential tariff payable by the WATER BOARD'S customers benefiting from the capital expenditure;

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- (d) the manner in which each proposed capital project will be funded.
- 25.2 The MUNICIPALITY must take all reasonable actions to ensure that all municipal customers, within 14 (fourteen) days after submission to it in terms of Clause 25.1, notify the WATER BOARD if they accept or dispute the proposed charges and capital expenditure programme. Where the proposed charges and capital programme are disputed the MUNICIPALITY must take all reasonable actions to ensure that reasons are provided. Where all the municipal customers fail to inform the WATER BOARD of their acceptance or dispute within the specified period, the WATER BOARD may set the charges and capital expenditure programme before or on 30 April for implementation on 1 July of the forthcoming financial year.
- 25.3 Where all municipal customers accept the proposed charges and capital programme, the WATER BOARD may set the charges and capital expenditure programme by 30 April for implementation on 1 July of the forthcoming financial year.
- 25.4 Where all municipal customers dispute the proposed charges and capital programme, the WATER BOARD must within 7 (seven) days after the expiry of the 14 (fourteen) day period referred to in Clause 25.2 notify each municipal customer accordingly and simultaneously –
- 25.4.1 submit revised charges and a revised capital expenditure programme to the municipal customers for acceptance; or
- 25.4.2 refer the matter to the Department for mediation and notify the municipal customers of such referral.
- In the event that the WATER BOARD submits revised charges and a revised capital expenditure programme to the municipal customers for acceptance the process as provided for in this clause applies.
- 25.5 Where not all the municipal customers accept or dispute the proposed charges and capital programme, the WATER BOARD must, within 7 (seven) days after the expiry of the 14 (fourteen) day period referred to above, notify all

municipal customers accordingly and provide each municipal customer with the decisions of the other municipal customers.

25.6 The MUNICIPALITY must take all reasonable actions to ensure that the municipal customers, within 14 (fourteen) days of receiving notice in terms of Clause 25.5, discuss the proposed charges and capital expenditure programme amongst each other, agree to accept or dispute the proposed charges and capital expenditure programme and notify the WATER BOARD accordingly. Where the municipal customers fail to inform the WATER BOARD of their acceptance or dispute within the specified period, the WATER BOARD may set the charges and capital expenditure programme before or on 30 April for implementation on 1 July of the forthcoming financial year.

25.7 Where all the municipal customers agree to dispute the proposed charges and capital expenditure programme the WATER BOARD must within 7 (seven) days of receiving such notification -

25.7.1 submit revised charges and a revised capital expenditure programme to the municipal customers for acceptance; or

25.7.2 refer the matter to the Department for mediation and notify the municipal customers of such referral.

In the event that the WATER BOARD submits revised charges and a revised capital expenditure programme to the municipal customers for acceptance the process as provided for in this clause applies.

25.8 Where the municipal customers cannot agree amongst each other to accept or dispute the proposed charges and capital programme, the MUNICIPALITY must, within 3 (three) days of the expiry of the 7 (seven) day period, refer the matter to SALGA for mediation and must inform the WATER BOARD of such referral.

25.9 Where the matter is referred to SALGA for mediation, SALGA must request the other municipal customers to participate in the mediation.

25.10 Where the matter is referred to SALGA for mediation, SALGA must inform the WATER BOARD, within 14 (fourteen) days of the matter being referred to it, if all the municipal customers accept or dispute the proposed charges and

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capital programme. Where SALGA fails to inform the WATER BOARD of the municipal customers' acceptance or dispute within 30 (thirty) days of notice by the WATER BOARD in terms of Clause 25.2, the WATER BOARD may set the charges and capital expenditure programme before or on 30 April for implementation on 1 July of the forthcoming financial year.

25.11 Where all the municipal customers accept the proposed charges and capital programme, the WATER BOARD may set the charges and capital expenditure programme before or on the 30th of April for implementation on the 1st of July of the forthcoming financial year.

25.12 Where all the municipal customers agree to dispute the proposed charges and capital expenditure programme the WATER BOARD must within 3 (three) days of receiving such notification -

25.12.1 submit revised charges and a revised capital expenditure programme to the municipal customers for acceptance; or

25.12.2 refer the matter to the Department for mediation and notify the municipal customers of such referral.

In the event that the WATER BOARD submits revised charges and a revised capital expenditure programme to the municipal customers for acceptance the process as provided for in this clause applies.

25.13 Where the WATER BOARD refers the matter to the Department for mediation, the Department must, within 14 (fourteen) days of the matter being referred to it, take all reasonable measures to resolve the dispute.

25.14 Where the matter was referred to the Department for mediation, the Department must request all municipal customers, to participate in the mediation.

25.15 Where the Department fails to resolve the dispute within the 14 (fourteen) day period or before 30 April of the year preceding the forthcoming financial year, whichever is the latest, the WATER BOARD may increase the most recent charges set by the WATER BOARD prior to the effective date of the Contract in respect of the first financial year of the WATER BOARD following the effective

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National Government, including legislation that gives effect to the national

25.20 The provisions of this clause shall apply in full until such time as legislation regulating the approval of tariffs and capital expenditure programmes by

25.12 and 25.14, has been secured.

25.19 The capital expenditure programme may at any time be amended by the WATER BOARD after acceptance thereof by the MUNICIPALITY and other municipal customers in accordance with the process set out in Clauses 25.2 to

retrospectively from 1 July of that financial year.

25.18 Where a dispute in respect of tariffs is resolved after 1 July of any financial year and the tariff that may be set by the WATER BOARD exceeds the percentage agreed in terms of Clause 25.15 or CPI the WATER BOARD may apply the tariff

year.

25.17 Where a referral to mediation by any Party in terms of this clause will result in the WATER BOARD not being able to submit its tariffs to the Department of Water Affairs and Forestry for tabling in Parliament before or on 15 March of each year in accordance with the Municipal Finance Management Act, both Parties, SALGA and DHWS must collectively request the Minister of Finance to approve that the tariff that will be set by the WATER BOARD on completion of the mediation may take effect on 1 July of that year, notwithstanding the fact that the tariff to be set will only be tabled in Parliament after 15 March of that

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25.16 Where the Department fails to resolve the dispute within a further 14 (fourteen) days the WATER BOARD or the MUNICIPALITY must refer the matter to the Minister of Finance for mediation in accordance with any applicable intergovernmental relations legislation or legislation enacted to give effect to section 41(2) of the Constitution of the Republic of South Africa Act, Act 108 of

the charges by CPI.

reach agreement on the percentage increase the WATER BOARD may increase the Department. Where the WATER BOARD and municipal customers fail to which percentage may not exceed CPI, pending the resolution of the dispute by of this clause with a percentage agreed by it and the municipal customers, date or the most recent charges accepted by the municipal customers in terms

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Where the MUNICIPALITY has defaulted three times in one year and/or the account is 90 days or older, the WATER BOARD shall charge interest rate either at prime overdraft rate plus 2% (two percent) or 50% differential between the prime overdraft rate and the highest rate as referred to in the National Credit Act. in respect of the account payable for water supply services provided to the MUNICIPALITY, in each month during payment failure.

26.2.1.2 Medium Risk

Where the MUNICIPALITY has defaulted for the first time and it has made prior special arrangements for payment with the WATER BOARD and it is honouring the special payment arrangement.

26.2.1.1 Low Risk

26.2.1 Profiling of risk

26.2 Interest is payable on overdue amounts at the published prime overdraft rate from time to time, including compounding, into a bank nominated by the WATER BOARD, plus a number of percentage points determined by the WATER BOARD either for all Municipalities or an individual MUNICIPALITY, based on the WATER BOARD's assessment of the MUNICIPALITY's risk profile, but not exceeding the highest rate referred to from time to time in the National Credit Act No. 34 of 2005.

26.1 The WATER BOARD must issue accounts to the MUNICIPALITY on the first day of the month. The account is payable on or before 30 (thirty) from the date of the invoice.

26. ACCOUNTS FOR PAYMENT OF BULK WATER SUPPLY SERVICES CHARGES

water services regulatory function as reflected in the Strategic Framework for Water Services as adopted by the Cabinet in September 2003, is promulgated. On promulgation of such legislation, the provisions of this clause shall apply to the extent that this clause is not inconsistent with such legislation.

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- 26.3 Accounts will reflect at least -
 - 26.3.1 the volume of bulk water supply services provided by the WATER BOARD at each customer connection;
 - 26.3.2 the period addressed in the account;
 - 26.3.3 the applicable charges;
 - 26.3.4 the amount due (excluding value added tax payable);
 - 26.3.5 value added tax;
 - 26.3.6 the arrears, if any;
 - 26.3.7 the interest payable on arrears, if any;
 - 26.3.8 the final date for payment; and
 - 26.3.9 any other information as may be required by law.
 - 26.4 The MUNICIPALITY may query the accuracy of an amount due and payable or an amount paid for bulk water supply services rendered.
 - 26.5 Where a query is lodged with the WATER BOARD at least 7 (seven) days prior to the payment date of an account and the query is not settled prior to such date, only fifty percent (50%) of the queried amount (the amount of the invoice queried by the MUNICIPALITY) is payable on the payment date.
 - 26.6 Where a query is not lodged with the WATER BOARD prior to the payment date of an account the full amount of the account is payable on the payment date, pending the settlement of the query.
- Where the MUNICIPALITY has greater than three defaults in one year, the WATER BOARD shall charge interest rate either at prime overdraft rate plus 3% (three percent) of the total amount due in respect of the account payable for water supply services provided to the MUNICIPALITY, in each month during which payment failure continues or the maximum differential between the prime overdraft rate and the highest rate as referred to in the National Credit Act.
- 26.2.1.3 High Risk

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27.3 Failure of the MUNICIPALITY to meet the above obligation will result in a penalty being imposed to the MUNICIPALITY. The WATER BOARD may charge a date the account is due for payment.

27.2 The MUNICIPALITY shall lodge a written request for a special payment arrangement with the WATER BOARD at least 14 (fourteen) days prior to the settle an account in full on the due date.

27.1 The WATER BOARD and the MUNICIPALITY may agree on the settlement of the MUNICIPALITY's account in instalments where the MUNICIPALITY is not able to

27. SPECIAL PAYMENT ARRANGEMENTS

26.7.2.1 Maximum six (6) months period and
27.7.2.2 the period of under billing

26.7.2. In the event of under billing, the MUNICIPALITY's account shall be debited with the total amount undercharged and payable on such terms agreed to between the Parties, subject to the lessor of:
account was credited or the reimbursement made.

26.7.1 Overbilling shall be addressed with either as credit or reimbursement, which is to be agreed to between the Parties. The recovery shall be at prime interest rate compounded monthly from the date that the MUNICIPALITY paid the overcharged amount up to date when the

26.7. Overbilling and Under Billing

26.6 On settlement of a query any amount paid in excess of what was due and payable as per the outcome of a query must be refunded to the MUNICIPALITY together with interest calculated at the same rate imposed by the WATER BOARD on arrears and any amount outstanding in respect of what is due and payable as per the outcome of a query must be paid to the WATER BOARD together with interest imposed by the WATER BOARD on arrears.

26.5 Queries relating to consumption will be settled in accordance with the provisions of Clause 12.6. All other queries will be settled by applying the dispute resolution mechanisms provided for in Section O.

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29.2.2 fails to notify, inform or submit to the MUNICIPALITY such matters within the specified time periods as the WATER BOARD is obliged to do in terms of this Contract; or

29.2.1 fails to meet any of its obligation in terms of this Contract; or

In the event that the WATER BOARD –

29.2 Token Penalties

key performance areas.

29.1 The Parties agree that the WATER BOARD should be incentivised to achieve the

29. FAILURE OF THE WATER BOARD TO MEET OBLIGATIONS

its end consumers at all times.

28.3 The bulk water supply services provided by the WATER BOARD shall be of such a standard to ensure its affordability, continuity, regularity, quality and sustainability, and the basic allocation of potable water by the MUNICIPALITY to

the MUNICIPALITY.

28.2 The performance of the WATER BOARD shall be monitored and measured by

performance area of the WATER BOARD for the duration of the Contract.

28.1 Each obligation of the WATER BOARD in terms of this Contract represents a key

28. KEY PERFORMANCE AREAS

SECTION I: PERFORMANCE MANAGEMENT

penalty interest of either prime overdraft rate plus 5% (five percent) of the total amount due in respect of the account payable for water supply services provided to the MUNICIPALITY, in each month during which payment failure continues or the maximum differential between the prime overdraft rate and the highest rate as referred to in the National Credit Act.

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the MUNICIPALITY may, after compliance with Clause 29.4 and failure by the Municipal Manager of the MUNICIPALITY and the Chief Executive of the WATER BOARD to settle the dispute through negotiation in accordance with Clause 46, where the WATER BOARD indicated that it disputes the penalty, and subject to Clause 29.3.2:

Clause 25.1;

29.3.1.2 fails to comply timeously with its obligations in terms of

services; or

29.3.1.1.2 impact on the health of the MUNICIPALITY's end consumers or their access to water supply

of the MUNICIPALITY; or

29.3.1.1.1 notwithstanding the provisions of Clause 36, result in any claim against the MUNICIPALITY for losses, damages, costs, or expenses, or any charges of whatever nature by an end consumer

preceding the failure, and the failure may:

29.3.1.1 fails to comply with any operational obligation in terms of this Contract for which a deduction was made in accordance with Clause 29.2 within a period of 12 (twelve) months

29.3.1 In the event that the WATER BOARD –

29.3 Substantive Penalties

the MUNICIPALITY may, after complying with Clauses 29.4, deduct an amount equal to R 500,00 (five hundred Rand) from the account payable for water supply services provided by the WATER BOARD in the month within which such failure occurred or the month following such failure.

agreement, notice or submission in terms of this Contract;

29.2.3 fails to implement any actions or exceeds the duration for the completion of actions the WATER BOARD undertook in terms of any

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29.3.2.1 the dispute is settled in favour of the MUNICIPALITY it may withdraw the amount from the trust account and apply it in

29.3.2 Where a MUNICIPALITY has failed to pay an account on time or in full on the due date, in accordance with Clause 26, twice within a period of 12 (twelve) months preceding the event that lead to a penalty being imposed, the MUNICIPALITY must pay the amount of the penalty into a trust account held by a reputable bank or financial institution of the MUNICIPALITY's choice. The MUNICIPALITY must on payment of the penalty amount into the trust account provide proof thereof to the WATER BOARD. In the event that the matter is referred to mediation or arbitration in terms of section O of this Contract, and:

29.3.2.1 this in the statement.
actions of the MUNICIPALITY, the MUNICIPALITY must indicate imposed, provided that where the WATER BOARD disputes the MUNICIPALITY may issue a statement in respect of the penalty cannot agree on the joint statement to be issued, the Parties in respect of the penalty imposed. Where the Parties actions of the MUNICIPALITY, the different positions of the being imposed and, where the WATER BOARD disputes the both Parties setting out the events that lead to the penalty compliance in accordance with a joint statement issued by publish and make known the WATER BOARD's non-

- (i) in the event of a failure in terms of Clause 29.3.1.1, deduct 2% (two percent) of the total amount due in respect of the account payable for water supply services provided by the WATER BOARD, in the month within which such failure occurred or the month following such failure; or
- (ii) in the event of a failure in terms of Clause 29.3.1.2, deduct 2% (two percent) of the total amount due in respect of the account payable for water supply services provided by the WATER BOARD, in each month during which the failure continues; and
- (iii) publish and make known the WATER BOARD's non-

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Section O will not, subject to Clause 29.7, suspend the implementation

resolution in terms of Section O of this Contract. The application of MUNICIPALITY in terms of this clause, it may refer the matter for

29.4.3 In the event that the WATER BOARD disputes the actions of the

the failure and any effects of the failure.

29.4.2.4 the diligence displayed by the WATER BOARD in rectifying

29.4.2.3 the degree of negligence of the WATER BOARD; and

29.4.2.2 the degree of impairment to public interest;

29.4.2.1 the seriousness and repetitive nature of a failure;

following criteria:

29.4.2 The representations of the WATER BOARD referred to in Clause 29.4.1 shall be evaluated by the MUNICIPALITY in accordance with the

have been prevented.

why the failure referred to in Clauses 29.2 or 29.3 could not

29.4.1.2 justify to the reasonable satisfaction of the MUNICIPALITY

29.3 did not take place; or

MUNICIPALITY that the failure referred to in Clauses 29.2 or

29.4.1.1 demonstrate to the reasonable satisfaction of the

being made and must grant the WATER BOARD an opportunity to:

deduction at least 14 (fourteen) days in advance of such a deduction

29.4.1 The MUNICIPALITY must notify the WATER BOARD of any proposed

29.4 Process

the WATER BOARD.

whom the account is held to transfer the penalty amount to

being settled, instruct the bank or financial institution with

MUNICIPALITY must, within 3 (three) days of the dispute

29.2.3.2 the dispute is settled in favour of the WATER BOARD the

any manner it deems appropriate;

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30.1 Both Parties recognise that in order for either of them to achieve their objectives

30. ACTION OR OMISSION OF THE MUNICIPALITY

29.6 Any action by the MUNICIPALITY in terms of this clause shall not release the WATER BOARD from its obligations pursuant to this Contract and pursuant to any regulatory provisions.

29.5 Any action by the MUNICIPALITY in terms of this clause shall not in any way limit either Party's right to any other remedies provided for in this Contract or in any law.

29.4.6 The MUNICIPALITY shall refund any deduction to the WATER BOARD where a dispute is settled in favour of the WATER BOARD.

29.4.5 In the event that the WATER BOARD fails to make representations and refer the matter to dispute resolution in accordance with Clause 29.4.4 the MUNICIPALITY may deduct the penalty amount in accordance with Clause 29.3.1 or pay the penalty amount into the trust account in accordance with Clause 29.3.2.

29.4.4.2 in the event that the WATER BOARD makes such representations the MUNICIPALITY must within 3 (three) days of receiving or hearing such representations apply Clause 29.4.2 and inform the WATER BOARD if it intends to impose the penalty and afford the WATER BOARD the opportunity to refer the matter for dispute resolution in terms of Clause 46.

29.4.4.1 the WATER BOARD must within 3 (three) days after receiving notification in terms of Clause 29.4.1 make representations to the MUNICIPALITY in accordance with that clause;

29.4.4 In the event of the MUNICIPALITY wanting to impose a penalty in accordance with Clause 29.3: and effect of such action.

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- or fulfill their responsibilities, there is significant reliance on the proper and timely performance of each of them at all times.
- 30.2 The WATER BOARD shall not be liable for any penalty if its failure arises as a direct result of the action or failure to act of the MUNICIPALITY as is required in accordance with this Contract *vis a vis*.
- 30.3 In addition to the Contractual remedies provided for in this contact, The WATER BOARD may exercise an option of approaching the National Treasury for direct payment of the amounts owed to the WATER BOARD from the allocation meant for the MUNICIPALITY. In the event that the MUNICIPALITY is unable to settle the WATER BOARD's outstanding account. The WATER BOARD should first engage the MUNICIPALITY prior to approaching National Treasury.
- SECTION J: OTHER WATER RELATED ACTIVITIES IMPACTING ON THE PARTIES**
- 31. DIRECT SUPPLY BY THE WATER BOARD TO THE MUNICIPALITY'S CONSUMERS**
- 31.1 It is hereby recorded that, at the commencement date, the WATER BOARD is providing bulk water supply services or water for industrial use directly to individuals, businesses or industrial water users, including mines, within the jurisdictional area of the MUNICIPALITY, with the approval of the MUNICIPALITY as required in terms of Sections 6, 7 and 30(2)(d) of the Water Services Act.
- 31.2 The MUNICIPALITY hereby grants temporary approval to the WATER BOARD to continue providing such bulk water supply services or water for industrial use directly to individuals, businesses or industrial water users, subject to the following conditions :
- 31.2.1 the WATER BOARD must provide the MUNICIPALITY with a list of such services detailing the names, contact details, quantity, quality and type of services provided by the WATER BOARD, within 14 (fourteen) days after the commencement date; and
- 31.2.2 the MUNICIPALITY may at any time, on 12 (twelve) months' notice to the WATER BOARD, give notice to persons receiving bulk water

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32.1 It is hereby recorded that, at the commencement date, the WATER BOARD is providing bulk water supply services or water for industrial and/or domestic

32. DIRECT SUPPLY BY THE WATER BOARD TO CONSUMERS OF ANOTHER MUNICIPALITY WHICH IS NOT A CUSTOMER OF THE WATER BOARD

31.5 Where the MUNICIPALITY fails to inform the WATER BOARD in accordance with Clause 31.2.2 or fails to initiate the process referred to in Clause 31.4 the WATER BOARD may not discontinue bulk water supply services to such persons and shall not in any way whatsoever incur liability for damages incurred by MUNICIPALITY in this regard.

31.4.2 The MUNICIPALITY must on receipt of a notice from the WATER BOARD initiate the process set out in Clause 44.

31.4.1 where the above actions of the MUNICIPALITY will result in infrastructure or operational resources required to operate and maintain infrastructure of the WATER BOARD becoming redundant or under-utilised the WATER BOARD must within 2 (two) months of receiving a notice from the MUNICIPALITY notify the MUNICIPALITY and other municipal customers of the projected financial implications of the MUNICIPALITY's intention.

31.4 The WATER BOARD shall on expiry of any notice period given in terms of Clause 31.2.2 or on the conclusion of an appeal in terms of Clause 31.3, immediately discontinue bulk water supply services to such persons and shall not in any way whatsoever incur liability for damages suffered by such persons and the MUNICIPALITY specifically indemnifies the WATER BOARD against any such claims, provided that -

31.3 Where a person receiving bulk water supply services or water for industrial use from the WATER BOARD appeals against a notice issued by the MUNICIPALITY in terms of Clause 31.2, the WATER BOARD must continue supplying water services to that person pending the finalization of the appeal process.

supply services or water for industrial use from the WATER BOARD that such services must be accessed from the MUNICIPALITY.

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33.3 The MUNICIPALITY must on receipt of a notice from the WATER BOARD initiate the process set out in Clause 44.

33.2 Where such notice will result in infrastructure of the WATER BOARD becoming redundant or under-utilised the WATER BOARD must within 2 (two) months of receiving a notice from the MUNICIPALITY notify the MUNICIPALITY and other municipal customers of the projected financial implications of the MUNICIPALITY's intention.

33.1 The MUNICIPALITY must give the WATER BOARD at least 12 (twelve) months advance notice of its intention to obtain water from an alternative source, where such activity will result in a reduction of the quantity of water provided by the WATER BOARD in terms of this contact.

33. USE OF WATER FROM SOURCES OTHER THAN THE WATER BOARD

32.4 The MUNICIPALITY may on receipt of a notice from the WATER BOARD issued in terms of Clause 32.3 initiate a process similar to that set out in Clause 44 to address any projected financial implications.

32.3 Where any notice referred to in Clause 32.2 will result in infrastructure of the WATER BOARD becoming redundant or under-utilised the WATER BOARD must, on becoming aware that a notice was given to a person or persons receiving bulk water supply services or water for industrial use from the WATER BOARD, as soon as reasonably possible notify the MUNICIPALITY and all other municipal customers of the projected financial implications of such a notice.

32.2 It is further recorded that such municipalities may at any time give notice to persons receiving bulk water supply services or water for industrial use from the WATER BOARD that such services must be accessed from those municipalities.

use directly to individuals, businesses or industrial water users including mines, within the jurisdictional area of municipalities that are not municipal customers of the WATER BOARD, with or without approval as required in terms of Sections 6, 7 and 30(2)(d) of the Water Services Act.

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The phased reduction in bulk water supply services may, on further notice in a manner similar to that stated in Clause 43.2.1, exceed 40%, provided that bulk water supply services shall under no circumstances whatsoever be reduced at the existing customer

34.2.3

Where a WATER BOARD has reduced the bulk water supply services by 20% (twenty per cent) in accordance with Clause 34.2.1, it shall again give the MUNICIPALITY notice in a manner similar to that stated in Clause 34.2.1 that the bulk water supply services will be limited by a further 20% (twenty per cent).

34.2.2

give the MUNICIPALITY written notice that the account is outstanding and that it intends to reduce the bulk water supply services to the MUNICIPALITY by 20% (twenty per cent) within 30 (thirty) days of such notice if 100% (hundred per cent) of the account is not paid within this period or the MUNICIPALITY fails to enter into an agreement with the WATER BOARD for the payment of the account in instalments.

34.2.1

In the event that the MUNICIPALITY fails to pay its account on the due date the WATER BOARD shall -

34.2

The WATER BOARD must comply with all and any legislation, guidelines and policies of National Government relating to the limitation and disconnection of bulk water supply services. The provisions of Clause 34.2 must be applied to the extent that it is consistent with any legislation, guidelines and policies of National Government.

34.1

34. LIMITATION AND DISCONNECTION OF WATER SUPPLY SERVICES

SECTION K: RISK MANAGEMENT

Where the MUNICIPALITY fails to inform the WATER BOARD in accordance with Clause 33.1 or fails to initiate the process referred to in Clause 33.3 the MUNICIPALITY shall remain liable for all costs associated with its projected annual average daily demand prior to any reduction, irrespective of whether it uses a lesser quantity.

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35.1 The Parties shall be responsible for complying with all legislation applicable to their duties and obligations in terms of this Contract, including, but not limited

35. PERMITS, LICENSES, EXEMPTIONS, PERMISSION AND APPROVALS

34.2.7 The WATER BOARD must annually, before or on 31 January of each year inform the MUNICIPALITY of the cost mentioned in Clause 34.2.6.

34.2.6 The WATER BOARD shall recover all consequential and direct costs relating to water meter pressure reduction and meter reconnection fees arising from non-payment of services by the Water Services Provider should the MUNICIPALITY fail to meet its water services payment.

34.2.5 The WATER BOARD, where possible, should provide reasonable assistance to the MUNICIPALITY in respect of the payment of its bulk water supply account, including agreements referred to in Clause 27.

34.2.4 Copies of the notices given in terms of Clauses 34.2.1 and 34.2.2 shall be sent to the Minister of Provincial and Local Government, the Member of the Executive Committee responsible for local government in the Gauteng Province. The WATER BOARD will, together with the copies of the notices to be sent, send a request to the Member of the Executive Committee responsible for local government in the Gauteng Province, the Minister and any other national organ of state that has legislated intervention authority to intervene in accordance with relevant regulatory provisions.

connections by a percentage that will limit the provision of basic water supply services to the MUNICIPALITY's consumers. The Parties shall agree on the quantity of water required for basic water supply services. Where the Parties fail to reach agreement either Party may refer the matter for resolution in terms of Section O of this Contract.

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36.2 The WATER BOARD shall, with effect from the effective date, take all the requisite precautions for the protection of life and property on and about or in any way connected with the whole or any part of providing bulk water supply services and shall indemnify and not hold the MUNICIPALITY accountable for any losses, claims, demands, proceedings, damages, costs (including all legal fees), charges and expenses of whatsoever nature in respect of injury or health risk to or death of any person or loss of or damage to any part of the bulk water supply services system or any person or property arising from or attributable to any act or omission of the WATER BOARD. This indemnification shall extend to those instances where the MUNICIPALITY is held liable by third Parties where the cause of inappropriate or poor quality of water service delivery is due to the non-compliance by the WATER BOARD of its obligations in terms hereof.

36.1 Subject to terms stated in this Contract, the WATER BOARD undertakes and assumes the responsibility for the provision of the bulk water supply services at its own technical risk and will be liable to the MUNICIPALITY for the fulfillment and discharge of its obligations and requirements in respect of providing bulk water supply services with effect from the effective date.

36. LIABILITIES AND INDEMNITIES

The WATER BOARD shall make available copies of all licenses, permits and exemption to the MUNICIPALITY as and when required, which are applicable to the MUNICIPALITY.

35.2 The WATER BOARD guarantees that on the effective date all permits, licences, exemptions, permissions and approvals that may have been required in terms of legislation, except for the accreditation of its meter testing facility, in respect of providing bulk water supply services were obtained in the required manner.

to, applying for the necessary approvals, consents, licences or permits, where required.

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- 37. INSURANCE**
- 37.1 Each Party shall be responsible for the costs of insuring infrastructure and assets owned by it and its own third Party liability insurance.
- 38. GUARANTEES**
- 38.1 The WATER BOARD may require the MUNICIPALITY to deposit with the WATER BOARD as security for the due payment by it of any amounts that may be due and payable in terms of this Contract, a sum of money equal to the estimated maximum quantity of water that the MUNICIPALITY is likely to use during a calendar month, where the MUNICIPALITY has defaulted on payment and Guarantee shall be with an institution within the investment grade rating i.e. Standard Bank; FNB; ABSA; Nedbank and Investec.
- 38.2 The WATER BOARD may, in lieu of a deposit, accept a bank guarantee for an amount calculated in accordance with Clause 38.1 as security for payment of any amount that may be due and payable by the MUNICIPALITY for, or in respect of, the provision of water.
- 38.3 The WATER BOARD may use this deposit to cover any outstanding amount payable on termination of this Contract or any arrears.
- 38.4 Any deposit or guarantee shall be refunded or cancelled, after deducting any amount due and payable, within 60 (sixty) days after termination of this Contract.
- 38.5 Security Provisions in relation to Guarantees
- 38.5.1 If the MUNICIPALITY should at any time be in arrears with the payment of water accounts, the MUNICIPALITY shall for the duration of this Contract be obliged to furnish the WATER BOARD with security for the due payment of such accounts within 30 days of being called upon by the WATER BOARD to do so. The security shall be as is acceptable to the WATER BOARD and the convertible value shall be sufficient to cover the estimated amount payable by

40. BREACH

40.1 If any Party commits a breach of this Contract and should the other Party wish to claim specific performance or damages or both specific performance and damages from the defaulting Party in respect of such breach in addition to any penalty it may apply in terms of this Contract, then prior to the latter Party

SECTION I: BREACH AND VIS MAJOR

39.1.1 they are entities duly created pursuant to legislation and have full legal right, and authority to enter into this Contract and perform the obligation hereunder;

39.1.2 this Contract has been duly authorised and executed and constitutes a legal, valid and binding obligation; and

39.1.3 the execution of this Contract does not violate any legislation, judgment order, regulation, regulatory provision, right or obligation, or rule of any Court or other authority applicable in relation to them, or the provision of services rendered in terms of this Contract.

39.1 The Parties warrant that -

39. WARRANTIES

38.5.2 The payment demand from the guarantee issuer must vary guarantee value in line with increase in consumption. On expiry of guarantee a new guarantee is to be issued within thirty (30) days.

38.5.3 Guarantees will be returned on terminations of the Contract and when amounts owing have been settled in full. Guarantee shall be with an institution within the investment grade rating i.e. Standard Bank; FNB; ABSA; Nedbank and Investec.

the MUNICIPALITY for the supply during any period of three (3) consecutive months.

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- 40.2 If the defaulting Party again commits a breach in respect of which the other Party has successfully claimed damages or specific performance in terms of Clause 40.1, the breach shall be deemed to be a material breach if the Party fails to remedy the breach within the 20 (twenty) day notice period given in terms of Clause 40.1 and the Party shall be entitled to cancel the Contract.
- 40.3 Prior to the Party evoking any right to terminate this Contract in terms of Clause 40.2, it shall deliver a further written notice to the defaulting Party notifying it of the material breach giving rise to such right and requesting the defaulting Party to remedy the breach in question within a further period of 20 (twenty) days (or such longer period stipulated in the notice if the breach in question cannot reasonably be remedied by the defaulting Party within a 20 (twenty) day period).
- 40.4 Should the defaulting Party fail to remedy the material breach in question within the period reflected in the notice issued in terms of Clause 40.3 the Contract shall terminate in accordance with Clause 43.
- 40.5 Upon any termination of the Contract in terms of Clause 40.4, the defaulting Party shall compensate the Party terminating the Contract for damages suffered as a result of such termination and all other costs and expenses incurred by the Party terminating the Contract in connection with or relating to such termination.
- 40.6 For purposes of this clause, damages specifically include but are not limited to-

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41.4 If, as a result of the event, occurrence, circumstance or condition referred to in Clause 41.1, the performance of a Party's duties and obligations is only partially affected, such Party shall remain liable for the performance of those of such cessation.

41.3 Upon the cessation of the event, occurrence, circumstance or condition referred to in Clause 41.1 the Party affected thereby shall notify the other Party duration of such Party's inability to perform its duties and obligations.

41.2 The Party affected by an event, occurrence, circumstance or condition referred to in Clause 41.1 shall promptly notify the other Party in writing of the event, occurrence, circumstance or condition and the estimated extent and or duration of such Party's inability to perform its duties and obligations.

41.1 No Party shall be liable for any failure to fulfill its duties and obligations in terms of this Contract where such failure is caused by any event, occurrence, circumstance or condition beyond the reasonable control of such Party (including, but not limited to *casus fortuitus*, landslides, lightning, earthquakes, tornados, floods, other acts of God, acts of military or third-Party civil authorities or public enemies, war blockade, sabotage, fire, power outages/failures, explosion, bombing, insurrection, riot or civil disobedience), the occurrence of which could not have been reasonably foreseen and which, despite the exercise of diligent efforts could not have been prevented, limited or minimised, that affects the powers, rights, duties or obligations of the Parties under this Contract. It is specifically recorded that failure by the Department to effectively manage water resources constitutes an event, occurrence, circumstance or condition for purposes of this clause.

41. VIS MAJOR

40.6.2 the difference between the revenue lost by the MUNICIPALITY and all direct and indirect costs that the MUNICIPALITY would have incurred if the breach did not occur as a result of the WATER BOARD's failure.

40.6.1 any amount which the MUNICIPALITY is required to pay in relation to loss or damage suffered by a person to whom the MUNICIPALITY provides water supply services; or

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43.2 When termination is initiated in terms of Clause 43.1 the WATER BOARD must within 2 (two) months of receiving a notice from the MUNICIPALITY notify the

43.1 Termination shall be initiated by a notice from either Party who has the right to deliver such notice in accordance with Clauses 40 and 41, or 6 (six) months prior to the expiry of the Contract term, or on the date agreed.

43. TERMINATION PROCESS

42.1.5 the WATER BOARD ceases to be a statutory organisation deemed to be established in terms of the Water Services Act, Act 108 of 1997 or the institutional structure of the WATER BOARD is changed subsequent to any institutional reform process undertaken by the Minister.

42.1.4 due to vis major; or

42.1.3 by reason of an unremedied material breach;

42.1.2 if the Parties agree thereto in writing;

42.1.1 at the expiry of the Contract term;

42.1 The termination of this Contract may occur –

42. REASONS FOR TERMINATION

SECTION M: TERMINATION

41.5 If an event, occurrence, circumstance or condition referred to in Clause 41.1 causes material and unavoidable physical damage or destruction to all or any of the Parties infrastructure or materially delays or prevents the performance of any duties and obligations in terms of this Contract, or interrupts services and continues for more than 90 (ninety) consecutive days after any notification thereof the affected Party may initiate the termination of the Contract in accordance with Clause 43.

duties and obligations not affected by the event, occurrence, circumstance or condition; provided that nothing in this clause shall preclude the operation of the emergency procedure provided for in Clause 13.

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44.4 Where not all the municipal customers accepted or disputed the actions or proposed actions the MUNICIPALITY must within 7 (seven) days after the expiry of the 14 (fourteen) day period referred to above, notify all municipal

44.3 The MUNICIPALITY must take all reasonable actions to ensure that each municipal customer within 14 (fourteen) days of receipt of a notice from the MUNICIPALITY notify the MUNICIPALITY and WATER BOARD, if it accepts or disputes the actions or proposed actions of the MUNICIPALITY. The MUNICIPALITY must take all reasonable actions to ensure that where the actions or proposed actions are disputed reasons are provided. Where a municipal customer fails to inform the MUNICIPALITY and WATER BOARD of its acceptance or dispute within the specified period, the WATER BOARD may accept that the municipal customer disputes the actions or proposed actions.

44.2 The MUNICIPALITY must on receipt of a notice referred to in Clauses 9.1.8, 24.7, 31.4.2, 33.3 and 43.3 notify all municipal customers of its reasons for the actions or proposed actions that gave rise to the notice.

44.1 The provisions of this section apply to circumstances as set out in Clauses 9.1.7 to 9.1.9, 24, 31, 33 and 43.

CUSTOMERS

44. SECTION N: PROCESS FOR ADDRESSING MATTERS IMPACTING ON MUNICIPAL

43.4 This notice referred to in Clause 43.1 sets in motion a transitional phase. During the transitional phase the WATER BOARD shall continue to provide bulk water supply services in accordance with this Contract until such time as the process referred to in Clause 43.3 is completed and any outcome thereof has been reduced to writing as an amendment to this Contract, which Contract only terminates on the fulfillment of all obligations in terms of such an amendment.

43.3 The MUNICIPALITY must on receipt of a notice from the WATER BOARD initiate the process set out in Clause 44.

MUNICIPALITY and other municipal customers of the projected financial implications of termination for it and each municipal customer.

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44.10 Where the matter was referred to the Department for mediation, the Department must request all municipal customers to participate in the

measures to resolve the dispute.

44.9 Where all the municipal customers dispute or some of the municipalities dispute or accepts the action or proposed action the WATER BOARD may refer the matter to the Department for mediation, and the Department must, within 14 (fourteen) days of the matter being referred to it, take all reasonable

disputes the actions and proposed actions.

44.8 Where the matter was referred to SALGA for mediation, SALGA must inform the WATER BOARD, within 14 (fourteen) days of the matter being referred to it, that all the municipal customers accept or dispute the actions and proposed actions. Where SALGA fails to inform the WATER BOARD of the municipal customers' acceptance or dispute within 30 (thirty) days of initial notice by the WATER BOARD, the WATER BOARD may assume that the municipal customers

44.7 Where the matter was referred to SALGA for mediation, SALGA must request the other municipal customers to participate in the mediation.

44.6 Where the municipal customers cannot agree amongst each other to accept or dispute the actions and proposed actions the MUNICIPALITY must, within 7 (seven) days of the expiry of the 14 (fourteen) day period, refer the matter to SALGA for mediation and must inform the WATER BOARD of such referral.

and proposed actions.

44.5 The MUNICIPALITY must take all reasonable actions to ensure that the municipal customers, within 14 (fourteen) days of receiving a notice in terms of Clause 44.4, discuss the actions and proposed actions amongst each other, agree to accept or dispute the actions and proposed actions and notify the WATER BOARD accordingly. Where the municipal customers fail to inform the WATER BOARD of its acceptance or dispute within the specified period, the WATER BOARD may accept that the municipal customers dispute the actions

customers accordingly and provide each municipal customer with the decisions of the other municipal customers.

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44.13 The Department must approve any sale of assets and capital contribution to be collected by the WATER BOARD on termination of this Contract.

infrastructure.

44.12.2 where the WATER BOARD infrastructure used by the WATER BOARD to provide bulk water supply services to the MUNICIPALITY is partially dedicated to the supply of such services, to pay to the WATER BOARD any capital contribution outstanding in respect of the remaining Contract period, where appropriate, as agreed to in terms of this Contract by the approval of the charges and capital expenditure programme of the WATER BOARD in terms of Clauses 25 and 26 and all operational expenditure associated with the infrastructure.

MUNICIPALITY; or

44.12.1 either sell the water board infrastructure dedicated to the supply of bulk water supply services to the MUNICIPALITY and recover all operational expenditure associated with the infrastructure from the MUNICIPALITY; or

44.12 Where all the municipal customers accept the actions and proposed actions, the WATER BOARD must implement the action or facilitate the implementation thereof, provided that, where the action relates to the termination of this Contract the action must be referred to the Department, with a proposal to –

108 of 1996.

44.11.2 such entity as may be specified in any applicable intergovernmental relations legislation or legislation enacted to give effect to section 41(2) of the Constitution of the Republic of South Africa Act, Act 108 of 1996.

Management Act No. 56 of 2004 for mediation; or

44.11.1 if the matter is a financial dispute, the Minister of Finance in accordance with the Local Government: Municipal Finance Management Act No. 56 of 2004 for mediation; or

44.11 Where the Department fails to resolve the dispute within a further 14 (fourteen) days the WATER BOARD or the MUNICIPALITY must refer the matter to:

mediation.

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expertise relating to the particular field in which the dispute arose, as potential

47.1 Each Party shall submit a list with three names of knowledgeable persons, with

47. MEDIATION

46.1 The Municipal Manager of the MUNICIPALITY and the Chief Executive of the WATER BOARD shall deal with any dispute between the Parties. The said representatives shall endeavour to settle the matter amicably through a process of negotiation. Failing the settlement of the dispute between the Parties by negotiation within a period of 7 (seven) working days, any of the Parties may submit the dispute to mediation. All statements or representations made during the negotiation process shall be made without prejudice.

46. NEGOTIATION

45.3 No dispute arising from this Contract shall entitle the other Party to discontinue or suspend the execution of any of its powers, rights, duties or obligations in terms of this Contract, pending the settlement of the dispute, unless specifically provided for elsewhere in this Contract.

45.2 The Parties irrevocably consent to comply with the provisions of this clause and neither Party shall be entitled to withdraw from or claim at any such proceedings that it is not bound by these provisions or by any ruling or procedure laid down in terms of such provisions. The Parties agree that they shall not commence any litigation procedures in respect of a dispute arising in terms of this Contract save where an interdict is sought or urgent relief may be obtained from a court of competent jurisdiction on reasonable grounds.

45.1 Should any difference or questions at any time arise between the Parties as to the construction, meaning or effect of this Contract or the rights or obligations of the Parties hereunder, or should the Parties fail to agree upon any matter (hereinafter referred to as "the dispute"), the Parties shall resolve the dispute in accordance with this section, unless an alternative process for resolving a specific type of dispute has been provided for elsewhere in this Contract.

45. DISPUTE RESOLUTION

SECTION O: DISPUTE RESOLUTION

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- mediators from which one mediator shall be selected by agreement between the Parties. Should the Parties fail to reach agreement on the choice of the mediator within 5 (five) working days from the day on which it has become apparent that the matter cannot be settled through negotiation, any of the Parties may request the Arbitration Foundation of South Africa to appoint a mediator.
- 47.2 The mediator shall in his sole discretion determine the form of representations to be made, provided that in making this determination, the mediator shall consult the disputing Parties and may be guided by their common reasonable desire on the form in which the said representations are to be made. All representations by the Parties shall be made without prejudice.
- 47.3 The mediator shall within a period of 10 (ten) working days after receipt of the representations of the Parties endeavour to facilitate an agreement between them or determine a procedure or framework within which they can negotiate to resolve the dispute or difference. All representations by the Parties shall be made without prejudice.
- 47.4 Any such negotiated agreement shall be in writing, signed by both Parties and be binding on the Parties. Failing agreement between the Parties the dispute shall be resolved by the submission thereof to arbitration.
- 47.5 The Parties agree to contribute equally to the cost of the mediator and each Party shall bear any other costs separately regardless of the outcome of the mediation.
- 48. ARBITRATION**
- 48.1 The arbitration proceedings shall be held at a convenient location as agreed to by the Parties.
- 48.2 The only persons present at the arbitration shall be the legal representatives and a maximum of two other representatives of each of the Parties to the dispute.

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49.1 For purposes of this clause "corrupt action" shall have the meaning assigned thereto in the Prevention and Combating of Corrupt Activities Act No. 12 of 2004 and shall specifically also include –

49. PREVENTION OF CORRUPT ACTION

SECTION P: GENERAL

48.8 Each Party shall bear its own arbitration costs.
arbitrator.

48.7 This clause shall not prevent any Party from obtaining interim relief on an urgent basis from a court of competent jurisdiction pending the decision of the

48.6 The Parties irrevocably agree and undertake that any award or order or whatsoever made by the arbitrator shall be final and binding upon them and may at the option of either Party be made an order of any division of the High Court of South Africa to which jurisdiction the Parties are subject. The Parties hereby exclude all rights of appeal, which might otherwise be conferred upon them by law.

48.5 The arbitrator appointed shall not be obliged to follow the strict principles of law in determining the dispute, but shall be entitled, in his sole discretion to determine the dispute with due reference to the equities prevailing in respect of the dispute. The arbitrator shall have the power to give default judgment if any Party fails to make submissions on due date or fails to appear at the arbitration, provided that reasonable notice has been given to Parties to make their submissions or appearances.

48.4 The arbitrator shall be, an independent person agreed to by the Parties. Should the Parties fail to agree on the arbitrator within 5 (five) working days after having submitted the matter to arbitration, an arbitrator shall be appointed at the request of any Party to the dispute by the Arbitration Foundation of South Africa.

48.3 The proceedings shall be in terms of the Arbitration Act, Act 42 of 1965 (as amended) subject to the provisions of Clause 48.5.

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- 50.3.1 immediately give written notice of that fact to the other Party; and other Party it must -
- 50.3 If a Party is required or compelled to disclose confidential information of the
- 50.2.3 a Party is required to disclose in dispute resolution or court proceedings.
- 50.2.2 a Party is required by legislation to disclose; or
- 50.2.1 reasonably required by an employee, contractor or consultant of a Party to enable that Party to exercise its rights or perform its obligations under this Contract; or
- 50.2 Neither Party may disclose any confidential information of the other Party without the prior written approval of the other Party or require, assist or permit any person to have access to, or use, disclose or reproduce any confidential information of the other Party, other than confidential information -
- 50.1 For the purposes of this clause, "confidential information" means any knowledge, information or know-how relating to a Party's business, systems, customers, property, assets or affairs which has been or is disclosed, communicated, delivered or has come to the knowledge of the other Party under or in connection with this Contract.
- 50. CONFIDENTIALITY AND PUBLICITY**
- 49.2 Each Party undertakes to identify corrupt action and to take all reasonable steps to prevent either Party, its employees, its sub-Contractors its agents or anybody under its control from involvement in corrupt action.
- 49.1.2 solicitation, offering, participation, conspiracy and attempt to bring about the circumstances mentioned above.
- 49.1.1 giving or accepting any undue payment, bribe, gift, gratuity or any other undue benefit in exchange for performing or forbearing to perform any action in connection with a Contract; and

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53.1.1 THEMBSILE HANI LOCAL MUNICIPALITY:

53.1 The Parties choose as their *domicilia citandi et executandi* for all purposes under this Contract, whether in respect of court process, notices or other documents or communications of whatsoever nature (including the exercise of any option), the following addresses -

53. NOTICES AND DOMICILUM CITANDI ET EXECUTANDI

The Parties may sub-contract their powers, rights, duties and obligations in terms of this contract. The appointment of any sub-contractor shall not release the parties of their duties or obligations in terms of this contract or in any way affect their responsibility in respect of fulfilling such duties and obligations.

52. SUB-CONTRACTING

52.1 No Party shall be entitled to assign, transfer, cede or delegate any of its rights and obligations in terms of this Contract without the prior written consent of the other Party.

51. ASSIGNMENT, TRANSFER, CESSION AND DELEGATION

50.5 This clause survives the termination of this Contract.

50.4.2 the statement is required to be made by legislation and the other Party was consulted in respect of the public statement to be made.

50.4.1 the other Party has previously agreed to the form and content of the statement; or

50.4 A Party must not make any public statement relating to this Contract unless -

50.3.2 take reasonable measures to ensure that the confidentiality of the information is protected.

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53.3 A notice shall be deemed to have been received:
53.3.1 14 (fourteen) days after posting, if posted by registered post to the Party's address in terms of Clause 53.1;

53.2 Any submission, notice, communication or information required or permitted to be given and any obligation to submit to, notify or inform a Party in terms of this Contract shall, unless specifically provided for otherwise, be valid and effective only if in writing and shall be delivered by hand, transmitted by facsimile or sent by prepaid registered post.

Contact person: Ms. Nolwazi November

Telephone: 0116820575

Postal: P.O. Box 1127
JOHANNESBURG
2000

Physical: 522 Impala Road
GLENVISTA
2058

53.1.2 THE WATER BOARD:

Front opposite Kwaggafontein Police Station,
Along the R573 (Moloto road),
EMPUMALANGA,
0458
Postal: Private Bag X4041
MPUMALANGA
0458
Contact Person: Mr. O N Nkosi
Municipal Manager
Thembisile Hani Local Municipality

O.W. 25
MB

54.2 No amendment or consensual cancellation of this Contract or any provision or term hereof or of any agreement, bill of exchange or other document issued or executed pursuant to or in terms of this Contract and no settlement of any disputes arising under this Contract and no extension of time, waiver or relaxation or suspension of or agreement not to enforce or to suspend or postpone the enforcement of any of the provisions or terms of this Contract or of any agreement, bill of exchange or other document issued pursuant to or in terms of this Contract shall be binding unless recorded in a written document signed by the Parties. Any such extension, waiver or relaxation or suspension,

54.1 This Contract including the annexures constitutes the whole Contract between Parties relating to the subject matter hereof and supersedes, all previous Contracts or arrangements, whether oral or written, between the Parties. No representations, warranties or other terms and conditions of whatever nature not contained or recorded herein shall be binding on either Party.

54. WHOLE AGREEMENT, NO AMENDMENT

54.5 Either Party may change its address for purposes of this clause to another address by notice in writing in terms of Clause 53.2 to the other Party, such address being effective on receipt by the addressee of such written notice. A notice shall be necessary in respect of a new or changed facsimile number.

53.4 Notwithstanding anything to the contrary herein contained a written notice or communication actually received by a Party shall be adequate written notice or communication to it notwithstanding that it was not sent to or delivered to its chosen *domicilium citandi et executandi*.

53.3.3 on despatch, if sent to the Party's facsimile number and confirmed by registered letter posted no later than the next Business Day following the dispatch.

53.3.2 on delivery, if delivered to a responsible person during normal business hours at the Party's physical address in terms of Clause 53.1;

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56.1 Any provisions of this Contract which may become inconsistent with legislation due to amendments to that legislation shall be deemed, insofar as possible, to be amended accordingly, provided that, where such legislative amendments render any provisions such provisions in good faith, having due regard to such amendments and to the principles contained herein. If any provision cannot be renegotiated it shall be treated *pro non scripto* and severed from the balance of this Contract, without invalidating the remaining provisions of this Contract or affecting the validity or enforceability of such provisions.

55. LEGISLATIVE AND REGULATORY CHANGES

55.1 Where it is specified in this Contract that certain matters are to be agreed between the Parties, failure to reach agreement in respect of such matter will not affect the validity and enforceability of the whole or any part of this Contract and were the Parties fail to reach an agreement either Party may refer the matter for resolution in terms of section O of this Contract.

55. FAILURE TO REACH AGREEMENT

54.4 To the extent permissible by law, no Party shall be bound by any express or implied term, representation, warranty, promise or the like not recorded herein, whether it induced the Contract or whether it was negligent or not.

54.3 No extension of time or waiver or relaxation of any of the provisions or terms of this Contract, bill of exchange or other document issued or executed pursuant to or in terms of this Contract, shall operate as an estoppel against any Party in respect of its rights under this Contract, nor shall it operate so as to preclude such Party thereafter from exercising its rights strictly in accordance with this Contract.

which is so given or made, shall be strictly construed as relating strictly to the matter in respect whereof it was made or given.

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57. **LIABILITY FOR EXPENSES**
 57.1 Each Party must pay its own expenses incurred in negotiating and executing this Contract.

58. **RELATIONSHIP BETWEEN PARTIES**
 58.1 Nothing in this Contract creates a relationship of partnership, principal and agent or trustee and beneficiary between the MUNICIPALITY and the WATER BOARD.

59. **CONSENT TO JURISDICTION**
 59.1 The Parties agree that any legal action or proceeding arising out of any proceedings in terms of arbitration or in respect of any interdict or urgent relief in terms thereof may be brought in the High Court, South Gauteng Local Division or any successor to that court and irrevocably submit to the exclusive jurisdiction of such court. The Parties irrevocably waive any objection that the above Court has no jurisdiction.

60. **PRESERVATION OF THE POWERS AND DUTIES OF THE MUNICIPALITY**
 60.1 Nothing in this Contract shall curtail the statutory powers of the MUNICIPALITY in its capacity as the water services authority as provided for in the Water Services Act.

61. **SUPREMACY OF THIS CONTRACT**
 61.1 In the event that any provision of any other agreement entered into between the MUNICIPALITY and the WATER BOARD, conflicts with the provisions of this Contract, the provisions of this Contract shall prevail.

62. **CONTRACT BINDING ON SUCCESSORS-IN-TITLE**
 62.1 This Contract shall be binding on all successors in title of the MUNICIPALITY or any successor in title of the WATER BOARD.

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66.3 The Parties shall make available and accessible any documents and records pertaining to this Contract, upon request by the MUNICIPALITY.

66.2 The Parties shall make adequate arrangements for the safe custody of the books, documents and other property of the MUNICIPALITY in its possession.

66.1 All registers, minute books, records, agreements entered into for the purpose of this Contract shall at all times remain the sole property of both Parties.

66. RECORD KEEPING

65.1 This Contract shall be governed by and construed and interpreted in accordance with the law of the Republic of South Africa, provided that in the event of a conflict between or inconsistency in the laws applicable in the various provinces of the Republic of South Africa, the law as interpreted and applied in the Province of Mpumalanga shall prevail.

65. GOVERNING LAW

64.1 This Contract, together with its annexures, may be executed in several counterparts, each of which shall together constitute one and the same document.

64. COUNTERPARTS

63.1 The Parties shall in their dealings with each other display the utmost good faith, consult each other from time to time with regard to any assistance or advice which they may require in connection with fulfilling any of its obligations in terms of this Contract and undertake to do all such things, perform all necessary acts and procure the taking of all necessary steps and sign all such other documents that may be necessary or incidental or conducive to give effect to the intention and the terms and conditions of the Contract.

63. MUTUAL COOPERATION AND GOOD FAITH

67. ANNEXURES

67.1 The following annexure form part of this Contract -

- 67.1.1 Annexure A- Recordal of bulk water supply services provided on the effective date
- 67.1.2 Annexure B- Recordal of storage provided by WATER BOARD in respect of which the MUNICIPALITY had made a capital contribution
- 67.1.3 Annexure C- Contact Persons in Emergencies
- 67.1.4 Annexure D- Record of areas where blending takes place

68. SIGNATURES

IN WITNESS WHEREOF, the Parties have executed this Contract on this 29th DAY

OF January 2019 AT WUPHONGTSHI

WITNESSES:

I. C. Moubedi

[Handwritten signature of C. Moubedi]

Mr. O. N. NKOSI
Municipal Manager
THEMBSISLE HANI LOCAL MUNICIPALITY

IN WITNESS WHEREOF, the Parties have executed this Contract on this 5th DAY

AT RIBOTSEI

WITNESSES:

[Handwritten signature]
[Handwritten signature]

RAND WATER
LEGAL SERVICES
HEAD OFFICE



Approved by: Legal Advisor
Name: *[Handwritten name]*
Signature: *[Handwritten signature]*
Date: 14 October 2019

Mr. Sipho Mosal
Chief Executive
RAND WATER

[Handwritten signature]

5/12/2019

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WB

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RAND WATER AND THEMBSISLE HANI LOCAL MUNICIPALITY BULK WATER SUPPLY CONTRACT 2019
ANNEXURE A: RECORDAL OF BULK WATER SUPPLY SERVICES PROVIDED ON THE EFFECTIVE DATE

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ANNEXURE B: RECORDAL OF STORAGE PROVIDED BY THE WATER BOARD IN RESPECT OF WHICH THE MUNICIPALITY HAD MADE A CAPITAL CONTRIBUTION

RAND WATER AND THEMBSISLE HANI LOCAL MUNICIPALITY BULK WATER SUPPLY CONTRACT 2019



ANNEXURE C: CONTACT PERSONS IN EMERGENCIES

Incident, event or occurrence relating to:	MUNICIPALITY	WATER BOARD
Interruptions in water supply	<p>Name: Tebogo Molete Position: Regional Operations Manager Tel: 011 724 9290 Cell: 082 389 0304 Email: tmolete@randwater.co.za</p> <p>Alternative</p>	<p>Name: Godfrey Maumela Position: Executive Manager: Bulk Water Distribution Tel No: 011 724 9201 Cell: 082 389 2281 Email: kgmaumela@randwater.co.za</p> <p>Alternative</p>
Water quality variances	<p>Name: Karol Lubout Position: Water Quality Specialist Tel No: 011 682 0352 Cell: 082 389 2616 Email: klubout@randwater.co.za</p> <p>Alternative</p>	<p>Name: Kista Naidoo Position: Acting Manager: Water Quality Specialist Services Tel No: 011 682 0749 Cell: 082 389 2212 Email: knaidoo@randwater.co.za</p> <p>Alternative</p>

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