



DATE: 03 JUNE 2022

INVITATION

PUBLIC PARTICIPATION MEETING OF INCREASE IN WATER RATES AND CHARGES

The Lephalale Municipality hereby invites all stakeholders, members of the community and the consumers to a public participation meeting which is scheduled as follows:

DATE : 13 JUNE 2022

VENUE/PLACE : MOGOL CLUB (FUNCTION HALL)

TIME : 18H00

The Council of Lephalale Municipality is intending to consider the increment of fees, tariffs and charges for implementation with effect from 01 July 2022 to 30 June 2023.

The Municipality is increasing the water tariffs based on the following factors:

The current water tariffs include only the costs of purified water and exclude the cost of raw water abstraction from Mokolo Dam, and the Municipality is obliged to pay the monthly bill from the Department of Water and Sanitation as the custodian of the national water resources management.

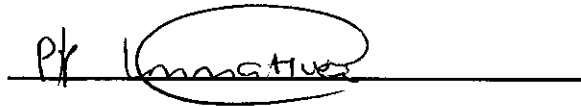
The Department of Water and Sanitation developed Raw Water Pricing Strategy (November 1999), where water users are expected to pay for raw water abstraction from the resource. The Department of Water and Sanitation pricing strategy for raw water use includes, *inter alia*, Capital Costs (Depreciation & Return on Assets) and Operation & Maintenance Costs. The Municipality has been issued with own Water Use Licences (allocated quota = 7,2 Million m³/pa out of Mokolo Dam) and expected to pay all costs related to Raw Water Abstraction.

Therefore, the Municipality is proposing rates adjustment for the supply of water to pay for the increased costs of both purified and raw water, our water supply and delivery systems, and to continue to maintain appropriate debt service coverage levels necessary for our outstanding debt and credit standing.

The community is also made aware of the increased costs for the operation and maintenance of our own water infrastructure assets. The proposed rates would assist the Municipality to continue to generate sufficient revenues to operate, manage, and maintain its facilities and services. The

proposed water rates will also fund capital improvement projects to improve the water system as well as for operation and maintenance costs.

Council will be holding public participation meeting on the **13 June 2022 @ 18H00 @ Mogol Club Function Hall** to inform community members about the changes and increase of water rates and charges, in line with the Water Services Act and Regulations as issued from time-to-time.

A handwritten signature in black ink, appearing to read 'P. Cocquyt', is written over a horizontal line. The signature is stylized, with the first letter 'P' being large and the last letter 't' having a long, sweeping tail that loops back under the signature.

MM COCQUYT
MUNICIPAL MANAGER