

**PROPOSED TARIFFS OF LEASE AND SERVICE
ACCOUNTS OF SPORT CLUBS FOR 2014/2015
AND 2015/2016 FINANCIAL YEARS**

**18/17/1
GM/zm**

PURPOSE:

The purpose of this report is to inform Council of the monthly payments that sport clubs have to pay from 1 July 2015 and also to include tariffs for all other sports facilities and clubs in the KOSH-area. The **term** of lease regarding contracts will be 24 months (two years). Attached as Annexure "D", is the proposed contract that can be used between Council and the Sports Clubs.

The Sports Council supports the proposed tariffs, which were increased by $\pm 9\%$

BACKGROUND:

Council reconsiders the tariffs of lease and service accounts of sports clubs every 24 months. New tariffs must be implemented with effect from the July 2015 account in terms of Section 75A of the Local Government Municipal Systems Act 2000.

RECOMMENDATION:

- a) That the proposed tariffs of lease and service accounts of Sports Clubs for the 2015/2016 and 2016/2017 financial years as set out in Annexure "A + B" and for schools as set out in Annexure "C" that includes VAT of 14% be approved and be implemented with effect from 1 July 2015 account in terms of Section 75A of the Local Government Municipal Systems Act 2000.
- b) That should sports clubs want to make use of community halls other than on the times stipulated, bookings be made in advance for the specific days and that the current tariffs be applicable.
- c) That when any sports facility is used after 24:00, an additional fee be levied plus the cost of the electricity (as determined by Manager: Electrical Engineering in an hourly basis).
- d) That the proposed draft contract between Council and Sports Clubs as reflected in (Annexure "D") be approved.
- e) That the Chief Sport & Recreation be granted delegated powers to remove or to add a club on the attached list or terminate their contract with the Council during the two years.
- f) That sport facilities only be used for sports related activities, official events of Council or events that has been approved by the Council and Sports Council.
- g) That Clubs that are in arrears with the hiring fees on 28 February 2015 Council with more than R1000.00, contracts not be renewed. (Section B)

SECTION A: TWO YEARS CONTRACTS TO BE RENEWED

CLUB	PROPOSED TARIFF	OUTSTANDING BALANCE	FACILITY
1) Klerksdorp Radio Flyers (Model Aeroplanes)	R3 710.00 electricity included. (24 x R155.00 monthly)	-	Model Aeroplane Club
2) Klerksdorp Marathon Club	R3 710.00 electricity included. (24 x R155.00 monthly)	-	Clubhouse Recreation Centre
3) Klerksdorp Golf Club	R9 600.00 + Services (24 x R400.00 monthly)	-	Klerksdorp Golf Club
4) North West Jukskei (Yoke-Pin)	R4 240.00 electricity included. (24 x R177.00 monthly)	-	Yoke-Pin Club
5) Matlosana Cricket Club	R2 650.00 electricity included. (24 x R111.00 monthly)	-	Manzilpark Stadium
6) Klerksdorp Ringball Club	R2 756.00 electricity included. (24 x R115.00 monthly)	-	Ringball Club
7) Klerksdorp Bowling Club	R6 360.00 electricity included. (24 x R265.00 monthly)	R825.81	Klerksdorp Bowling Club
8) Morning Badminton Club	R3 922.00 electricity included (24 x R155164 monthly)	-	Klerksdorp Recreation Centre (Hall)
9) Klerksdorp Badminton Club	R3 922.00 electricity included (24 x R164 monthly)	-	Klerksdorp Recreation Centre (Hall)
10) Game Fish Club	R2 544.00 electricity included. (24 x R106.00 monthly)	-	Clubhouse- Klerksdorp Swimming Pool
11) Klerksdorp Rugby Club	R5 989.00 electricity included. (24 x R250.00 monthly)	-	Rugby Fields+Clubhouse Recreation Centre
12) School of Gymnastics	R7 844.00 electricity included. (24 x R327.00 monthly)	-	School of Gymnastics- Pienaarsdorp
13) Klerksdorp Tennis Club	R4 240.00 electricity included. (24 x R177.00 monthly)	-	Tennis Courts Recreation Centre
14) North West Cricket Board	R4 770.00 electricity included. (24 x R199.00 monthly)	-	Hockey Fields Markötter Stadium Recreation Centre if available.
15) Karate - No- Michi Club (Stilfontein)	R4 770.00 electricity included. (24 x R199.00 monthly)	-	Volksaal Stilfontein

16) Hartbeesfontein Rugby Club	R2 650.00 electricity included. (24 x R111.00 monthly)	-	Hartbeesfontein Old Rugby Field
17) Vaal Reefs Rugby Club	R5 989.00 electricity included (24 x 250.00 monthly)	-	Oppenheimer Stadium
18) Biokinetic Club Oppenheimer Stadium	R7 844.00 electricity included (24 x R327.00 monthly)	-	Oppenheimer Stadium
19) Disable Wheel Chair Club	R4 770.00 electricity included. (24 x R199.00 monthly)	-	Oppenheimer Indoor Centre
20) Rautenbach Sport Shop (Oppenheimer)	R23 100.00 electricity included. (24 x R962.50 monthly)	-	Sport Shop Oppenheimer Stadium
21) New Vision Secondary School	R2 544.00 (24 x R106.00 monthly)	-	Markötter Athletic Track
22) Klerksdorp Squash Club	R6 466.00 electricity included. (24 x R270.00 monthly)	-	Klerksdorp Squash Courts
23) Westelikes Pigeon Club	R2 544.00 electricity included. (24 x R106.00 monthly)		Clubhouse Recreation Centre
24) North West Tennis Union – Southern Region	R7 844.00 electricity included. (24 x R327.00 monthly)		Markötter Tennis Complex
25) Matlosana Local Football Association	R 7 420.00 electricity included. (24 x R310.00 monthly)	-	Matlosana Stadium Brazil Stadium,Ext 12 +16 Kanana, Tigane,Khuma, Alabama Stadiums
26) Vaal Reefs Cricket Club	R5 088.00 electricity included. (24 x R212.00 monthly)		Victory Park Orkney
27) Stilfontein Cricket Club	R2 650.00 electricity included. (24 x R111.00 monthly)	-	Kowie Park Stilfontein
28) Ladies Badminton Club (Oppenheimer)	R4 134.00 electricity included. (24 x 173.00 monthly)	-	Indoor Oppenheimer Centre
29) Mens Badminton Club (Oppenheimer)	R4 134.00 electricity included. (24 x R173.00 monthly)	R1 216.00	Oppenheimer Indoor Centre
30) Department of Education	R12 000.00 (24 x R500.00 monthly)	-	All Stadiums
31) Manzilpark Squash Club	R2 544.00 electricity included. (24 x R100.00 monthly)	R 952.58	Manzilpark Squash Club
32) Manzilpark Local Sports Association	R4 500.00 electricity included. (24 x R106.00monthly)	-	Manzilpark Stadium
33) Stilfontein Football Association	R2 500.00 electricity included.	R3 717.20	Khuma Stadium

	(24 x R105.00 monthly)		
34) SA African Air Rifle Association North West	R 4 500.00 electricity included (24 x R 188.00monthly)	-	Oppenheimer Indoor Stadium
35) Matlosana rugby club	R 2 650.00 electricity included (24 x R 111.00monthly)		Oppenheimer Stadium

SENIORS AND CLUBS

FACILITY	ACTIVITY	CURRENT TARIFF	PROPOSED TARIFF
A) SPORTS STADIUMS (EXCLUDING MONDAYS)			
Alabama Manzilpark Matlosana Brazil Extension 16 Extension 18 Khuma Kanana Tigane Markotter B+C- Fields Kanana Gymnasium Hall	Any Match Tournaments Athletics Sport Events	R90.00 per match R300.00 per day R160.00 per gathering R150.00 per day	R100.00 per match R320.00 per day R170.00 per gathering R160.00 per day
Flood lights		R90.00 per day	R100.00 per day
Clubhouse (if available)		R130.00 per day	R150.00 per day
Other activities		R350.00 per day	R400.00 per day
Alabama Stadium(matches only on Wednesday, Saturdays, Sundays and Public Holidays	Practice Sessions Tuesdays and Thursdays		
Markotter Stadium	Sports gatherings Other gathering	R600.00 R1400.00	R700.00 R1 500.00
B) OTHER SPORTS FIELDS			
	Soccer fields Hockey fields Rugby fields Cricket fields Other fields	R90.00 + R90.00 Electricity R90.00 + R90.00 Electricity R90.00 + R90.00 Electricity R150.00 + R90.00 Electricity R90.00 + R90.00 electricity	R100.00 + R100.00 Electricity R100.00 + R100.00 Electricity R100.00 + R100.00 Electricity R160.00 + R100.00 Electricity R100.00 + R100.00 electricity
C) COURTS			
	Netball Basketball Tennis Volleyball Tournaments Flood lights	R50.00 per match R50.00 per match R50.00 per match R50.00 per match R350.00 per match R50.00 per match	R60.00 per match R60.00 per match R60.00 per match R60.00 per match R400.00 per match R70.00 per match

D) OPPENHEIMER STADIUM

LESSEE	ACTIVITY	STADIUM	INDOOR	CAMP SITE	KITCHEN/KIOSK	COMMENT
Business Units	a. official functions	R3 500.00	R2 500.00		R150.00 per day	Exclude labour Equipment transport and overtime
	b. presentations	R3 200.00	R2 50.00			
Sporting Bodies	Sporting	R2 000.00 p/league/p/d As above	R2 000.00 p/league p/d Dance R20.00 p/p Entertainment R20.00 p/p	R100.00 per day		Exclude labour Equipment transport and overtime
	Fundraising					
Industries		R5 000.00 p/d	R3 000.00 p/d	R100.00 per day	R150.00 per day	Exclude labour Equipment transport and overtime
Individuals	Wedding and Birthdays	R20.00 p/p	R20.00 p/p	R100.00 per day	R150.00 per day	
	Fund Raising		R20.00 p/p minimum hire fee of R2000.00	R100.00 per day	R150.00 per day	
National Soccer Provincial Rugby	Soccer and Rugby	10% gross income with a minimum hire fee of R10 000.00 A Category, R7 500.00 B and R5 500.00 C Category matches	10% income with the minimum hire fee of R5 000.00		R150.00 per day	Exclude labour Equipment transport and overtime
Musical Promotion	Musical Show	11% gross income with minimum hire fee of R12 200.00	R20.00 p/p		R150.00 per day	Exclude labour Equipment transport and overtime
Church	Regional events	Hire Fee of R3000.00 if used more than 1 day R2 500.00	R20.00 p/p		R150.00 per day	Exclude labour Equipment transport and overtime
Individuals				R20.00 p/p	R150.00 per day	
POLITICAL Meetings		R6 000.00 p/d	R20.00 p/p			Exclude labour Equipment transport and overtime

SCHOOLS AND TEAM U/14 YEARS

FACILITY	ACTIVITY	CURRENT TARIFF	PROPOSED TARIFF
A) SPORTS STADIUMS (EXCLUDING MONDAY)			
Alabama Manzilpark Matlosana Brazil Extension 16 Extension 18 Khuma Kanana Tigane Markötter B+C- fields Kanana Gymnasium Hall	Any match Tournaments Athletics Sport Events	R50.00 per match R300.00 per day R100.00 per gathering R150.00 per day	R60.00 per match R350.00 per day R120.00 per gathering R160.00 per day
Flood lights		R90.00 per match	R100.00 per match
Club house (if available)		R130.00 per day	R140.00 per day
Other activities		R350.00 per day	R380.00 per day
Alabama Stadium (matches only on Wednesday, Saturdays, Sundays and Public Holidays)	Practice Sessions - Tuesdays and Thursdays	-	-
Markötter Stadium	Sports gatherings Other gatherings	R300.00 R1400.00	R320.00 R1500.00
B) OTHER SPORTS FIELDS			
	Soccer fields Hockey fields Rugby fields Cricket fields Other fields	R50.00 + R90.00 electricity R50.00 + R90.00 Electricity R50.00 + R90.00 Electricity R90.00 + R90.00 electricity R50.00 + R90.00 electricity	R60.00 + R100.00 electricity R60.00 + R100.00 Electricity R60.00 + R100.00 Electricity R100.00 + R100.00 electricity R60.00 + R100.00 electricity
C) COURTS			
	Netball Basketball Tennis Volleyball Tournaments Flood lights	R45.00 per match R45.00 per match R45.00 per match R45.00 per match R250.00 per tournament R45.00 per match	R50.00 per match R50.00 per match R50.00 per match R50.00 per match R270.00 per tournament R50.00 per match

D) OPPENHEIMER STADIUM

LESSEE	ACTIVITY	STADIUM	INDOOR	CAMP SITE	KITCHEN/KIOSK	COMMENT
SCHOOLS	Athletics	R1 600.00 for 1-2 schools p/d R2 000.00 for More than 2 schools		R100.00 per day	R150.00 per day	Exclude labour Equipment transport and overtime
Klerksdorp District And DSAC		R4 800.00 p/d		R10 0.00 per day	R150.00 per day	

All tariffs inclusive of Value Added Tax at the standard rate.

MEMORANDUM OF AGREEMENT

MADE AND ENTERED INTO BY AND BETWEEN

THE CITY COUNCIL OF MATLOSANA

Herein represented by Mr E.T. Motsemme in his capacity as Municipal Manager of the City of Matlosana, acting herein by virtue of a resolution passed by the said City Council CC 5/2012 at a meeting held at Klerksdorp.

Hereinafter referred to as the "LESSOR" the one part

AND

<<NAME _ OF _ CLUB>>

Herein represented by <<CHAIRPERSON>> in his respective capacity as Chairperson and <<TREASURER>> as Treasurer of the <<NAME _ OF _ CLUB>> acting herein by virtue of a resolution passed by the said Club at Klerksdorp on <<DATE_OF_ELECTION>>.

(Hereinafter referred to as the "Lessee") of the other part

WITNESSETH:

That whereas the Lessee applied to the Lessor to hire certain sport facilities to which the Lessor has acceded, subjects to certain terms and conditions, and whereas it is desirable to submit such terms and conditions to writing:

1. Subjects to the measures herein analysed is user of the following facilities for the period **1 July 2015** till **30 June 2016** accorded to the Club.

FACILITY: <<FACILITY>>

LEASE TARIFF: <<LEASE_TARIFFS>> (VAT INCLUDED)

Time Slot: _____

2. The rental payable by the Lessee to the Lessor is payable monthly before 7th of every month. Should the lessee fail or refuse to pay the rentals payable in terms of this lease on the due date, or violate any other conditions of this agreement, the Lessor shall have the right to cancel and terminate this lease and resume possession of the facility, without prejudice to any right which the Lessor may have regarding overdue rentals and/or compensation including recovery fees at or rate of 10% (ten percent) and the lessor's Attorney and client expenses.

All rentals are payable at the offices of the Department: Community Services, Sports Section, free of exchange rate and without deductions or at such other address where at the City Council could inform the Lessor in writing.

3. The lease term at the City Council starts from **1 July 2013** till **30 June 2015**. The rental is determined in accordance with the following criteria:
 - The value of valuation of the facility
 - The membership of the Club
 - Whether the facility generates funds
 - Whether is own or Council's property
 - Whether the club is managed for business purposes, and
 - What the Club's capabilities are
4. The City Council reserved the right to exercise control at anytime and to determine control regarding:-
 - 4.1.1 The Club's membership number
 - 4.1.2 Membership cards of members. Such documents must be shown on request to the Sport Liaison Officer
5. The Club undertakes to inform the City Council annually on or before **31 January** about its proposals on extension of sport facilities and on how such extension would be finance.
 - 5.1.1 All the involved Clubs will be responsible for payment of electricity and the Council undertaken to include such measure in Lease Agreement with different Clubs.
 - 5.1.2 Forthwith reserve the City Council the right to negotiate with the Club in due course regarding payment of water consumption regarding the concerned sport facilities.
 - 5.1.3 Where the facility is equipped with floodlights with high intensity, Council will subsidise the cost of the electricity and the Club will not pay separate for the electricity but an amount that will be included in the lease tariff.
6. The Club is exempted for payment of property rates.
7. The Club shall be authorized to erect respective club buildings of its wish with the understanding that there will be no structural changes or additions/extensions without prior written approval by the City Council, at the expiry of the lease term. Proceeding the plans of the changes must be submitted for approval at the City Council.
8. The Clubs shall be authorized that prior to "occupancy" of the respective sport facility sites, he satisfied self that the portion of land was in good condition and that all keys, locks, equipment and water taps in the respective buildings are in good condition. The Club will be responsible for and undertakes to repair or replace at own costs all broken or lost keys, and water taps during the term of the lease.

9. Authorised employees of the City Council shall at all reasonable times be entitled to enter upon the portion of land for inspection purposes and the execution of any work.
10. The Council undertakes to maintain various sport grounds, which includes the playing surface of in-house sport codes and to maintain the exterior of different buildings (clubhouse, toilet facilities, etc.) and the Club shall be responsible for the cleaning and maintenance of the interior of different buildings and for repairs of window paned excluding reasonable wear and tears).
11. The Council shall be responsible for the running costs involved in maintenance of lighting equipment used by it or the Club.
12. The Council shall be responsible for usable articles (including fuses, fuse wire, electrical lamps, tubes for fluorescent lights (tube lights) excluding lamps for flood light with high intensity, taps or valve (wasters), stopper and chains of washing bases and related small articles that might be lost or stolen.
13. All the involved Clubs will be responsible for keeping of equipment register (inventory) in a form approved by the City Council of all fixed assets, furnisher, equipment supplied in an or for any building which is the property of the Council.
14. The Council shall not be responsible for any damage of the Club's equipment, outfit, fittings and stock caused by rain, hail, wind, lightning and any other thing and the Club shall ensure the same against any damage. The Council accepts responsibility for all fixed assets.
15. The Club shall be responsible for all damage on the building that is caused by the member, visiting teams or spectators.
16. The Club indemnify the Council against any damage whatsoever resultant of whatever form of claim which may be directed against the Council:-
 - 16.1 By any member of the public who may attend the match as a spectator
 - 16.2 By any other qualified to do so pending that the claim emanates from the incident that happen on the sport grounds of the concerned Club.
17. It remains a special measure of this agreement that the Council as per negotiations may use of the facilities free of charge when the need arises to use them.
18. It is also special measure of this contract that the Council could negotiate with the Club (where applicable) which uses the facilities that are under the Council's control, for their use thereof by Recreation Club on certain days and times as per agreement.
19. It also remains the special measure of this contract forthwith that any rental which due to the use of the sport facilities for a given season and due to the Council be paid in advance prior to accessing and using the facilities. The Club undertakes to pay such outstanding rental during the undersigning of the agreement.
20. Any amendments on the agreement shall be written down and or addendum to that effect be enraptured.

21. Cancellation of the agreement by any given party shall be exercised by prior negotiations thereof.
22. All notices in terms of this agreement shall be deemed to have been duly served if sent by registered mail to the Council at **PO Box 99, KLERKSDORP, 2570** and the Club at «**POSTAL_ADDRESS**» which the club select as its domicilium citandi et executandi.
23. That in the event that the either party has caused a breach the aggrieved party shall give written notice to the guilty party to rectify the breach within seven (7) days failing which the aggrieved party will be entitled to cancel the agreement and claim for a specific performance.

THUS DONE AND SIGNED AT KLERKSDORP ON THIS _____

DAY OF _____ 20__

WITNESSESS:

1. _____

2. _____

MUNICIPAL MANAGER

THUS DONE AND SIGNED AT KLERKSDORP ON THIS _____

DAY OF _____ 20__

WITNESSESS:

1. _____

2. _____

CHAIRPERSON

TREASURER

SUBMITTED FOR CONSIDERATION