

THE MSUNDUZI MUNICIPALITY

PUBLIC NOTICE

PROPOSED LONG TERM DEBT INFORMATION STATEMENT

Notice is hereby given in terms of Section 46(3) (a) of the Local Government: Municipal Finance Management Act, (No. 56 of 2003), read together with Section 21(A) of the Local Government Act, No. 32 of 2000: That it is the intention of the Municipal Council to enter into a bilateral debt agreement to raise an external loan of **R350 500 806** in order to finance the approved capital projects in 2023/24 MTREF.

Comments on the external loan to be raised, if any, must be submitted in writing on or before **Monday, 08 May 2023**, to the Office of the City Manager, Private Bag X321, Pietermaritzburg, 3201. Individuals who cannot write may visit City Finance Offices (8th Floor, Professor Nyembezi building 033 392 2242) where Mr W. Mtusva will assist such individuals. Please refer to the information statement in Annexure A encapsulating all the required borrowing particulars.

Mr Lulamile H. Maholoba

City Manager

Annexure A

Information Statement: Raising of external loan(Bilateral Agreement)

In terms of Section 46(3) of the Local Government: Municipal Finance Management Act (Act 56 of 2003) read together with Section 21A of the Local Government Municipal Systems Act (Act 32 of 2000), the following information statement is made public.

Amount	R350 590 806	
Objective Purpose	The development objective is to enhance electricity supply. KPIs will be measured against specific predetermined outcomes.	
	The Msunduzi Municipality approved the budget for 2023/24 -2025/26 MTREF and made provision for incurring long term debt to the tune of R350 500 806 for the funding of capital projects.	
	Project name	Area
	Purchase of 11kv capital equipment (purchase of 48 x rmu)	Various Areas
	Purchase of 11kv capital equipment (purchase of 4 x mini substations)	Various Areas
	Purchase of 11kv capital equipment (purchase of 25 x pole mounted transformers)	Various Areas
	New transport assets	Administration
	Hilton infrastructure upgrade	Hilton
	Medium voltage network upgrade	Mkondeni Industrial Areas, Wembley
	Mid-block and T- joints services relocation	Bisley, Oribi, Northdale
	Mpumaza/ Phayiphini bulk infrastructure installation and network upgrade	Phayiphini, Prestbury and surroundings
	Eastwood primary 132kv Ohl installation and network upgrade	Willowton Industrial Areas, Panorama, Northdale, Riverside, Eastwood, etc
	Hesketh primary network upgrade	Hayfields, Lincoln Meade
	Retief primary substation network upgrade	Sobantu, Glenwood, Mountain Rise
	Masons 132/11kv primary substation upgrade	Bisley, Richmond Crest, Alexandra Extension, Grange, Westgate
	Purchase of transformer capital equipment	Various Areas
	Total	R350 590 806
Proposed borrowing details	Financial Institution	Development Bank of South Africa
	Repayment period	10 years (repaid half yearly)
	Type of instrument	Fixed interest rate loan with equal fully amortising instalment from the capital repayment commencement Date.(compounded half – yearly)
	Interest type	Fixed rate
	Interest rate	11.9%
	Credit margin	0.7%
	Securities to be provided	None
Schedule of consultation	Written comments or representations are invited from the public and can be lodged with the City Manager at the City Hall, Corner Church and Chief Albert Luthuli Streets, Pietermaritzburg, 3201 on or before 08 May 2023 . Enquiries in this regard can be directed to W. Mtusva at 033 392 2242 or wellington.mtusva@msunduzi.gov.za .	