



Contact person: Adele Wagenaar
Contact number: 021 808 8512

15 May 2019

PROPOSED LONG TERM DEBT

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 debt agreement with Nedbank Ltd, for ten (10) years, to raise an external loan of R160 000 000 in order to finance the 2018/2019 approved capital projects.

Comments on the external loan to be raised, if any, must be submitted in writing on or before Thursday, 6 June 2019, to the Office of the Municipal Manager, PO Box 17, Stellenbosch, 7599. Individuals who cannot write have the option to visit the office of the Chief Financial Officer (1st Floor, Town House Complex, and Stellenbosch) where Ms Adele Wagenaar will assist such an individual.

Please refer to the information statement in Annexure A encapsulating all the required borrowing particulars.

G METTLER
MUNICIPAL MANAGER

Annexure A

INFORMATION STATEMENT: RAISING OF EXTERNAL LOAN

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	R160 000 000		
PURPOSE	Stellenbosch Municipality has approved a budget on 28 May 2018 and made provision for incurring long-term debt to the amount of R160 000 000 for the funding of capital projects.		
	PROJECT NAME	IDP OBJECTIVE	EXTERNAL LOAN FUNDING
	Upgrade Transformers - Stellenbosch	Valley of Possibility	R826 711
	New 66kV substation - Dwars Rivier	Valley of Possibility	R2 000 000
	New Plankenburg Main Outfall Sewer	Valley of Possibility	R41 885 097
	Extention Of WWTW: Stellenbosch	Valley of Possibility	R53 097 037
	Idas Valley Merriman Outfall Sewer	Valley of Possibility	R14 141 852
	Bulk Sewer Outfall: Jamestown	Valley of Possibility	R6 000 000
	Upgrade of WWTW: Pniel & Decommissioning Of Franschoek	Valley of Possibility	R10 019 204
	Bulk water supply Klapmuts	Valley of Possibility	R7 000 000
	Water Treatment Works: Paradyskloof	Valley of Possibility	R11 283 301
	Relocation/Upgrading main water supply line	Valley of Possibility	R13 746 798
	PROPOSED BORROWING DETAIL	REPAYMENT PERIOD	10 Years
FINANCIAL INSTITUTION		NEDBANK LTD	
TYPE OF INSTRUMENT		Long Term Loan	
AMOUNT OF PROPOSED DEBT		R160 000 000	
SECURITIES TO BE PROVIDED		None	
INTEREST RATE		10.01%	
- BASE RATE		8.08%	
- CREDIT MARGIN		1.93%	
INSTALMENTS		Six Monthly (Interest And Redemption)	
NUMBER SIX MONTHLY INSTALMENT		20 Payments	
ESTIMATED SIX MONTHLY INSTALMENTS		R12 857 711	
ESTIMATED INTERST REPAYMENTS		R97 154 217	
ESTIMATED REDEMPTIONS REPAYMENTS		R160 000 000	
ESTIMATED TOTAL REPAYMENTS	R257 154 217		
SCHEDULE OF CONSULTATION	Written comments or representations are invited from the public and can be lodged with the Municipal Manager on the 3rd Floor, Town House Complex, Plein Street, Stellenbosch on or before 06 June 2019. Enquiries in this regard can be directed to Adele Wagenaar at 021 808 8512 or Adele.Wagenaar@stellenbosch.gov.za		