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522 Impala Rd
Dikole Section, Johannesburg South, 2058

Public Notice

NOTICE OF INTENTION TO REDUCE BULK POTABLE WATER SUPPLY SERVICES: LESEDI LOCAL MUNICIPALITY

The Lesedi Local Municipality (“**the Municipality**”) has a constitutional obligation to provide basic water and sanitation services (“**water services**”) to its residents. To discharge this obligation, the Municipality entered into the Bulk Water Supply Contract (“**BWSC**”) with Rand Water for the provision of bulk potable water services in exchange for payment.

The Municipality has been struggling to service its water account since 2022, as a result the Municipality is currently indebted to Rand Water in the amount of **R72,504,909.63 inclusive of interest and current amount was due and payable on 30 April 2024.**

The Municipality’s continuous failure to make payment to Rand Water for the bulk water services debt is an outright breach of the relevant provisions of the BWSC as supported by the provisions of section 33(1)(d) of the Water Service Act 108 of 1997 (“**the WSA**”). This debt threatens the functional and institutional integrity of Rand Water and places in jeopardy Rand Water’s ability to provide bulk water services supply on a financially sustainable basis.

In terms of the relevant provisions of the BWSC and section 4 of the WSA, Rand Water is authorized to reduce bulk water supply services when the Municipality fails to comply with BWSC’s terms and conditions for payment as well as fails to give sufficient evidence of its inability to pay for water services.

The continuous efforts of Rand Water to recover the monies owed by the Municipality have failed and Rand Water has notified the Municipality of its intention to exercise its legislative and contractual powers to reduce/limit bulk potable water services by 20% after 30 days of this notice. All members

of the public who are likely to be materially and adversely affected by its reduction in the supply of the bulk water services to the Municipality are hereby notified of Rand Water's intention to reduce the supply of bulk potable water services to the Municipality.

This reduction does not completely terminate water supply services, but only limit the bulk water supply with 20% leaving the Municipality with 80% which Rand Water justly believes that the Municipality will still be able to maintain continuous supply of water services to its residents. In addition to this Public Notice, your Municipality will initiate public participation processes to ensure that written representation from your direct end users on how the 80% of the water received from Rand Water will be prioritized to minimize the impact to vulnerable members (schools, old age homes, hospitals, etc.).

Rand Water's planned action is necessary to hold the Municipality accountable to discharge its constitutional and statutory duties, prevent further escalation of the water services debt and enhance Rand Water's liquidity and ability to discharge its own obligations, all with the goal of protecting the national interest in the sustainability of water services supply.

Members of the public are also advised to take appropriate lawful steps against the Municipality to avert the planned action and protect their interests.

As contemplated in section 4(3) of the Public Administrative Justice Act, 3 of 2000, Rand Water hereby invites all affected members of the public to submit written representations, comments and/or submissions indicating why Rand Water should or should not proceed with the contemplated reduction of water services.

The following towns/municipal areas shall be affected by the contemplated reduction:

<i>LESEDI LOCAL MUNICIPALITY / AFFECTED TOWNS / POINTS OF SUPPLY</i>
All towns, suburbs and townships of the Municipality's area of supply.

Public representations, submissions and/or comments should be submitted to:

RAND WATER GROUP LEGAL SERVICES

Physical address: 522 Impala Road, Glenvista

Postal address: P O Box 1127, Johannesburg 2000

E-mail address: Customerservice@randwater.co.za and
sbxulu@randwater.co.za.

The closing date for public representations, submissions and/or comments will be end of 30th calendar day from date of issue.

Please take note that comments received after the closing date will not be considered.

Such public representations, submissions and / or comments will be considered by Rand Water, and its's final decision will be published in a notice **within 7 days after closing date**.

Members of the public are informed of their right, should they be so inclined, to challenge the decision of Rand Water in Court by taking it on review.

Reference Number: **LLM01/2024 Notice**

Issued in terms of section 4 (1)(b) and (3) of the Promotion of Administrative Justice Act, (Act 3 of 2000).