



WATER NEWS

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FROM THE CEO'S DESK

END OF THE FINANCIAL YEAR



Every public entity has its own financial year. The start of the financial year at the Overberg Water Board is 01 July and the ending is 30 June of the following year. The



financial year end of most government departments is the 31st March. The Overberg Water Board's financial year is also determined by the Public Finance Management Act, and is the completion of a 12-month accounting period. It symbolises the new beginning of the year, which follows the process of closing the books of the past financial year. It is about reviewing, reconciling, and verifying all transactions, including non-financial information. The fundamental goal is to prepare both the annual financial statements as well as non-financial performance information for auditing purposes. This is also a time to assess the Entity as a going concern. Therefore, in the next six months from 01 January 2022 to 30 June 2022 the focus is mainly on the closure of the year while carrying out the mandate as per the Water Services Act.

There is no doubt that the evolution of Overberg Water since 1993 as a water service provider to its valued customers was not just a constitutional epicenter but was also a mechanism contributing to and central to the socio-economic development of the Overberg Region. The closure of the financial year therefore provides an opportunity to reflect on and consider that role. To complement the role, on 30 March 2022 the Overberg Water Board of Directors conducted the strategic session. The message from the strategic session is to address every water supply while growing the Entity. As the English proverb goes, charity begins at home, so the need to grow Overberg Water must first be internally determined and driven. By so doing, the Entity provides itself with a platform to correct and address any challenges. The real challenges are water supply interruptions, thus the year ended with many water supply interruptions. Most of them were dealt with in the required 48-hour rule. The Board of Directors was pragmatic, as they determined that the Entity must first fix its current water supply challenges before adopting a geographical expansion outside the current area of supply.

Also, the end of the year is just a step ahead. Simply put, it is about envisioning the Entity in terms of its future horizon. It is a sacrosanct understanding that water contributes primarily to the economy and the overall wellbeing. Water is the economy of the Overberg Region. The Overberg Region is known for its world-class farming activities, therefore, it remains Overberg Water's crucial role to consider all options for water supply. It is a role based on sound partnerships with all the agricultural customers, municipalities and affected parties.

The future of Overberg Water, having gone through the whole year and approaching the year end, is to consolidate, build and establish joint partnerships with all its customers. The envisaged destination is to ensure that the Entity can be relied upon and always provides water. Therefore, the Entity is embarking on the implementation of its intervention plan as a strategy to deal with the historical infrastructure and technical challenges.

Phakamani Buthelezi
Chief Executive Officer



UNDERSTANDING THE OVERBERG WATER STRATEGY

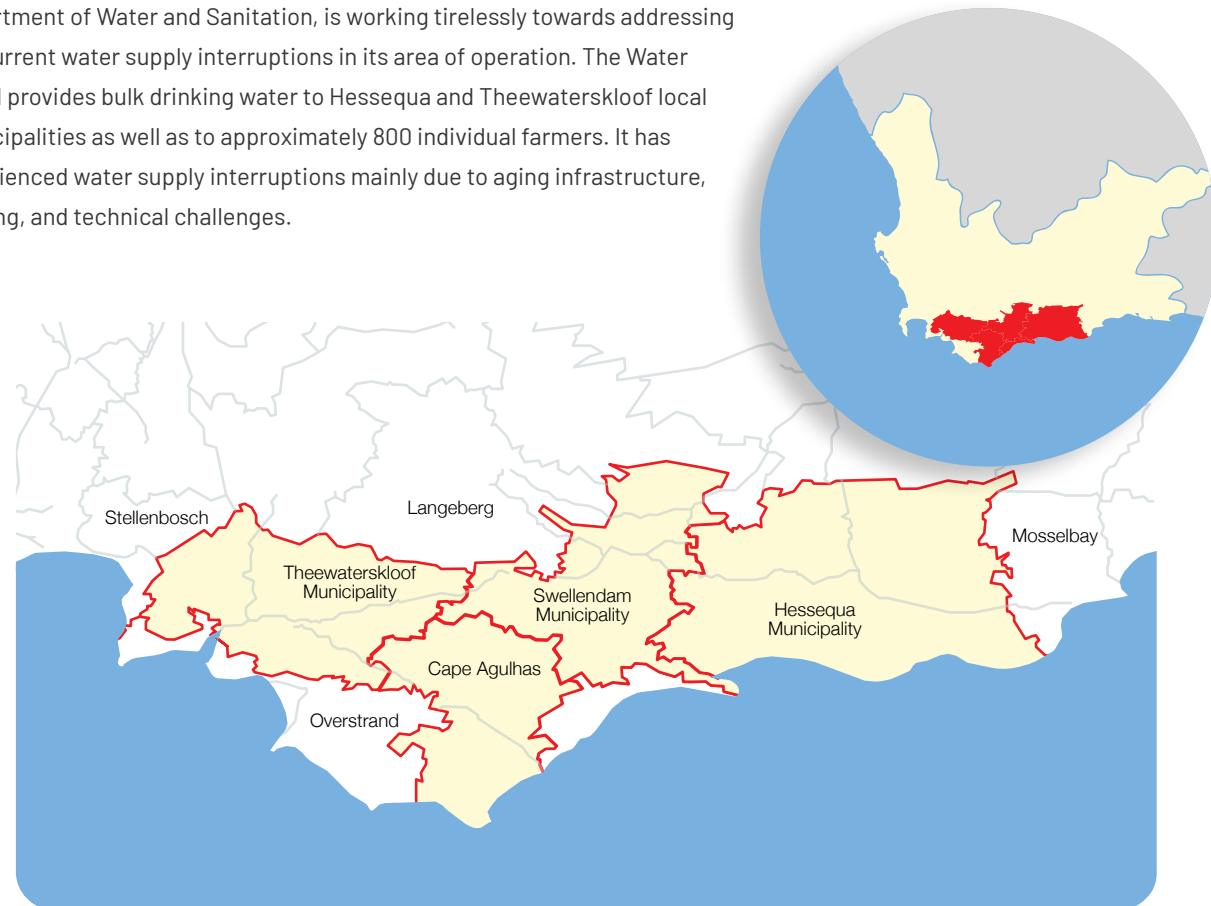
Overberg Water has its own five-year strategic plan approved by the Board in its accounting authority capacity. The plan is then translated into a 12-month business plan which becomes effective from 01 July of each financial year to 30 June of the following year. The strategic overview is:

STRATEGIC OVERVIEW



THE OVERBERG WATER BOARD ON COURSE TO ARREST WATER SUPPLY INTERRUPTIONS

The Overberg Water Board, which is one of the nine national water boards within the Department of Water and Sanitation, is working tirelessly towards addressing the current water supply interruptions in its area of operation. The Water Board provides bulk drinking water to Hessequa and Theewaterskloof local municipalities as well as to approximately 800 individual farmers. It has experienced water supply interruptions mainly due to aging infrastructure, funding, and technical challenges.



As part of its approach to address water supply interruptions, the Overberg Water Board has developed a turnaround intervention plan aimed at resolving any water supply challenges. According to the Chief Executive Officer of the Board, Dr Phakamani Buthelezi, "Water is central not only as a constitutional rights issue but also as a socio-economic enabler in the Overberg Region. Therefore it is in the best interest of all spheres of government to support the initiatives put forward."

The Board has held consultative meetings with all the concerned municipalities and the Overberg Water Forum representing the local farmers, Agri-Western Cape, Department of Water and Sanitation, the Western Cape Provincial Department of Local Government. The constructive consultations are ongoing, while the implementation of the turnaround intervention plan is in progress.

The water board will continuously inform the affected and interested parties about the implementation of the turnaround plan and any other issues relating to water supply.

OVERBERG WATER CEO MEETS OVERBURG WATER FORUM CHAIRPERSON AND AGRI-WESTERN CAPE CEO



In May 2022 the Overberg Water CEO, accompanied by the Overberg Water Technical Manager, Mr Thabo Kabini, had a meeting with the Agri-Western Cape CEO. The focus was to share the intervention plan progress up to date, but also to find a common solution to water supply and water quality issues.

AgreWes, Overberg Water Forum and Overberg Water Board

As part of Overberg Water's approach to engage with all its customers, another follow-up engagement was held with the newly elected chairperson of the Overberg Water Forum. The Forum made an offer to extend its hand to support Overberg Water as it deals with water supply issues. The Forum offered its advice at a no fee approach. The offer was accepted by Overberg Water as it builds a knowledge reservoir.

WATER SUPPLY CHALLENGES

Overberg Water has been experiencing a range of water supply challenges for reasons such as aging infrastructure, funding, and technical issues.

Loadshedding has had its own impact. The Entity has introduced solutions such as throttling and managing the overall water flow, with the intention of ensuring continuous water supply. In collaboration with the Department of Water & Sanitation and the Western Cape

Department of Local Government, various options are being considered and proposed as permanent solutions. One of the permanent solutions is the overall upgrade of the water system.

Overberg Water has submitted its funding request to the National Treasury, which request is under consideration, and Overberg Water eagerly awaits the outcome.

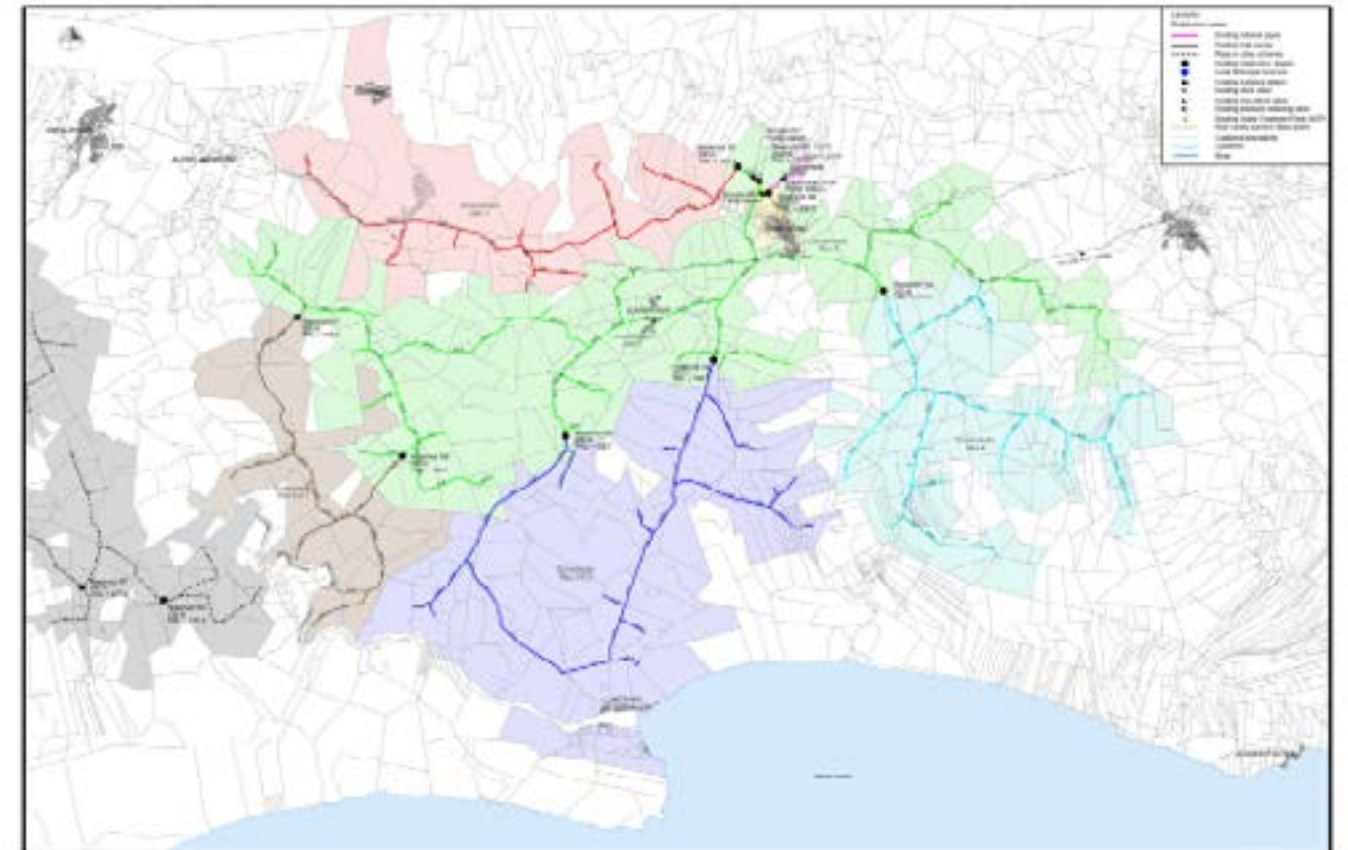
However, there have been several interventions such as conducting a conditional assessment, funding options and the need for second additional professional engineers from the Department of Water and Sanitation.

As part of the turnaround plan, Overberg Water has appointed a suitable and appropriately qualified engineer and is appointing seasoned specialist consultants contractors / service providers to supplement its technical gaps. This will go hand in hand with the telemetry and pumping system upgrades, including a hydraulic management system and refurbishment on water purification.

Overberg Water has already started implementing its effective maintenance to eliminate water supply inefficiencies.

WITSAND PIPELINE UPGRADE UPDATE

Overberg Water has appointed a seasoned and appropriately qualified team of engineers, JVZ Consulting, to handle the Witsand Pipeline Upgrade. The project was officially launched on 01 June 2022. Upgrading, maintenance and repair of the infrastructure remain the focus areas for the Entity. The Witsand Pipeline (in red) is undergoing major maintenance activities. Due to funding constraints the maintenance work is to be carried out in phases to accommodate the required financial injection. The map below shows the Witsand Pipeline marked in red.



Water supply appears simple, but it is a complex and involved process. There is no doubt that Overboard Water Board is doing its part to ensure simplicity in water treatment and supply. In one area, the Witsand Pipeline Intervention as a strategic pipeline was identified for upgrade. It is one of the pipelines that provides treated water to Overberg Water customers. The pipeline gets its raw water from the Duivenoks Dam, which is released to the Duivenoks River. The final raw water abstraction is from the river to the treatment plant. The treated water is pumped into OWB reservoir Number 8. From there the treated water is pumped to reservoir Number 2. Gravitational transport from Number 2 moves the water to Reservoir Number 3 and from there it undergoes another gravitational transport to the Witsand meter.

The upgrade is due to the enormous pump bursts. The fundamental issue is that the pipeline was laid in 1985 and is subjected to the ageing infrastructure.

A VOTE OF THANKS TO ALL VALUED CUSTOMERS AND INTERESTED PARTIES

From the CEO's desk: The Overberg Water Board would like once more to pass its vote of thanks to all its valued customers and interested parties for their continued support of Overberg Water. A special word of appreciation goes to all our agricultural customers and municipalities as well as the Department of Water and Sanitation. The supporting roles of Agri-Western Cape, the Western Cape Department of Local Government, the Overberg Water Forum, the Hessequa and Theewaterskloof Municipalities, do not go unnoticed. Overberg Water is indeed grateful for an established working relationship with all the parties. In accordance with the spirit of uBuntu the Entity says:

**THANK
YOU, BAIE
DANKIE,
ENKOSI**

