TENDER NO.: SC1618/2015

REQUEST FOR REGISTRATION AS A PROSPECTIVE DEVELOPER AND OPERATOR OF A PUBLIC RESORT: DE MOND CARAVAN PARK AND ADJACENT LAND

PROCUREMENT DOCUMENT

NAME OF TENDERER:	

JULY 2015

PREPARED AND ISSUED BY:

Directorate: Finance:
Supply Chain Management Unit
Overstrand Municipality
PO Box 20, Hermanus, 7200

CONTACT FOR ENQUIRIES REGARDING SPECIFICATIONS:

Riaan Kuchar

Senior Manager: Town Planning

Tel. Number: **028 313 8087**

MUNISIPALITEIT **MUNICIPALITY**

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TENDER DETAILS						
TENDER NUMBER:	**SC1618/2015**					
TENDER TITLE:	**REQUEST FOR REGISTRATION AS A PROSPECTIVE DEVELOPER AND OPERATOR OF A PUBLIC RESORT: DE MOND CARAVAN PARK AND ADJACENT LAND**					
CLOSING DATE:	**2015/09/04**		CLOSING TIME:	**12H00**		
SITE MEETING:	DATE:	**N/A**	TIME:	**N/A**	COMPULSORY:	**N/A**
SITE MEETING ADDRESS:	**N/A**					
CIDB GRADING REQUIRED:	**NO**	LEVEL AND CATEGORY:	**N/A**			
BID BOX NO:	**7**	SITUATED AT: Overstrand Municipal Building, Magnolia Avenue, Hermanus. The bid box is generally open 24 hours a day, 7 days a week.				
OFFER TO BE VALID FOR:	**N/A**	DAYS FROM THE CLOSING DATE OF BID.				

TENDERER DETAILS (Please indicate postal address for all correspondence relevant to this specific tender)			
NAME OF TENDERER:			
NAME OF CONTACT PERSON:			
PHYSICAL ADDRESS:		POSTAL ADDRESS:	
TELEPHONE #:		FAX NO.	
E-MAIL ADDRESS:			

DATE:	
SIGNATURE OF TENDERER:	
CAPACITY UNDER WHICH THIS BID IS SIGNED:	

PLEASE NOTE:

1. Tenders that are deposited in the incorrect box will not be considered.
2. Tender box deposit slot is 28cm x 2.5cm.
3. Mailed, telegraphic or faxed tenders will not be accepted.
4. If the bid is late, it will not be accepted for consideration.
5. Bids may only be submitted on the Bid Documentation provided by the Municipality.

ENQUIRIES MAY BE DIRECTED TO:		
	ENQUIRIES REGARDING BID PROCEDURES	TECHNICAL ENQUIRIES
CONTACT PERSON:	**BLAKE D'OLIVEIRA**	**RIAAN KUCHAR**
TEL. #	**028 313 5016**	**028 313 8087**

PART A – ADMINISTRATIVE REQUIREMENTS IN TERMS OF THE SUPPLY CHAIN MANAGEMENT POLICY

1. TENDER NOTICE & INVITATION TO TENDER

TENDER NO. SC 1618/2015

REQUEST FOR REGISTRATION AS A PROSPECTIVE DEVELOPER AND OPERATOR OF A PUBLIC RESORT: DE MOND CARAVAN PARK AND ADJACENT LAND

REQUEST FOR REGISTRATION AS A PROSPECTIVE DEVELOPER AND OPERATOR OF A PUBLIC RESORT: DE MOND CARAVAN PARK AND ADJACENT LAND, HERMANUS.

Overstrand Municipality, as owner of the De Mond caravan park, intends to have this prime property and adjacent land which is situated on an estuary with panoramic ocean and majestic mountain views developed and operated as a public resort with conference and accommodation facilities on the basis of a long term lease of at least 45 years.

The Municipality hereby invites prospective developers with the necessary experience and capacity to register for the development of this project. Only duly registered prospective developers will thereafter be invited to submit a Request for Proposal (RFP).

NOTE: Unless there is a clear and legal link between the registered prospective developer and the legal entity submitting the eventual RFP such RFP will NOT be considered.

The background information and registration document, in English, is **obtainable from Friday, 31 July 2015**, at the offices of the Supply Chain Management Unit, Overstrand Municipality, Magnolia Avenue, Hermanus, from Ms. Rita Neethling, Tel. 028 313 8064, between 08h30 and 15h30. Alternatively the documents can be downloaded free from the website: www.overstrand.gov.za

Sealed submissions with "Tender No. SC 1618/2015: Request for Registration as a Prospective Developer of a Public Resort: De Mond Caravan Park and Adjacent Land" clearly endorsed on the envelope, must be **deposited in Tender Box No. 7** at the offices of the Overstrand Municipality, Magnolia Avenue, Hermanus. Requests may only be submitted on the bid documentation provided by the Municipality.

The closing date and time of the submission is on Friday, 04 September 2015 at 12h00 and will be opened in public immediately thereafter in the SCM Committee Room, Hermanus Administration.

These requests for registration and resulting tender process to be followed are subject to the Supply Chain Management Policy and Administration of Immovable Property Policy of the Overstrand Municipality.

Please refer enquiries to **Mr Riaan Kuchar** at telephone number: **028 313 8087**

BACKGROUND INFORMATION

1. INTRODUCTION

The Overstrand Local Municipality ("Overstrand Municipality") wishes to enter into a long-term lease with a suitable developer in respect of the land on which the De Mond Caravan Park in Hermanus is situated (currently vacant land) and the municipal land adjacent thereto as set out in this document, with the specific purpose of developing a public resort with the capability to accommodate large tour groups.

The tender area is located on the extreme eastern urban edge of the town of Hermanus, which is located approximately 100 kilometres south of Cape Town. Access from the Cape Metropolitan Area to Hermanus and to the tender area is obtained via the N2 road to Bot River and then via the R43 provincial road.

Given its proximity to the Cape Metro and the ease of access to the area, Hermanus is a very popular international, national and regional holiday and tourism destination attracting thousands of people specifically during the 'whale watching season', but also being a prime weekend breakaway destination to Capetonians. The site is directly abutting the Klein River Lagoon, which offers excellent recreation and water sport opportunities.

2. PURPOSE OF REQUEST FOR REGISTRATION

This Request for Registration ("RFR") aims to test the market appetite of developers with the financial capacity and relevant experience to enter into the mentioned long-term lease (45 years maximum) with Overstrand Municipality. The intent is to establish a shortlist of qualifying developers. Once the shortlist has been established, Overstrand Municipality will issue a Request for Proposal ("RFP") to the registered prospective developers with the objective to select a developer team with which to enter into an agreement to develop the land based on a long-term lease with a fair market financial return for the commercial use of its property.

Overstrand Municipality is keen to partner with a financially sound and environmentally responsible developer that has proven expertise and a suitable track record to establish, manage and maintain a public resort that caters for the needs of the broader public (including specialist and large tourist groups and commercial interests) through the availability of accommodation and conference facilities, amongst others. The primary goals of the development will be to provide public resort facilities that will increase visitor numbers to Hermanus, especially during the traditional low and mid seasons and create much needed job opportunities (primarily for members of the local community) during the construction and operational phases of the public resort.

It is of paramount importance to the Overstrand Municipal Council that the successful developer shall act in a manner that respects, upholds and fulfills the fundamental environmental rights contained in section 24 of the Constitution. It is recorded that the promotion of conservation of the Klein River Estuarine and preservation of the heritage character of De Mond and its surroundings will rank prominently in the evaluation of development proposals. The developer team should also be committed to 'green' building practices and have a good record of working with community stakeholders to achieve successful developments.

3. BACKGROUND AND FEASIBILITY STUDY INFORMATION

During 1942 the Hermanus Municipality, predecessor to Overstrand Municipality, obtained the land on which the De Mond Caravan Park is situated (also known as "The Fishery") by way of a Crown Grant. The Crown Grant stipulated that the land may not be sold and must be used for the purposes of a "public resort and recreational purposes". Initially the property was used for that purpose, but over the years various lease agreements were concluded that eventually culminated in the usage of the caravan park by its association to the exclusion of members of the broader public.

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During the period January 2011 to October 2011, Overstrand Municipality conducted a study to determine the feasibility of making the land on which the De Mond Caravan Park ("***De Mond***") is situated available to a developer through a RFQ/RFP process on a long term lease basis to develop it primarily as a public resort. The study also included the municipal land adjacent to De Mond on which Klein River Lagoon Park ("***KRLP***") was established and, next to that, the so-called "***Prawn Flats***", municipal land that was made available to Walker Bay Adventures ("***WBA***") and to the National Sea-and-Sand Institute (the "***Sea and Sand***") on a lease basis.

In order to lay a solid foundation for the RFQ/RFP process, the feasibility study, inter alia:

- established all the legal requirements with which the Overstrand Municipality would have to comply, should it decide to go ahead with such a development proposal;
- investigated whether the proposal is consistent with applicable plans, policies and strategies of Overstrand Municipality as well as provincial and national government;
- included municipal capacity and management considerations including the availability of services;
- identified potential risks to Overstrand Municipality associated with the proposed project; and
- did a due diligence analysis to establish whether there are any impediments or constraints (legal, financial or otherwise) that may stand in the way of or would make the implementation of the proposal an unattractive option.

After a public consultation process, the results of which were taken into account, the Feasibility Study report was submitted to Overstrand Municipality and considered by the Council in February 2012. The following recommendation was accepted:

That the procurement of a developer be done through a combined Request for Qualification ("RFQ") and Request for Proposal ("RFP") process with the aim to appoint a preferred bidder and a reserve bidder with whom the Municipality may in its sole discretion negotiate should negotiations with the preferred bidder fail.

A specific recommendation of the feasibility study required from Overstrand Municipality to ensure any legal arrangements with third parties in respect of De Mond are terminated and associated temporary structures removed from the land. Following the correct legal process, Overstrand Municipality executed this recommendation during 2012-2013.

As the initial RFQ process did not result in an acceptable pool of developers it was decided to rather follow the current route of requesting prospective developers to register as such (RFR).

Overstrand Municipality is now proceeding with the RFR/RFP process as further detailed in this document with the purpose to enter into a 45 year lease with a successful bidder. To assist prospective bidders, Overstrand Municipality contracted civil and electrical engineering, town planning and environmental expertise to do an analysis of the services, environmental and planning profile of the De Mond Resort Development. The results of the analysis have been incorporated in this document and are based on the information obtained from Overstrand Municipality. The analysis further serves to reduce uncertainty surrounding possible restrictions and to enable the calculation of financial bulk development contributions for the required bulk services upgrades and clarification of possible conditions by other authorities.

The full feasibility study and the strategic policy documents mentioned therein, which are all still valid and relevant, may also be consulted. These documents are available under Strategic Documents on the Overstrand Municipality's website: www.overstrand.gov.za

Process Forward

All persons that registered before date of closure will move forward to the next phase. Here the person who registered will be engaged in an onsite inspection and information session. After the information session the registered persons will be invited to submit a tender proposal in accordance with Overstrand Municipality Supply Chain Policy which tender will be duly evaluated and adjudicated.

The registered person will be notified within 21 days after registration has closed, of a date and time for the information session and onsite inspection to be held.

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NAME OF FIRM			

4. LAND AND PROPERTIES

The property details pertaining to the tender area are as follows:

Table 1: Property Descriptions

Property Description	Ownership	Extent
Portion of Erf 4381, Hermanus	Overstrand Municipality	± 9.74 ha
Portion of Erf 5327, Hermanus	Overstrand Municipality	± 0.76 ha
	TOTAL EXTENT	± 10.5 ha

The title deeds of the above-mentioned properties do not include restrictive conditions that would prevent/restrict the proposed resort development of the sites.

The Locality Plan in Figure 1 (Plan1) indicates the position of the land and the Local Context Plan in Figure 2 (Plan 2) indicates the properties included in the De Mond Resort Development situated on Erven 4831 and 5327.

Figure 1: Locality plan (Plan 1)

The properties are:

4.1.1 De Mond (Portions of Erf 4381 and Erf 5327, Hermanus):

Approximately 9,74 hectares of vacant land with concrete platforms, a few derelict basic structures including a café/shop, utility hall, a warehouse, access control, an ablution block remaining of the previous caravan park as well as basic sewer and water services, access and internal roads.

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4.1.2 Klein River Lagoon Park (Portion of Erf 4381, Hermanus):

The site measures 6279m2 and is currently occupied by20 temporary caravan-type residential units (in a reasonable condition) with basic structures based on a one-year lease agreement (an extension of the previous 15 year lease agreement) with the KRLP Association which lease expires the end of May 2016. The site also has basic sewer and water services and access roads. There are also three boat house and two concrete slipways.

4.1.3 Prawn Flats (Portion of Erf 4381, Hermanus):

This portion of land is directly abutting to the eastern boundary of the KRLP. It includes a boat launch site with two boat ramps which should be retained. It has a separate entrance and it would be required from the developer entity to maintain controlled access for the public. The lease agreement with the WBA which operates a small boat hiring, lagoon cruise and canoeing facility, is on a month-to-month basis with a three month notice period.

4.1.4 Selkirk Cottage(situated on the Prawn Flats):

The cottage is approximately 150m2 in size. It is a fenced, stand-alone historical building which is listed on the Heritage Register and must thus be preserved due to its historical value. The developer would be expected to include the cottage in its site development plan and look after its preservation as it could be used in an innovative manner in the development.

The site is bounded on the northern side by the R43 Provincial Road, by 17th Avenue and the upmarket residential area of Voëlklip on the north-western side and the Klein River lagoon estuary on the southern side. To the east of the KRLP and Prawn Flats is vacant, natural land. Other land uses in the vicinity include the local offices of Cape Nature, the Sea & Sand camp site and public beaches.

Excluded from the development are the:

- Lagoon edge;
- 'Sea and Sand' area; and
- Voëlklip solid waste drop-off, east of 'Sea and Sand'.

The De Mond Resort Development including the properties detailed above is considered consistent with its existing and historic land use and compatible with the character and land use trends in the surrounding areas.

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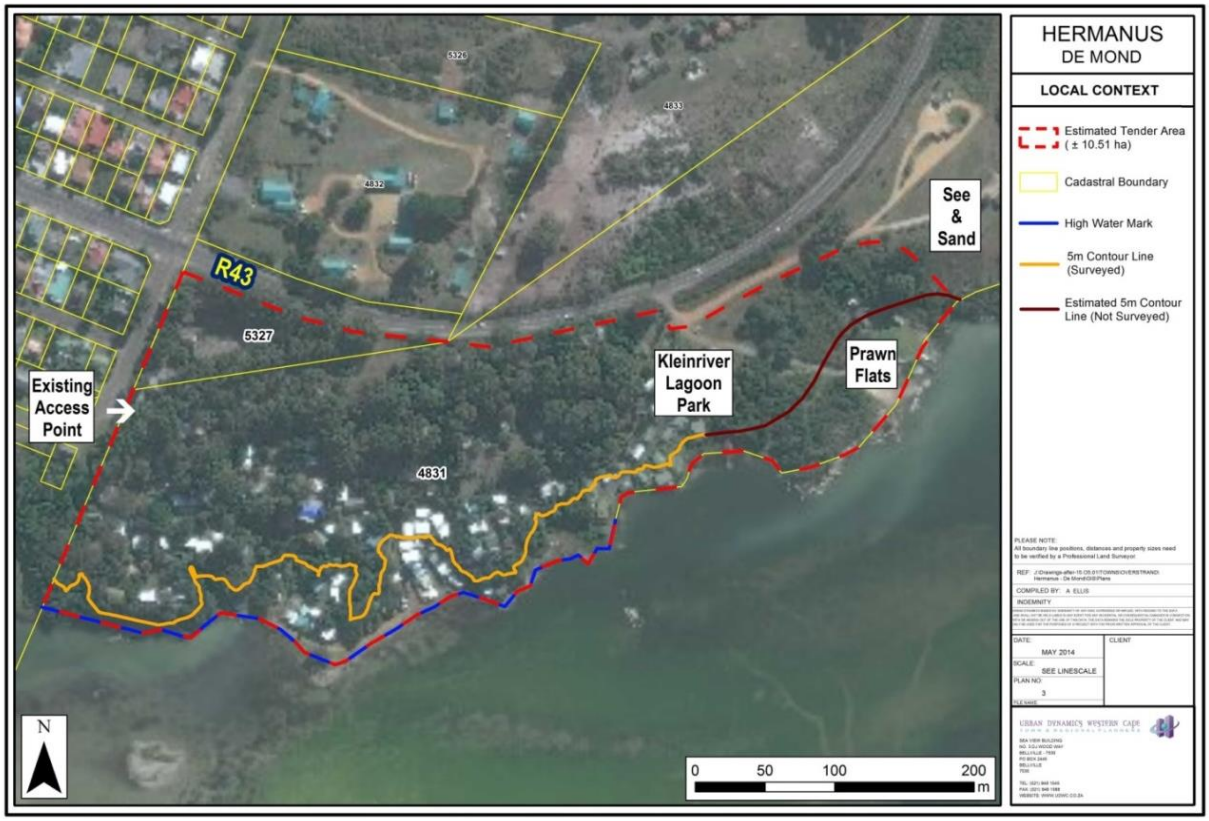
Figure 2: Local Context Plan (Plan 2)



5 PLANNING AND DEVELOPMENT

The De Mond Public Resort development complies with the Spatial Development Framework and the Integrated Zoning Scheme of Overstrand Municipality as found by the firm Urban Dynamics who did this part of the analysis for the RFQ/RFP.

5.1 LAND USE

The De Mond Resort Development will have to be in visual harmony with the surrounding built and natural environment. To ensure this, it will inter alia have to comply with the legislation applicable to land use and zoning including the Land Use Planning Ordinance, 15 of 1985 ("LUPO"). *NOTE: At this stage the new Western Cape Land Use Planning Act (LUPA) and the Spatial Planning and Land Use Management Act (SPLUMA) need not be considered, but it may play a role in the RFP phase.* LUPO enables the Municipality to influence the form and character of the proposed development, so as to ensure that it is, for example, aligned to the municipal strategic planning objectives (e.g. low or high density, preservation of natural character or specific building forms) as set in the Overstrand Growth Management Strategy ("OGMS"). It is therefore important for prospective bidders to take cognisance that the Municipality has to balance the type of, density and character of development that will be permitted (on the one side) with economic feasibility (on the other side) and as required in terms of the provisions of the zoning scheme. Whilst the Municipality is compelled to enforce the provisions of the applicable Zoning Scheme, 2013 and conditions of land use approvals, it is also empowered to approve departures from land use restrictions after following due process.

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5.2 SPATIAL PLANNING

The most current spatial planning policies relevant to the De Mond Resort Development site are the Overstrand Spatial Development Framework ("SDF"), 2006 and the OGMS, 2010. These directives respectively designate the De Mond Resort Development site as follows:

Table 2: Consistency with Spatial Policy

Spatial Policy	Designation of Tender Area	Consistent
Overstrand SDF, 2006 (Refer Figure 3)	Inside Urban Edge	Yes
	Residential	Yes
	Special Place (areas with specific characteristics and conservation requirements)	Yes
Overstrand OGMS, 2010 (Refer Figure 4)	Densification zone: 10-20 units per hectare (gross density)	Yes
	Special Place (areas with specific characteristics and conservation requirements)	Yes

The SDF contains the municipal spatial policy, guiding the creation of integrated and sustainable use of land. This has to be achieved within the broader context of protecting the value of the Overstrand Municipal area as a natural resource and enhancing the sub-region as a popular eco-tourist destination. The environmental and social responsibility with which planning is approached is clearly articulated in the SDF and several of the objectives could be directly or indirectly achieved or contributed to by the proposed development.

According to the Development Pattern Policy for Urban Nodes and Settlements as contained in the SDF, De Mond falls within the Greater Hermanus Regional Node. Applicable guidelines indicate that as a general principle, public investment initiatives should focus on strategically located (public) properties that are linked to the town's comparative advantage (tourism). The focus should then be to upgrade and develop these properties to improve quality of life and to establish an enabling environment for job creation in partnership with the private sector. The SDF includes as a specific strategy that the Municipality must identify and actively facilitate key catalyst projects in conjunction with strategic partnerships with business/investors.

The proposed development fits perfectly into the above scenario. It is consistent with the spatial vision and policy directives of the Overstrand Municipality, compatible with the spatial trends in the surrounding area and would contribute to the spatial objectives of integrated development, conservation of natural resources and biodiversity and optimal use of existing urban areas rather than increasing the urban footprint.

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Figure 3: Extract from SDF, 2006

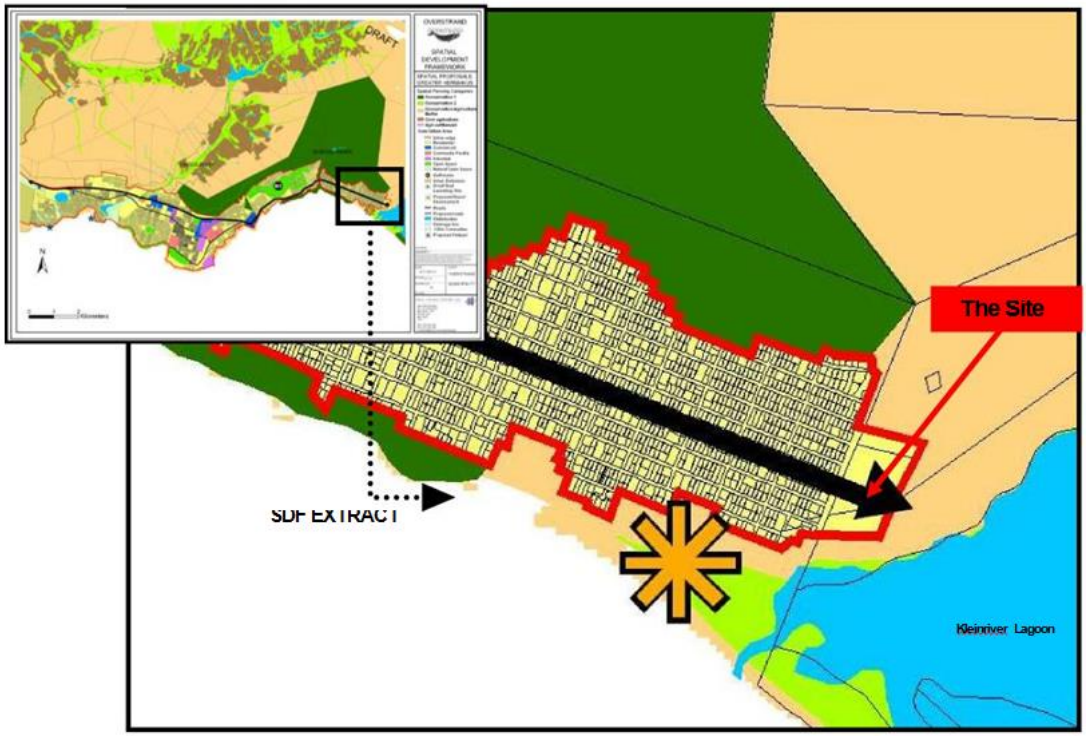
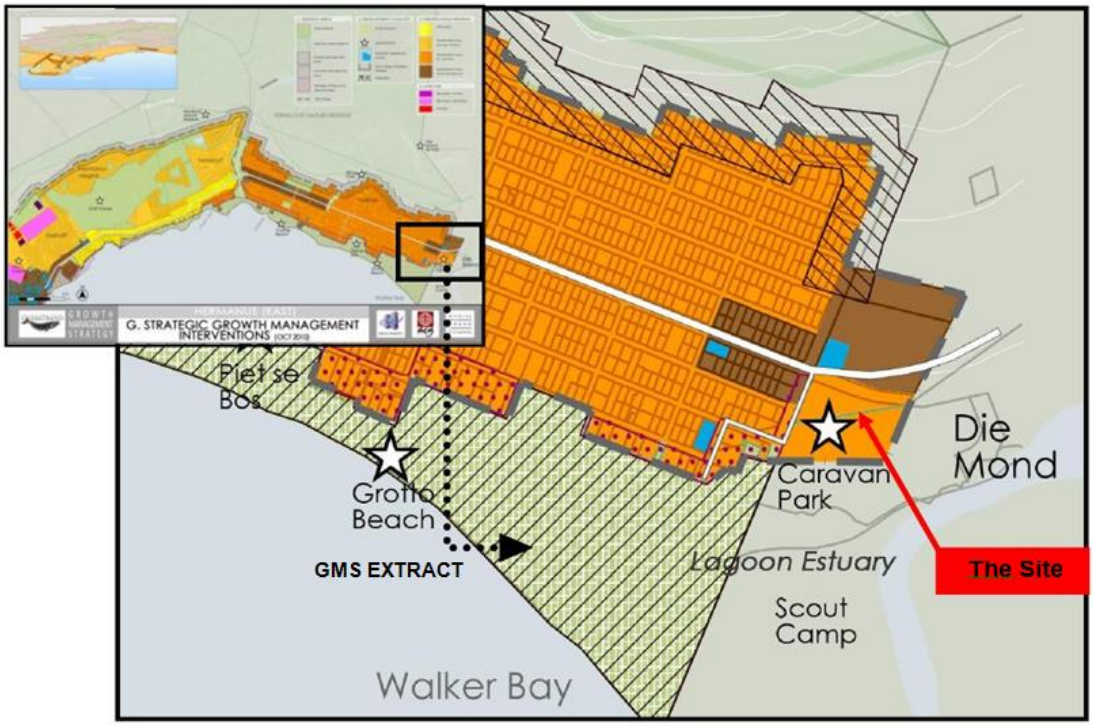


Figure 4: Extract from OGDS, 2010



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The Klein River Estuary Study and Management Plan ("KREMP"), prepared in conjunction with Cape Nature is also part of the SDF and would need to be taken into account by a prospective developer given that the De Mond Resort Development site is at the centre of KREMP's coastal zone focus.

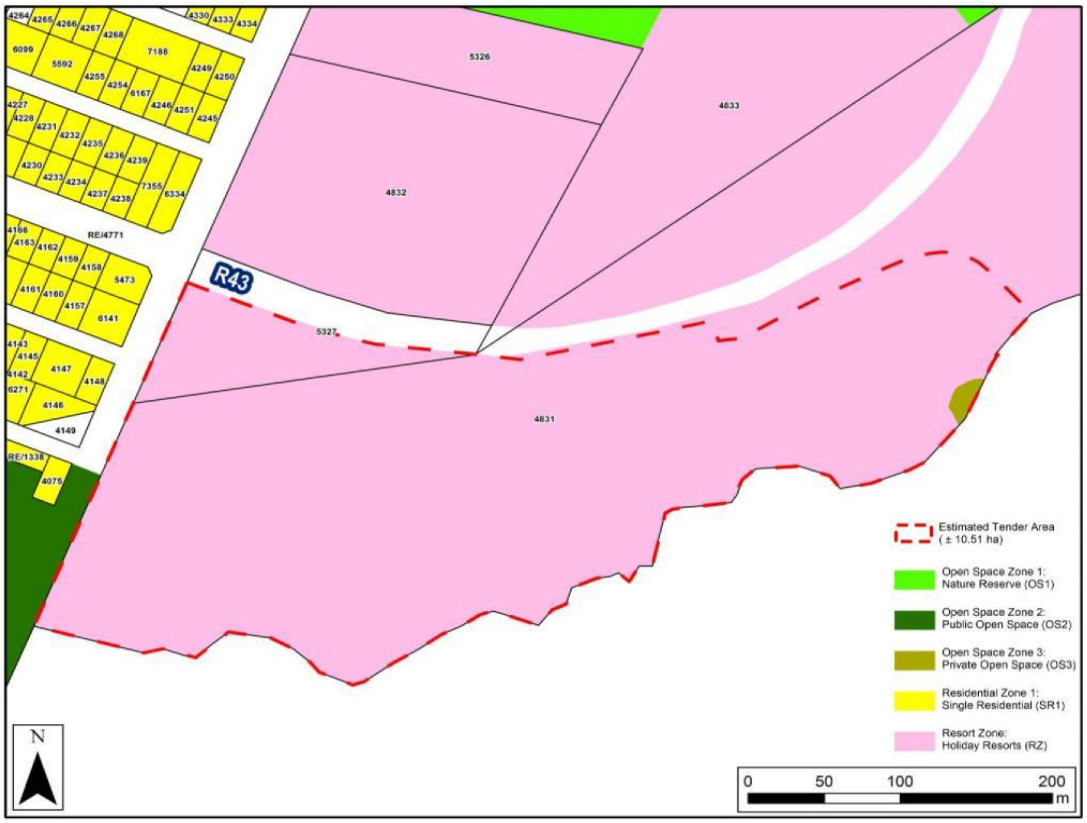
The De Mond area is indicated as municipal owned and it falls within the current urban edge as defined in the SDF.

5.3 ZONING

5.3.1 RESORT ZONE: HOLIDAY RESORTS

The De Mond Resort Development site is zoned Resort Zone: Holiday Resorts (RZ) in terms of the Overstrand Zoning Scheme (2013). A small portion of land at Prawn Flats (boat launching area and grassed terrace) is zoned Open Space Zone 3: Private Open Space (OS3) as indicated in Figure 5 (Plan 3).

Figure 5: Zoning Plan (Plan 3)



In terms of the Zoning Scheme the primary uses permissible in Resort Zone: Holiday Resorts are "conservation use, holiday accommodation, private open space, private road and tourist accommodation", whilst consent uses include "additional dwelling units, conference facilities, holiday housing, hotel, place of assembly, place of entertainment, recreational facilities, restaurant, rooftop base station, transmission tower, tourist facilities, any other related use determined by Council".

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5.3.2 DEVELOPMENT PARAMETERS / CRITERIA

The primary uses of De Mond Resort Development site therefore include conservation use, holiday accommodation, tourist accommodation, private open space and private road. In terms of the Zoning Scheme:

- "conservation use" in principle means the use or maintenance of land in its natural state or rehabilitation to its natural state. However, the tender site is a disturbed transformed site that is not intended as a conservation site but the site includes patches of milkwood trees which require protection due to its endangered species classification and these trees could quite feasibly be incorporated into the site layout plan and the landscaping of the site.
- "tourist accommodation" means the letting of rooms or individual units on a temporary basis to paying lodgers or guests, and includes a guest house, bed and breakfast, backpackers' establishment, and camp sites, provided that the use complies with any other relevant legislation.
- "holiday accommodation" means a harmoniously designed and built development, used for holiday and recreational purposes, whether in private or public ownership, which:
  - consists of a single enterprise in which accommodation is supplied by means of short term renting and time sharing only;
  - may include the provision of a camping site, mobile home park and dwelling units;
  - may also accommodate a restaurant and indoor and outdoor recreation facilities; but
  - does not include a hotel or conference centre.
- "private open space and private road" would include land used primarily for outdoor sports, play, rest or recreation including swimming pools.

Following is a number of other definitions that are relevant to highlight some of the consent uses in Resort Zone: Holiday Resorts in terms of which due process will have to be followed:

"conference facilities"	means a place of commercial nature where information is presented and ideas exchanged among groups of people or delegates whose normal place of work is elsewhere, and may include overnight accommodation and the supply of meals and beverages to delegates;
"holiday housing"	means dwelling units, mobile homes or camping sites that are harmoniously designed and built, for holiday or recreational purposes, and which may be separately alienated by means of sectional title division, fractional title, the selling of share blocks or the subdivision of property;
"hotel"	means a property used as temporary residence for transient guests, where lodging and meals are provided, and may include: a restaurant or restaurants, associated conference and entertainment facilities that are subservient and ancillary to the dominant use of the property as a hotel; and premises which are licensed to sell alcoholic beverages for consumption on the property but does not include an off-sales facility;
"place of assembly"	means a public hall, a hall for social functions, a music hall, an exhibition hall, a club house, a town hall, civic centre, which is not directly related to a commercial undertaking and excludes a place of entertainment;
"place of entertainment"	means a place used for commercial entertainment which may attract large numbers of people, operate outside normal business hours or generate noise from music or revelry on a regular basis, including a cinema, theatre, amusement park, dance hall, night club, gambling and live music;
"recreational facilities"	means the use of land, including stretches of coastline, for large uncovered or open areas developed or undeveloped to practice a particular sport or combination of sports and general recreation, and includes a clubhouse, associated infrastructure and buildings, indoor and outdoor swimming pools and associated infrastructure and includes a firing range and driving range, but does not include any building or

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	structure that is used for business or any other use not aligned to or dependent on the sport concerned;
"transmission tower"	means any support structure and associated infrastructure more than 3m in height, that is used for the transmission and/or receptionof electromagnetic waves; and includes telecommunication, cellular communication, radio, television and satellite transmission;
"tourist facilities"	mean amenities for tourists or visitors such as lecture rooms, restaurants, picnic areas, gift shops, cafés, restrooms, recreational facilities, animal parks (domestic or otherwise), but does not include a hotel or overnight facilities.

Additional dwelling units that should be quite acceptable are the normal on-site accommodation provided for employees of the resort who need to reside on-site due to resort practices. These units would need to be an integral part of the resort.

With reference to holiday housing it should not comprise more than 50% or a lesser percentage if so determined by the Overstrand Municipality of the units on the site and it should be noted that Overstrand Municipality is not in favour of a large campsite, rather a smaller one for short term stays with the main focus being on chalets/self-catering units.

Although a hotel and conference facilities is not a primary but consent use the Overstrand Municipality is well aware and open to the fact that such facilities will be needed to accommodate large groups for various reasons. It should also be noted that conference facilities already existed on the site in the past therefore the use is considered as having vested as an existing right on the site. The determining criteria will be the objective to establish an economically viable, well-designed, well-managed and sustainable holiday resort.

The development parameters with regard to density, height, coverage, layout, building design, landscaping, parking, access, signage and the use of the property zoned for the Holiday Resorts are listed in the table below.

Table 3: Resort Zone: Holiday Resort –Development Rules and Parameters

Development Parameters		Specification	Comment
1	Maximum Height	2 storeys	Given the surrounding and adjacent single residential character, the Overstrand Municipality would not allow buildings higher than 2 storeys to be erected.
2	Maximum Density (number of units)	Not specified.	Subject to submission of a Site Development Plan and informed by the context, extent and topography of the site to the satisfaction of the Director: Infrastructure & Planning, Overstrand Municipality.
3	Building Lines & Setbacks	5m Statutory Line adjacent to the R43 Provincial Road The development fronting onto the Klein River Lagoon will have to be set back at least behind the 5m contour line – subject to approval / comment from the DEA & DP.	The tender site is directly abutting the Klein River Lagoon which requires development to be set back from the high-water mark to behind the 5m contour line. The purpose of this setback is to avoid flooding during storm events, high tides and potential future sea level rise.
4	Coverage	Not specified.	Subject to submission of a Site Development Plan.
5	Access	The site has an existing vehicular access point from 17th Avenue with a manual access control boom system.	It is intended that the existing vehicular access point will remain the only vehicular access point to the proposed resort. The public access to the boat launching site must remain open to the public, but can be controlled and managed by the resort.
6	Architectural Style	Not specified.	It is recommended that the proposed development responds positively to the local context of its surroundings and considers local informants within the architectural and design approach.

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5.4 SITE DEVELOPMENT

5.4.1 SITE DEVELOPMENT PLAN

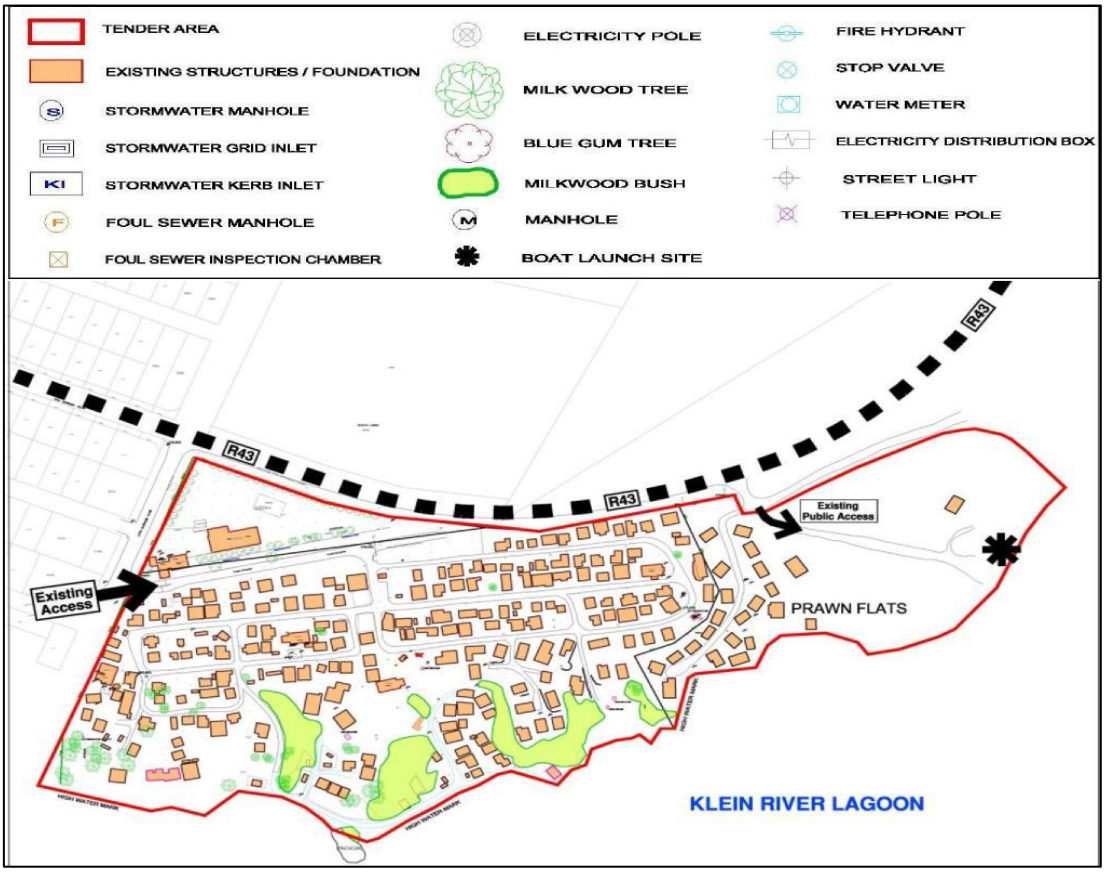
During the RFP process the shortlisted bidders would be required to do a conceptual site development plan which should include the following:

- Proposed resort units (including unit typology and number of units/density)
- Recreational facilities
- Parking
- Ancillary resort uses (restaurant, shop, conference facilities, etc.)
- Access arrangements (internal roads, access control, pedestrian movement/walkways)
- Landscaping
- Milkwood trees
- Other trees (existing & proposed)
- Edge treatments (scenic drive and residential)

5.4.2 EXISTING AS-BUILT PLAN

The current land use, infrastructure, access points, internal roads and structures are indicated on the following as-built plan – refer to Figure 6 (Plan 4), which is based on topographical survey information received from Van Dyk & Associates Land Surveyors combined with information from the latest available satellite images for the study area. It should be noted that most of the structures on the site have been demolished and the stands cleaned but the concrete foundations are still on site as indicated below.

Figure 6: Existing Site Plan with Features, Infrastructure and Structures (Plan 4)



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5.4.3 SITE INFORMANTS – OPPORTUNITIES AND CONSTRAINTS

Following an assessment of the local context and site conditions of the tender area, the opportunities and constraints were identified and contextualised.

5.4.3.1 OPPORTUNITIES

5.4.3.1.1 Locality:

- Within the existing urban edge - the application area is located within the urban edge of Hermanus, as defined by the Overstrand SDF, 2006.
- Within Hermanus, a prime tourist and holiday destination - the tender site is located within Hermanus, which is a prime and very popular tourist and holiday destination. This well-located site within the context of Hermanus and its surroundings promotes the potential attraction the proposed resort development will have.
- Within easy traveling distance from Cape Metropolitan Area - the tender area and Hermanus are located within an hour and a half's drive from Cape Town, which is most positive and contributes to the attractiveness of Hermanus as a holiday destination.

5.4.3.1.2 Access:

The tender area has good access from the R43 provincial road, which joins onto the N2 national road leading to/from Cape Town. The existing access controlled site access will remain the primary access to the site and future development can upgrade it to an electronic control system, if required.

5.4.3.1.3 Excellent aesthetic attributes:

- Sea views & mountain views - the site offers brilliant sea views to the south and mountain views to the north.
- Klein River Lagoon views & boat launch site - the site is directly abutting the Klein River lagoon, which offers excellent views as well as access to a boat launch site directly on the tender site.
- Established trees - the existing established trees contribute to the character, beauty and tranquillity of the site.

5.4.3.1.4 Physical Characteristics:

- Gentle Slope - the tender site has a gentle slope that is advantageous to development. Furthermore, the natural embankment adjacent to the lagoon elevates the majority of the site to above the 5m contour and naturally protects the site from flooding.
- Site Extent (Size) - the extent of the site (± 10.5 ha) provides sufficient space to enable an efficient site layout that can include a variety of resort land uses, infrastructure, access as well as landscaping and gardens.
- Services Infrastructure - a services investigation was undertaken to determine the capacity of existing infrastructure and to identify future service upgrade requirements to enable the proposed resort development.

5.4.3.2 CONSTRAINTS

5.4.3.2.1 Milkwood trees:

Milkwood trees are an endangered species that require special conservation. The milkwood trees on the site will have to be accommodated in the site layout and planning of the proposed resort development. Alternatively, an application can be made in terms of the relevant statutes to remove some of the milkwood trees, if required.

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5.4.3.2.2 Sensitive interfaces:

- **Residential Interface** - the residential interface with the Voëlklip residential area will require an appropriate design response to minimise the impact on the residential area.
- **Scenic Interface** - the interface of the site with the R43 road is considered as a scenic and visually exposed interface that will require an appropriate design response in terms of landscaping, fencing and planting.
- **Lagoon Interface** - the southern interface of the site onto the Klein River Lagoon is influenced by the setback line (5m contour line), which implies that no residential units or structures will be allowed onto the water's edge.

Although the above-mentioned interfaces require specific and appropriate design responses, these interfaces contributes to the attractiveness and value of the tender site as a potential esteemed and prime holiday resort destination.

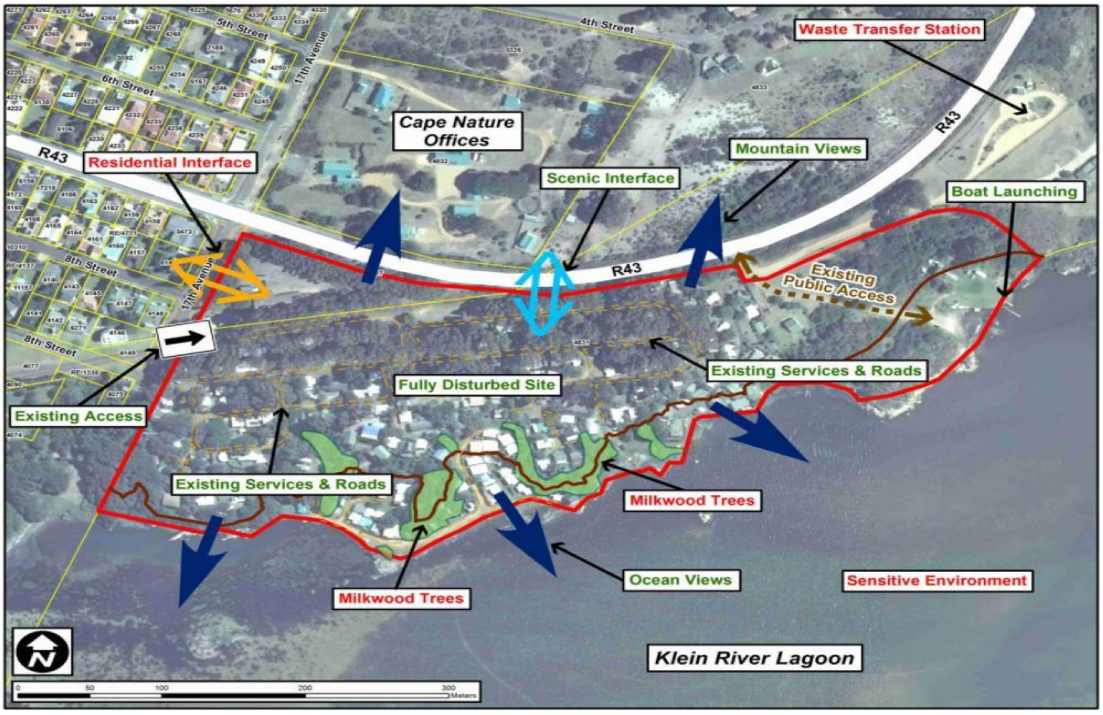
5.4.3.2.3 Environmental Management:

The Environmental Impact Assessment ("EIA") Regulations, 2010 in terms of the National Environmental Management Act ("NEMA") include listed activities which, if triggered by a development, require that certain environmental assessments be undertaken to obtain environmental approval before undertaking development. This is further dealt with under item '**3.Environment'**.

5.4.3.3 CONTEXTUAL ANALYSIS OF OPPORTUNITIES AND CONSTRAINTS

The following contextual analysis and synthesis of opportunities and constraints provides good background and base information to inform the compilation of layout and design options for the proposed resort development. Refer to Figure 7, (**Plan 5**).

Figure 7: Spatially Illustrated Opportunities and Constraints (Plan 5)



Keys: Green: Opportunities

Red: Constraints

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5.4.4 SITE ASSESSMENT – DESIGN CONSIDERATIONS

Following key aspects would be required to inform the layout planning and design of the De Mond Public Resort as part of the RFP submission of bidders shortlisted during the RFR process.

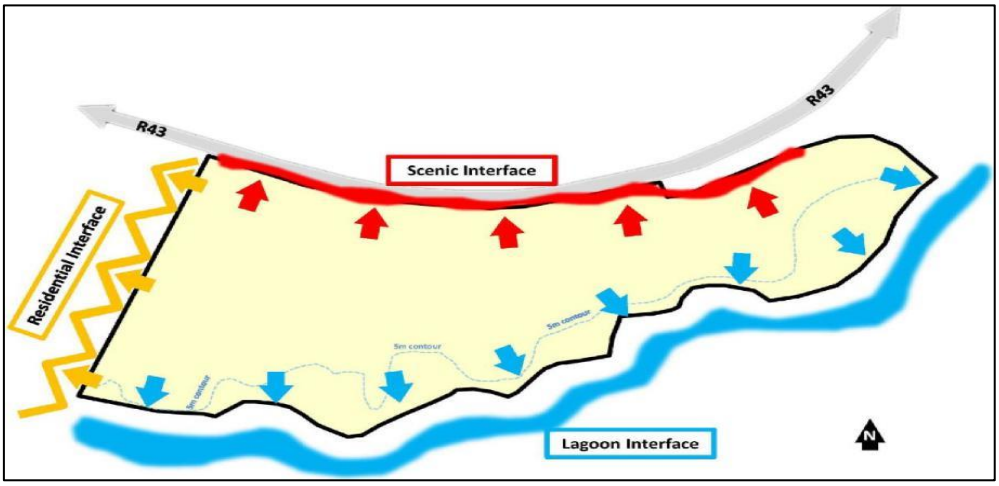
(Refer to **Figure 8 and Figure 9 (Plans 6 & 7**).

5.4.4.1 KEY INTERFACES

(of the site with its surrounding environment)

- **Scenic Drive Interface onto the R43 road** - the R43 road between Hermanus and Stanford is a scenic route with excellent mountain views to the north and sea and lagoon views to the south-east. The northern edge of the De Mond Public Resort site directly abuts the R43 road and it will be important that future development of the site incorporate proper design responses, including landscaping, fencing and planting, to treat this visually exposed interface appropriately.
- **Residential Interface onto the Voëlklip residential area** - the western edge of the De Mond Public Resort site directly abuts the single residential area of Voëlklip, which is a low density and high quality residential extension of Hermanus. It will be important to treat this edge as a sensitive edge and to position proposed uses in such a way as to minimise the impact on the adjacent residential area.

Figure 8: Site Interfaces (Plan 6)



- **Klein River Lagoon Interface** - the southern edge of the De Mond Public Resort area bounds onto the Klein River Lagoon. This edge will require adherence to the latest setback line provisions to prevent flooding of infrastructure due to storms, high tides and projected future sea level rise. A five (5) metre contour line ***6*** has been set for the site as informed by the various studies mentioned in this document and the Feasibility Study. This edge offers excellent sea and lagoon views as well as direct pedestrian access to the lagoon and to the Grotto Beach area.

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6 *A development Setback Line ("**DSL**") has not finally been determined for the estuary, the Estuarine Functional Zone is defined by the 5m contour and no development of habitable buildings should take place beneath this line. A DSL analysis done in 2008 by a local consultant determined that the three low lying areas of the De Mond site with dwelling structures, measured the 2m and 3m above Mean Sea Level ("**MSL**") contours and that the major part of the property lies above 12m MSL. According to the analysis, it is well known that the low-lying areas were flooded during high water levels in the Vlei.*

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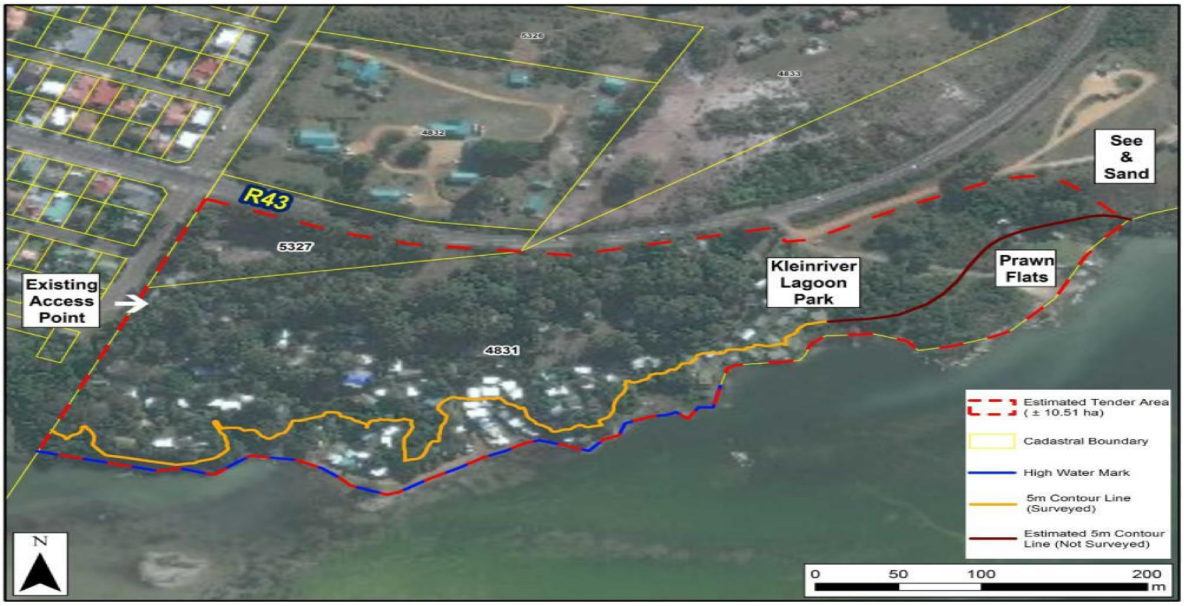
Figure 9: 5m Contour Setback Line (Plan 7)



5.4.4.2 TOPOGRAPHY

The topography of the application site slopes in a south and south-eastern direction towards the Klein River Lagoon. Stormwater from the mountain slopes enters the site from culverts under the R43 road and require on-site management and channelling. Topographical surveys were undertaken in the past and can be made available on request.

Figure 10, (Plan 8), provides a cross section of the De Mond Public Resort site, indicating the mountain slopes, the R43 road and site sloping towards the water's edge of the Klein River Lagoon. Following a review/analysis of the existing topographical information and an onsite investigation, the site topography can be summarized as generally flat (slope flatter than 1:4) with a natural slope towards the Klein River Lagoon. The site includes a natural embankment (slope steeper than 1:4) along its southern boundary, dipping down towards the edge of the lagoon. The last-mentioned embankment elevates the majority of the site to above the 5m contour line, contributing to flood prevention in storm events, high tides and future sea level rise.

A slope analysis was undertaken to identify the areas where the slope is steeper than 1:4 and to confirm that the majority of the site is indeed flatter than 1:4 and regarded as developable land (refer to **Figure 11, (Plan 9).**

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Figure 10: Cross Section of Site (Plan 8)

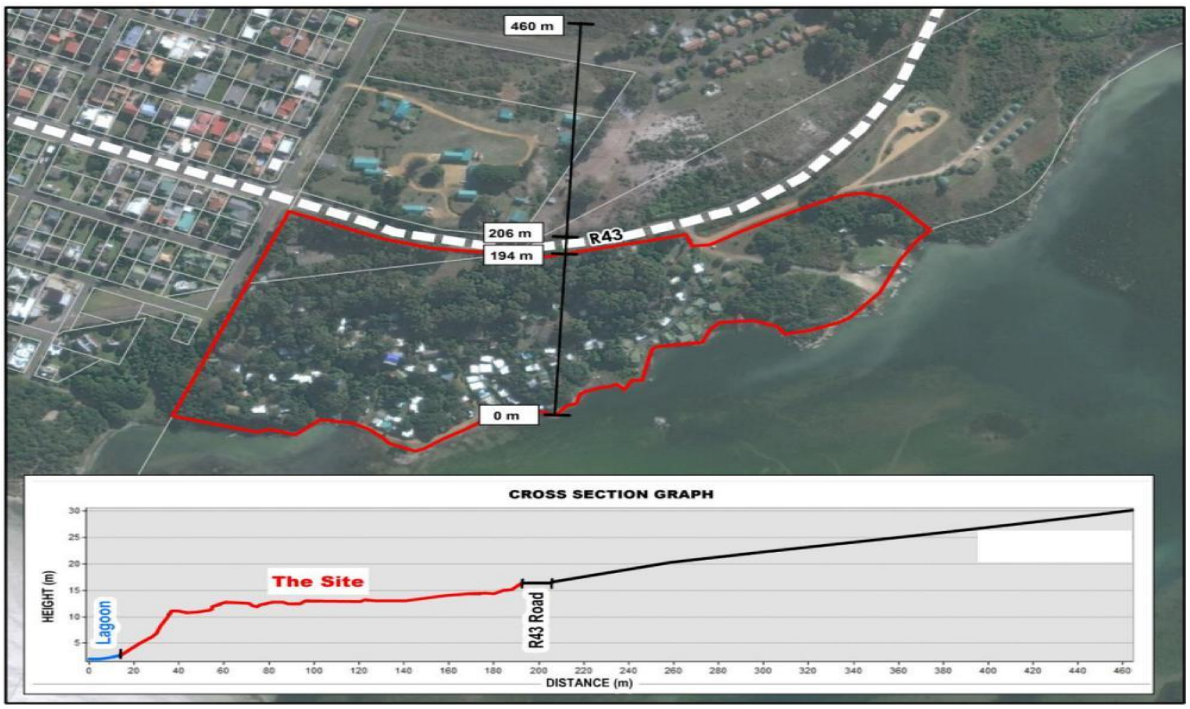
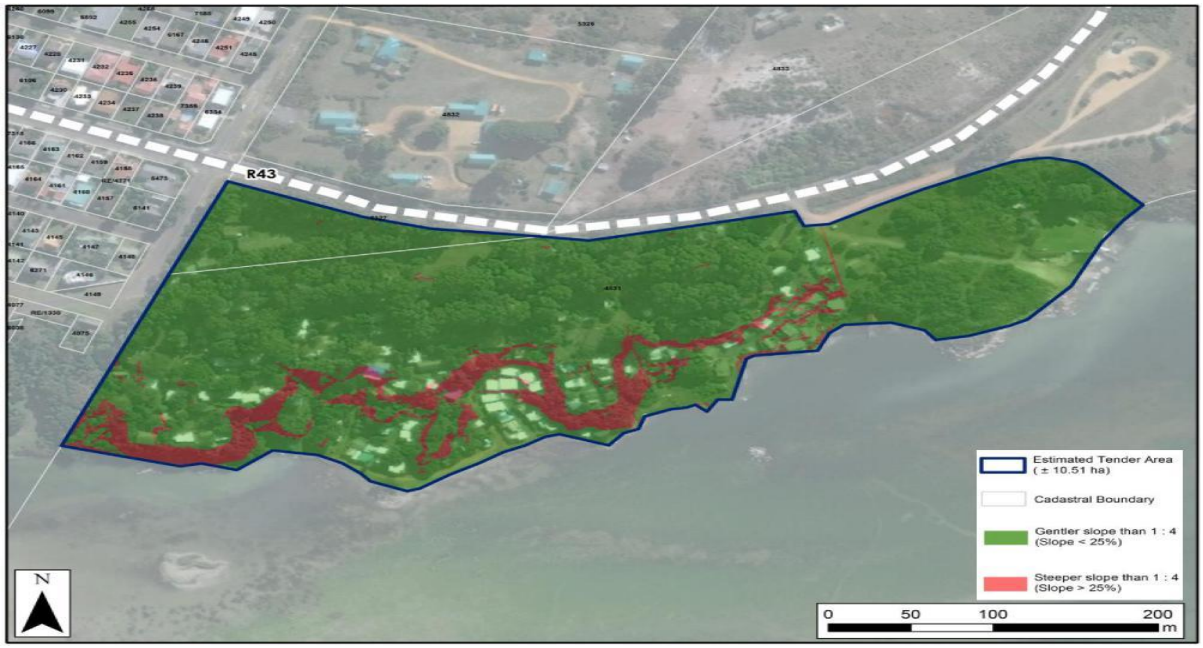


Figure 11: Slope Analysis (Plan 9)



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5.4.4.3 VEGETATION

The De Mond Public Resort site is covered by various alien and indigenous trees, which provided good shade and shelter to campers in the past. There are also clusters of milkwood trees on the site, which are classified as endangered species for conservation purposes. Refer to paragraph '**6.1.3.1 Vegetation'** below for more details pertaining to the trees and vegetation onsite as well as the recommendations in terms of managing/ incorporating the trees into the future site layout and design.

5.4.5 DESIGN RESPONSE

Registered prospective developers would be required to present an innovative concept design approach, plan and response statement during the RFP process. The purpose of this design response would be to indicate an understanding/appreciation of the site context, i.e. surrounding uses, interfaces and site configuration, and to illustrate that the proposed development would be the appropriate development for this specific site.

5.5 CONCLUSION

From a planning perspective, it can be concluded that:

- The De Mond Public Resort development site is appropriately zoned to accommodate a resort development. Depending on the proposed combination and mix of uses, minor consent use applications may be required to accommodate uses that are not currently 'as of' rights on the property;
- The proposed resort development of the site is consistent with the current spatial policy directives for the study area, including the spatial designation, objectives and vision;
- The De Mond Public Resort development site has excellent accessibility from existing major roads in the Overstrand Municipal Area and Hermanus (N2 and R43);
- The locality of the site could be described as prime;
- The De Mond Public Resort development site has excellent exposure which makes it most attractive as a holiday and tourist destination;
- Due to its physical characteristics, i.e. size, configuration and slope, the site is regarded as most developable and in fact lends itself towards a creative and efficient design response;
- The aesthetic attributes of the De Mond Public Resort development site include mountain and sea views, lagoon frontage, established trees as well as scenic and visual exposure;
- The above attributes contribute to promote this site as a prime location for establishing a potentially world class holiday resort;
- The De Mond Public Resort development site offers access to an existing boat launching site, which is most beneficial and could potentially be utilised to unlock associated recreational opportunities;
- The proposed resort development of the site could potentially contribute to further enhance Hermanus as one of the most sought after holiday and tourist destinations in the Western Cape. In this regard, it is the Overstrand Municipality's vision to optimise the benefits that the proposed De Mond Public Resort development could unlock for the town and its surroundings.

6 ENVIRONMENTAL ANALYSIS

The discussion below is based on an Environmental Due Diligence Report done by Withers Environmental Consultants pertaining to the RFR/RFP. The report deals with the potential biophysical / environmental, heritage and engineering-related opportunities and constraints with respect to the proposed De Mond Public Resort development and recommends the necessary steps that should be taken in order to develop the site in an environmentally sustainable and legally correct way.

Even though the 100-year floodline should be considered by the developer entity, it is assumed that, for the De Mond area, this will not significantly reduce the developable area due to the site being very steep

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therefore the optimum height before breaching would be the factor to consider. The bottom area below the 5m contour line, where structures were previously built, however, should not be considered as being a developable area.

As the discussion in this section indicates a Basic Assessment and not an Environmental Impact Assessment will be required for the proposed development given the size of the development being less than 20ha.

6.1 BIOPHYSICAL CHARACTERISTICS

6.1.1 SOILS AND GEOLOGY

The soils of the De Mond Public Resort development site comprise a variable thickness of colluvium comprising acidic sand, hill wash talus material comprising small angular rocks of varying sizes lying on the quartz tic sandstones of the Table Mountain Group, which are exposed along the western estuary margin (e.g. between Prawn Flats and Voëlklip).

Rock outcrops occur on the lowest portions of the site. No outcrops were noticed within the top gently south-sloping part of the site but scattered outcrops were noted on the steeper slopes towards the south-end of the site. It is possible that the bedrock is shallow throughout the area to be investigated with the more prominent outcrops occurring among the stands of Milkwood trees. Residual soils are normally absent but may be poorly developed in areas of impeded drainage.

A full Geotechnical Investigation was not undertaken and would have to be done once the extent of the development is known and prior to the construction of buildings. The method would be through the excavation of a sufficient number of pits to cover the land to be developed in order to record the water rest levels; recording of surface features; recording the results of field penetration and laboratory tests as well as a chemical analysis of soil-water extracts - the objective being to determine all possible geotechnical constraints (e.g. with respect to founding, depths, soil wetness and rock) and to propose appropriate mitigation measures to be taken into account in the planning and design of the various components of the De Mond Public Resort development. Existing infrastructure and buildings were previously erected on the site and suitable founding conditions are expected. A Geotechnical Report should confirm such and elaborate on the re-use of materials and constraints in hard rock areas.

(The 1:250 000 geological map, Sheet 3319 Worcester &"Geotechnical Investigation Proposal - Geotechnics Africa, May 2009 have reference).

6.1.2 SURFACE WATER

Apart from the adjacent Klein River Estuary, which has been identified by the South African National Biodiversity Institute ("SANBI") as a Freshwater Ecosystem Priority Area, an un-named stream, which most probably also forms part of the municipal stormwater drainage network of Voëlklip, flows in a general northeast to south-west direction along the western boundary of the De Mond Public Resort development and into the Estuary. The stream presumably arises from seepage water from the slopes of the Klein River Mountains to the north, and is piped beneath the R43 Road before emerging on Erf 4831. The stream-banks are steep, and are lined with indigenous forest tree species (notably Milkwoods), along with alien "garden species" and other weeds. A small shed for storing canoes and other small water craft is located on the western bank of the stream where it enters the Klein River Estuary.

No other surface water bodies, streams or natural drainage lines were found to be present on the De Mond site but a portion of the De Mond site near its northern boundary, i.e. just below the R43 road is very wet. This surface flow is likely a result of groundwater seepage flowing from properties to the north, higher up the slope. Subsoil drainage for all roads and parking areas are thus foreseen. In addition a cut-off trench/storm water channel/feature should be considered along the northern boundary of the site.

A number of wetlands and seeps are located near the waters' edge of the estuary and another wetland area, resulting from seepage water (characterised by VleitjiesrietPhragmitesaustralis), occurs on the Prawn Flats portion of the site, behind the toilet block. This wetland area should be avoided, and should not be disturbed.

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6.1.3 BIODIVERSITY

6.1.3.1 VEGETATION

According to SANBI, Agulhas Limestone Fynbos (with a 'Vulnerable' conservation status) previously occurred on much of the De Mond and KRLP areas1. This natural fynbos vegetation has, however, been completely removed due to the history of human settlement and land use.

The De Mond site (above the 5m contour line) now comprises a mixture of exotic and indigenous lawn grasses with large exotic trees providing shade to the camp site and caravan/ "park-home"" stands including Eucalyptus sp.; Pepper Tree Schinus sp.; Willow Tree Salix sp.; SyringaMeliaazedarach and Cyprus Cupressus sp. along with a number of indigenous White MilkwoodSideroxylonInerme trees.

Milkwood trees are protected in terms of the National Forests Act, 1998 (Act No. 84 of 1998), and may not be pruned, disturbed, or removed without a permit from the National Department of Agriculture, Forestry and Fisheries ("DAFF"). Some of the Milkwood trees on the site have, however, been pruned in the past by previous tenants.

Below the 5m contour line (below the De Mond site leading towards Prawn Flats) the vegetation includes areas of Western Cape Milkwood Forest, which is classified as an endangered vegetation type in Government Gazette No. 1002 of 9 Dec 2011, promulgated in terms and of the National Environmental Management: Biodiversity Act, 2004 (Act No. 10 of 2004) ("**NEM:BA**"). Whilst Western Cape Milkwood Forest has not been mapped by the SANBI, only ± 2000 ha of this habitat type remains in existence. Indigenous forest tree species include White Milkwood, Sea GuarrieEuclearacemosa, Camphor bush Tarchonanthuscamphoratus, Fine-leaved Ironwood Chionanthusfoveolatus, Cape sumachOsyriscompressa and Searsiasp.SandViooltjieLachenalia sp. bulbs were also noted amongst the Table Mountain Sandstone rocks under the Milkwood Trees. The portion of the site containing Milkwood Forest has accordingly been classified as an **Ecological Support Area**("**ESA**") by SANBI – refer to **Figure 12, (Plan 10).**

[1]Judging by the soils and geology of the area, it is likely that Overberg Sandstone Fynbos (with a 'Least Threatened' conservation status) and not Agulhus Limestone Fynbos, previously would have occurred on the site.

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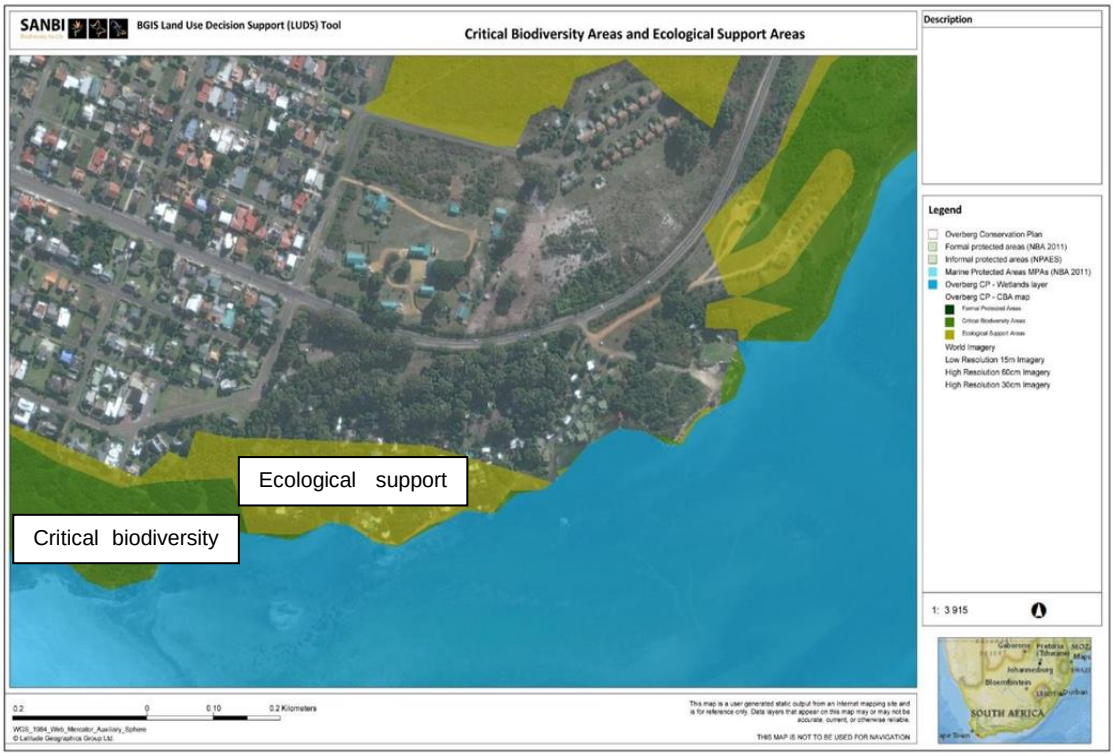
Figure 12: Critical Biodiversity Areas and Ecological Support Areas (Plan 10)



Whilst the Milkwood Forest habitat on the site has been invaded by weedy alien "garden species", and by other weeds, it can be restored to a more natural state. In order to effect such restoration, a qualified Landscape Architect / Urban Designer should be appointed as part of the tender process to provide a plan for the rehabilitation of the site. The Landscape Architect should also, in collaboration with an appointed Environmental Assessment Practitioner ("EAP"), provide guidelines for the removal of alien and weedy plant species from the site, and a list of indigenous and/or non-invasive water-wise trees and shrubs that can be used in gardens and open space areas. The Eucalyptus trees should be removed in a phased manner.

The vegetation at Prawn Flats consists of disturbed, developed areas which are dominated by exotic Eucalyptus and Willow trees, lawn grasses and weeds, and rocky areas along the estuary margin which support natural vegetation.

These rocky outcrops (classified as a **Critical Biodiversity Area by the SANBI**) support a variety of different plant species including succulent species such as Seneciocrassulifolius, Cotyledon orbiculata, Crassulatetragona and fynbos species such as Diosmahirsuta, Olea exasperate, Phylicabuxifolia, Gladiolus priorii and thicket species such as Chionanthusfoveolata, Colpooncompressun and Searsiaglauca. The fynbos vegetation in the area has been mapped by the SANBI as Agulhas Limestone Fynbos (classified as Vulnerable) and Overberg Dune Strandveld (classified as Least Threatened).2

[2]Judging by the soils and geology of the area, it is likely that this remnant vegetation is Overberg Sandstone Fynbos (i.e. Least Threatened conservation status), and not Agulhus Limestone Fynbos.

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The rocky outcrops also provide a protected habitat for Cape Clawless Otter Aonyxcapensis. The rocky outcrops form an effective natural barrier and help reduce the pressure of people on the estuary in this area. It is therefore recommended that public access to the rocky outcrops be prevented in order to protect them from trampling (e.g. by providing raised wooden boardwalks along the landward boundary of these outcrops). The outcrops should also be kept clear of alien plant species.

The vegetation along the Klein River Estuary margin comprises Cape Coastal Lagoons. Whilst not threatened vegetation type, a great variety of estuarine birds and water fowl feed and nest in this shoreline vegetation. The glossy pink Orphium frutescens flowers in this vegetation type always attract attention, as do the Greater Flamingos; Cape Cormorants; Egyptian Geese; Coots; Terns and Gulls on the estuary, and the various migratory wading birds that frequent the estuarine mud flats and exposed sand bars.

The most common aquatic vegetation includes Eelgrass Zostera capensis and Ruppiamaritima, with Eelgrass more common around the Prawn Flats area. Filamentous algal species are common and large masses of Enteromorphabulbosa are often left stranded to rot on the shoreline when water levels fall (e.g. as a result of breaching the estuary mouth). Other aquatic species include Sarcocornianatalensis, Rice grass Spartinamaritima, Juncuskrausii, Sporobolusvirginicus and VleitjiesrietPhragmitesaustralis.

The Klein River estuary also supports relatively high densities of fish such as Southern Mullet (Harder) Liza richardsonii and provides important nursery areas for many other marine fish species including White SteenbrasLithognathuslithognathus, Cob Argyrosomus sp. and Grunter Pomadasyscommersonnii.

The Klein River Estuary has accordingly been rated by the Regional Estuarine Management Programme of the Cape Action Plan for the Environment (“C.A.P.E”) as the 5th most important temperate estuary along the South African Coastline in terms of conservation importance. Since a development set-back line has not been determined for the estuary, the “Estuarine Functional Zone” is defined by the 5 m contour, and no development of habitable buildings should take place beneath this line.

Should the De Mond Resort development site wish to include the development of infrastructure below the 5m contour (such as a board-walk along the edge of the Estuary, increasing the height of the retaining walls at Prawn Flats, to upgrading or replacing the jetty at Prawn Flats, constructing or upgrading of picnic or braai facilities, or construction of new or refurbishing the existing concrete slipways) a specialist Estuarine Ecologist should be appointed to inform such work, and to propose measures to mitigate any negative environmental impacts associated with such work. Such construction within Coastal Public Property could entail the addition of Activity 14 and/or Activity 43 of Listing Notice 1 of the EIA Regulations, 2010 to the list of Basic Assessment Activities applied for.

6.1.3.2 WILDLIFE

No wildlife (other than birds on the estuary and in the tree canopies) was observed on the site during the site visit. Cape Dune Mole Rat Bathyergussuillus and other rodents (e.g. mice, rats, moles and shrews) may, however, occur on the site, together with Mole Snakes Pseudaspiscanaand small mammals associated with the estuary (e.g. Water Mongoose Atilaxpaludinosus and Cape Clawless Otter Aonyxcapensis).

6.2 APPLICABLE LEGISLATION

South African legislation governing environmental management and related matters is extensive, fragmented and sometimes overlaps. The Overstrand Municipality has therefore incorporated specific provisions into strategic municipal documents to promote environmental management objectives as found in the legislation and to ensure lawful administrative action. Examples of such strategic documents are the OGMS, Overstrand Heritage Survey Report (“OHSR”), KREMP, the SDF and the Overstrand Density Survey (the “ODS”).

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Environmental legislation specifically applicable to the De Mond Resort Development and in random order discussed below is the following:

- National Environmental Management Act, 8 of 2004 ("NEMA");
- National Environmental Management: Biodiversity Act, 10 of 2004 ("NEM:BA") as previously mentioned in this document;
- National Environmental Management: Integrated Coastal Management Act, 24 of 2008 ("NEM:ICMA");
- National Environmental Management: Waste Act, 59 of 2008 ("NEM:WA");
- National Forests Act, 84 of 1998 ("NFA");
- National Heritage Resources Act, 25 of 1999 ("NHRA"); and
- National Water Act, 36 of 1998 ("NWA").

6.2.1 NATIONAL ENVIRONMENTAL MANAGEMENT: INTEGRATED COASTAL MANAGEMENT ACT

The NEM: ICMA provides for the establishment of a coastal set-back line, i.e. the prescribed boundary that indicates the limit of development along ecologically sensitive or vulnerable areas, or along an area that poses a hazard or risk to humans.

Any future development proposal seaward of the coastal set-back line is automatically subject to prior authorisation by the Department of Environmental Affairs and Development Planning ("**DEA&DP**") in terms of the NEMAEIA Regulations, 2010.

In the case of estuaries, any development proposal within the above set-back line (or a within a setback line specifically determined for that estuary) would have to be compatible with the vision and objectives defined within the applicable specific estuary management plan, i.e. KREMP, as compiled under the auspices of the C.A.P.E Estuaries Management Programme.

Until such time as a specific coastal set-back line (also called a "process line") has been determined for the Klein River Estuary and adopted by the Municipality and by the DEA&DP, the KREMP and other consulting recommendations appear to agree that the 5 m above MSL contour line be used as a preliminary coastal development set-back.

Therefore no development of buildings should take place within the "Estuarine Functional Zone", which is defined by the 5 m above MSL contour line. The development of other infrastructure, e.g. board-walks, jetties, retaining walls, picnic areas etc., could be allowed along the edge of the estuary (below the 5m contour), should such development be advised and guided by a specialist Estuarine Ecologist, and should such development be in-line with KREMP.

Similarly, no KRLP buildings should be retained below the 5 m contour, since such infrastructure could be vulnerable to the effects of storm surges exacerbated by the effects of long-term climate change and associated predicted sea-level rise.

The SANBI states that 100m buffers of healthy natural vegetation should always be maintained around river and wetland Freshwater Ecosystem Priority Areas (such as the Klein River). As such, the relevant Activities listed in the EIA Regulations, 2010 pertaining to development within 100m of the coast should be included in the Basic Assessment Application.

6.2.2 NATIONAL ENVIRONMENTAL MANAGEMENT: WASTE ACT

Upgrading of the sewage reticulation network on the site associated with the re-development is unlikely to trigger any of the 2013 Waste Management Activities for which a Waste Management Licence is required.

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6.2.3 NATIONAL FORESTS ACT

The vegetation on the site includes areas of Western Cape Milkwood Forest, which is classified as an endangered vegetation type and protected under NEM:BA and individual Milkwood Trees which are protected in terms of the NFA. Thus should any areas of Milkwood Forest (refer to paragraph 6.1.3.1) be removed or pruned or disturbed as part of the re-development of the site Activity 26 of Listing Notice 1 and Activity 12 of Listing Notice 3 will need to be added to the list of Basic Assessment Activities applied for and a Permit Application will need to be obtained from DAFF and appended to a Basic Assessment Report.

However, since most of these trees occur below the 5 m contour line such removal or pruning of these trees need not occur and is not recommended.

6.2.4 NATIONAL HERITAGE RESOURCES ACT

Section 38 (1) of the NHRA requires that any person who intends to undertake certain categories of development must submit a Notification of Intent to Develop ("NID") to Heritage Western Cape ("HWC") or the South African Heritage Resources Agency ("SAHRA") at the very earliest stage of initiating such a development and must furnish details of the location, nature and extent of the proposed development. The categories of development that trigger a NID inter alia include any development or other activity which will change the character of a site exceeding 5 000 m2 in extent.

The De Mond Resort Development will cover an area in excess of 5 000m2. The compilation and submission of a NID to HWC can be undertaken by an appointed EAP or Heritage Consultant. Whilst no separate public participation process is required for the NID submission to HWC, the NID should be appended to a Basic Assessment Report.

It is unlikely that HWC would require additional studies to be undertaken (such as a Visual or Heritage Impact assessment) but these could be handled on behalf of a developer by a heritage practitioner or an EAP.

Although the De Mond Resort Development site is situated at the eastern entrance to the town of Hermanus, negative visual impacts associated with the re-development of the site are unlikely to occur, especially if some of the large Eucalyptus trees, which effectively screen the site from the R43 Road are retained until such time as they are replaced with suitable indigenous species in a phased manner. The design response as referred to under par. 5.4.5 will need to include the phases to be followed.

A stream runs along the western edge of the site which borders onto the existing Voëlklip residential area. Thus any future development should be set back from the upper banks of this stream as advised by an EAP or a Landscape Architect and by combining appropriate landscaping, fencing and tree planting, visual impacts on the adjacent suburb of Voëlklip would likely be minimal.

6.2.5 NATIONAL WATER ACT

An application for a Water Use Licence ("**WULA**") will need to be submitted to the Department of Water Affairs ("**DWA**"). Given that construction in or within 500m of a watercourse (i.e. the Klein River Estuary and the un-named stream on the site) will be taking place a General Authorisation ("**GA**") in terms of Section 21(c) and (i) of the NWA will most likely not be sufficient. An early stage consultation with DWA will clarify the matter which application can then be done by an EAP with inputs from an **Estuarine Ecologist** (if deemed necessary by DWA). A WULA or GA is also appended to a Basic Assessment Report.

6.2.6 NATIONAL ENVIRONMENTAL MANAGEMENT ACT

The proposed project will trigger listed activities in Listing Notices 1 and 3 of the EIA Regulations, 2010, and as such a Basic Assessment (BA) Process will need to be undertaken in order to obtain Environmental Authorisation for the proposed project from the Department of Environmental Affairs and Development Planning (DEA&DP).

The activities which, as a minimum, may, in terms of the EIA Regulations, 2010, be triggered by the De Mond Resort Development as well as the Basic Assessment Process are dealt with in a prescribed manner.

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6.3 ENVIRONMENTAL OPPORTUNITIES AND CONSTRAINTS

6.3.1 OPPORTUNITIES

The following opportunities with regard to the re-development of the site should be considered in the design of the resort, and in determining and attracting target markets etc.:

- The site is located within the Urban Edge of Hermanus.
- The site is well-located being two hour's drive from Cape Town, with easy access to the N2 and to the Overberg hinterland via the R43 Road, adding to its potential for re-development i.e. a large catchment area.
- Much of the site above the 5m contour line has a gentle slope on which habitable buildings can be easily developed.
- Areas below the 5m contour level can be developed for recreation facilities, play-park, swimming pool, sun-tanning decks, braai areas etc.
- The site is exceptionally well located from aesthetic and recreational tourism points of view due to the nearby proximity of the Fernkloof Nature Reserve, Klein River Mountains, estuary, lagoon, coastline and beach.
- Tourism and recreational activities that could be developed and enhanced include kayaking, ferry cruises, boating wind-surfing, kite-surfing, fishing, hiking and bird-watching.
- The beautiful Milkwood Trees and indigenous forest patches on the site should be protected, and incorporated into the layout of the proposed development.
- The re-development of the site will create much-needed jobs, e.g. hospitality, gardening and domestic staff, will increase revenue earned through tourism, e.g. through increased occupancy rates at the resort, and through the purchasing of goods and services within the Municipal area.

6.3.2 CONSTRAINTS

The following constraints should be taken in account in the design of the Site Development Plan ("**SDP**") in order to help ensure that the site is developed in an environmentally sustainable and legally correct way. Refer to **Figure 13, (Plan 11).**

- Some of the existing concrete foundations extend underneath established Milkwood Trees. These structures will need to be removed with extreme care (by hand). No structures will be allowed against or underneath these trees.
- Since they provide shade and shelter from the elements (e.g. wind and rain), and screen the De Mond site from the R43 Road, the existing large alien trees (e.g. Eucalyptus and Willow trees) should be phased out over time by replacing them with suitable indigenous trees. In addition to invading natural habitats, Eucalyptus trees are known to use vast quantities of water, and regularly drop large branches (which can damage property, and injure or even kill people).
- No development of habitable buildings will be allowed below the 5m contour line, in order to maintain an effective development set-back line between the development and the estuary. Similarly, KRLP buildings should not be retained below the 5 m contour line.
    - By restricting development to above the 5 m contour line, the "Estuarine Functional Zone" will be protected, and the future development will be safeguarded against the effects of storm surges, which may be exacerbated by the effects of long-term climate change and associated predicted sea-level rise.
    - An argument can, however, be made to refurbish / replace existing boat houses and other infrastructure below the 5 m contour line (i.e. to replace 'like' with 'like'), provided the relevant Basic Assessment Activities are added to the list of Basic Assessment Activities applied for.

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- Any future development should be set back from the upper banks of the stream which runs along the western boundary of the site, the advantage being that such a buffer will aid in mitigating visual impacts of the proposed re-development of the site.

Figure 13: Environmental Constraints Map (Plan 11)

6.4 RECOMMENDATION

It is recommended that the preferred bidder as selected through the RFR/RFP processes appoint an Environmental Control Officer ("ECO") to oversee the construction of the project in terms of the approved EMP in order to ensure that the development is done in an environmentally responsible and sustainable manner.

7 ENGINEERING SERVICES

The discussion below is based on a Preliminary Technical Services Information Report done by Lyners Consulting Engineers with inputs from GLS Consulting (Pty) Ltd in respect of the bulk water and sewer services. It intends to reduce uncertainty surrounding possible restrictions and enable the calculation of financial bulk development contributions for the required bulk services upgrades as well as clarification of possible conditions by other authorities.

7.1 EXISTING SERVICES INFRASTRUCTURE

The existing water, sewage and electricity services infrastructure on the development site(of which the bulk is an existing albeit vacant caravan park)is old and/or basic, mostly in a poor condition in need of upgrading thus not much of it would be usable in its current condition.

The water pipes are old asbestos pipes and need to be abandoned. The conservancy tanks and sewage pumping stations should be replaced and additional sewage pumping stations will be required and the rocky embankment and topography of the site creates difficulty for sewer services. The bulk electricity network

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feeding the development site must be upgraded. The existing low voltage overhead lines reticulating the site are so dilapidated that further use thereof is strongly discouraged.

The current access roads would need to be upgraded and the current surfaced ring road in De Mond is also in a poor condition. The stormwater system must be completely redesigned.

7.2 DEVELOPABLE SPACE AND OPPORTUNITIES

The top part of the development site has a gentle slope towards the estuary and is suitable for development and all engineering services. The top part of the site is also mostly above 10m MSL and provides excellent views over the estuary. The embankment in certain areas creates a steep slope with no development opportunities, but in other areas some terraces were formed which could be engineered further to create special locations for chalets with exceptional views. Figures 14 and 15, (**Plans 12, 13.1 & 13.2**), indicate the developable and undevelopable areas.

Figures 16 and 17 (Plans 14 & 15), indicate medium slope opportunities with Figure 17 showing the opportunity to use retaining walls to increase developable space.

Some of the developable areas are in close proximity to an unnamed stream which starts at the outlet of a stormwater pipe and crosses part of the site and the redevelopment of this area, if considered, must be included in the Basic Assessment as discussed in par. 6.

Figure 14: Developable Areas (Plan 12)

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Figure 15: Undevelopable Areas (Plan 13)

Figure 16: Medium Slope Opportunities for Development (Plan 14)

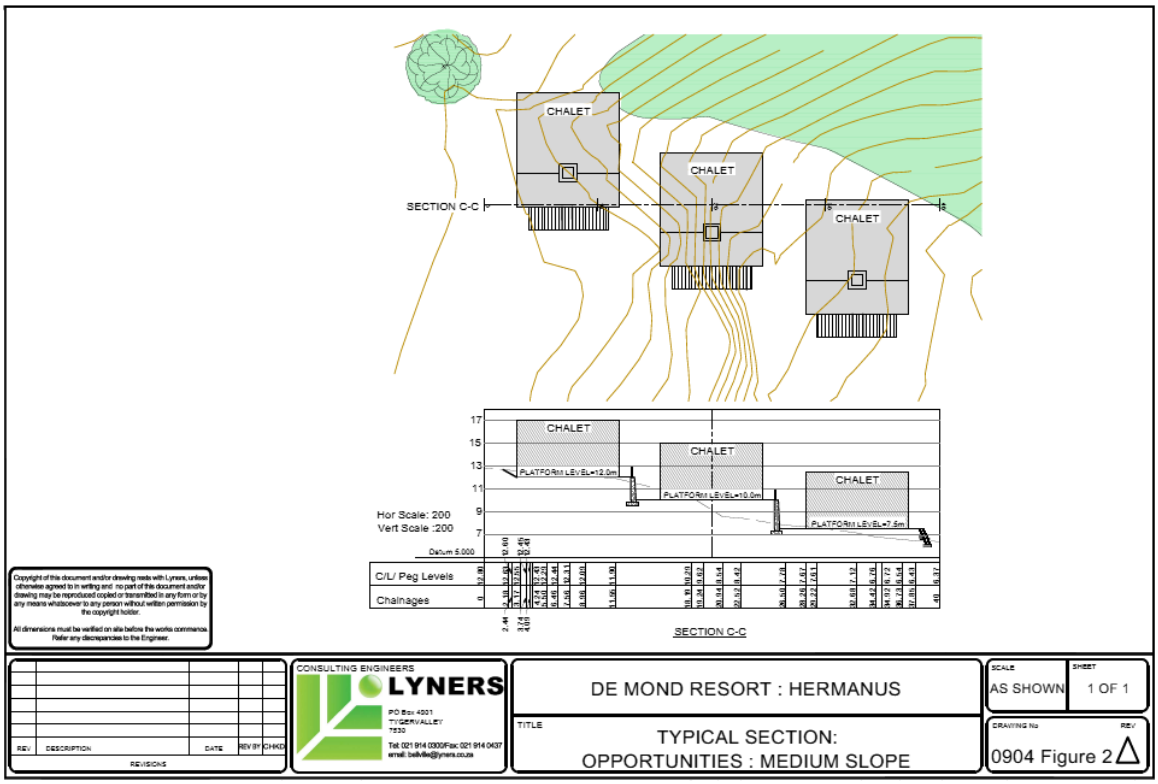

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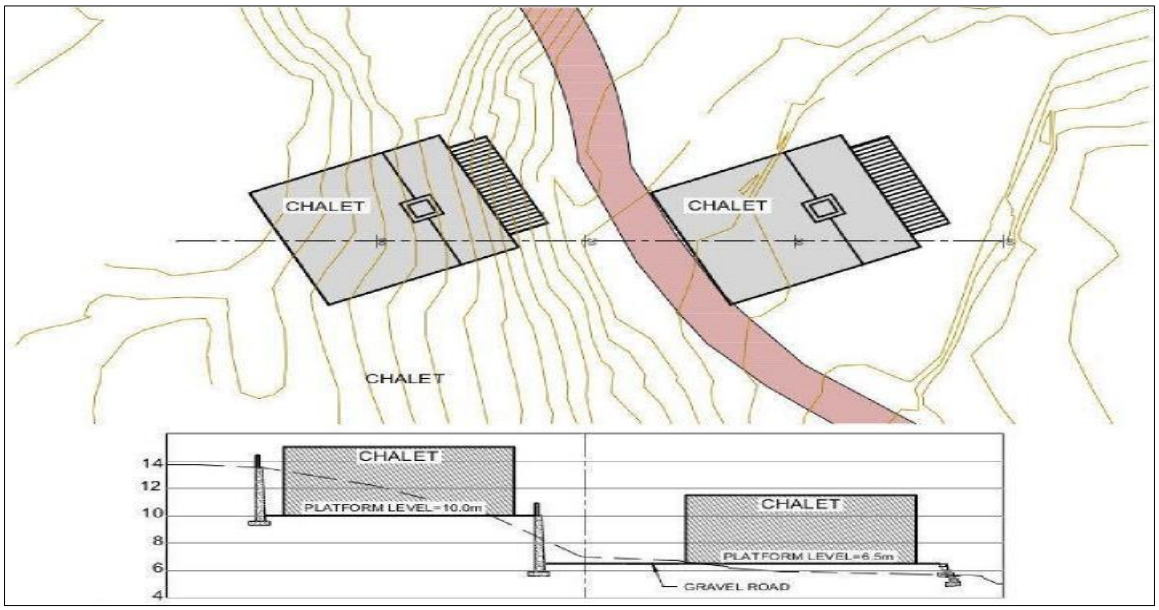
Figure 17: Medium Slope Opportunities: Using Retaining Walls to increase Developable Space (Plan 15)



7.3 DEVELOPMENT SCENARIO

In accordance with the development objectives and in line with the development criteria/parameters applicable to the development site, including possible consent uses and the environmental due diligence analysis, **the following redevelopment scenario was assumed** to determine the availability of existing services and the required upgrade and extension of engineering infrastructure:

- 240 Chalets/self-catering units, i.e.in the form of 120 structures containing two units or a combination of one to three or more units per structure;
- A guest lodge/hotel consisting of 50 rooms and which could include conference facilities;
- Resort facilities such as gift shops, lecture rooms, conference facilities, restaurants, an entrance gatehouse, a reception area to the resort, a parking area, water features and recreational activities such as squash and tennis courts, swimming pools, etc.

It should be noted that the above development profile is not prescriptive and is only one of many combinations of possible development scenarios but it provides a departure point for indicating the availability of services and available capacities in these services. Thus, should a development with higher density and increased demand on services be considered, the development will need to be re-modelled to confirm the sufficiency of the services.

7.4 CIVIL ENGINEERING SERVICES

All civil engineering design and investigation work is based on the Guidelines for Human Settlement Planning and Design (commonly referred to as the “Red Book”) and must comply with the standards set forth by the Civil Engineering Department of Overstrand Municipality. A copy of the Municipality’s minimum standards is available on request.

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7.4.1 ACCESS AND ROADS

7.4.1.1 SITE ACCESS AND PARKING

The site is accessible from 10th Street and from 17th Avenue. 17th Avenue provides direct access from the R43 (7th Street). It is assumed that the current access to the De Mond site will be retained. The access should be upgraded to allow access for tour buses, fire-fighting, emergency and refuse removal vehicles, if necessary. The site is large enough to allow convenient on-site turning for tour buses and ample parking for visitors to the proposed resort. A separate service entrance from 17th Avenue could be considered.

In addition the current public access to Prawn flats and the slipway/boat ramps must be maintained. This access is directly from the R43 and could be a controlled access, in which case sufficient stacking distances for vehicles with trailers must be provided. A Traffic Impact Assessment ("**TIA**") will be required to verify the effect of the proposed development on the existing road infrastructure. This study can however only be undertaken when the final development parameters are determined and fixed. Although only minor upgrading is foreseen, a provisional amount is included in the costs estimates.

7.4.1.2 INTERNAL ROADS FOR THE DEVELOPMENT

The internal roads must allow for:

- Turning and parking areas for tour busses;
- Access for the fire-fighting emergency vehicles; and
- Refuse collection vehicles only if the refuse is not prior to municipal removal, internally collected and temporarily stored at a refuse collection area at the service entrance to the development.

According to the Standard By-Law Relating to Community Fire Safety (Provincial Notice P.N227/2066 of 14 July 2006), the minimum width of fire lanes shall be 4m and these lanes must provide a vehicle access to a location within 45m of each chalet. The layout of the fire lanes must be confirmed with Overstrand Municipality and must comply with this By-Law.

The layer works design of the roads can only proceed once the geotechnical investigation is completed. The pavement design must be done in terms of the applicable Technical Recommendations for Highways ("**THR**") guidelines, the Red Book and any specific design requirements of Overstrand Municipality.

The quality of the in situ material will have an impact on the pavement structure finally adopted. The design could further be modified depending on the outcome of the geotechnical investigation and should be designed using Mechanistic Design approaches.

Considering the possible larger vehicles such as tour buses, the level of service, the possible perched water table and the turning frequency, the selective use of interlocking pavers is provisionally foreseen.

It is also foreseen that all roads will be provided with subsoil drainage. In addition, considering the locality and sensitive environmental area, overland stormwater drainage should be allowed for. The latter design should, as far as possible, include limited stormwater pipes. Should open water features form part of the development, the stormwater could be directed to pond systems which could aid in the treatment of stormwater.

The strategy and design philosophy will have to be discussed and agreed with Overstrand Municipality.

7.4.2 WATER SUPPLY

7.4.2.1 WATER DEMAND

The estimated average daily water demand of the De Mond Resort Development based on the above development scenario and full occupancy is 140kℓ/day which compares well with the 133,3 kℓ/day original water analysis for this area as included in the Overstrand Water Supply Master Plan. This value includes some provision for irrigation purposes.

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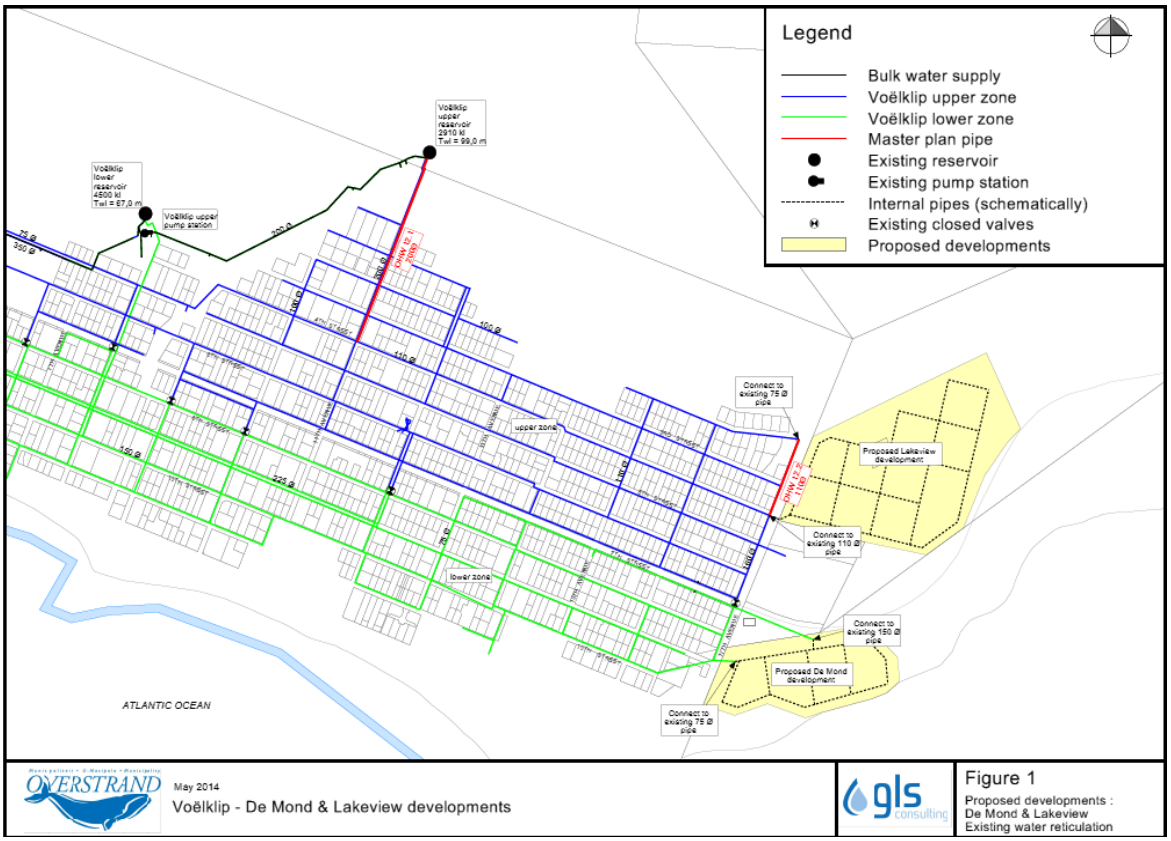
The development is classified in terms of fire water provision as low risk with a fire water demand of 15ℓ/s. Limited provision was made for irrigation purposes and should a significant irrigation water demand be foreseen the development of boreholes should be included.

7.4.2.2 EXISTING BULK SERVICES: RESERVOIR AND BULK WATER SUPPLY PIPELINES

The master planning analysis indicates that the proposed De Mond development on a portion of Erf 4831 should be accommodated in the existing Voëlklip lower reservoir zone and that the existing low level Voëlklip water reservoir has sufficient capacity to serve the proposed De Mond Resort Development. The capacity of this reservoir is 4 500kℓ and was sized to provide 48h water storage. The connections to the existing system should be done on the existing reticulation network as shown on **Figure 18, (Plan 16).**

Figure 18: Existing Water Reticulation (Plan 16)



The Voëlklip reservoir is supplied with water from the recently upgraded and extended Preekstoel Water Treatment Works ("**WTW**") through bulk pipelines. The WTW and the bulk pipelines, at this stage, have sufficient capacity to supply water for the De Mond Resort Development. The timing of the De Mond Resort Development, however, is uncertain and should other future developments coincide with the development of the De Mond Resort, the spare capacity available in the bulk pipelines could be exceeded and additional pipelines from the Preekstoel WTW would be required. These pipelines are masterplan items OHW.B23 to OHW.B25 and are indicated in **Figure 19** albeit the routes of the proposed pipelines as schematically shown **on Figures 18 & 19 (Plans 16 & 17**) must still be finalised subsequent to detail pipeline route investigations.

A provisional amount is included in the cost estimate for a pro-rata contribution for the additional pipelines.

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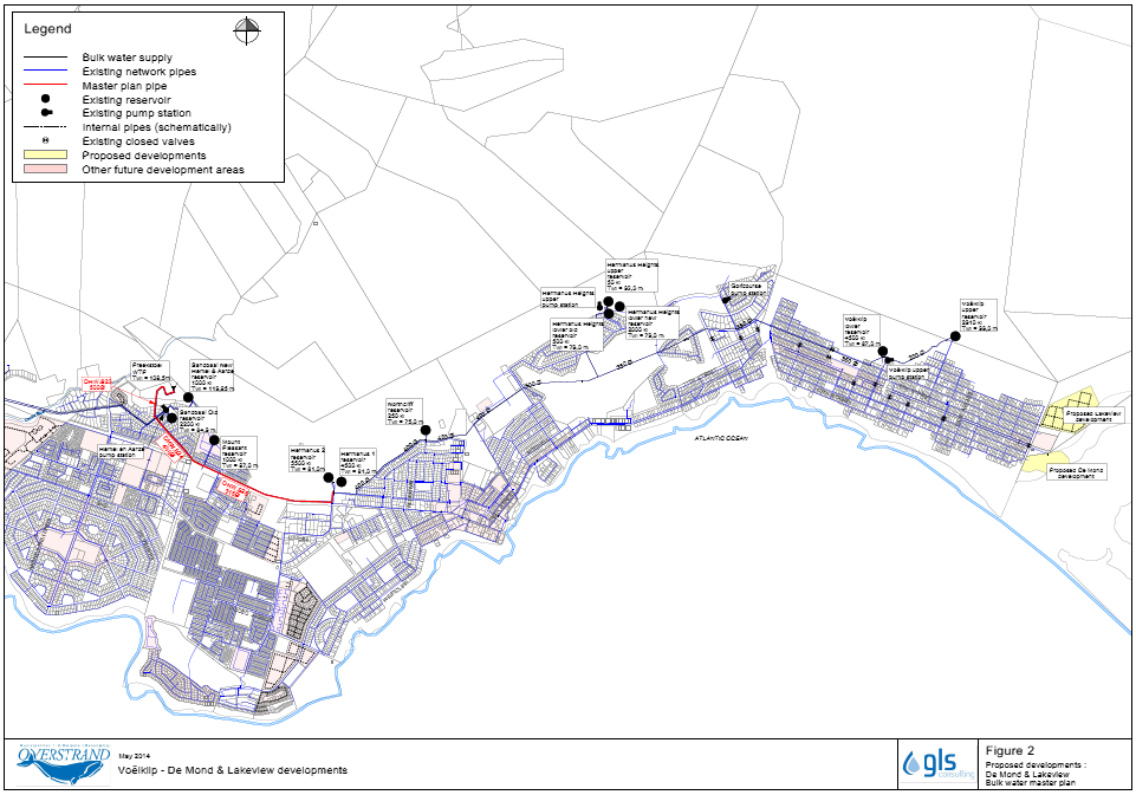
Figure 19: Bulk Water Master Plan (Plan 17)



7.4.2.3 EXISTING VOëLKLIP WATER NETWORK

The GLS study also included an analysis of the Hermanus internal water network. A water connection for the De Mond Resort Development is available in 17th Avenue, but the existing 75mm diameter water pipe in this Avenue must be upgrade to a 160mm diameter pipe. This upgrade can be undertaken by means of pipe bursting techniques which are the preferred method for upgrading the network.

7.4.2.4 PROPOSED INTERNAL DISTRIBUTION SYSTEM

The site is currently partially serviced by 75mm diameter asbestos cement pipes and small diameter pipes installed on an ad hoc basis over the years. These pipes must be abandoned.

The internal distribution network must consist primarily of HDPE or PVC-U PN12 pipes, with individual unit connections branching off. A basic network of larger diameter pipes to fulfil the fire requirements with smaller diameter pipes to supply the normal domestic demand must be provided.

7.4.2.5 METERING

A flow meter complying with the municipal standards must be installed at the main feed water line on the western side of the development in 17th Avenue. Individual water meters could be installed per unit dwelling to gauge the domestic usage of water, but it is not a Municipal requirement.

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7.4.3 SEWAGE DISPOSAL AND SEWER NETWORK

The De Mond and Lakeview developments fall within the existing Scout Camp PS ("**PS**") drainage area.(Note: Lakeview is a development across the R43 from the De Mond Resort Development. It has no relation to the latter and must not be construed as such).

7.4.3.1 DESIGN FLOW

The estimated average dry weather flow from the development is 90kℓ/day for the assumed development scenario. The peak dry weather flow will be approximately 5ℓ/s and the peak wet weather flow approximately 8ℓ/s. This is in line with the original sewer master plan in terms of which the peak day dry weather flow (PDDWF) for future development area GH18 (the proposed De Mond development area) was calculated at 94,7 kℓ/d.

7.4.3.2 DRAINAGE AREA AND SEWERAGE UPGRADES

The sewage from the proposed development must drain to the Scout Camp PS from where it will be pumped through an existing 200mm diameter rising main to the Mossel River PS drainage area. Sewage is pumped from the Mossel River PS to the Hermanus Wastewater Treatment Works ("**WWTW**") drainage area from where it gravitates to the WWTW. The route of the proposed pipeline is schematically shown on **Figure 20, (Plan 18**), but has to be finalised subsequent to a detail pipeline route investigation. The recommended positions for the sewer connections for the proposed developments are at the existing 200 mm diameter outfall sewer in 17th Avenue as shown on Figure 20.

The independent investigation undertaken by GLS Consulting Engineers has shown that the existing sewer network will require certain upgrades in order to meet the demand of the De Mond Resort Development. The Scout Camp PS has sufficient capacity to accommodate the development, but requires refurbishment and upgrading.

The analysis further showed that there is sufficient capacity in the existing 315 mm diameter and 355 mm diameter sewers gravitating towards the Mossel River PS in order to accommodate the proposed developments but given the combined peak flow that can arrive at the Mossel River PS, the Mossel River PS has insufficient capacity to accommodate any additional developments. There is also insufficient capacity in sections of the downstream 200 mm and 450 mm diameter bulk sewer gravitating towards the Hermanus WWTP. Upgrading of the Mossel River PS and the existing 200 mm and 450 mm diameter bulk sewer are therefore required in order to accommodate any additional developments served by the Mossel River and Hermanus 4 pumping stations.

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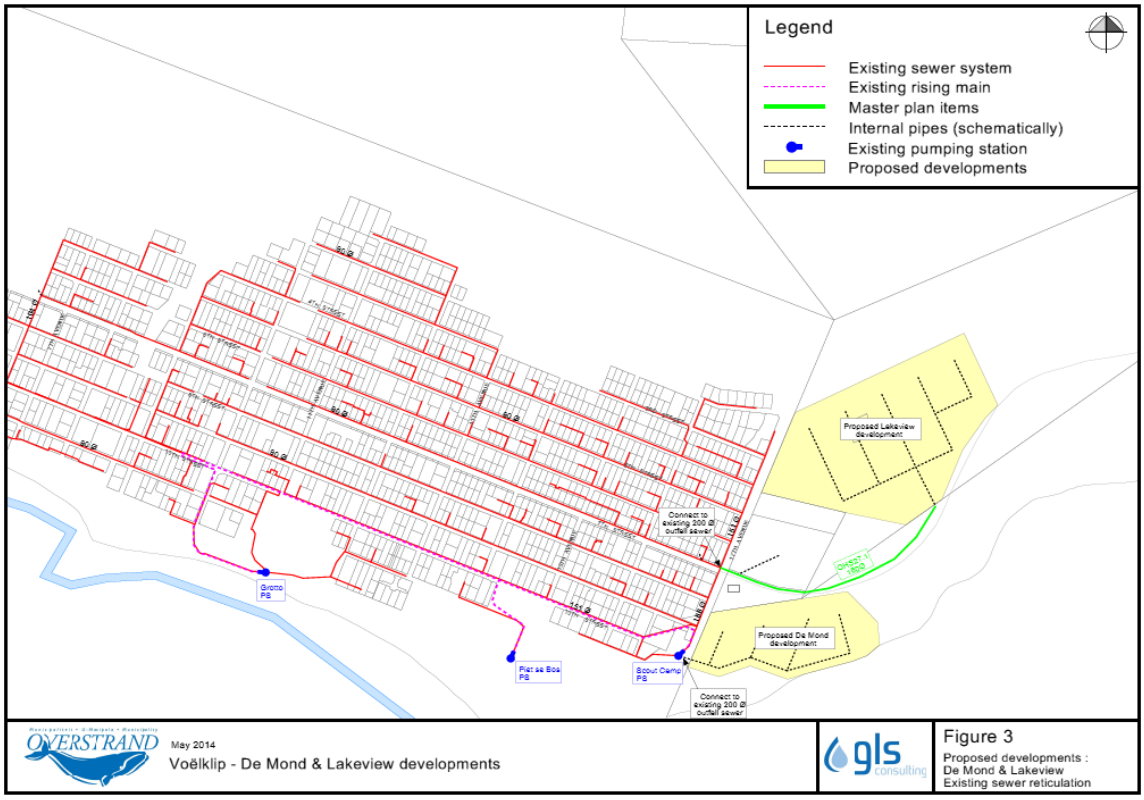
Figure 20: Existing Sewer Reticulation (Plan 18)



The routes of the proposed pipelines are schematically shown on **Figure 21, (Plan 19)**, but have to be finalised subsequent to detail pipeline route investigations.

There is sufficient capacity in the existing water system to accommodate the proposed development. However, the following upgrades to the sewer system are required:

- The Mossel River PS will require upgrading to a duty point of 75ℓ/s,
- Master plan items OHS13.1 and OHS13.2 which include additional sewer pipes in the Hermanus industrial area and Zwelihle respectively; and
- Refurbishment of the Scout Camp PS.

Both the Scout Camp- and Mossel River sewage PSs are located in environmentally sensitive areas. There is sufficient treatment capacity at the WWTW for the envisioned additional sewage.

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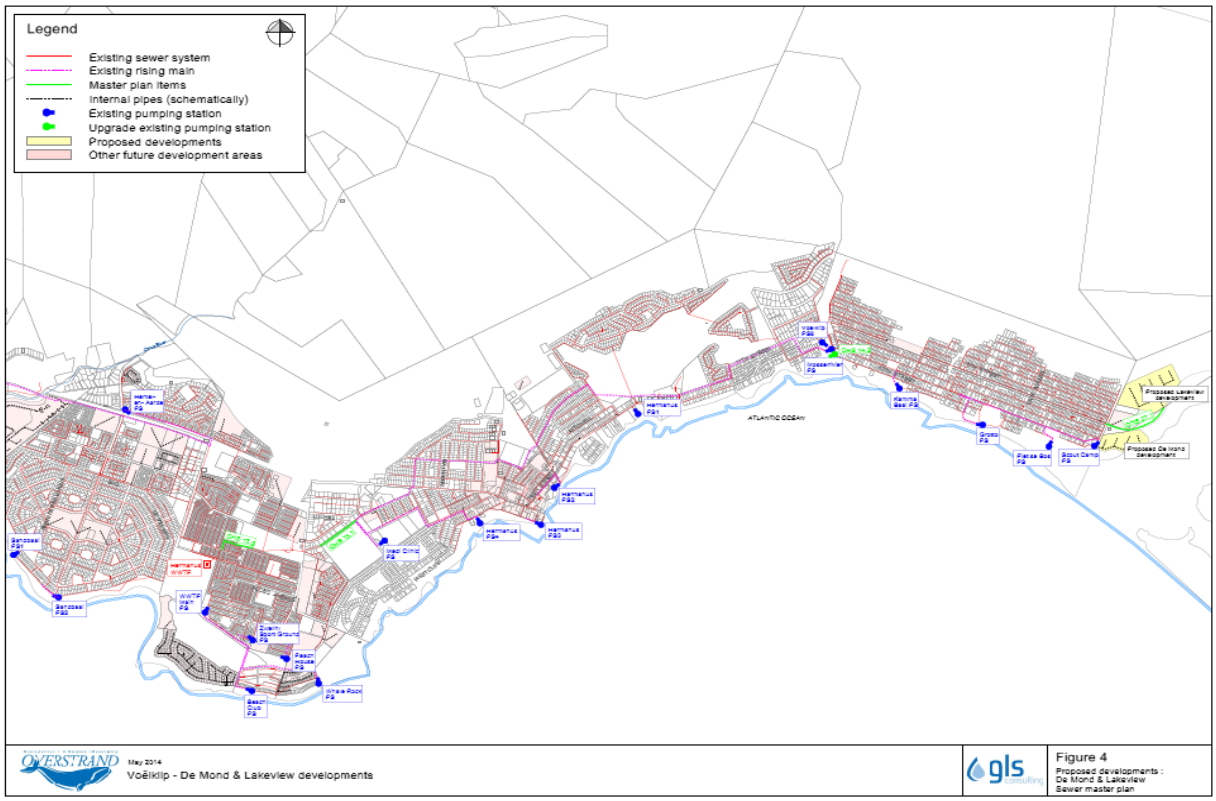
Figure 21: Sewer Master Plan (Plan 19)



The developer of the De Mond Resort will be liable for the Bulk Services Levy (as calculated by the Overstrand Municipality) as a contribution towards water infrastructure and the Bulk Services Levy (as calculated by the Overstrand Municipality) as a contribution towards sewer infrastructure. (Refer to Cost Estimate below).

7.4.3.3 EXISTING SEWERAGE

The De Mond site is currently partially serviced with ablution facilities which drain towards two sewage pumping stations. These pumping stations also currently pump sewage from KRLP (comprising of approximately 20 “gypsy” homes) by rising main to the Scout Camp municipal sewage pump station from where it is conveyed to the Hermanus WWTW.

7.4.3.4 PROPOSED SEWER RETICULATION AND PUMPING STATIONS ON THE SITE

A new sewage reticulation system consisting of 160mm PVC class 34 heavy duty sewer pipelines must be constructed to service all the units and individual 110mm dia chalet connections must be provided. Pending the final development proposal and considering the topography of the site, the sewer reticulation system will probably have to drain towards three new sewage pumping stations on the site. Any sewage pumping station on the site must be provided with at least 4 hours of emergency storage and sufficient emergency electricity supply through on-site diesel generators. A new sewage rising main must be constructed to convey sewage to the Scout Camp PS or the 200mm dia sewer which feeds into the pumping station. The sewer reticulation must also provide for a connection for the existing Lakeview units.

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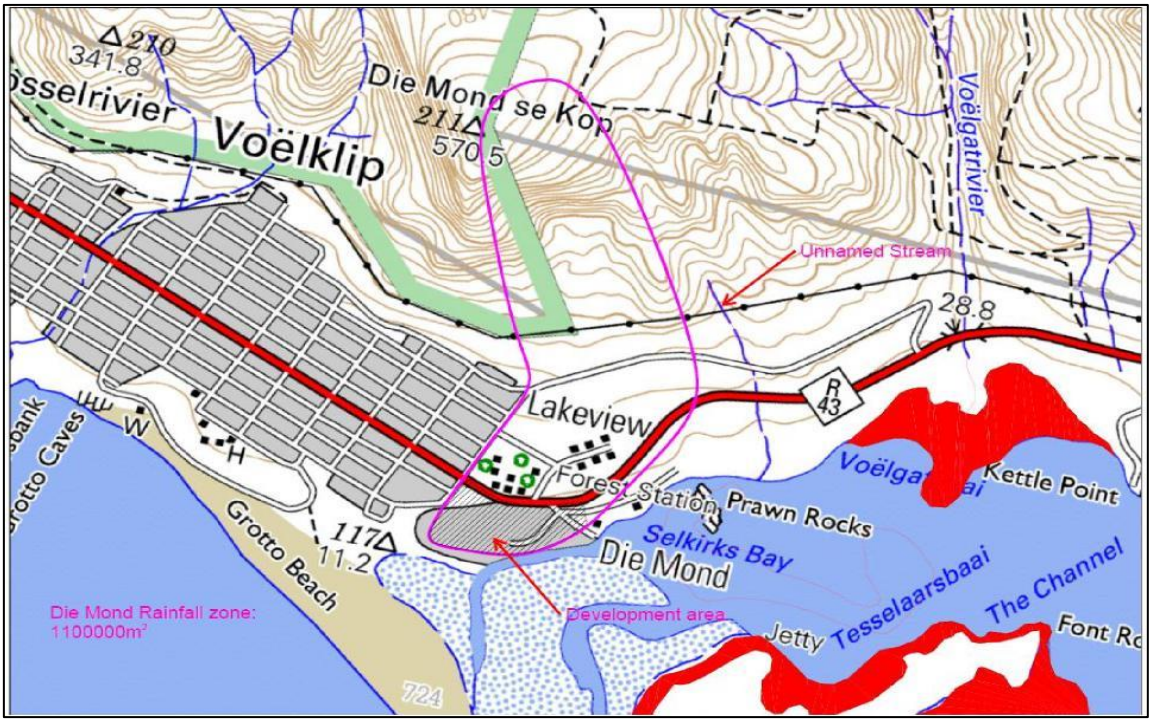
7.4.4 STORM WATER MANAGEMENT

7.4.4.1 EXISTING SYSTEM AND DRAINAGE

The De Mond site currently drains towards the South and West to a storm water stream along the western edge of the caravan park where a minor stormwater pipe daylights and also drains directly into the Estuary. The R43 road and side channels provide a cut-off drain for stormwater from the higher lying areas and the mountain and divert the stormwater to the Prawn Flats portion of the site. The area above the site from where stormwater drains towards the cut-off drains is approximately 100ha and is indicated in **Figure 22.**

Figure 22: Stormwater Drainage above the Site



A minor stream flows from the mountain on the eastern side and further east is the Voëlgat River. Both these two drainage areas do not form part of the site. The setback line (also referred to as the erosion line and is provisionally the 5m contour line) is set high above the Mossel River and much higher than previously observed flood levels.

7.4.4.2 PROPOSED STORM WATER SYSTEM

Stormwater should flow primarily in shallow open channels. Catch pits, manholes and limited concrete underground piping could also be installed. All stormwater should be directed towards Mossel River and retention ponds will not be required. A Stormwater Management Plan ("SWMP") will however have to be prepared and should be included in the Environmental Approval application.

7.4.4.3 OVERLAND ESCAPE ROUTES

The overland stormwater escape routes must be provided in strategic locations to ensure controlled flow of stormwater run-off into the Mossel River estuary during high rainfall events.

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7.4.5 REFUSE REMOVAL

The Overstrand Municipality will collect the refuse from the development as it is located along an existing municipal refuse collection route. A dedicated refuse storage area that complies with the Overstrand Municipality's Integrated Waste Management By-law, 2013 should be constructed at the service entrance to the development to facilitate the removal of the refuse. Refuse collected will be disposed of at a licensed municipal waste disposal facility which has sufficient capacity for the development.

7.5 ELECTRICAL ENGINEERING SERVICES

The design of new electrical infrastructure for the proposed development must be done in close liaison with the electricity department of Overstrand Municipality and must be based on the latest municipal guidelines on electricity supplies.

All information provided below was discussed with the electricity department located at the offices of Overstrand Municipality in Onrus.

7.5.1 ESTIMATED ELECTRICITY DEMAND

The maximum electricity demand for the total development, based on the anticipated scope of the development is estimated at 850 kVA. This demand does not include the existing Scout Camp sewage pumpstation, which will have to be serviced outside of this development.

It is important to take note that any significant deviation from the anticipated scope of the development as provided above shall necessitate the re-calculation of this estimated maximum demand. Furthermore, the maximum demand is calculated by assuming full occupancy of the development.

7.5.2 EXISTING INFRASTRUCTURE

Two (2) existing 11 kV cables, one entering the development from 17th Avenue and another exiting the development along the same route, is currently feeding a 500 kVA miniature substation on the site. From this miniature substation, via a secondary 11 kV ring main unit, an 11 kV cable is currently feeding the "See en Sand" area. This cable operates as a "T-off" from the main 11 kV cable ring, and must be retained in the future proposed network for the De Mond development.

From the mentioned miniature substation some existing low voltage overhead lines are reticulating the site. The condition of these overhead lines is however in such a dilapidated state that the re-use thereof is strongly discouraged. Some old distribution boxes are present on site but can also be regarded as non-usable.

7.5.3 PROPOSED SUPPLY POINT

The bulk supply point for the development will be at the entrance to the site from 17th Avenue. A new 11kV metering point as per the municipal guidelines, with an 11kV circuit breaker complete with minimum overcurrent and earth fault protection, must be installed at this point. The internal 11kV network will remain the responsibility of the development for which a competent person in terms of the Occupational Health and Safety Act ("OHSA"), 85 of 1993 must be appointed.

The bulk 11 kV network feeding the area wherein this development is situated currently does not have any surplus capacity to accommodate the additional load, and the following up-stream upgrading needs to be done for the account of the developer:

- Installation of a new 185mm2 primary 11kV feeder cable from Kwaaiwater switching station to the De Mond Resort Development.
- Upgrading in the existing Kwaaiwater 11kV switching station to accommodate the new primary feeder cable.

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7.5.4 PROPOSED INTERNAL SERVICES

Although the internal 11 kV and low voltage networks shall remain the responsibility of the development, it is still a requirement that all designs for these services be based on the latest guidelines of the electricity department of Overstrand Municipality. All new services shall be underground, with miniature substations, low voltage kiosks and streetlights to comply with the minimum pre-requisites of the Municipality.

The mentioned existing 11 kV supply to the “See en Sand” area must be incorporated into the design of the new infrastructure.

A new supply to the Scout Camp sewage pumpstation, which is situated outside the development but currently fed from inside the development, must be designed and installed.

7.5.5 METERING

As mentioned, a bulk electricity meter shall be installed at the entrance to the site from 17th Avenue. Metering shall be done at 11 kV level, and appropriate equipment and protection devices must be accordingly installed at this metering point. All internal networks, 11 kV and low voltage, shall stay private and will be the responsibility of the development to maintain and operate.

Internal metering might be done on a pre-payment methodology, for which a third part as “vending agent” can be employed if required.

7.6 COST ESTIMATE

During the RFP phase it will be required from the shortlisted bidders to include the following budget for external services which only allows for a part contribution towards the provision of off-site bulk and link services. All other on-site services and cost thereof will be the responsibility of and for the cost of the Developer.

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Table 4: Cost Estimate

Description	Amount (Excl VAT)	
Water Supply		
Source Development	R	0.00
Reservoir capacity	R	0.00
Bulk pipelines (Portion of total cost : 4%)	R	300 000.00
Link service upgrade to 160mm dia (17th Avenue) (If a borehole will be developed, the cost thereof must be included by the Developer.)	R	350 000.00
Further Master plan analysis	R	20 000.00
Sewerage		
WWTW capacity	R	0.00
Bulk sewer upgrade (Portion of total cost : 13%)	R	400 000.00
Scout Camp PS Refurbishment	R	1 000 000.00
Mossel River PS upgrade and extension	R	4 300 000.00
Further Master plan analysis	R	20 000.00
Roads		
Provisional amount for R43 upgrades	R	300 000.00
Stormwater		
Provisional amount for external stormwater formalization	R	200 000.00
Refuse		
(Refuse collection area shall be for the account of the Developer and shall be located on site)	R	0.00
Electrical Engineering Services		
New 11kV primary feeder from Kwaaiwater SS to the De Mond development	R	3 850 000.00
11kV Upgrading in Kwaaiwater SS	R	200 000.00
New 11kV metering unit at the De Mond development	R	485 000.00
TOTAL (Excluding VAT)	**R**	**11 425 000.00**

The development proposal must include an amount of R 11 425 000.00 (Excluding VAT) for external services.

NOTE: *These amounts may have to be amended after 1 July 2015.*

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7.7 CONCLUSION

Sufficient off-site and bulk and link services capacity exist or can be provided as highlighted in this document. The necessary internal services can and have to be provided by the proposed developer. It is concluded that the development is feasible in terms of the provision of civil and electrical engineering services.

The minimum upgrades required to accommodate the development in the existing sewer system are master plan items OHS13.1 & OHS13.2 required to upgrade the existing gravity sewer system between the Mossel River PS and the Hermanus WWTP, and master plan item OHS14.2 required to upgrade the pumping capacity of the existing Mossel River PS.

No significant constraints in terms of the envisioned development were identified in the Town Planning Report and Environmental Due Diligence Report.

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