

THE ADMINISTRATOR



12232697



**MUNISIPALITEIT - MUNICIPALITY - UMASIPALA-WASE
BEAUFORT-WES/BEAUFORT WEST/BHOBHOFOLO**

8/11/2018

KANTOOR VAN DIE DIREKTEUR: FINANSIËLE DIENSTE

OFFICE OF THE DIRECTOR: FINANCIAL SERVICES

Rig asseblief alle korrespondensie aan die Munisipale Bestuurder/Kindly address all correspondence to the Municipal Manager/Yonke imbalelwano mayithunyelwe kuMlawuli kaMasipala

Verwysing Reference 6/1/1/1
Isalathiso
Navrae Enquiries (mrs.) S Pothberg
Imibuzo
Datum Date 2018.10.12
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MEMORANDUM TO THE MUNICIPAL MANAGER

SUPPLY CHAIN MANAGEMENT IMPLEMENTATION REPORT FOR QUARTER 01 JULY TILL 30 SEPTEMBER 2018

1. EXECUTIVE SUMMARY

In terms of paragraph 1.9 of Council's Supply Chain Management Policy, the Accounting Officer must submit a report on the implementation of the policy to the Executive Mayor, within 10 days after the end of each quarter.

2. AWARDS TO CLOSE FAMILY MEMBERS OF PERSONS IN THE SERVICE OF THE STATE

In terms of the Municipal Supply Chain Management Regulations, Paragraph 45, awards given to close family members or persons in the service of the state, above R2 000, should be disclosed in the notes to the Annual Financial Statements. **See Annexure A with details.**

3. MONTHLY REPORT ON DEVIATIONS AND MINOR BREACHES

The Supply Chain Management Policy states in Paragraph 10.3.1: "The accounting officer may dispense with the official procurement processes established by this policy and may procure any required goods or services through any convenient process, which may include direct negotiations, but only –

- (b) if such goods or services are produced or available from a single provider only;
- (d) in any other exceptional case where it is impractical or impossible to follow the official procurement processes"

❖ **The schedule of deviations as approved by the Accounting Officer is annexed as Annexure**

B.

SIRKULASIE	OPDRAG
BA KK	Reed 27/11/2018

❖ There are no minor breaches to be reported.

4. AWARDS OF COMPETITIVE BIDS AND FORMAL QUOTATIONS IN TERMS OF SUB-DELEGATIONS

In terms of Section 5(3), an official or bid adjudication committee to which the power to make final awards has been sub-delegated must within five days of the end of each month submit to the accounting officer a written report containing particulars of each final award made by such official or committee during that month.

The Municipal Manager has sub-delegated the power to award Competitive Bids to the Bid Adjudication Committee and Formal Written Price Quotations to the Heads of Departments. The Awards made in terms of these sub-delegations and the formal quotations attached per **Annexure C**.

In terms of Section 21(a) of the Systems Act the report must also be advertised in the local media and placed on Council's notice boards and website.


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Prepared by: Mrs. S.A Pothberg
Manager: Supply Chain Management


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Approved by: Mr. CJ Kyndell
Director: Financial Services


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Ratified by: Mr. K Haarhoff
Municipal Manager

ANNEXURE B - DEVIATIONS APPROVED BY MUNICIPAL MANAGER FOR 1ST QUARTER- 01 JULY TILL 30 SEPTEMBER 2018							
APPLICABLE PARAGRAPH IN SCM POLICY	SUPPLIERS	AMOUNT	DATE	REFERENCE	DIRECTORATE	REASON FOR DEVIATION	
(a) Emergency	Jirah Construction	R 17 500.00	21/09/2018	15088152	N. Kotze	Unblocking of sewerage blocking	
(b) Sole supplier	Honeywell	R 20 660.00	14/09/2018	ORD03604	C.J Kymdell	Elster Kent Metering (Pty) Ltd is the manufacturer for the prepaid water meters and only they can supply the TOUCH PORT- POS USB Water token reader that comes with meters	
(d) Any exceptional case where it is impractical or impossible to follow the official procurement processes	Beaufort Alarms BK	R 23 632.50	15/08/2018	ORD03132	R. Van Staden	Beaufort Alarms did the installation and do the monitoring on our alarms system at the Electrical Department. Currently we have outdoor beams around the premises, but the criminals elements found a way around these beams and damage our vehicles, steal petrol and batteries as well as electrical material in the yard. This quote is for the upgrade and extension of our current alarm system to combat the theft of equipment and material from our department. Monitoring, maintenance and armed response are done by Beaufort Alarms	
	Beaufort Alarms BK	R 24 248.90	10/09/2018	ORD03364	N. Kotze	Theft has become a big problem at the Park section and over weekends, diesel is stolen from the vehicles and it costs the municipality a lot of money. By expanding the existing alarm system which Beaufort Alarms has installed, the vehicles can also be monitored by the alarm system. A quote is therefore requested for upgrading the existing alarm system as they have installed and monitored the alarms.	
	A.L Abbott & Associates	R 11 822.00	12/07/2018	15087226	N. Kotze	Laboratory for the testing of water samples to ensure compliance to SANS	
		R 12 413.10	01/08/2018	15087989			
		R 13 004.20	13/09/2018	15088847			
	Landis+Gyr PLC	R 4 232.00	15/08/2018		ORD03172	R. Van Staden	We only use Landis + Gyr PLC slit meters in Beaufort West Municipality. The field units on the quotation are used to interrogate the PLC split meters when there is a communication problem on the meters mentioned. The field units thus can only be supplied by Landis + Gyr as they are the manufacturer and supplier of all prepaid meters to Beaufort West Municipality and the field interface units needed must be obtained from them as these are specific to the product. Tender for the supply of Prepayment meters to Beaufort West Municipality. Tender number 65/2015
	Casablanca B&B	R 8 479.00	20/09/2018			V.V Ruiters	Due to the current water crisis (drought) and non-compliance of our Waste Disposal Facilities, our Municipal Manager and Mayor agreed that Mr. Jan Dop from Netherlands (specialise on waste water, water and waste management to visit our town and spend 2 weeks to develop a plan on how to overcome these challenges. Mr. Jan Dop was responsible for his travelling from and to Netherlands. Beaufort West Municipality was responsible for Mr. Dop's accommodation, meals and travelling from the Airport and the surrounding areas where he will visit within Cape Town (Beaufort West).
	Office Technology Brokers	R 4 117.00	18/07/2018		15088828	C.J Kymdell	The franking machine needs a cartridge and we currently have a contract with Service provider, it is impractical to procure cartridge from other suppliers
	Bongani Telecom	R 44 160.00	21/08/2018			R. Van Staden	The Municipality are laying a conduit for optic fibre cable along with the contractor installing an optic fibre for the Provincial Government. The contractor will be drilling underneath Donkin and Church street with a special drilling rig (not to damage the road surface) and to install 110mm2 sleeves, as instructed by SANRAL. As we will be crossing the same roads and using the same trench, it is the most financial viable option we have to install our own sleeves underneath these two roads. This is a professional service rendered by this company and to hire a drilling rig on our own, instead of dividing the cost, will not make financial sense.
	(d)(i) Any contract relating to the publication of notice and advertisements by the municipality	Die Courier	R 35 728.55	12/07/2018		A. Makendiana	Local Newspaper circulating in Central Karoo for publication of notices
R 15 354.58			31/07/2018	15087224			
R 4 599.95			21/08/2018	15088146			
R 18 578.37			02/08/2018	15087769			
R 2 293.21			07/09/2018	15088746			
R 60 072.30			28/09/2018	15089383			
Media 24	R 7 043.38	18/09/2018		ORD03344		Publication of SCM 07/2019-Notice 85/2018 in Die Burger which is the newspaper circulating in the Western Cape	
(d)(ii) Any contract with an organ of state, a local authority or a public utility corporation or company	Driving Licence Card Account	R 10 428.00	25/07/2018	15087556	V Ruiters	Driving Licence cards account(DLCA)is the only company that have a contract with the Department of transport	
		R 10 428.00	25/07/2018	15087557			
		R 10 507.00	20/09/2018	15089047			
(d)(v) The appointment of any person to provide professional advice or services is less than R200 000 or any greater amount	SB Naidoo	R 10 524.21	04/07/2018		C.J Kymdell	Baliu services in Beaufort West	
		R 3 960.60	15/08/2018	15088097			
		R 9 699.78	07/09/2018	15088727			
		R 12 650.00	24/08/2018	15088334			
	Crawfords Attorneys	R 8 543.00	07/09/2018	15088725	A. Makendiana	Local official law practitioner handling legal matters and the valuations of erven	
		R 9 760.50	10/09/2018	15088778			
		R 27 613.00	17/09/2018	15088668			
		R 8 607.75	10/08/2018	15088813			N. Kotze
(d)(vi) ad-hoc repairs to plant and equipment where it is not possible to ascertain the nature or extent of the work required in order to call for bids.	Karoo Motors Werkwinkel	R 15 525.00	10/08/2018	15088813	N. Kotze	CZ 5234-The vehicle's clutch were broken and the vehicle could not move around to get different quotes and had to be stripped for a quote. The rear axle also shifted and the vehicle was dragged to Karoo Motors for repairs.	
		R 2 024.00	10/08/2018	15088813	N. Kotze	CZ 7387- Karoo Motors- The vehicle has a steering box leakage and it is not practically possible to drive the vehicle, as if it is stripped it can not be reassembled because of parts that can damage with the strip.	
		R 2 932.50	10/08/2018	15088813	N. Kotze	CZ 6338- Vehicle has been taken and has two weeks to repair mistakes, otherwise the vehicle must be tested again. It is not practical to send a vehicle for quotes, as the vehicle must first be stripped and quotes can be requested which will be additional costs.	
		R 15 525.00	10/08/2018	ORD03259	N. Kotze	CZ 5234- Karoo Motors- The vehicle's gear box caused problems and was sent away for a comic strip, which is impractical to send the Geurbox, transport costs are accompanied by strip costs. It is economically impossible and there are no local suppliers available and thus widely distributed to deliver the service.	
		R 5 117.50	10/08/2018		N. Kotze	CZ5715- To remove the starter, the diesel pump must also be removed, which makes it difficult to drive the vehicle to different service providers for a quotation, as it is impractical and unnecessary resulting in costs.	
		R 4 818.50	10/09/2018	15088813	N. Kotze	CZ 7539- Karoo Motors- The vehicle has been tested and errors have been identified for repair and we only have two weeks to fix the mistakes. Economically, it is impractical to take a vehicle for three quotes and restore it in time.	
		R 5 520.00	07/08/2018	15089472	N. Kotze	repair faults that was find with test. Due to limited time it is impractical and un-economic to send case of urgency vehicle had to be stripped and repair	
		R 5 992.50	11/09/2018	15089375	N. Kotze	repairs and vehicle could not be used and had to be dragged to service provider. It is impractical to	
		R 9 780.75	11/09/2018		N. Kotze	CZ 5740-The trailer was due for a roadworthy test and failed one of the faults was the circle board is that was worn out and needed to be rebuild. The circle board was a safety risk and dangerous, it is not economical to send trailer for strip and quote. There is only be given two weeks to repair and to re test the trailer.	
		R 13 949.50	10/08/2018	ORD03319	N. Kotze	CZ 8782-The vehicle had to be stripped for quotations and the vehicle could not move, which immediately made it possible to win more quotes. It is not cost effective.	
		R 6 497.50	07/09/2018		N. Kotze	TS400 CUTQUICK- George Lawnmowers - George Lawnmowers are the agents closest to us for the chain saw and it's impractical to send the ship back and forth again, send it back and send it back, or to Cape Town and Port Elizabeth. Road transport and extra strip costs make it fruitless. 3 Wheel Robin L7 Mower- George Lawnmowers is the closest supplier to get a quote for the repair. It's economically impractical to send the lawnmower.	
		George Lawnmowers & Chainsaws	R 3 126.28	10/08/2018	ORD03242	N. Kotze	
Kriess Hydraulics CC	R 9 085.00	10/08/2018	ORD03247	N. Kotze	CZ 8149- Kriess Hydraulics- The vehicle has a hydraulic leak on two hydraulic cylinders. No suppliers locally, had to send cylinders to Kriess Hydraulics for strip and repair. Kriess Hydraulics is the closest supplier and if cylinders are stripped off, the parts get hurt which makes it impossible to assemble and it is economically impractical to send a cylinder.		
Beaufort West Auto Electrical	R 4 680.22	20/09/2018			N. Kotze	CZ 7775- This is the only tractor that are currently used in Murraysburg at present. It is impractical, time-consuming and financial uneconomic to drive the tractor to different suppliers to obtain a quotation for the repair of tractor and it must be returned for service delivery as quickly as possible.	
24/7 Tyres and Filment	R 3 350.00	07/09/2018			N. Kotze	CZ 9725-On Saturday, 18 August 2018, John contacted me and informed that the vehicle had stuck in the mud on the farm fire guard and had to be pulled out. It was an emergency, the vehicle could not be left on the farm for the weekend and was the only available supplier on the day 24/7.	
	R 560 506.27						

ANNEXTURE B - DEVIATIONS APPROVED BY MUNICIPAL MANAGER FOR SEPTEMBER 2017						
APPLICABLE PARAGRAPH IN SCM POLICY	SUPPLIERS	AMOUNT	DATE	REFERENCE	DIRECTORATE	REASON FOR DEVIATION
(b)	Sole supplier	R 20 660.00	14/09/2018		CJ Kymdell	Estier Kent Metering (Pty) Ltd is the manufacturer for the prepaid water meters and only they can supply the TOUCH PORT- POS USB Water token reader that comes with meters
(d)	Any exceptional case where it is impractical or impossible to follow the official procurement processes including:	R 8 479.00	20/09/2018		V.V Ruiters	Due to the current water crisis (drought) and non-compliance of our Waste Disposal Facilities, our Municipal Manager and Mayor agreed that Mr. Jan Dop from Netherlands (specialise on waste water, water and waste management to visit our town and spend 2 weeks to develop a plan on how to overcome these challenges. Mr. Jan Dop was responsible for his travelling from and to Netherlands. Beaufort West Municipality was responsible for Mr. Dop's accommodation, meals and travelling from the Airport and the surrounding areas where he will visit within Cape Town (Beaufort West).
(d) (vi)	ad-hoc repairs to plant and equipment where it is not possible to ascertain the nature or extent of the work required in order to call for bids..922.50	R 24 248.90	10/09/2018		N. Kotze	Theft has become a big problem at the Park section and over weekends, diesel is stolen from the vehicles and it costs the municipality a lot of money. By expanding the existing alarm system which Beaufort Alarms has installed, the vehicles can also be monitored by the alarm system. A quote is therefore requested for upgrading the existing alarm system as they have installed and monitored the alarms.
		R 3 350.00	07/09/2018		N. Kotze	CZ 9725-On Saturday, 18 August 2018, John contacted me and informed that the vehicle had stuck in the mud on the farm fire guard and had to be pulled out. It was an emergency, the vehicle could not be left on the farm for the weekend and was the only available supplier on the day 24/7.
		R 5 117.50	10/08/2018		N. Kotze	CZ 5715-To remove the starter, the diesel pump must also be removed, which makes it difficult to drive the vehicle to different service providers for a quotation, as it is impractical and unnecessary resulting in costs.
		R 5 520.00	07/08/2018		N. Kotze	CZ 3484-The vehicle has been taken for roadworthiness and only two weeks has been given to repair faults that was find with test. Due to limited time it is impractical and un-economical to send vehicle for quotes.
		R 5 992.50	11/09/2018		N. Kotze	CZ 7713-it is impractical to send vehicle for quotes as the vehicle was without brakes and was a case of urgency vehicle had to be stripped and repair
		R 9 780.75	11/09/2018		N. Kotze	CZ 8477-The vehicle's clutch were broken and needed to be replaced as well as door needed repairs and vehicle could not be used and had to be dragged to service provider. It is impractical to take vehicle for quotes and it is not cost effective.
		R 15 525.00	11/09/2018		N. Kotze	CZ 5234-The vehicle's clutch were broken and the vehicle could not move around to get different quotes and had to be stripped for a quote. The rear axle also shifted and the vehicle was dragged to Karoo Motors for repairs.
						CZ 5740-The wagon is out of the test and the circle board is excluded that makes it a risk to use and we had to issue it for quotation and if sent around it makes it difficult to repair the process and delay the recovery period as there is only be given two weeks to repair mistakes to re-test the vehicle in time to get a light sensation.
		R 6 497.50	07/09/2018		N. Kotze	CZ 8782-The vehicle had to be stripped for quotations and the vehicle could not move, which immediately made it possible to win more quotes. It is not cost effective.
		R 4 660.22	20/09/2018		N. Kotze	CZ 7775- This is the only tractor that are currently used in Murraysburg at present. It is impractical, time-consuming and financial uneconomic to drive the tractor to different suppliers to obtain a quotation for the repair of tractor and it must be returned for service delivery as quickly as possible.
		R 4 163.08	11/10/2018		N. Kotze	Download Count; Resort incorrect starter. A car charger in the BMWV used and is time consuming and finally uneconomical to send the launcher for quotes. Should get back to the system as quickly as possible.

Annexure B- AWARDS TO CLOSE FAMILY MEMBERS OF PERSONS IN THE SERVICE OF THE QUARTER 1-01 JULY TO 30 SEPTEMBER 2018					
Business	Date	Invoice	Amount	Interest	
Karoo Motors Workshop	10/08/2018	ORD03319	R 13 949.50		
	10/08/2018	15088813	R 4 818.50		
	10/08/2018	15088813	R 2 024.00		
	10/09/2018	15088813	R 15 525.00		
	10/09/2018	15088813	R 8 607.75		
	10/09/2018	15088813	R 2 932.50		
	10/09/2018	15089375	R 5 117.50		
	10/09/2018	15089472	R 5 520.00		
	10/09/2018	15089375	R 5 992.50		
	10/09/2018	15089375	R 9 780.75		
	10/09/2018		R 6 497.50		
	07/09/2018	15088726	R 6 700.00		
27/09/2018	15089373	R 28 040.00	Son, Mr W Johnson and daughter, Mrs B Johnson are employed at Beaufort West Municipality and Department of Public Transport		
L & E Projects & Solutions	06/07/2018	15087141	R 28 742.00	Brothers, B Mitchell and A Mitchell are employed at the Beaufort West Municipality	
	27/07/2018	15087663	R 2 587.50	Spouse, Mr Kriel are employed at Beaufort West Hospital	
Beaufort West Lugreeling & Verkoeling	20/08/2018	15088142	R 2 550.00	Son, Mr M Johnson and daughter, Mrs B Johnson are employed at Department of Correctional Services and Department of Agriculture	
	07/08/2018	ORD03044	R 4 200.00		
Avril's Catering	25/07/2018	15087650	R 9 484.00		
	31/07/2018	15088155	R 3 720.80		
	10/08/2018	15088155	R 5 599.00		
	10/08/2018	15088155	R 3 800.00		
	29/08/2018	15089384	R 3 400.00		
	29/08/2018	15088591	R 2 799.00		
	29/08/2018	15088591	R 6 800.00		
	07/09/2018	15088827	R 8 640.00		
	17/09/2018	15088901	R 10 199.00		
	Central Karoo Event				Sons, Mr. PJ Julies and Mr. J Julies is employed as Vehicle Inspections & Traffic Officer and machine operator at electrical and traffic services at the Beaufort West Municipality

BEAUFORT WEST MUNICIPALITY

ANNEXURE C-FORMAL QUOTATIONS AND TENDERS AWARDED FOR QUARTER 1-01 JULY TO 30 SEPTEMBER 2018

Bid #	Item	Bids Received	Bid Amount	Awarded to	BBBEE Level	Award by
SCM 14/2018	Appointment of accredited service provider to perform potable water and final effluent analysis for period of 3 years	A.L Abbot&Associates Merieux Nutrisciences Simlab Aquatico Trading Mmasitche Trading	R 21 148.50 R 23 585.79 R 36 708.00 R 14 097.96 R 51 491.48	A.L Abbot&Associates	Non-contributer	Adjudication Committee
SCM 16/2018	Supply and delivery of ICT hardware and software	CHM Vumani Computer Solution Data Tegra Infinetix	R 62 192.74 R 69 921.68 R 65 409.45	CHM Vumani Computer Solution	1	Head Of Department- Corporate Services
SCM 20/2018	Supply and delivery of vibratory tamping rammer	Mantella Trading 634 Ian Dickie & Co (Pty) Ltd Bell Equipment Sales SA	R 60 778.60 R 33 016.50 R 37 815.00	CHM Vumani Computer Solution Ian Dickie & Co (Pty) Ltd	8	Department- Engineering
SCM 05/2019	Proposals for the appointment process of Section 56/Senior management positions	Roy Steele	R 70 000.00	Roy Steele	4	Department- Corporate Services