

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

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 mayithunyeiwe kuMlawuli kaMasipala

Verwysing Reference 6/1/1/1
Isalathiso

Navrae Enquiries (mrs.) S Pothberg
Imibuzo

Datum Date 2019.07.12
Umhla



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MEMORANDUM TO THE MUNICIPAL MANAGER

SUPPLY CHAIN MANAGEMENT IMPLEMENTATION REPORT FOR 4th QUARTER- 01 APRIL TILL 30 JUNE 2019

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.**

❖ **There are no minor breaches to be reported.**

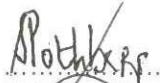
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4. AWARDS OF COMPETITIVE BIDS AND FORMAL QUOTATIONS IN TERMS OF SUB-DELEGATIONS

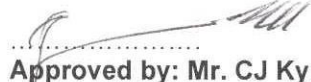
In terms of Section 5(3), an official or bid adjudication committee to which the power to make final awards has been sub-delegated must within five days of the end of each month submit to the accounting officer a written report containing particulars of each final award made by such official or committee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



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



Approved by: Mr. CJ Kyndell
Director: Financial Services



Ratified by: Mr. K Haarhoff
Municipal Manager

BEAUFORT WEST MUNICIPALITY

Annexure A- AWARDS TO CLOSE FAMILY MEMBERS OF PERSONS IN THE SERVICE OF THE 4TH QUARTER - 01 APRIL TILL 30 JUNE 2019

Business		Date	Invoice	Amount	Interest
		10/04/2019	15094081/ORDER 04822	R 4 738,00	
		10/04/2019	15094081/ORDER 04822	R 5 727,00	
		10/04/2019	15094081/ORDER 4825	R 3 565,00	
		10/04/2019	15094081/ORDER 04823	R 4 692,00	
		25/04/2019	15094516/ORDER 04957	R 5 934,00	
		25/04/2019	15094516/ORDER 04953	R 3 910,00	
		25/04/2019	15094516/ORDER 04954	R 5 985,75	
		25/04/2019	15094516/ORDER 04958	R 4 853,00	
		25/04/2019	15094516/ORDER 04908	R 3 082,00	
		25/04/2019	15094516/ORDER 04909	R 8 993,00	
		21/05/2019	15095304/ORDER 05162	R 2 984,25	
		21/05/2019	15095304/ORDER 05134	R 3 783,50	
		21/05/2019	15095304/ORDER 05122	R 6 773,50	
		21/05/2019	15095304/ORDER 05131	R 4 715,00	
		21/05/2019	15095304/ORDER 05173	R 5 451,00	
		21/05/2019	15095304/ORDER 05123	R 2 518,50	
		21/05/2019	15095304/ORDER 05138	R 3 386,75	
		26/06/2019	15095938/ORDER 05369	R 9 890,00	
		26/06/2019	15095938/ORDER 05372	R 4 784,00	

Karoo Motors Werkswinkel

Spouse, Mrs. Anna-Marie van der Merwe is employed with the
Department of Health Services

RWS Cleaning Services	10/05/2019	15094654	R	5 850,00	Spouse, R Summers are employed at Beaufort West Municipality
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BEAUFORT WEST MUNICIPALITY						
ANNEXURE B - DEVIATIONS APPROVED BY MUNICIPAL MANAGER FOR THE QUARTER - 01 APRIL TILL 30 JUNE 2019						
APPLICABLE PARAGRAPH IN SCM POLICY	SUPPLIERS	AMOUNT	DATE	REFERENCE	DIRECTORAT	REASON FOR DEVIATION
(a)	Emergency				E	
	P J Plumbing	R 3 300,00	18/04/2019		N Kotze	The day of 22 February 2019 the water and sewerage section were involved in an unprotected strike which resulted in complaints attended to the main water pipe on the corner of Sixaba Road and Maerman Street were leaking since previous night. Seeing that we are currently in a drought crisis we could not wait for the issue to be resolved and had to hire a plumber. The plumber stated that it would be impossible to provide us with a quotation as they first need to excavate and assess the damage before they could provide a quotation. We instructed them to fix the pipe because we can't afford to waste more water and wait for the team.
	Timbercity Beaufort West	R 12 696,00	05/04/2019		N Kotze	The roof of the pumpstation at the water purification site was vandalised and they need to repair it immediately as there is machinery and equipment that could be stolen.
	De Jager Loodgieters	R 3 872,50	09/05/2019		N. Kotze	The day of 14 April 2019 the Water And Sewerage Section did not want to work Standby. The Main Sewer line in Van Schaikwyk Street were blocked which resulted an overflow into the street. The team did not go out and we needed to hire someone to open the blockage. The plumber stated that it would be impossible to supply us with a quote because they first need to assess the work before they could provide a quote. We instructed them to open the blockage because we can't afford the waste to spill in the streets, resulting in health risks. We hired De Jager Loodgieters and the costs amounts to R 3872,50 (VAT incl.).
	BB Projects	R 14 777,50	30/05/2019	ORDER0434 7/15096018	N. Kotze	A big water leakage occurred under the tar in Voortrekker Street and could not be found. It caused for a big amount of water to be wasted. The Municipal Manager gave instruction that BB Projects of Kleinbrakrivier be requested to come point out the leakage. The amount for services delivered was R14 775,50
(b)	Sole supplier				A Mitchell	Extension of the GIS Services for the maintenance on Beaufort West Municipal GIS data
	Worley Parsons T/A Advisian	R 17 770,35	23/04/2019	ORDER0517 8/15096006	BV Fredericks	The supplier is the only supplier for Blank Pseal Payslip paper
	Lithotech	R 40 365,00	18/04/2019	ORD05065		The MIG Upgrade of Roads: Freddy Max is a Labour Intensive Project. All activities was intended to be done by hand labour. The total 387m excavations could not be completed by hand due to the hardness of the ground conditions. A tender for under R200 000 000 was advertised for plant. De Jager/ Duneco JV was awarded the tender for this project. The extent and hardness of excavations was so comprehensive that it took longer than anticipated (see attached photos). It would have been impractical and more cost and time consuming if SCM Processes were to be followed to get another contractor for plant on site. The rates offered by De Jagers/ Duneco JV for plant hire is the best rates in the area and is already below the norm.
	De Jager Loodgieters	R 391 560,00	15/05/2019	ORDER0527 2	N. Kotze	Hiring of Church Building for the registration of indigent people in the community
	United Pentecostal Mission of South Africa	R 4 800,00	16/05/2019		C. Kymdell	Middleton Geomatics is currently the only land surveyor in Beaufort West. The previous local land surveyor Mr. Van Der Heever retired and all land surveyor diagrams was passed on to Middleton Geomatics for the beacon and replacement of erven in the Beaufort West Municipal Areas.
	Middleton Geomatics	R 12 075,00	31/05/2019	ORDER0534 9/15096025	N. Kotze	Municipality is subscribed to the quarterly renewal service of Jura for updates on South Africa Status & Regulations. Procurement for this service is impractical due to the fact that changes between suppliers would lead to constant changes in hand copy of legislation as well.
(d)	Juta	R 9 573,00	13/06/2019		A Makendiana	Local Newspaper circulating in Central Karoo for publication of notices
(d)(i)	Any contract relating to the publication of notice and advertisements by the municipality				AC Makendiana	
	Die Courier	R 18 813,91	04/04/2019	15093963		
		R 21 276,68	13/05/2019	15094676		
		R 23 725,05	20/06/2019	15095485		
(d)(ii)	Any contractor for the supply of goods or services to the municipality by a contractor of an organ of state at the price and on the terms and					
	Driving Licence Card Account	R 14 220,00	29/05/2019	15095242		
		R 14 615,00	18/04/2019	15094129	K Haarnhof	Driving Licence Card Account (DLCA) is the only company that have a contract with the Department of Transport for the production and issuing of driving licence cards to the Municipalities
		R 2 133,00	30/04/2019	15094450		
(d)(v)						
		R 4 197,50	25/04/2019	15094302		
		R 3 432,11	10/05/2019	15094659		
		R 4 866,80	10/05/2019	15094660		
		R 6 377,23	10/05/2019	15094661		
		R 13 138,09	10/05/2019	15094662	AC Makendiana	
	Crawfords Attorneys	R 244 886,57	10/05/2019	15094663		Local official law practitioner handling legal matters and the valuations of erven
		R 3 432,11	20/05/2019	15094751		
		R 3 047,50	25/06/2019	15095680		
		R 3 622,50	07/06/2019	15095343		

(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.	Beaufort West Toyota	R	4 289,27	02/04/2019	ORD05046	N Kotze	CZ 8475-Toyota Corolla The vehicle was for a service and the front and back discpads needed to be replaced, we have to pay for the replacement of discpads as it were extra works on service.	
	Beaufort West Toyota	R	3 788,11	02/04/2019	ORD05047	N Kotze	CZ 10975-Toyota Hilux- Vehicle is used in Murraysburg for service delivery in water and sewerage storm water section. The ignition is damage and need to be repaired. Beaufort West Toyota is our local agent for repair and maintenance of vehicles and original parts are only available from them.	
	Transtech	R	5 139,69	02/04/2019	ORD05109/1 5096001	N Kotze	CZ 2962- Compactor Refuse is an essential truck that are use for refuse removal and needed urgent repairs. Transtech is the builders of compactors and are the agents of solenoid valve.	
	Kriess Hydraulics	R	16 199,50	02/04/2019	ORD05102	N Kotze	CZ-7751- Cherry Picker- Kriess Hydraulics The Electric Department is shortage of Cherry Pickers. Kriess is the nearest specialised service provider who can issue a safety certificate and it is impractical to send vehicle for quotations.	
	Kriess Hydraulics	R	9 551,55	02/04/2019	ORD05101	N Kotze	CZ 15919-Repair of Nifty of the electricity department that need to be repaired. Kriess is the nearest specialised service provider who can issue a safety certificate and it is impractical to send vehicle for quotations.	
	Barloworld Equipment	R	15 350,11	06/05/2019	ORD04645	N. Kotze	CZ 5169-TLB-- Parts purchased. Agents of CAT machine. The amount of R 69207,76	
	Hilbert Electronics	R	2 500,00	16/05/2019	ORDER0535 8	N. Kotze	4 radios were send in for recovery. It is impossible to get more than one quotation.	
	Nel's Truck & Car repairs	R	5 775,88	13/06/2019	ORD05415	W. Johnson	CZ 16556-Kraantrok - Nel's Truck - Repair Air Master Cylinder -- Is locally the specialist supplier in Air Master Cylinder repairs. It is uneconomical and time consuming to transport the vehicle to strip for repairs. Other suppliers are out of town. The vehicle must be transported physically in order to get a quote.	
	Kriess Hydraulics CC	R	42 674,20	13/06/2019	ORD05414	R. Summers	CZ 4930- DYNA Cherry Picker - Kriess Hydraulics- Check & Replace Nylon guides on Telescopic Boom -- Electric Department had a shortage of Cherry Pickers and had to take it to Kriess Hydraulics for repairs. It is uneconomical to send the vehicle around for quotations. Kriess Hydraulics is the nearest supplier that specializes in this service which can issue a safety certificate as well.	
	TOTAL QUANTITY DEVIATION							R 997 821,71
	TOTAL AMOUNT OF DEVIATIONS							34

BEAUFORT WEST MUNICIPALITY

ANNEXURE C-FORMAL QUOTATIONS AND TENDERS AWARDED FOR THE 4TH QUARTER-01 APRIL TILL 30 JUNE 2019

Bid #	Item	Bids Received	Bid Amount	Awarded to	BBBEE Level	Award by
SCM 07/2019	Proposal for consideration of a business ready ("Turn Key") implementation agent to be appointed for housing projects of the Beaufort West Municipality	Mahsi-Molo	R 1 141 172 500.00	Re A Letamisa Trading E Projects	1	Bid Adjudication Committee and Municipal Manager
		CHS Development	According to DHOS Subsidy Amount		1	
		Marmol Projects	According to DHOS Subsidy Amount		2	
		Re A Letamisa Trading E Projects	According to DHOS Subsidy Amount		1	
SCM 18/2019	Supply ,delivery,insatallation,maintenance and financing of office automation equipment for a 3 year period	ASLA	R 162 852 per Top Structure	Ricoh Garden Route	4	Bid Adjudication Committee
		Ruwacon (Pty) Ltd	R 10 585 409.90			
		UMSO Construction	R 2 022 816 777.41			
		Ricoh Garden Route	R 3 648 439.20			
SCM 24/2019	Removal of asbestos roof and replacement of roof sheets and rainwater goods at the thusong centre.	Nashua George	R 2 778 472,32	Ricoh Garden Route	4	Bid Adjudication Committee
		Konika Minolta	R 2 547 362,04			
		Velaphanda Trading & Projects	R 2 535 111,36			
		Flashcorr 146 CC	R 234 565.60			
SCM 26/2019	Supply and Delivery and Instalation of Air conditioners at the lib	Cryptopia (Pty) Ltd	R 203 000.00	LCM Maintenance and Construction	1	Municipal Manager and Manager Civil Services
		Q And K Projects (Pty) Ltd	R 189 700.00			
SCM 27/2019	Supply, maintenancen repair and calibration of digital speed cameras and the administration of a back office for a period of 3 years	Beaufort West Lugverkoeling & Verkoeling	R 174 800.00	Beaufort West Lugverkoeling & Verkoeling	4	Head of Department
		Traffic Violation Solutions (Pty) Ltd	Various Prices			
SCM 28/2019	Supply and delivery of building worksmaterial for the upgrading of	Medaco Revenue Solutions (Pty) Ltd	Various Prices	Traffic Violation Solutions (Pty) Ltd	2	Bid Adjudication Committee and Municipal Manager
		H & L Industrial Supplies EZ Group	253238,74 451187			