

THE ADMINISTRATOR



12275991



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

6/1/1/2/3

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  
Isalathiso

6/1/1/1

Navrae  
Enquiries  
Imibuzo

(Mrs.) S Pothberg

Datum  
Date  
Umhla

2020.04.15



Privaatsak / Private Bag 582  
Faks/Fax: (023) 4148105  
Tel. (023) 4148100

e-pos/ e-mail: [treasury@beaufortwestmun.co.za](mailto:treasury@beaufortwestmun.co.za)  
Kerkstraat 15 Church Street  
BEAUFORT-WES  
BEAUFORT WEST  
BHOBHOFOLO  
6970

MEMORANDUM TO THE MUNICIPAL MANAGER

SUPPLY CHAIN MANAGEMENT IMPLEMENTATION REPORT FOR 3<sup>rd</sup> QUARTER- 01 JANUARY  
TILL 31 MARCH 2020

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"

SIRKULASIE	OPDRAG
	5th Council meeting : 02/09/20 Item 8.1
K. Ma - 7/20/20	


- ❖ The schedule of deviations as approved by the Accounting Officer is annexed as Annexure B.
- ❖ There are no minor breaches to be reported.

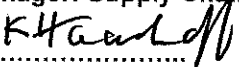
#### 4. AWARDS OF COMPETITIVE BIDS AND FORMAL QUOTATIONS IN TERMS OF SUB-DELEGATIONS

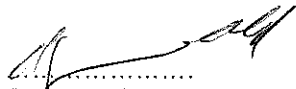
In terms of Section 5(3), an official or bid adjudication committee to which the power to make final awards has been sub-delegated must within five days of the end of each month submit to the accounting officer a written report containing particulars of each final award made by such official or committee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

  
.....  
Ratified by: Mr. K Haarhoff  
Municipal Manager

  
.....  
Approved by: Mr. CJ Kyndell  
Director: Financial Services

**Annexure A- AWARDS TO CLOSE FAMILY MEMBERS OF PERSONS IN THE SERVICE OF THE 3RD QUARTER-01 JANUARY TILL 31 MARCH 2020**

Business	Date	Invoice	Amount	Interest
Central Karoo Events	09/01/2020	ORD 4623	R 9 736,00	Sons, P J Julies Mr. J Julies is employed as vechicle inspectors and Traffic Officer and machine operator at electrical and traffic services at the Beaufort West Municipality
	03/03/2020	ORD 4991	R 3 720,00	
RWS Cleaning Services	14/02/2020	ORD 4864	R 5 850,00	Spouse, R Summers are employed at Beaufort West Municipality and Son, N Summers are employed at the Central Karoo District Municipality
	10/03/2020	ORD 5036	R 35 100,00	
Avrii Catering	04/02/2020	ORD 4771	R 2 250,00	Son is employed at the Department of Agri cultural and daughter at Department of Correctional Services
	17/03/2020	ORD 0279	R 3 000,00	
B&B Sweiswerke	09/01/2020	ORD 4623	R 9 736,00	Son, Mr. A. C Du Plessis is currently employed by Department of Education as a teacher.
	26/03/2020	ORD0301/15100375	R 50 200,00	
Wilma's Catering	04/02/2020	ORD4765	R 2 100,00	Brother, G Adolph, is employed at the Beaufort West Municipality

**ANNEXURE B - DEVIATIONS APPROVED BY MUNICIPAL MANAGER FOR THE 3RD QUARTER - 01 JANUARY TILL 31 MARCH 2020**

APPLICABLE PARAGRAPH IN SCM POLICY	SUPPLIERS	AMOUNT	DATE	REFERENCE	DIRECTORATE	REASON FOR DEVIATION
(a)	<p>Power shedding is threatening the water security of Beaufort West. All of the water resources of Beaufort West depend on electricity to supply water. Considering the above, it was decided to instruct TG Electric to request 3 quotes for the rental of a generator for the period from 16 December 2019 to 31 January 2020. The purpose of the Generator is to provide electricity supply the waterworks during load shedding and thus there will be a constant flow of the purified water even though the power is off. Thus, water will be able to sustain the constant flow of purified water even though the power is off. Water will thus be able to be delivered to the community sustainably. Reservoir levels have weakened as of December 2019 due to load shedding as follows: 07 Dec 2019-13 Dec 2019 - Res 1: 14.9% Res2: 31.1% Res3: 8.4% During December months, the highest water consumption in Beaufort West is experienced due to the high temperature as well as the visitors driving through the town. The cheapest quote was provided by UNILEC, UNILEC in Bloemfontein. The quotation from UNILEC is therefore accepted as provided by UNILEC, therefore, as provided by TG Electric in terms of the maintenance tender SCM 07/2017 to hire the Generator and the rates as indicated in the document will apply to the rent from the Generator</p>	<p>96 000,00</p> <p>13/12/2019</p> <p>SCM 07/2019</p> <p>J Muller</p>				
	<p>Emergency</p> <p>Jabeja Consulting</p>	<p>R 28 856,37</p> <p>10/03/2020</p>			T Prince	<p>With reference to the Notice of Non-Compliance issued on Beaufort West Municipality by the Central Karoo District Municipality the following: According to the attached Notice of Non-Compliance the Beaufort West Municipality is non-compliant with the National Norms and Standard for Disposal to landfill (R636 vof 23-08-2013) under section 7(1)(c) of the National Environmental Management Waste Act, 2008 (Act No 59 of 2008). The consequences of not adhering to the Notice of non-compliance is that a Directive will be issued on the Municipality by the Department of Environmental Affairs according to Section 49A(1)(f) of the NEMA. According to section 49A(1)(f) of the NEMA it is an offence to unlawfully and intentionally or negligently commit any act or omission detrimentally affects or is likely to detrimentally affect the environment.</p>
	<p>Timbercity</p>	<p>R 9 030,00</p> <p>R 52 242,49</p> <p>R 74 987,62</p> <p>20/04/2020</p> <p>20/04/2020</p> <p>20/04/2020</p> <p>ORD003311</p> <p>ORD000310</p>			C.B. Wright	<p>The roof of the community hall blew off during February 2020. Currently, structure is exposed to all weather elements because the roof is open, considered emergency to repair the roof as soon as possible to limit any further damage to the structure.</p>
	<p>Jirah Construction</p>	<p>R 59 000,00</p> <p>20/03/2020</p> <p>5156</p>			C.B. Wright	<p>On Friday evening at 17:30 the Water and Sewerage Retreatment Section informed the Engineering Department that two of the main sewerage reticulation lines are blocked since Friday morning that they are not able to relief the blockage. In consultation with the Acting municipal manager a decision was made to instruct Jirah Construction to assist Beaufort West Municipality to relief the sewerage blockage. This incident was classified as an emergency because the sewerage blockage was in a residential area and had a direct impact on the health of the community.</p>
(b)	<p>Sole Supplier</p>	<p>R 160 050,00</p> <p>R 678 728,16</p> <p>R 5 587,14</p> <p>23/03/2020</p> <p>23/03/2020</p> <p>09/01/2020</p> <p>ORD00294</p> <p>ORD00293</p>			AC Makendiana	<p>Essential supplies for workplace and employees for COVID-19: Sanitizer Supply, delivery, installation and refilling of dispensers at Municipality for COVID19 Sole manufacturer of Oxygen gas that is needed at workshop As gevolg van diertal wat plaasgevind het in Kaniokor, was die caddie program en donga gesteel. Die afwykende woord dús aarbevel omdat dit werk van boubeheer afdeling belemmer.</p>
(c)(i)	<p>Any contract relating to the publication of notice and advertisements by the municipality</p>	<p>R 6 302,73</p> <p>R 3 795,00</p> <p>R 5 692,50</p> <p>R 5 009,40</p> <p>R 2 808,30</p> <p>ORD 4605</p> <p>ORD 4825</p> <p>ORD 4827</p> <p>ORD 4841</p> <p>ORD 4861</p> <p>07/01/2020</p> <p>11/02/2020</p> <p>12/02/2020</p> <p>12/02/2020</p> <p>26/02/2020</p>			AC Makendiana	<p>Local Newspaper circulating in Central Karoo for publication of notices</p>
d)	<p>Any other exceptional case where it is impractical or impossible to follow the official procurement processes including</p>	<p>R 288 335,94</p> <p>R 2 452,50</p> <p>R 4 531,00</p> <p>R 23 430,10</p> <p>06/03/2020</p> <p>21/02/2020</p> <p>02/03/2020</p> <p>02/04/2020</p> <p>INV470/15106</p> <p>380</p> <p>ORD04922</p> <p>ORD04763</p> <p>ORD04758</p>			AC Makendiana	<p>Municipality followed a competitive bidding process for the provision of security services for a period of 3 years, the current tender of Mofoko Security Service has lapsed on 28 February 2020 and the tender has not yet been finalised, therefore we needed to request quotations for the month of March for the security services as the cashier offices need armed guards and sites needs guards as the sites will be vandalized. We have cut some of the sites and hours for guarding to reduce the cost, as the quotations and bids were above budget that delayed the awarding of bid.</p> <p>The Municipal Manager has resolved that we may use the current IT service provider for when there is a need for the renewal of licences of computers, need where soft or hardware are needed for the computers we may use Ubertech to procure the items needed to a maximum amount of R30 000.</p>

(g)(ii)	Any contract 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 conditions applicable to the state	Department of Transport	R	9 401,00	10/01/2020	15099185	K Hearhof	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	9 717,00	2020/03/20	15100129		
			R	55 895,25	09/03/2020	15100037		
			R	4 025,00	09/03/2020	15100039		
			R	82 366,86	24/03/2020	15100304		
			R	79 575,00	25/03/2020	15100314		
			R	29 500,00	02/03/2020	ORD05015		
			R	29 000,00	02/03/2020	ORD04990		
			R	600 000,00	24/02/2020			
			R	2 491 842,95				

Local official law practitioner handling legal matters and the valuations oferven

Adv Lourens was appointed as preceding officer through a quotation. However the disciplinary hearings took longer than anticipated and the quotation only covered one session of the disciplinary hearing. The Municipality could not request for quotations as the hearings are a continuation.

Adv S.E.Ferreira was appointed as initiator through a quotation. However the disciplinary hearings took longer than anticipated and the quotation only covered one session of the disciplinary hearing. The Municipality could not request for quotations as the hearings are a continuation.

Finance wants to deviate for assistance with the adjustment budget, Draft Budget and Monthly Reporting until new ones are allocated. The process will take +- 2 months. Motivation is that the time is too little to go on a formal quote. 3 Senior Financial posts must be advertised urgently for appointments to be made April 1, 2020. The budget section has enormous capacity problems meeting all legal requirements and normal legal requirements and normal work (manager only: Financial Administration appointed) Accountant Budget & reporting and Accountant Budget & Financial Reporting, Controller Budget & reporting and accountant assets and IT is vacant.

AC Makendiana

C.J.Kymdell

R 2 491 842,95

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TOTAL QUANTITY DEVIATION

TOTAL AMOUNT OF DEVIATIONS

**ANNEXURE C-FORMAL QUOTATIONS AND TENDERS AWARDED FOR THE 2ND QUARTER -01 JANUARY UNTIL 31 MARCH 2020**

Bid #	Item	Bids Received	Bid Amount	Awarded to	BBBEE Level	Awarded by
SCM 09/2019	Supply and delivery of water meters and accessories for a period of 3 years	KFC Engineering & Industrial Services NRB Piping Systems (Pty) Ltd Take note trading 245cc 1/4 Universal trading Joinmy SuperSave Suppliers George Industrial Supplies (Pty) Ltd Balamanzi (Pty) Ltd Helco Project Management (Pty) Ltd P.J Onderhoutsdiens Invusa Trading 118cc S & R Enterprise ALM Supplies Solutions SSE Civils Pty Ltd Silver Bullet Trading cc Kingpin Suppliers DPI Trading PNB Civils AFG Fluid Control (Pty) Ltd Aqua-Loc SA (Pty) Ltd Sakhikaya Suppliers cc Elster Kent Metering	Tariff per item	KFC Engineering & Industrial Services Take Note Trading Elster Kent Metering	1 1 2	Bid Adjudication Committee
SCM 01/2020	Professional Services: Water Services	Aurecon South Africa (PTY) LTD Neil Lyners and Associates (PTY) Ltd Gecor Consulting Engineers ROHM Mariswe Consortium Sido Consulting Engineers TG Elektries (Pty) Ltd CZ Elektries BK Trackos Projects (PTY) LTD Mhazi Holdings (PTY) LTD Sakhikaya Supplies	R 706 990.00 R 607 200.00 R 489 250.00 R 1 129 904.43 R 931 800.00 (Excl. Vat) 579 623.00 R 876 650.73 592 883.65 781 011.00 R	Aurecon South Africa (Pty) Ltd	2	Bid Adjudication Committee
SCM 06/2020 ORDER00292	Supply, Delivery and Installation of a Generator for Water Treatment Works					
ORDER00293	Supply and Delivery of hand sanitizers					
ORDER00293	Hiring and Refilling of Dispensers for 3 years	Bidvest Steiner George RLJ General Trading	R 678 728.16 R 14, 123198.41	Bidvest Steiner George	3	Municipal Manager
SCM 12/2020	Provision of Security Services	DF Jonkers Greystone Trading 389CC T/A City Security services Ivan Graaf Security/ Gap Management (PTY) LTD	R 8, 852976.00 R 30, 241358.35 R 8, 147641.88	RLJ General Trading	1	Bid Adjudication Committee
SCM 16/2020	Three- Year Maintenance and Upgrade Tender of Mechanical and Electrical Installations: Boreholes, Pump Stations and Building.	TG Elektries Sipost All In One Business Services (Pty) Ltd Ikasi Solutions (Pty) Ltd Data Tegra Phandu Communications (Pty) Ltd Mantella IT Support Services Data Proof Communications (Pty) Ltd Vox Telecommunications (Pty) Ltd UC Informatics CC OKANO Solutions (Pty) Ltd Spanet Technologies and Training Institute Jansen Distributors CC Ba Makau (Pty) Ltd	R 2 500 000.00 R 23 000.00 R 28 582.39 R 32 637.58 R 34 937.00 R 37 567.97 R 38 421.79 R 39 651.71 R 39 919.09 R 39 958.00 R 40 026.96 R 62 173.03 R 78 430.00	TG Elektries (estimated cost over 3 year period) Ikasi Solutions (Pty) Ltd	4	Bid Adjudication Committee
SCM 24/2020	Supply and delivery of the renewal of anti-virus licences for the period 01 March 2020 till 28 February 2021					
SCM 16/2020	TG Elektries	Three- Year Maintenance and Upgrade Tender of Mechanical and Electrical Installations: Boreholes, Pump Stations and Building.	R 2 500 000.00	TG Elektries	4	Bid Adjudication Committee