

SUPPLY CHAIN MANAGEMENT: QUARTERLY REPORT FOR THE PERIOD ENDING 31 MARCH 2019

D Kapot-Witbooi: Head Supply Chain

PURPOSE


To report on Supply Chain Management issues and activities in order to comply with the Supply Chain Management Policy of the Council and the Municipal Finance Management Act.


ATTACHMENT


- SCM quarterly report period ending 31 March 2019.

RECOMMENDATION

- 1) That the quarterly report for the period ending 31 March 2019 submitted by the Supply Chain Management unit, be noted.


12/04/2019


10/4/2019


9/4/2019

OVERBERG DISTRICT MUNICIPALITY



SUPPLY CHAIN MANAGEMENT QUARTERLY REPORT MARCH 2019

PART 1

SUPPLY CHAIN MANAGEMENT REPORT FOR THE QUARTER ENDING MARCH 2019

A. PURPOSE OF REPORT

The accounting officer must, within 10 days of the end of each quarter, submit a report on the implementation of the supply chain management policy to the mayor. The purpose of this report is to report to the Mayor in terms of section 6(3) of the Supply Chain Management Policy on the implementation of the Supply Chain Management Policy for the quarter ending March 2019.

B. COMPLIANCE/PROGRESS

The SCM unit was established during May 2008 and a Head of SCM was appointed on 1 October 2008. Bid committees have been established and are functioning well. New members have been appointed. Monthly reports have been submitted in respect of procurement of goods and services in terms of each required regulation of the Supply Chain Management Policy of the Council. **(Reports are available on request.)** Bid committee meetings have been minuted and submitted on a monthly basis. Hereunder, please find the schedule containing the final awards made by the adjudication committee for the quarter.

I. T02-2018/19: SUPPLY AND DELIVERY OF CRUSHED WEARING COURSE MATERIAL: GRAVEL AND CLAY (BINDER) FOR THE PERIOD ENDING 30 JUNE 2021

Awarded To: AFRIMAT AGGREGATES (OPERATIONS) (PTY) LTD; UITKYK DIGGERS CC **AND** FG JACOBS TRANSPORT CC

Amount: Various Amounts

Reason for Award: It was resolved to appoint all three tenders listed above instead of one (in case of one tenderer not being available).

BBBEE Level: Level 4, Level 0 and Level 1 Respectively

Date Awarded: 15 January 2019

II. T05-2018/19: LEASING OF BUILDING AND OPEN AREA FOR LAUNDROMAT & CAR WASH AT UILENKRAALSMOND RESORT

Awarded To: GROUP 9 SECURITY ACTIVITIES CC T/A GROUP NINE SECURITY

Amount Receivable: Year 1 R 3 000
Year 2 R 3 000
Year 3 R 3 100

Date Awarded: 15 January 2019

III. T06-2018/19: PROVISION OF GROUND CREWS

Awarded To: NCC ENVIRONMENTAL SERVICES (PTY) LTD AND PETRA KRANENBURG

Amount: Various Amounts

Reason for award: NCC Environmental tendered for all team types and Petra Kranenburg only tendered for the type 2B team. It was resolved to appoint both tenders instead of one (in case of one tenderer not being available for the type 2B team).

BBBEE Level: Level 2 and Level 0 Respectively

Date Awarded: 15 January 2019

IV. Q01-2017/18: T10-2018/19: DRONE FOR FIRE SERVICES

Awarded To: ALL DIVISIONS (PTY) LTD T/A SHAKAMAN

Amount: R 34 500.00

Reason for Award: Scored the highest preferential points

BBBEE Level: Level 1

Date Awarded: 15 January 2019

V. T14-2018/19: HIRING, SERVICING, REPAIRS & SUPPLIES

ITEM 1: LIFESAVERS AT UILENKRAALSMOND AND DIE DAM RESORT

Awarded To: NASIONALE SEE EN SAND INSTITUUT

Amount

:

	Bid Price (Incl. VAT) 2019	Bid Price (Incl. VAT) 2020	Bid Price (Incl. VAT) 2021
2 Lifesavers at Uilenkraalsmond Resort	R15 870.00	R17 457.12	R 20 075.76
2 Lifesavers at Die Dam	R3 967.50	R4 364.28	R 5018.94

Reason for Award: Compliant

Date Awarded: 15 January 2019

ITEM 2: ELECTRICAL

Awarded To: SIMONS ELECTRIC AND
BLT ELECTRICAL & MECHANICAL

Amount: Various Amounts

Reason for award: It was resolved to appoint both tenders listed above instead of one (in case of one tenderer not being available).

BBBEE Level: Level 1 Respectively

Date Awarded: 15 January 2019

ITEM 3: HIRING OF HONEY SUCKER, SUPER SUCKER AND LIQUID RING UNIT FOR SEWERAGE REMOVAL

Awarded To: JUNO CORP (PTY) LTD AND
GENADENDAAL JACKIES BAZAAR

Amount:

JUNO CORP	KM Rate	R 0.00
	Rental Rate per day	R 9 315.00
	After Hours Rate	R 1 035.00
	Public Holidays	R 1 035.00
GENADENDAAL JACKIES BAZAAR	KM Rate	R 12.00
	Rental Rate per day	R 1 800.00
	After Hours Rate	R 250.00
	Public Holidays	R 1 800.00

Reason for award: It was resolved to appoint both tenders listed above instead of one (in case of one tenderer not being available).

BBBEE Level: Level 2 and Level 1 Respectively

Date Awarded: 15 January 2019

ITEM 4: HIRING OF A COMBINATION UNIT FOR SEWER AND STORMWATER MAINTENANCE

Awarded To: JUNO CORP (PTY) LTD AND
GENADENDAAL JACKIES BAZAAR

Amount:

JUNO CORP	KM Rate	R 0.00
	Rental Rate per day	R 9 832.50
	After Hours Rate	R 1 092.50
	Public Holidays	R 1 092.50
GENADENDAAL JACKIES BAZAAR	KM Rate	R 12.00
	Rental Rate per day	R 5 000.00
	After Hours Rate	R 625.00
	Public Holidays	R 5 000.00

Reason for award: It was resolved to appoint both tenders listed above instead of one (in case of one tenderer not being available).

BBBEE Level: Level 2 and Level 1 Respectively

Date Awarded: 15 January 2019

ITEM 5: TRANSPORTATION AND DISPOSAL OF GENERAL WASTE

Awarded To: GENADENDAAL JACKIES BAZAAR

Amount:

KM Rate	R 25.00
Hourly Rate	R 500.00
After Hours Rate	R 500.00
Rental Rate	R 400.00
Placement Rate	R 0.00

Reason for Award: Compliant

BBBEE Level: Level 1

Date Awarded: 15 January 2019

VI. T18-2018/19: ADHOC AERIAL FIREFIGHTING SERVICES

Awarded To: NCC ENVIRONMENTAL SERVICES (PTY) LTD;
SAVANNAH HELICOPTERS (PTY) LTD AND
WORKING ON FIRE (PTY) LTD

Amount: Various Amounts

Reason for award: It was resolved to appoint all three tenders listed above instead of one (in case of one tenderer not being available).

BBBEE Level: Level 2, Level 0 and Level 1 Respectively

Date Awarded: 15 January 2019

VII. T19-2018/19: OFFICE SPACE IN KLEINMOND FOR ONE ENVIRONMENTAL HEALTH PRACTITIONER – 3 YEAR PERIOD

Awarded To: THE GRAIL CENTRE / MTHIMKHULU

Amount: Year 1 R 22 770.00
Year 2 R 25 047.00
Year 3 R 27 558.60

Reason for Award: Scored the highest preferential points

BBBEE Level: Level 0

Date Awarded: 15 January 2019

VIII. T20-2018/19: ELECTRONIC CPD POINTS (ECPD) FOR ENVIRONMENTAL HEALTH PRACTITIONERS- 3 YEAR PERIOD

Awarded To: AFRICAN ONLINE SCIENTIFIC INFORMATION
SYSTEMS (PTY) LTD

Amount: Year 1 R 22 000
Year 2 R 13 260
Year 3 R 13 925

Reason for Award: Compliant

BBBEE Level: Level 0

Date Awarded: 15 January 2019

IX. Q11-2018/19: ERADICATION OF INVASIVE ALIEN VEGETATION BETWEEN BREDASDORP / NAPIER AND N2 STORMSVLEI / SWELLENDAM

Awarded To: VUKA CONSTRUCTION

Amount: R140 000

Reason for Award: Scored the highest preferential points

BBBEE Level: Level 1

Date Awarded: 15 January 2019

X. Q13-2018/19: ERADICATION OF INVASIVE ALIEN VEGETATION AT THE HANGKLIP AREA NEAR PRINGLE BAY

Awarded To: STODART TREES CC

Amount: R95 000

Reason for Award: Scored the highest preferential points

BBBEE Level: Level 4

Date Awarded: 15 January 2019

XI. Q14-2018/19: VARIOUS IT EQUIPMENT

ITEM A - X6 DESKTOPS

Awarded To: CHM VUWANI COMPUTER SOLUTIONS (PTY) LTD
Amount: R 54 967.82
Reason for Award: Scored the highest preferential points
BBBEE Level: Level 1

ITEM B - X4 LAPTOPS

Awarded To: CHM VUWANI COMPUTER SOLUTIONS (PTY) LTD
Amount: R 42 508.83
Reason for Award: Scored the highest preferential points
BBBEE Level: Level 1

ITEM C - X2 SSD

Awarded To: MANTELLA TRADING 634 (PTY) LTD t/a MANTELLA IT
SUPPORT SERVICES
Amount: R 882.97
Reason for Award: Scored the highest preferential points
BBBEE Level: Level 2

ITEM D - X1 PROJECTOR

Awarded To: CHM VUWANI COMPUTER SOLUTIONS (PTY) LTD
Amount: R 15 010.52
Reason for Award: Compliant
BBBEE Level: Level 1

ITEM E - X2 8 PORT POE GIGABIT SWITCH

Awarded To: CHM VUWANI COMPUTER SOLUTIONS (PTY) LTD
Amount: R 4 587.51
Reason for Award: Scored the highest preferential points
BBBEE Level: Level 1

ITEM F - X1 8 PORT 1U HIGH RACK MOUNTABLE KVM SWITCH WITH MONITOR

Awarded To: CHM VUWANI COMPUTER SOLUTIONS (PTY) LTD
Amount: R 14 960.01
Reason for Award: Scored the highest preferential points
BBBEE Level: Level 1

Date Awarded: 15 January 2019

XII. T22-2018/19: MIMICAST LICENSES

Awarded To: SIZWE AFRICA IT GROUP (PTY) LTD
Amount: R 2 28148.09
Reason for Award: Scored the highest preferential points
BBBEE Level: Level 1
Date Awarded: 26 February 2019

XIII. Q15-2018/19: SUPPLY A DOWNSTREAM ANCHORING WINCH FOR THE NEW MALAGAS PONT

Awarded To: DYMOT ENGINEERING COMPANY (PTY) LTD
Amount: R 60 676.30
Reason for Award: Scored the highest preferential points
BBBEE Level: Level 3
Date Awarded: 01 March 2019

XIV. Q12-2018/19: CHAIRPERSONS AND INITIATORS TRAINING

Awarded To: LABOUR LAW MANAGEMENT CONSULTING CC
Amount: R 71 300
Reason for Award: Scored the highest preferential points
BBBEE Level: Level 4
Date Awarded: 29 March 2019

XV. Q16-2018/19: SUPPLY STANDARD HIGHLINE CANOPIES TO FIT 2018 FORD 2.2 SINGLE CAB

Awarded To: BEEKMAN SUPER CANOPIES (PTY) LTD
Amount: R 46 484.01
Reason for Award: Compliant Bidder
BBBEE Level: Level 4
Date Awarded: 29 March 2019

Performance ratings on service providers have been done and no complaints of bad performances by service providers have been received by the SCM unit. No disputes, appeals, objections or complaints have been received from service providers in this quarter.

A deviations register has been implemented and deviations are reported on a monthly basis. Attached is a copy of the schedule containing all the deviations for this quarter.

SUPPLY CHAIN MANAGEMENT DEVIATIONS ITO THE SCM REGULATIONS & SCM POLICY FOR THE PERIOD JANUARY 2019 – MARCH 2019

Deviation No	Name of Directorate / Department	Project Title	Name of Supplier	Amount (R)	Incl/ Excl	Finding for Deviation	Responsible Official	Reasons for Deviation	Order No
01/01	Resorts	Sewerage Removal	Juno Corp (Pty) Ltd	R24 725.00	Incl.	Emergency	P Oliver	<p>1. On 06/12/2018 reports were received from holidaymakers at Die Dam Resort of raw sewerage flowing into the walkways and surrounding area. This as a result of septic tanks being full to capacity and overflowing.</p> <p>2. Raw sewerage overflowing into walkways and public common areas pose a health risk and discharges an unwelcome and unhygienic odour into the surrounding area.</p> <p>3. The ODM sewerage truck was in for mechanical repairs at the supplier workshop.</p> <p>4. Tender Genadendal Jackies Bazaar whose tender expires on 31/12/2018 was contacted on 06/12/2018 on 08/12/2018 they informed us that they are unavailable and ultimately unable to render the services required.</p> <p>5. During the Adjudication Committee meeting held on 26/11/2018, for the new tender, it was approved that when Genadendal Jackies Bazaar was unable to perform a service, Juno Corp can be contacted to render services.</p> <p>6. By 08/12/2018 the situation at Die Dam Resort has become very serious and threatening. Constant verbal complaints have been received from disgruntled holidaymakers.</p>	148 173

02/01	Roads	Parts PA 180266	AAD Truck & Bus	R 9 138.43	Incl.	Sole Supplier	J De Goede	<p>7. On 08/12/2018 Overstrand Municipality has been requested to assist, they were unable to due to work demand on their side.</p> <p>8. After consultation with and verbal approval from Mr Oliver and Johnson on 09/12/2018 Juno Corp was contacted to render sewerage suction and removal services.</p> <p>9. The Deviation Application could have been avoided if the ODM's sewerage truck was operational.</p> <p>10. Similar risks can be mitigated by repairing ODM Sewerage Truck and approval of the new Tender.</p> <p>11. Alternative solutions have been discussed during the Adjudication Committee meeting on 26/11/2018 during which it was resolved to appoint two tenders instead of one (in case of one tender not being available).</p> <p>The Truck PA 180266 is a new machine with 493 hours on it and must be serviced. According to the provincial office the agents must be used to maintain the warranty.</p>	148 252
03/01	Roads	Parts PA 180265	AAD Truck & Bus	R 9 576.05	Incl.	Sole Supplier	J De Goede	<p>The Truck PA 180265 is a new machine with 493 hours on it and must be serviced. According to the provincial office the agents must be used to maintain the warranty.</p>	148 242

04/01	Roads Workshop	Strip and Quote PA 180246	AAD Truck & Bus	R 86 940.00	Incl.	Sole Supplier	J De Goede	The gearbox of the Truck PA 180246 broke and had to be dismantled to determine the damage of the unit and to estimate a cost. The agent, AAD Truck & Bus was approached to do the strip and quote and provided a quote. It will not be cost effective to send it to another supplier as it has to be stripped again and weighing extra costs.	148 275
05/01	Roads	Survey Equipment	VI Instruments	R 4 774.80	Incl.	Sole Supplier	M Van Eeden	VI Instruments is the only company in South Africa with Troxler and CSIR verified calibration blocks and are the Southern African sole agents for Troxler. (Letter from Troxler – Agent) Troxler Electronics Laboratories Inc. manufacture of Troxler Nuclear Moisture Gauges and other geographical testing equipment, located at 3008 Cornwallis Road, Research Triangle Park NC 27709 confirms that VI Instruments, located at Unit 3A + 3B City Deep Industrial Park, 36 Fortune Street, City Deep, Johannesburg, 2049, South Africa is the only authorised distributor for Troxler Equipment in South Africa and services our equipment.	148 433
06/01	Roads	Parts PA 187041	AAD Truck & Bus	R 6 042.68	Incl.	Sole Supplier	J De Goede	The Truck PA 187041 is a new machine with 493 hours on it and must be serviced. According to the provincial office the agents must be used to maintain the warranty.	148 469
01/02	Roads	Courier Services	Skynet	R17 583.88	Incl.	Exceptional Case	M Van Eeden	The Overberg District Municipality did a Section 32 process and piggy backed on Cape Winelands District	

02/02	Resorts	Sewerage Removal	Juno Corp (Pty) Ltd	R 41 328.13	Incl.	Emergency	Mr P Oliver	<p>Municipality's tender (T2015/069) for protective clothing. Delivery to Bredasdorp are not included in the tender price. Pienaar Bros. used Skynet for courier services. Delivery to Caledon and Swellendam are also excluded. The amount includes delivery to all three depots.</p> <p>On 24/12/2018 holiday makers at Die Dam reported that raw sewerage was flowing from the septic into the walk way and onto their property. The overflow of raw sewerage is a health risk, hazard and unpleasant to the holiday makers. On 24/12/2018 the ODM sewerage truck broke down with mechanical failure. Urgent requests for repairs have been extended to Kaap Agri the tender holder. Due to non-availability of spare parts, manpower and time of day, the truck could only be attended to on 27/12/2018.</p> <p>Genadendal Jackies Bazaar's tender expires on 31/12/2018. During the Adjudication Committee meeting held on 26/11/2018, alternative solutions has been discussed, it was resolved that two tenderers be appointed in case one of the tenders not being available. It was approved that if/when Genadendal Jackies Bazaar could not perform a service, Juno Corp can be contacted to render sewerage removal services. Genadendal Jackies Bazaar could not be reached by phone or email</p>
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01/03	Resorts	Boilers and Burners	Pro Heat & Energy Electrical	R 4 272.25	Incl.	Exceptional Case	Mr E Johnson	<p>on 24/12/2018. The situation at Die Dam Resort has become increasingly serious. Both tenders have not received the final letters of approval and/or appointment by 24/12/2018. This implies by 01/01/2019 no tender will be available for sewerage removal by 01/01/2019. On 24/12/2018 Juno Corp was contacted after consultation with Mr Eddie Johnson and Mr Patrick Oliver for the urgent removal of sewerage at Die Dam. The risk of sewerage overflow would have been mitigated had ODM's truck been operational.</p> <p>Pro Heat's tender expiry date was 31/12/2018. The boiler generates hot water at the abluition block and it was necessary to repair the boiler to provide the holiday makers with hot water. It was impractical to get more quotes as the other suppliers was closed for the holiday season.</p>	149 045
02/03	Resorts	Sewerage Removal	Pro Heat & Energy Electrical	R 7 604.84	Incl.	Emergency	Mr E Johnson	<p>Pro Heat tender expiry date was 31/12/2018. Ablution block 6 at Uilenkraalsmond Resort was closed during the festive season due to a broken boiler. The boiler generates hot water at the abluition block and it was necessary to repair the boiler to provide the holiday makers with hot water. Several complaints were received from holiday makers. It was impractical to get more quotes as the other suppliers was closed for the holiday season.</p>	149 044

03/03	Emergency Services	Accommodation for 24h shift system.	Topshell (Pty) Ltd	R 27 830.00	Incl.	Emergency	Mr R Geldenhuys	The container will afford temporary accommodation until completion of the station for the fire crews in a safe environment where their accommodation will be with the vehicles and not in separate locations which will lead to costly or life-threatening delays	149 047
04/03	Resorts	Sewerage Removal	Genadendal Jackies Bazaar	R 15 180.00	Incl.	Exceptional Case	Mr E Johnson	Genadendal Jackies Bazaar tender expiry date was 31/12/2018. Quotation was received on 02/01/2019. The tender dispute letter was sent to the approved tender on 13/12/2018. Genadendal Jackies Bazaar received the letter on 20/12/2018. According to Melanie from Genadendal Jackies Bazaar, the letter was an indication that the tender was approved. SCM sent the final letter on 15/01/2019. The service was necessary to prevent the overflow of sewerage due to the number of occupants at Die Dam Resort.	149 063
05/03	Resorts	Sewerage Removal	Genadendal Jackies Bazaar	R 29 325.00	Incl.	Exceptional Case	Mr E Johnson	Genadendal Jackies Bazaar tender expiry date was 31/12/2018. Quotation was received on 02/01/2019. The service was necessary to prevent the overflow of sewerage due to the number of occupants at Die Dam Resort.	149 065

C. CHALLENGES AND CONSTRAINTS

The database of accredited service providers have been updated and captured on the SAMRAS system and the SCM unit is busy on a daily basis to register new service providers on the ODM database; assist suppliers to register on the CSD and obtain new tax clearance certificates and municipal accounts.

A checklist has been implemented before placing of orders as a control mechanism in order to comply with the SCM policy and regulations. The SCM policy and range of SCM processes with delegations has been forwarded to all relevant officials dealing with procurement of goods and services for the current financial year. All officials who have delegated powers received all relevant documents and signed a declaration form.

Reports of all awards made above R100 000 have been submitted to Provincial Treasury on a monthly basis in terms of the supply chain management circular no 19 of 2008.

The supply chain management unit consists of the following officials working at the roads depot:

- Ms. D Kapot-Witbooi Head SCM
- Ms C Reid Senior Clerk
- Ms B Brighton Clerk Procurement
- Mr. C Abrahams Store Keeper Bredasdorp
- Mr J Harmse Clerk Database Management
- Mr Vuyolwethu Nkanunu Store Keeper Caledon

Ms D Kapot- Witbooi was appointed as the SCM Manager effective from 01 March 2019. Mr D Africa is currently employed on a contract basis and one finance intern; Mr Zoli Baca is employed in the SCM unit as well.

Ms D Kapot-Witbooi complies with the competency requirements as prescribed by legislation. Miss C Reid has completed fifteen (15) unit standards of the MMC training. Staff members need to be trained internally on supply chain management.

D. WAY FORWARD

The following needs attention in the following quarter:-

- Provide training to EPWP workers (ongoing).
- Performance ratings of service providers for this quarter.

E. FINANCIAL IMPLICATIONS

Secure budget for vacancy.

F. STAFF IMPLICATIONS

Filling of vacancy

PART 2

SUPPLY CHAIN MANAGEMENT REPORT ON INFRASTRUCTURE PROCUREMENT AND DELIVERY MANAGEMENT FOR THE QUARTER ENDING MARCH 2019

A. PURPOSE OF REPORT

The accounting officer must, within 10 days of the end of each quarter, submit a report on the implementation of the infrastructure procurement and delivery management policy to the mayor. The purpose of this report is to report to the Mayor in terms of section 6.1.3(d) of the Infrastructure Procurement and Delivery Management policy on the implementation of the infrastructure procurement and delivery management Policy for the quarter ending March 2019.

B. COMPLIANCE/PROGRESS

Monthly reports have been submitted in respect of procurement of goods and services in terms of each required regulation of the Supply Chain Management Policy of the Council. (**Reports are available on request.**) The Infrastructure Procurement and Delivery Management policy was approved by Council on 15 May 2017 with effect from 01 July 2017.

No disputes, appeals, objections or complaints have been received from service providers in this quarter.

No incidents of serious and material problems in the implementation of the Infrastructure Procurement and Delivery Management Policy occurred during this quarter.

No incidents of any deviations to the provisions of the Infrastructure Procurement and Delivery Management Policy occurred during this quarter.

RECOMMENDATION

That the report be submitted to the Mayor in terms of section 6(3) of the Supply Chain Management Policy on the implementation of the Supply Chain Management Policy and in terms of section 6.1.3(d) of the Infrastructure Procurement and Delivery Management policy on the implementation of the infrastructure procurement and delivery management Policy for the quarter ending March 2019 be approved.

**MANAGER: SUPPLY CHAIN MANAGEMENT
MRS D KAPOT-WITBOOI**

DATE



8/4/2019

RECOMMENDED BY CHIEF FINANCIAL OFFICER

MR CF HOFFMANN

DATE



9/4/2019

APPROVED BY MUNICIPAL MANAGER

MR D BERETTI

DATE

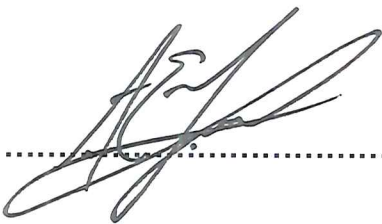


10-4-2019

SUBMITTED TO EXECUTIVE MAYOR

ALDERMAN ANDRIES FRANKEN

DATE



12/04/2019