

**MINUTES OF THE 3<sup>rd</sup> 2010/2011 TENDER SPECIFICATIONS and EVALUATIONS COMMITTEE MEETING HELD ON THE THURSDAY, 16<sup>th</sup> SEPTEMBER 2010 at 14h00.**

The following matters were evaluated and discussed:

**Matters referred to Tender Adjudication Committee:**

NONE

**Matters referred to the Municipal Manager for approval in terms of Section 32 of the Supply Chain Management Regulations – Procurement of goods & services under contract secured by other organ of state:**

NONE

**Matters referred to the Municipal Manager for approval in terms of Section 38 of Council's Approved Supply Chain Management Policy – Direct negotiations by the Accounting Officer in case of emergency:**

**11. Compile Sect 46 Report and Revise & Restructure Performance Scorecards**

The Sect 46 Report and Revised & Restructured Performance Scorecards were due for submission to the Auditor-General by the 31<sup>st</sup> August 2010. Because of the urgency of the matter the Accounting Officer negotiated directly with Charmaine van Schalkwyk Consulting. The firm is well known and has the best insight in the doings of the municipality.

**Recommendation:**

**That Charmaine van Schalkwyk consulting be appointed to Compile the Sect 46 Report and Revise & Restructure the Performance Scorecards at a cost of R 83 676.00.**

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*Municipal Manager*

16 September 2010

**Matters referred to Municipal Manager & Chief Financial Officer for approval in terms of Section 12 of Council's Approved Supply Chain Management Policy – Below R 200 000.00:**

**4. Contract No. 41/2009: The Construction of Gravel Roads in Wards 7, 8, 9 and 12 in Senqu Municipal Area, Phase 3: Variation Order No. 1.**

Council has approved the project. Available budget = R 14 500 000.00. Engineer Estimate a saving of +/- R 1 352 496.10 on budgeted amount.

**Recommendation:**

**That Variation Order No.1 amounting R 175 856.40 be approved.**

5. **Contract No. 41/2009: The Construction of Gravel Roads in Wards 7, 8, 9 and 12 in Senqu Municipal Area, Phase 3: Variation Order No. 2.**

Council has approved the project. Available budget = R 14 500 000.00. Engineer Estimate a saving of +/- R 1 352 496.10 on budgeted amount.

**Recommendation:**

**That Variation Order No.1 amounting R 186 732.00 be approved.**

6. **Contract No. 38/2009: Construction of Roads & Storm Water Infrastructure at Kwezi-Naledi Township in Lady Grey: Variation Order No. 2.**

This Variation Order is not an additional scope of works but address the change in prioritizing the construction of roads and storm water which was identified during the construction stage of the project. It has no financial implications.

**Recommendation:**

**That Variation Order No. 2 be approved.**

7. **Contract No. 38/2009: Construction of Roads & Storm Water Infrastructure at Kwezi-Naledi Township in Lady Grey: Variation Order No. 2.**

Due to heavy storm water run-offs in the area, the storm water concrete channels size have been increased from the original size of 600mm width x 100mm thick to 1200mm x 150mm thick. These changes in design have cost implications on the total cost of the works under the storm water section. Funding of this variation order will be sourced from the roads section, which will amount to R 84 340.00 of the Bill of Quantities.

**Recommendation:**

**That Variation Order No.3 be approved.**

8. **Contract: Phase 3: Additional Office Accommodation: Extension of Time Claim No.1.**

The Client requested a concrete roof slab be built above the Strategic Planning Department (north wing) to accommodate future first floor office additions. The roof trusses over this section were already erected at this stage and had to be removed to

cast the new concrete roof slab. ImpenduloDesign Architects (IDA) considers a 3 weeks delay as reasonable. Original Practical Completion date 15/12/2010 – Revised Practical Completion date now 28/1/2011.

**Recommendation:**

**That the Extension of Time Claim No.1 be approved.**

**9. Contract: Phase 3: Additional Office Accommodation: Extension of Time Claim No.2.**

The specialist acoustic ceiling is installed between the purlins and roof sheeting, which means roof sheeting and ceiling have to be installed simultaneously. Due to this work method, the Contractor could not commence roof sheeting on the anticipated date. ImpenduloDesign Architects (IDA) support the Contractors claim for delay, resulting in a nett delay of 11 days. First Revised Practical Completion date 28/1/2011 – Revised Practical Completion date now 14/2/2011.

**Recommendation:**

**That the Extension of Time Claim No.2 be approved.**

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**Chief Financial Officer**

**16 September 2010**

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**Municipal Manager**

**16 September 2010**

<b>Matters referred to Municipal Manager for adjudication in terms of Sect 5(2)(a) of Council's Approved Supply Chain Management Policy – Above R 10 million:</b>
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**10. Tenders 15/2010A and 15/2010B: Musong Road**

2<sup>nd</sup> 2010/2011 Evaluation Committee Meeting held on 23<sup>rd</sup> August 2010: *“Subject to the availability of funds it is recommended that the tender for: Musong Road 1 be awarded to Nucon Roads & Civils / Sphamandla JV to the amount of R 17 093 970.54; and Musong Road 2 be awarded to Nucon Roads & Civils / Sphamandla JV to the amount of R 22 363 190.76.”*

During discussions with the Department of Roads & Public Works (the funder of the project) the following was agreed upon:

- That Musong Road No.2 project not be awarded due to extreme budget shortfall and that this part of the contract be cancelled formally through news papers;

- That Musong Road No.1 project be awarded but extended by an additional 1.9 to 2 km in length in order to achieve surfacing from Tele bridge border post, through the mountain pass up to the single carriage bridge at the end of the pass. The department approves that negotiations be held with the successful contractor for Musong Road No 1 in order to also construct the additional distance of 2km through the mountain pass;
- The revised budget of the reduced scope of works (approximately 73% of original works) is acceptable if one compares it to the engineer's estimate of R 27m. Should the negotiations with the contractor not exceed this amount, the Department accepts the revised contract amount;
- The department will not finance the remainder of the road;
- The cash flows of the contractor would have to match the available funding (R 21m) with the remainder to be paid by end April 2011.

At a meeting held on the 10<sup>th</sup> September 2010 – present F Swanepoel (Dibanani Consulting); R Crozier & P Brooks (Senqu Municipality) W J Cronje (Nucon) and P Christensen (Sphamandla Woman Construction) the following was agreed:

- That the contract can be extended with +/- 1.5km at the tendered rates;
- That the amount for P&G items as per attached bill of quantities be accepted;
- To an additional savings of R 50 000 that can be used to construct an additional length of road at the contract rates;
- To an additional two (2) months to complete the work i.e. total contract period of ten (10) months; and
- To extend the tender validity period to 25/09/2010.

As result of the above Dibanani Consulting was requested to revise the contract amount:

Section A: Preliminary & General	R 3 412 950.00
Section B: Road Works	R 10 897 150.00
Section C: Storm Water & Surface Drainage	R 4 259 425.00
Section D: Ancillary Road Works	<u>R 462 200.00</u>
Total Priced Items	R 19 031 725.00
PLUS: 10% Contingencies	R 1 903 172.50
Escalation: Provisional Sum	<u>R 500 000.00</u>
Net Total of Tender	R 21 434 897.50
PLUS: 14% VAT	<u>R 3 000 885.65</u>
Tender Sum	<u><b>R 24 435 783.15</b></u>

**Recommendation:**

**That the tender be awarded to Nucon Roads & Civils / Sphamandla Woman Construction to the amount of R 24 435 783.15.**

<b><u>Matters referred back:</u></b>
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**1. Development of Electronic Registers for Cemeteries: Lady Grey, Barkly East, Sterkspruit, Rhodes and Rossouw.**

Two tenders were received. Open Spatial Solutions (R 155 535.40) and Sebata Solutions (R 128 610.40). Both tenders exceed amount available. There were no specifications for this tender, thus making it impossible to evaluate the tender. An e-mail received from the Manager: Community & Social Services indicated that proposals were requested where after the specifications will be developed.

**Recommendation:**

**That the Manager: Community & Social Services develops the specifications and tender advert. That tender advert & specifications be forwarded to the Specifications & Evaluation Committee for consideration and re-advertisement.**

**2. Purchase of Storm water pipes and half round channels.**

Three tenders were received. Rocla (Tax Clearance Certificate expired); Mabele Construction CC (Tender amount exceeds budget) and 3 Sixty Precast Concrete (No Tax Clearance Certificate).

**Recommendation:**

**That the Manager: Technical & Engineering Services forward a new tender advert & specifications to the Specifications & Evaluations Committee for consideration and re-advertisement.**

**3. Purchase Paint & Tools**

No tenders were received.

**Recommendation:**

**That the Manager: Technical & Engineering Services forward a new tender advert & specifications to the Specifications & Evaluations Committee for consideration and re-advertisement.**

<b>Specifications and Tender Adverts Considered and Approved for Advertising:</b>
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**12. Notice 109/2010: Vehicle Tracking / Fleet Management System**

**13. Notice 110/2010: Purchase of Office Furniture**

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Chairperson

**14 September 2010**