



June 2016
SUPPLY CHAIN MANAGEMENT SECTION
REPORT

BUDGET AND TREASURY DEPARTMENT

1. PURPOSE

To inform Council about the activities of the Supply Chain Management Section.

2. LEGAL/STATUTORY REQUIREMENTS

MFMA Act 56 of 2003

PPPFA Act 5 of 2000

SCM Policy

SCM regulations

3. BACKGROUND

The Supply Chain Management Section is required to submit a report on all its operations

4. REPORT ON ACTIVITIES

4.1 Awarded bids for June 2016

Bids less than R100, 000.00 awarded in June 2016

| TENDER NAME | BID NUMBER | STATUS | B-BBEE STATUS LEVEL OF CONTRIBUTION | CLAIMED POINTS | LOCALITY | AMOUNT |
|--|---------------------|--|---|----------------|----------|-----------------|
| 1. Supply and Installation of Uninterrupted Power Supply | ELM-4/066/2015-2016 | Awarded to Olothando's Trading Enterprise cc | 3 | 16 | Umthatha | R 87 000.00 |
| 2. Supply and Delivery of Bitumen | ELM-3/107/2015-2016 | Awarded to Commas Kemele Trading | 3 | 16 | Mthatha | R 95 760 000.00 |

4.2 Awarded bids for June 2016

Bids more than R100, 000.00 awarded in June 2016

| TENDER NAME | BID NUMBER | STATUS | B-BBEE STATUS LEVEL OF CONTRIBUTION | CLAIMED POINTS | LOCALITY | AMOUNT |
|--|---------------------|---|-------------------------------------|----------------|----------------|--------------|
| 1. Basic Assessment for a Township Eziblokweni in Maclear | ELM-6/006/2015-2016 | Awarded to Ikamva Consulting | 2 | 18 | Mthatha | R 135 087.26 |
| 2. Electrical Network Load Flow Study - Ugie and Maclear | ELM-3/111/2015-2016 | Awarded to Eya Bantu Professional Services CC | 2 | 18 | Eastern London | R 133 821.86 |
| 3. Supply and Delivery of Brick, Blockmaking and Pan Mixer | ELM-1/022/2015-2016 | Awarded to Hydraform SA (Pty) Ltd | 2 | 18 | Sunward Park | R 138 453.00 |
| 4. Supply and Delivery of Electrical Materials | ELM-3/094/2015-2016 | Awarded to Actom Electrical Products | 3 | 16 | Port Elizabeth | R 111 640.19 |
| 5. Construction of Carports in Maclear Offices | ELM-3/050/2015-2016 | Awarded to NANASKJ88 (PTY) LTD | 1 | 20 | Maclear | R 200 000.00 |
| 6. Supply and Installation of Uninterrupted | ELM-4/067/2015-2016 | Awarded to Mjali Trading Enterprise CC | 3 | 16 | East London | R 170 000.00 |

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| power Supply Raised Floor and Sever Room Security | | | | | | |
| 7. Renovations of Mount Fletcher Sports Field | ELM-3/099/2015-2016 | Award to Maboka Contractors | 1 | 20 | Durban | R 143 526.00 |

4.3 Deviations - June 2016

Deviations less than R30, 000.00

| COMPANY NAME | AMOUNT | DEPARTMENT | DESCRIPTION | REASON FOR DEPARTMENT |
|---|-------------|----------------------------|--|--|
| 1. PHNGT Trading (PTY) LTD | R 22 000.00 | Municipal Manager's Office | Brass Band Performance for SOMA and Service Delivery Launch | Exceptional case, as there is no service providers who can provide the same activity locally. |
| 2. Uphondolwendlovu | R 5 000.00 | Municipal Manager's Office | Traditional Dance Performance for SOMA and Service Delivery Launch | Exceptional case, as this is the only group available for performance of traditional dance on this day. |
| 3. TIBAA Consulting Engineers and Project Managers CC | R 18 361.18 | Municipal Manager's office | Inspection and Certification of an Erected Marquee | Less than three quotes, as this is the only accredited engineer who submitted quotation for the approval of safety and security of frame tent before utilization |
| 4. SABC - Umhlobo Wenene FM | R 21 943.86 | Municipal Manager's office | Advertising | Exceptional case, as this media platform reaches the targeted group of ELM and Eastern Cape at large. |
| 5. Bhon'elihle Productions | R 10 000.00 | Municipal Manager's Office | Buyelekhaya Concert Programmer Director | Such services have been acquired by the municipality, as this is the specialized field and had satisfactory rendered services of this Nature Previously. |
| 6. Eastern Cape Community Radio Forum | R 5 126.00 | Municipal Manager's Office | Advertising Buyelekhaya Concert | Less than three quotes, as this radio station feeds local community radios which have listenership in ELM area. |
| 7. Muthaland Entertainment (PTY) Ltd | R 28 680.00 | Municipal Manager's Office | Transport Services for Artists from Johannesburg to Buyelekhaya Concert in | Such services have been acquired; as we collaborated with this service provider for the Buyelekhaya Concert they will provide |

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| | | | Maclear | reliable service as they will utilize their own fleet. |
| 8. Bell Equipment | R 29 561.74 | Infrastructure Planning and Development | Repairs Hydraulic Back Hoe Cylinders not Operating | Sole supplier, as this service provider is the manufacturers of this plant equipment therefor they are maintaining and repairing our bell plant |
| 9. Sabata Municipal Solutions | R 17 784.00 | Budget and Treasury Department | Budget | Sole supplier, as we are using this service provider for our FMS system and this is for budget |
| 10. Sabata Municipal Solutions | R 29 640.00 | Budget and Treasury Department | Scrutinise of current Ledger | Sole supplier, as we are using this service provider for our FMS system and this is for scrutinise of current ledger |
| 11. Sabata Municipal Solution | R 29 640.00 | Budget and Treasury Department | Creditors reconciliation for financial year 2015-2016 | Sole supplier, as we are using this service provider for our FMS system and this is for the creditors reconciliation for 2015-2016 year |
| 12. Media Maestro | R 14 400.00 | Corporate Services Department | Advertising | Less than three quotes as this is the only service provider on our data base that can render these services as others does not comply and unable to provide us with quotation |
| 13. Keith Ngesi | R 12 000.00 | Municipal Manager's Office | Yamaha Speakers | Exceptional case as the capacity and nature of the municipal system cannot accommodate the size of population expected and also it is due for maintenance |
| 14. Maclear High School | R 6 500.00 | Municipal Manager's Office | Hiring/Accommodation | Sole supplier as this is the only venue that is suitable for this kind of event around Maclear for hosting Buyelekhaya Concepy |
| 15. Buffalo Toyota Mthatha | R 3 119.75 | Infrastructure Planning and Development | Service for (FVT 135 EC) | Exceptional case, as the service provider needs to strip, assess and replace the brake |

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| | | | | pads hence impractical to follow <i>SCM</i> processes. |
| 16. Media Maestro | R 16 660.00 | Corporate Services Department | Advertising | Less than three quotes as this is the only service provider on our data base that can render these services as others does not comply and unable to provide us with quotation |
| 17. Media Maestro | R 13 800.00 | Corporate Services Department | Advertising | Less than three quotes as this is the only service provider on our data base that can render these services as others does not comply and unable to provide us with quotation |
| 18. Media Maestro | R 3 200.00 | Strategic Planning Department | Advertising | Less than three quotes as this is the only service provider on our data base that can render these services as others does not comply and unable to provide us with quotation |
| 19. Media Maestro | R 3 500.00 | Strategic Planning Department | Advertising | Less than three quotes as this is the only service provider on our data base that can render these services as others does not comply and unable to provide us with quotation |

Deviations - June 2016

Deviations more than R30, 000.00

| COMPANY NAME | BID NUMBER | DESCRIPTION | REASON FOR DEPARTMENT | B-BBEE & POINTS | LOCALITY | AMOUNT |
|-----------------------------|---------------------|--|--|-----------------|--------------------|--------------|
| 1. CQS Technology | ELM-2/025/2015-2016 | Assistance with Section 71 Monthly Reports | Sole supplier, as we are using this service provider for preparing Annual Financial Statements this is the software that we use for reporting, therefor this a annual licence fees | 16 points | Parklands | R 64 161.48 |
| 2. Vokon Afrika Consulting | ELM-3/073/2015-2016 | Cost of Supply Study | Exceptional case as this was advertised for seven days and there was no response hence requested a quotation from this service provider | 20 points | Mthatha | R 178 273.20 |
| 3. Fabkomp | ELM-3/106/2015-2016 | Manufacture and Supply Bakkie Ancillary Fitments | Such services have been acquired from this service provider as the toolbox was previously fitted by them and this is for the alterations to accommodate new equipment | 16 points | King Williams Town | R 59 821.50 |
| 4. ION Consulting (PTY) LTD | ELM-4/073/2015-2016 | Decryption of. Crypt Files on FMS Server | Such services have already been acquired by the municipality from this service provider as asset anti-virus has initially bought from them and the is an urgently need for them | 20 points | Westville | R 34 200.00 |

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| | | | to come and clean virus from our server which is preventing us to carry out year-end function | | | |
| 5. NSJ Trading | ELM-1/031/2015-2016 | Supply and Delivery of Arts and Craft Material for PWD Youth | Exceptional case as this was advertised three times for seven days and there was no response hence requested a quotation from this service provider | 16 points | East London | R 97 180.00 |
| 6. Times Media (Pty) Ltd | ELM-1/030/2015-2016 | Publication of the State of the Municipality Address (SOMA) | Less than three quotes as this is the only service provider on our data base that can render these services as others does not comply and unable to provide us with quotation | None | East London | R 46 785.60 |
| 7. FDB Contractors | ELM-3/105/2015-2016 | Customer Temporal Supply | Exceptional case as this was advertised for seven days and there was no response hence requested a quotation from this service provider | 16 points | Mthatha | R 30 330.00 |
| 8. Copy World (PTY) LTD | ELM-6/014/2015-2016 | Binding and Printing of Final IDP/Budget for 2016/2017 | Less than three quotations as we received only two quotations for this kind of service and it was urgent to publish for seven days | 20 points | East London | R 31 600.80 |
| 9. Sounds Fantastic | ELM-1/032/2015-2016 | Sound System for Buyelekhaya | Sole supplier, as this is the only company known in the Eastern Cape that provides sound of this magnitude. | None | East London | R 170 451.92 |

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| 10. Land Rover East London | ELM-1/029/2015-2016 | Land Rover Service Plan | Such services has been acquired from this service provider and this vehicle was bought from them and this is for the extension of service plan | 2 points | East London | R 41 881.76 |
| 11. Sebata Municipal Solutions (Pty) Ltd | ELM-2/027/2015-2016 | Cashbook Reconciliation Financial Year 2015-2016 | Sole supplier, as we are using Sebata for our FMS System and this is for the Cashbook Reconciliation for 2015-2016 | 6 points | Sandton | R 35 568.00 |
| 12. Managaung Training Traffic Officers Course | ELM-4/072/2015-2016 | Basic Training Traffic Officers Course | Exceptional case, as there is no service provider who will quote for less than 5 people, hence it is impractical to follow the SCM process. | None | Bloemfontein | R 30 000.00 |
| 13. Drilling Africa | ELM-2/028/2015-2016 | Borehole Drilling and Casing at Maclear Municipal Offices | Such services have been acquired as this service provider drilled to a depth of 154 metres and no water was found hence they had to drill new place without charging for site establishment and transport costs | None | Beacon Bay | R 72 321.60 |
| 14. Bell Equipment Sales SA Limited | ELM-3/116/2015-2016 | Repairs to AWT Fleet (FLK036EC) | Sole supplier, as Bell Equipment is the sole service provider for spares, maintenance and repairs of their plant. | 6 points | East London | R 65 438.35 |

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| 15. Ugie Mac Quarry | ELM-3/117/2015-2016 | Concrete Mixer Hire for a Period of 30 days | Exceptional case, as our two concrete mixers were taken to repairs in East London. | 16 points | Ugie | R 30 780.00 |
| 16. Secur Cyber Solutions | ELM-4/047/2015-2016 | Development of ICT Procedure Manual | Less than three quotation as this bid was advertised for seven days, only one quotation was submitted | 20 points | Matatiele | R 180 384.00 |
| 17. Kumkani Electrical | ELM-3/102/2015-2016 | Thompson Street Network Upgrade | Less than three quotation as this bid was advertised for seven days, only one quotation was submitted | 18 points | East London | R 195 506.91 |
| 18. Kumkani Electrical | ELM-3/083/2015-2016 | Hill Street TV Park and Network upgrade | Less than three quotation as this bid was advertised for seven days, only one quotation was submitted | 18 points | East London | R 188 241.47 |
| 19. FDB Contractors | ELM-3/095/2015-2016 | Convert warehouse to offices electrical installation | Exceptional case, as this was advertised for seven days and the submitted quotation did not meet requirements hence we requested other quotations | 16 points | Mthatha | R 193 207.20 |
| 20. Ugie Mac Quarry | ELM-3/082/2015-2016 | Provision of Excavator Hiring for a period of 15 working days | Exceptional case, as this was advertised for seven days and no submissions hence we requested quotation from this service provider | 16 points | Ugie | R 82 308.00 |

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| 21. Bell Equipment | ELM-3/118/2015-2016 | Operator Training for Bell Machine complement | Such services have already been acquired by the Municipality as they are the suppliers of our plant therefore they are going to conduct training for operation of plant | 6 points | East London | R 41 581.50 |
| 22. C.D. Bouwer | ELM-1/033/2015-2016 | Supply of 1 OX and 10 Sheep for SOMA Event | Less than three quotes, as this is the only service provider who have SCM compliance and their livestock is satisfactory as compared to others | | Maclear | R 35 340.00 |

4.4 Irregular - June 2016

Irregular less than R30, 000.00

| COMPANY NAME | AMOUNT | DEPARTMENT | DESCRIPTION | REASON FOR DEPARTMENT |
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