

14.

**CONTRACT NO. SC 2027/2019: PROPOSED AMENDMENT OF CONTRACT:  
UPGRADING OF HAWSTON SPORT GROUNDS**

8/4

**D. Hendriks****Senior Manager: Engineering Services****11 August 2020****(028) 313 5059**

---

**1. Executive Summary**

The purpose of this report is to provide the necessary information and motivation on the proposed amendment of Contract SC 2027/2019: Upgrading of Hawston Sport Grounds for a Contract Period ending 31 October 2020, in terms of the enabling provisions of section 116(3) (a) & (b) of the Local Government: Municipal Finance Management Act, Act No. 56 of 2003 (MFMA), to enable Council to make an informed decision whether to consent to the amendment of the contract.

**2. Service Delivery and Budget Implementation Plan - IGNITE**

Directorate: Infrastructure & Planning  
Department: Engineering Services

**3. Compliance with Strategic Priorities**

Provision of democratic, accountable and ethical governance  
Provision and maintenance of municipal services  
Creation and maintenance of a safe and healthy environment  
Promotion of tourism, economic and social development

**4. Delegated Authority**

None

**5. Legal Requirements**

Local Government: Municipal Finance Management Act, 2003(Act 56 of 2003)  
Overstrand Municipality Supply Chain Management Policy, as amended  
Overstrand Municipality Contract Management Policy, as amended  
MFMA Circular No. 73 issued by National Treasury

**6. Background/Discussion/Evaluation/Conclusion****Background**

The Department of Sport and Recreation South Africa (SRSA) provided R10 million ring-fenced funding as a once-off grant for the upgrading of the Hawston Sport Grounds. Contract SC2027/2019 for the Upgrading of the

Hawston Sport Grounds was awarded to AmandlaGCF Construction by the Bid Adjudication Committee on 13 December 2019.

The scope of works included amongst other the grassing of the different sport fields with associated irrigation systems. Different grass options were considered during the planning stage i.e. grass seeding (Kikuyu seed/*Cynodon dactylon*) and Kikuyu sods. The tender only allowed for grass seeds as it was less expensive than grass sods. It is proposed to replace the grass seeds with grass sods, therefore a Section 116 process as described below, was followed.

Section 116(3) of the MFMA provides as follows:

*“116(3) A contract or agreement procured through the supply chain management policy of a municipality or municipal entity may be amended by the parties, but only after-*

*(a) the reasons for the proposed amendment have been tabled in the council of the municipality; and*

*(b) the local community -*

*(i) has been given reasonable notice of the intention to amend the contract or agreement; and*

*(ii) has been invited to submit representations to the municipality or municipal entity.”*

### **Section 116(3) process**

Date of Advertising: 25 June 2020  
 Method of Advertising: Hermanus Times, Overstrand Herald,  
 Overstrand Municipality Website  
 Closing Date for Comment: 27 July 2020  
 No comments were received from the public at the closing date.

### **Discussion**

The tender for the Upgrading of Hawston Sport Grounds was awarded on 13 December 2019, but the project could only start during February 2020 due to an appeal that was received from one of the other tenderers. The settling of the appeal delayed the start of the project with a month, which in-turn impacted on the sowing of the grass seeds. The grass seeding can only be done between September and March, on condition that the soil temperature is above 16°C (this equals to a day temperature of around 26°C). The seeding must occur during March to ensure the germination of the seeds, which would have been possible had the works started during January 2020. There was a high risk that 70%-100% of the seeds won't germinate if the seeding happens too late. To mitigate the risk and avoid fruitless and wasteful expenditure it is proposed to replace the grass seeds with grass sods.

The appointed tenderer was requested to provide a rate for grass sods, as the tender only allowed for grass seeds. It is important to note that the product is

the same, the one product is readily available and the other must be sown. The rates received for the two types of grass, Kikuyu sods and Cynodon sods were R 40.50/m<sup>2</sup> (excl. Vat) and R 44.17/m<sup>2</sup> (excl. VAT) respectively, versus the rate of R 10.00/m<sup>2</sup> (Excl. VAT) in the tender for grass seeding. We opted for the Kikuyu sods at R40.50/m<sup>2</sup> (excl. VAT).

The additional cost for Kikuyu sods & associated works amount to R 1 426 662.09 (excl. VAT). There is a saving of R 1 483 564.555 on the R 10 million grant received from the SRSA. To ensure the optimum use of the approved funding, it is proposed to replace the grass seeds with Kikuyu grass sods as it will eliminate a lot of risks in terms of the final product.

### **Evaluation**

The appeal delayed the start of the project which impacted on the sowing of the grass seeds. The grass seeds could not be sown after March 2020 as the germinating will result in 0% to 30% growth. The grass seeds can only be planted after September 2020 again and the fields can only be used after 9-12 months, depending on the establishment of the grass. The Kikuyu grass sods can be placed any time of the year and the fields can be used after 3 months of maintenance.

The R10m is a once-off grant by SRSA and should be used optimally, OM will forfeit the remaining funds, if it is not utilised.

The grass seeds which is within the scope of works of the existing contract, is the same as the grass sods; the one product is readily available and the other must still be sown.

No comments or representations were received from the public.

### **Conclusion**

It is recommended that contract SC2027/2019 with AmandlaGCF Construction CC be amended, to replace the grass seeds with Kikuyu grass sods & associated works.

## **7. Financial Implications**

### Source of Funding eg. Capital/MIG/SRSA

Unique Key	: 20200630034568
Cost Account	: 502 0200 0531
Item Description	: Cost: Acquisitions
Budget Provision 2020/2021	: R 5 182 233.00
Spent to Date/Committed	: R 4 817 767.00
Balance Available	: R 5 182 233.00
Funds Required *This report)	: R 1 426 662.09

**8. Staff Implications**

None

**9. Comments from other Departments, Divisions and Administrations**

**Contract manager: Hermanus, Mr. C. Roets - (028) 313 8951**

It is confirmed that Contracts SC 2027/2019 is still active and the proposed extension of the contract is supported.

The contractor indicated that they are willing to extend the contract for a contract period ending 31 October 2020. Compliance to section 116(3) of the MFMA has been duly adhered to.

The successful amendment to the contract is subject to the successful completion of the SCM process.

**10. Annexures**

- Annexure A: Addendum to the contract (Intent to amend)
- Annexure B: Published Public notice as on 25 June 2020
- Annexure C: BAC minutes of 13/12/2019
- Annexure D: Bill of Quantities – Kikuyu grass sods

**RECOMMENDATION TO THE COUNCIL:**

1. that **cognisance be taken** of the reasons for the proposed amendment of **Contract SC2027/2019** for the **Upgrading of Hawston Sport Grounds** for a Contract Period ending 31 October 2020, in terms of the enabling provisions of Section 116(3) (a) & (b) of the Local Government: Municipal Finance Management Act 2003 (Act 56 of 2003), and that the amendment be consented to; and
2. that **cognisance be taken** that no recommendations or representations were received from the local community by closing date, 27 July 2020.

**RESPONSIBLE OFFICIAL :**

**D HENDRIKS**

**TARGET DATE FOR IMPLEMENTATION :**

**01 SEPTEMBER 2020**

**TARGET DATE TO INFORM APPLICANT:**

**N/A**

**TARGET DATE TO INFORM OBJECTOR :**

**N/A**

ANNEXURE A



OFFICE OF THE DIRECTOR:  
INFRASTRUCTURE & PLANNING

Enquiries: Dennis Hendriks  
Date: 03 June 2020

ADDENDUM – INTENT TO AMEND A CONTRACT

The parties agree to the following intention to amend the existing contract SC 2027/2019 with **AmandlaGCF Construction CC** for the **Upgrading of Hawston Sport Grounds**, which were signed between them on **31 January 2020** and record this was done freely and willingly, without any coercion whatsoever from any one party:

The parties agree to the amendment of the contract end date, regarding the abovementioned agreement to **30 October 2020** on the same terms and conditions.

The supplier acknowledges that they do have the capacity to fulfil the obligation as set out in the terms and conditions.

The parties agree that the amendment of the contract is subject to the completion of a Supply Chain Management process, including completing a process as prescribed by section 116(3) of the Municipal Finance Management OR Circular 62 from National Treasury.

The parties further agree to commit to this amendment of contract after the date of completion of the prescribed Supply Chain Management process.

Thus done and signed at AiHLOVE WWTW this 05 day of August 2020 in the presence of the undersigned witnesses

WITNESSES:

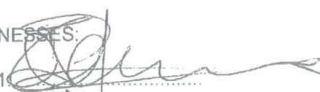
- 1. 
- 2. 

for and on behalf of AmandlaGCF Construction CC:

NAME: A. Lopez Director

Thus done and signed at Hermanus..... this 11 day of August 2020 in the presence of the undersigned witnesses

WITNESSES:

- 1. 
- 2. Chris

for and on behalf of Overstrand Municipality: Stephen Muller, Director: Infrastructure & Planning



**NOTICE IN TERMS OF SECTION 116(3) OF THE LOCAL GOVERNMENT: MUNICIPAL FINANCE MANAGEMENT ACT, 2003 (ACT 56 OF 2003) FOR THE PROPOSED AMENDMENT OF THE EXISTING AGREEMENT WITH AMANDLAGCF CONSTRUCTION CC FOR THE UPGRADING OF HAWSTON SPORT GROUNDS**

Notice is hereby given in terms of Section 116 (3) (a) and (b) of the Local Government: Municipal Finance Management Act, 2003 (Act 56 of 2003) that it is the intention of the Overstrand Municipality to amend the existing contract with AmandlaGCF Construction cc. The proposed amendment of the contract is to change the grass seed mix to roll-on grass, for a contract period ending 31 October 2020.

Notice is hereby further given in terms of Section 21 and 21A of the Local Government: Municipal Systems Act, 2000 (Act 32 of 2000) that the local community and affected parties are invited to submit comments or representations on the proposed amendment of the contract. Such comments or representations must be submitted not later than Monday, 27 July 2020 at 12:00.

Comments or representations must be submitted in a sealed envelope clearly endorsed "SC 2027A/2019: COMMENTS ON NOTICE OF AMENDMENT OF EXISTING AGREEMENT WITH AMANDLAGCF CONSTRUCTION CC" and be deposited in tender box no. 7.


All submissions must be addressed to:

The Municipal Manager  
Tender box no.7  
Overstrand Municipality  
Magnolia Avenue  
Hermanus  
7200

Persons who are physical disabled or who cannot read or write but wish to participate in the process, may come during office hours to the Municipal Offices, Magnolia Avenue, Hermanus where a staff member will assist that person to transcribe that person's comments or representations.

**Coenie Groenewald**  
**Municipal Manager**

Special



MUNISIPALITEIT **OVERSTRAND** MUNICIPALITY

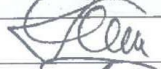




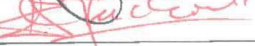

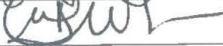

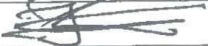

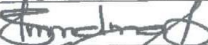

**BID ADJUDICATION COMMITTEE MEETING**

**ATTENDANCE REGISTER & UNDERTAKING OF CONFIDENTIALITY AND IMPARTIALITY**

Date: 2019.12.13

I, the undersigned, hereby declare:

- that all information, documentation and decisions regarding any matter before the committee are confidential and undertake not to make known anything in this regard
- that I will treat all providers and potential providers equitably and will not purposefully favour or prejudice anybody
- that I will make known details of any private or business interest which I, or any close family member, partner or associate may have in any proposed procurement or disposal process of, or in any award or contract and that I will immediately withdraw from participating in any manner whatsoever

NAME	DEPARTMENT / SECTION MUNICIPALITY	SIGNATURE
S.G. Reynolds-Naudé	Finance	
Clint Le Roux	SCM	
Solomzi Madikane	ECON. DEV.	
Ivin Wjibwi	SCM	
Christo Loots	SCM	
Dennis Hendriks	Eng Services	
HANCÉ BUCHEMUT	INFRA+ PLANNING	
DSARRISON	Man, Serv	
R. FURBER	PELHANI SERVICES	
R. WILLIAMS	COMM SERV	
C. FAN	Eng. Services	
S. Immanuel	SCM	
R. DE JAGER	SCM	





## MEMORANDUM

KANTOOR VAN DIE DIREKTEUR: INFRASTRUKTUUR EN BEPLANNING  
OFFICE OF THE DIRECTOR: INFRASTRUCTURE AND PLANNING

FROM : STEPHEN MÜLLER - *Director: Infrastructure & Planning*

TO : ALD DUDLEY COETZEE - *Executive Mayor*

DATE : 2 December 2019

RE : APPOINTMENT OF ACTING DIRECTOR: INFRASTRUCTURE & PLANNING

Section 56(1)(a)(ii) of the Local Government: Municipal Systems Act, 2000 (Act 32 of 2000) as amended by section 3 of the Local Government: Municipal Systems Amendment Act, 2011 (Act 7 of 2011) with effect from 5 July 2011, provides as follows:

*"A municipal council, after consultation with the municipal manager, must appoint-*

- (i) .....
- (ii) *an acting manager directly accountable to the municipal manager under circumstances and for a period as prescribed."*

Council resolved on 1 June 2011 *inter alia* as follows:

*"Item 7: DELEGATED POWERS TO EXECUTIVE MAYOR*

*RESOLVED (UNANIMOUSLY)*

1. *that the Principles and Conditions of Delegation, pages 30-36 to item 7 which served before Council on 1 June 2011, be re-confirmed; and*
2. *that all powers not reserved by law for full council, be delegated to the executive mayor."*

The Director: Infrastructure and Planning will be out of office from 10 December 2019 to 31 December 2020. It is recommended that you appoint Mr Hanré Bignaut, Deputy Director: Engineering Planning as Acting Director: Infrastructure and Planning in terms of your Delegated Powers referred to above.

Contact details: Tel: 028-313 5047 / Cell: 0824979169 / E-mail: hblignaut@overstrand.gov.za

  
SU MÜLLER  
DIRECTOR: INFRASTRUCTURE & PLANNING

Recommendation approved / ~~not approved~~ / ~~approved with the following amendments:~~

  
C GROENEWALD  
MUNICIPAL MANAGER

3 / 12 / 2019

Recommendation approved / ~~not approved~~ / ~~approved with the following amendments:~~

  
ALD DUDLEY COETZEE  
EXECUTIVE MAYOR

5 / 12 / 2019



C 3/7



## MEMORANDUM

OFFICE OF THE DIRECTOR: PROTECTION SERVICES  
KANTOOR VAN DIE DIREKTEUR: BESKERMING DIENSTE

**FROM** : NEVILLE MICHAELS – Director: Protection Services  
**TO** : ALD DUDLEY COETZEE – Executive Mayor  
**DATE** : 13 December 2019  
**RE** : APPOINTMENT OF ACTING DIRECTOR: PROTECTION SERVICES FOR BAC MEETING

Section 56(1)(a)(ii) of the Local Government: Municipal Systems Act, 2000 (Act 32 of 2000) as amended by section 3 of the Local Government: Municipal Systems Amendment Act, 2011 (Act 7 of 2011) with effect from 5 July 2011, provides as follows:

"A municipal council, after consultation with the municipal manager, must appoint-

- (i) .....
- (ii) an acting manager directly accountable to the municipal manager under circumstances and for a period as prescribed."

Council resolved on 1 June 2011 inter alia as follows:

"Item 7: DELEGATED POWERS TO EXECUTIVE MAYOR

RESOLVED (UNANIMOUSLY)

1. that the Principles and Conditions of Delegation, pages 30-36 to item 7 which served before Council on 1 June 2011, be re-confirmed; and
2. that all powers not reserved by law for full council, be delegated to the executive mayor."

The Director: Protection Services has a prior commitment to attend to on 13 December 2019 at 10h00 – 12h00, same time of a BAC meeting. It is recommended that you appoint Mr Rudy Fraser, Senior Manager: Traffic, Law Enforcement and Task Team as Acting Director: Protection Services in terms of your Delegated Powers referred to above. Contact details: Tel. 028 – 313 8159, Cell. 082 449 6751, Email. [rfraser@overstrand.gov.za](mailto:rfraser@overstrand.gov.za)

  
N. J. MICHAELS  
DIRECTOR: PROTECTION SERVICES

Recommendation approved / not approved / approved with the following amendments:

  
C. GROENEWALD  
MUNICIPAL MANAGER

13 / 12 / 2019

Recommendation approved / not approved / approved with the following amendments:

  
ALD DUDLEY COETZEE  
EXECUTIVE MAYOR

13 / 12 / 2019

C4/7

Minutes of the Proceedings of a special meeting of the Bid Adjudication Committee held in the SCM Committee Room, Hermanus, on Friday, 13 December 2019 at 10:10.

---



Minutes of the Proceedings of a special meeting of the Bid Adjudication Committee, held in the SCM Committee Room, Hermanus at 10:10 on Friday, 13 December 2019.

---

**OFFICIALS PRESENT:**

**Committee Members:**

Ms. SG Reyneke-Naude	Director. Finance (Chairperson)
Ms. D Arrison	Director. Management Services
Mr. H Blignaut	Acting Director: Infrastructure and Planning
Mr. S Madikane	Director. Economic & Social Development & Tourism
Mr. R Williams	Director: Community Services
Mr. R Fraser	Acting Director: Protection Services
Mr. C Le Roux	Deputy Director: Finance & SCM

**Technical Advisors:**

Mr. I Witbooi	Manager: Demand & Procurement
Mr. R de Jager	Senior Admin Officer: SCM
Ms. S Immelman	Principal Clerk: SCM
Mr. C Roets	Manager: Contracts & Logistics
Mr. D Hendriks	Senior Manager: Engineering Services
Ms. C Faro	Technician

---

**Minutes of the Proceedings of a special meeting of the Bid Adjudication Committee held in the SCM Committee Room, Hermanus, on Friday, 13 December 2019 at 10:10.**

---

**1. OPENING**

The Chairperson, Ms. SG Reyneke-Naude, welcomed all present and read the notice convening the meeting.

**2. APOLOGIES**

Mr. S Müller                      Director: Infrastructure and Planning

Mr. N Michaels                  Director: Protection Services

**3. DECLARATION OF INTEREST OF COMMITTEE MEMBERS**

All the members present declared that they have no interest in any of the companies/enterprises that submitted tenders.

**4. COMPLIANCE WITH PRESCRIPTIVE PROVISIONS OF CIRCULAR 46 OF NATIONAL TREASURY**

An integral strategy towards effective Supply Chain Management is not to award contracts to persons with a history of abuse of the Supply Chain Management system. In terms of Circular 46, of National Treasury, Accounting Officers are compelled to check the prohibition status of all recommended bidders prior to awarding any contract.

The Database of Restricted Suppliers managed by National Treasury was consulted and it was found that neither the under mentioned tenderer nor any of the directors/owners/trustees are listed as a company or person prohibited from doing business with the public sector.

**RESOLVED**

that it be noted that the prohibition status of the below mentioned tenderer was found in order to do business with the public sector.

- AmandlaGCF Construction CC

Minutes of the Proceedings of a special meeting of the Bid Adjudication Committee held in the SCM Committee Room, Hermanus, on Friday, 13 December 2019 at 10:10. C6/7

**5. ADJUDICATION/CANCELLATION OF TENDERS:**

**5.1 TENDER NO. SC 2027/2019: UPGRADING OF HAWSTON SPORTS GROUND**

The acting Director: Infrastructure & Planning, Mr. H Blignaut vacated his chair as committee member of the Bid Adjudication Committee for the duration of the adjudication of this item.

Upon a proposal by the Director: Economic & Social Development & Tourism, Mr. S Madikane duly seconded by the Director: Community Services, Mr. R Williams it was

**RESOLVED:**

that as they scored the highest points in terms of Council's Preferential Procurement Policy preference point system, Tender no. SC 2027/2019, Upgrading of Hawston Sport Grounds be awarded to:

Service provider / supplier:		AmandiaGCF Construction CC		SCM supplier #	772
Service / goods provided:		Upgrading of Hawston Sport Grounds			
Vote	Item description	Acquisitions: Outsourced			
	Cost account	502 5001 1661	Business key	20190627164706	
	Cost account	502 5001 1651	Business key	20190627164521	
Amount (Excl. VAT, Incl. 5% cont.):		R 7 133 310.45	Contingency:	R 339 681.45	
Amount in words:		Seven million one hundred and thirty three thousand three hundred and ten rand and forty five cents			
Escalation percentage:		n/a	Escalation date:	n/a	
Contract director:		S. Muller	Contract owner:	D. Hendriks	
<b>CONTRACT PERIOD:</b>					
Implementation date:	Date of signing of contract	End date:	30 June 2020	Period:	26 weeks or part thereof

Certified as correct by:



Mr. C Le Roux  
Deputy Director: Finance & SCM



Ms. SG Reyneke-Naude  
Director: Finance (Chairperson)

13 December 2019

Date

13/12/2019

Date

Minutes of the Proceedings of a special meeting of the Bid Adjudication Committee held in the  
SCM Committee Room, Hermanus, on Friday, 13 December 2019 at 10:10. C717

---

Certified as correct at the Bid Adjudication Committee Meeting held on \_\_\_\_\_

Certified as correct by:

\_\_\_\_\_  
Mr. C Le Roux  
Deputy Director: Finance & SCM

\_\_\_\_\_  
Date

\_\_\_\_\_  
Ms. SG Reyneke-Naude  
Director: Finance (Chairperson)

\_\_\_\_\_  
Date

The meeting adjourned at: 10:25

Minutes compiled by: Ms. S Immelman

Distribution:

Creditors: Mr. C Oppelt

Contract Management: Mr. C Roets

Responsible Officials: Mr. D Hendriks

CONTRACT NO. SC 2027/2019

UPGRADING OF HAWSTON SPORT GROUNDS

BILL FOR KIKUYU ROLL ON LAWN

SCHEDULE C: EARTHWORKS GENERAL

ITEM NO	PAYMENT	DESCRIPTION	UNIT	QTY TENDER	RATE	AMOUNT R
C		<b>SCHEDULE C: EARTHWORKS GENERAL</b>				
C1	SABS 1200 D	<b>EARTHWORKS</b>				
C.1.1	SD D 8.3.1.2	Remove topsoil to a nominal depth of 150 mm, stockpile and maintain	m <sup>3</sup>	0	R21.00	Rate Only
C.2		<b>BULK EXCAVATION</b>				
	8.3.2 (a)	Excavate in all materials and use for the following:				
C.2.1		i) Fill on field compacted to 93% MAASHTO density (100% for sand)	m <sup>3</sup>	0	R25.00	Rate Only
C.3		<b>FINISHING</b>				
C.3.1	SD D 8.3.10	Topsolling 150 mm thick from:				
C.3.1.1		i) Stockpile	m <sup>3</sup>	0	R25.00	Rate Only
C.3.1.2		ii) commercial sources (source must be approved by the engineer)	m <sup>3</sup>	0	R175.00	Rate Only
C.3.2		Grassing				
C3.2.1	SD D 8.3.15	Seed grass mix and fertilizer	m <sup>2</sup>	0	R40.50	Rate Only
C3.2.2	SD D 8.3.16	Spread 20 mm thick topdressing on lawn once established (source must be approved by the engineer)	m <sup>2</sup>	0	R350.00	Rate Only
C3.2.3		Supply and lay Kikuyu roll on lawn	m <sup>2</sup>	35226.22	R40.50	R1,426,662.09
<b>Total Carried Forward To Summary</b>						<b>R1,426,662.09</b>



① 212

SECTION	SUMMARY	PAGE No	AMOUNT	
			R	c
C	EARTHWORKS GENERAL		1 426 662	09
	SUB-TOTAL		1 426 662	09
	<b>CONTINGENCIES</b> Allow the sum of 0% of the above sub-total for Contingencies to be spent as the Engineer may direct and to be deducted in whole or in part if not required.		0	00
	TOTAL INCLUDING CONTINGENCIES		1 426 662	09
	<b>VALUE ADDED TAX</b> ADD: VAT at the rate of 15%		213 999	31
	TOTAL INCLUDING VAT		1 640 661	40