

6. **CONTRACT SC 1660A/2015: PROPOSED AMENDMENT: PROVISION OF MULTI-FUNCTIONAL OFFICE MACHINES TO OVERSTRAND MUNICIPALITY FOR A CONTRACT PERIOD ENDING 30 NOVEMBER 2018**

8/2/2

J van Asperen  
11 June 2018

(028) 313 8959

Corporate Head office

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### 1. Executive Summary

The purpose of this report is to provide the necessary information and motivation on the proposed amendment of CONTRACT NUMBER SC1660/2015: PROVISION OF MULTI-FUNCTIONAL OFFICE MACHINES TO OVERSTRAND MUNICIPALITY FOR A CONTRACT PERIOD ENDING 30 NOVEMBER 2018, in terms of the enabling provisions of Section 116(3) 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: Management Services  
Department: Information Communication Technology

### 3. Compliance with Strategic Priorities

Provision of democratic, accountable and ethical governance  
Provision and maintenance of municipal services

### 4. Delegated Authority

None

### 5. Legal Requirements

Local Government: Municipal Finance Management Act, 2003 (Act 56 of 2003) [MFMA]  
Local Government: Municipal Systems Act, 2000 (Act 32 of 2000)  
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

### Background

Contract SC1660/2015 will terminate on 30 June 2018. A new tender, SC1870/2018 was advertised in March 2018 for the provision of multi-functional office machines to the Overstrand. To allow the new bidder enough time to install/replace all the existing equipment and to ensure that there is no interruption in service delivery, it was proposed that the existing contract, SC1660/2015 be extended with 5 months.

A meeting was set up to discuss the way forward with the relevant Senior Manager in conjunction with the Contract Management and Supply Chain office. During this meeting the previous process was reflected on, financial status was reported and the options going forward, being either looking at alternatives or following a Section 116 process was discussed.

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

“(a) the reasons for the proposed amendment have been tabled in the council of the municipality or, in the case of a municipal entity, in the council of its parent 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.”

The proposed amendment of contract SC1660/2015 was advertised for public comment as follows:

Date of Advertising:	20 April 2018
Method of Advertising:	Die Burger, Cape Times, Overstrand Website & Municipal Notice Boards
Closing Date for Comments:	21 May 2018

No comments were received by the closing date of 21 May 2018.

Section 116 (3) of the MFMA should however be read together with MFMA Circular No. 73 issued by National Treasury, May 2013. In terms of the said circular, **the following power/duty was conferred to Council** which is cited as follows:

‘Considering the reasons for the proposed amendment of a contract or agreement and any representations that may have been received regarding the proposed amendment of a contract or an agreement procured through the supply chain management policy of the municipality **and deciding whether to consent to the amendment of the contract or agreement.**’

## Discussion

It is proposed that contract SC1660/2015 terminating on 30 June 2018, be amended to remain in effect for a period of 5 months from 1 July 2018 to 30 November 2018 for the following reasons:

- (a) To ensure that there is no interruption in service delivery. The new tender makes provision for a handover period.
- (b) To provide enough time for the Overstrand Municipality's successful bidder on tender SC1870/2018 to replace all the existing machines, on the same terms and conditions.

The contract is tariff based - the total expenditure, as per the SAMRAS financial system as well as the estimated expenditure for the 5 month amendment is indicated in the table below:

<b>Ref no</b>	SC1660/2015
<b>Service Provider name</b>	Konica Minolta South Africa a Division of Bidvest Office (Pty) Ltd.
<b>Description</b>	Provision of multi-functional office machines to Overstrand Municipality
<b>Responsible For Service Level Agreement</b>	D Arrison J v Asperen
<b>Total Contract Value 2015 – 30/06/2018 (estimated values calculated for Apr-Jun) (Excl. VAT)</b>	R 1 391 118.00
<b>Total Estimated expenditure extension (Excl. VAT)</b>	R 327 558.80

## 7. Financial Implications

### Source of Funding: Operating Budget Provisions

Unique Key	: 20170525078454
Cost Account	: 10660221200000
Item Description	: OperLease: Computer Equipment
Budget Provision 2018/2019	: R 750 000.00
Spent to Date/Committed	: R1 391 118.00
Balance Available	: R 750 000.00
Funds Required *This report)	: R 327 558.80

## 8. Staff Implications

None

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

### Supply Chain Management

A compliance check in terms of the Supply Chain Management Policy has been undertaken and verified on 21 May 2018. The Supply Chain Management Unit is satisfied that Konica Minolta South Africa a Division of Bidvest Office (Pty) Ltd complies in all respects.

### Contract Management Office

It is confirmed that contract SC1660/2015 is still active and the proposed extension of the contract is supported.

This is the first extension to the existing contract and a Section 116(3) amendment as required by the MFMA is being followed.

The successful amendment of this contract is subject to Council's consent to the proposed amendment of the contract.


## 10. Annexures

- Annexure A: Public notice of intention to amend the Contract
- Annexure B: Addendum to the Contract (intent to amend)
- Annexure C: SCM compliance checklist
- Annexure D: ICT Steering Committee Agenda item and Minutes
- Annexure E: BAC Minutes of 2018/06/08

## RECOMMENDATION TO THE COUNCIL:

1. that **cognisance be taken** of the reasons for the proposed amendment of Contract number SC1660/2015A: Provision of Multi-functional Office Machines to Overstrand Municipality for a contract period ending 30 November 2018, in terms of the enabling provisions of Section 116(3) of the Local Government: Municipal Finance Management Act 2003 (Act 56 of 2003), and that the amendment be consented to;
2. that **cognisance be taken** that no recommendations or representations were received from the local community by closing date, 21 May 2018;
3. that the contract be terminated on 30 November 2018 or an earlier date when the successful bidder appointed on tender no. SC 1870/2018 has replaced all the existing machines in use; and
4. that the contract be terminated on the completion of the section 33 process of the Local Government: Municipal Finance Management Act, 2003 (Act 56 of 2003) in the event that the successful bidder appointed on tender SC 1870/2018 is Konica Minolta South Africa a Division of Bidvest Office (Pty) Ltd.

**RESPONSIBLE OFFICIAL :****J VAN ASPEREN  
C ROETS****TARGET DATE FOR IMPLEMENTATION :****1 JULY 2018**

 NOTICE/KENNISGEWING/ISAZISO		
<p><b>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 CONTRACT SC1660/2015 WITH KONICA MINOLTA SOUTH AFRICA A DIVISION OF BIDVEST OFFICE (PTY) LTD FOR THE PROVISION OF MULTI-FUNCTIONAL OFFICE MACHINES TO OVERSTRAND MUNICIPALITY FOR A CONTRACT PERIOD ENDING 30 JUNE 2018.</b></p>	<p><b>KENNISGEWING INGEVOLGE ARTIKEL 116(3) VAN DIE WET OP FLAASLIKE REGERING: MUNISIPALE FINANSIELE BESTUUR, 2003 (WET 56 VAN 2003) VIR DIE VOORGESTELDE WYSGING VAN DIE BESTAANDE KONTRAK SC1660/2015 MET KONICA MINOLTA SOUTH AFRICA 'N FILIAAL VAN BIDVEST OFFICE (EDMS.) BPK. VIR DIE VOORSIENING VAN MULTI-FUNKSIONELE KANTOORMASJINE AAN OVERSTRAND MUNISIPALITEIT VIR 'N KONTRAKPERIODE EINDIGEND 30 JUNIE 2018.</b></p>	<p><b>ISAZISO SIKARHULUMENTE WENGINQIQI: UMTHETHO WOLAWULO LWEMALI KAMASIPALA, 2003 (UMTHETHO 56 KA 2003) SESILUNGISO ESIKETIWAYO KWIKHONTRAKTHI ESIKHOYO SC1660/2015 NO KONICA MINOLTA SOUTH AFRICA A DIVISION OF BIDVEST OFFICE (PTY) LTD SOKUNIKEZWA KOMATSHINI BE OFISI BE MULTI-FUNCTION KUMASIPALA WEOVERSTRAND SESIVUMELWANO ESIPHELA NGE30 JUNI 2018.</b></p>
<p>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) for the intention of Overstrand Municipality to amend the existing contract SC1660/2015 with Konica Minolta South Africa a Division of Bidvest Office (Pty) Ltd. The proposed amendment of the contract is for the provision of Multi-functional office machines to Overstrand Municipality to be extended for a period of five months, effective from 1 July 2018 to 30 November 2018.</p> <p>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 by not later than Monday, 21 May 2018 at 12:00.</p> <p>Comments or representations must be submitted in a sealed envelope clearly endorsed "SC1660/2015: COMMENTS ON PROPOSED AMENDMENT OF EXISTING AGREEMENT FOR PROVISION OF MULTI-FUNCTIONAL OFFICE MACHINES" and be deposited in tender box no. 7.</p> <p>All submissions must be addressed to:</p> <p>The Municipal Manager Tender box no 7 Overstrand Municipality Magnolia Avenue Hermanus 7200</p> <p>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.</p>	<p>Kennisgewing geskied hiermee ingevolge artikel 116(3) (a) en (b) van die Wet op Plaaslike Regering: Munisipale Finansiële Bestuur, 2003 (Wet 56 van 2003) dat Overstrand Munisipaliteit van voornemens is om die bestaande kontrak SC1660/2015 met Konica Minolta South Africa 'n filiaal van Bidvest Office (Edms.) Bpk. te wysig. Die voorgestelde wysiging van die kontrak is om die verskaffing van multi-funksionele kantoormasjien te verleen aan Overstrand Munisipaliteit vir 'n kontrakperiode van vyf maande, effektiwief vanaf 1 Julie 2018 tot 30 November 2018.</p> <p>Kennisgewing geskied verder ingevolge artikel 21 en 21A van die Wet op Plaaslike Regering: Munisipale Stelsels Wet, 2000 (32 van 2000), dat die plaaslike gemeenskap en geaffekteerde partye genooi word om kommentaar of vertoë in te dien oor die voorgestelde wysiging van die kontrak. Hierdie kommentaar of vertoë moet teen nie later nie as Maandag, 21 Mei 2018 om 12:00 ingedien word.</p> <p>Alle kommentaar of vertoë moet ingedien word in 'n verskeide kovert, duidelik gemerk "SC1660/2015: KOMMENTAAR OP KENNISGEWING VAN WYSGING VAN BESTAANDE KONTRAK SOKUNIKEZWA WEOVERSTRAND ESIKHOYO ESIPHELA NGE30 JUNIE 2018".</p> <p>Alle voorleggings moet geadresseer word aan:</p> <p>Die Munisipale Bestuurder Tenderbus nr. 7 Munisipaliteit Overstrand Magnolialaan Hermanus 7200</p> <p>Persones wat fisikaal gestremd is of nie kan skryf nie, maar aan die proses wil deelneem, kan gedurende kantoorure na die Munisipale Kantore, Magnolialaan, Hermanus kom waar 'n personeelid hulle sal help om die kommentaar of vertoë neer te skryf.</p>	<p>Isaziso sinikezweha ngokweSigaba se116 (3) (a) kunye (b) sikaRhulumente weNgingqi: umthetho weLawulo leMali kaMasipala, 2003 (umthetho we56 ka2003) ukuba injongo kaMasipala wase-Overstrand ukuchithiyela isivumelwano esikhoYO SC1660/2015 kunye noKonica Minolta South Africa a Division of Bidvest Office (Pty) Ltd. Isilungiso esicetywayo sekhontrakthi sokunikezwa komaTshini be ofisi be-Multi-function kuMasipala weOverstrand lya nge30 Novemba 2018.</p> <p>Kwaziwa ngakumbi ngoSigaba se21 nge21A, sikaRhulumente weNgingqi: umthetho weLawulo zeMasipala 2000 (umthetho we32 ka 2000) ukuba uluntu weasekubaleni kunye namanye hazelekayo ayamanywa ukuba athumele izimvo okanye iziphakamiso so kwisilungiso esiphakanyisiweyo kwisivumelwano. Ezi zimvo okanye iziphakamiso kufuneka zngeniswe kungadlulanga umVulo, 21 Meyi ngo12:00.</p> <p>Izimvo okanye iziphakamiso mazifakwe kwimVulo lophu etywinweyo kwaqhahwa ngokucacileyo "SC SC1660/2015: IZIMVO KWISAZISO SOKULUNGISWA KWESIVUMELWANO ESIKHOYO ESIPHELA NGE30 JUNI 2018".</p> <p>Zonke kwibhoksi yezintloko-mababiso no. 7.</p> <p>Zonke izibhalo zithunyelwe ku:</p> <p>Umphathi kaMasipala Bhokisi yezintloko-mababiso no. 7 UMunisipalithi weNgingqi yase-Overstrand Magnolia Avenue Hermanus 7200</p> <p>Abantu abakhubazekileyo kunye nabantu abangakwaziyo ukubhala kodwa bangqwenela ukuthatha inxaxheba kulombha baysicweta baye kwi ofisi zika Masipala eMagnolia Avenue, eHermanus apho kukho umsebenzi ozokubancedisa ukubhala izimvo okanye iziphakamiso zalabo.</p>
<p>C Groenewald Municipal Manager</p>	<p>C Groenewald Munisipale Bestuurder</p>	<p>C Groenewald UManejala kaMasipala</p>



OFFICE OF THE DIRECTOR:  
MANAGEMENT SERVICES

Enquiries: Johnet van Asperen  
Date: 18 April 2018

ADDENDUM – INTENT TO AMEND A CONTRACT

The parties agree to the following Intention to amend the existing contract SC1660/2015 with Konica Minolta South Africa a Division of Bidvest Office (Pty) Ltd for the Provision of multi-functional office machines to Overstrand municipality for a contract period ending 30 June 2018, which were signed between them on 18 March 2016 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 the latest of 30 November 2018 or as soon as the Overstrand Municipality's successful bidder on tender SC1870/2018 replacing the current tender SC1660/2015 has replaced all the existing machines, 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 Paarl this 18th day of April 2018  
in the presence of the undersigned witnesses

WITNESSES:

- 1.
- 2.



for and on behalf of Konica Minolta South Africa a Division of  
Bidvest Office (Pty) Ltd: NAME: PETER GATTUS  
Designation: BRANCH MANAGER

Thus done and signed at ..... this ..... day of ..... 2018  
in the presence of the undersigned witnesses

WITNESSES:

1. ....
2. ....

.....  
for and on behalf of Overstrand Municipality: Desiree Amison,  
Director: Management Services

Overstrand Municipality Evaluation in terms of the Preferential Procurement Regulations			
Compliance Check of Tender No.		SC 165AA/2015	
Tender Name:		Provision of multi-functional office machines to Overstrand Municipality for a contract period ending 30 June 2018	
Rank number of tenderer (in opening order)		Max Points	1
Name of tenderer		Konica Minolta South Africa a Division of Eldvest Office (Pty) Ltd	
Authority to sign bid		Authorised	
Valid Tax Clearance Certificate (provide expiry date)	MBD2	2019/03/01	
TCC Number		07601/2018/ADG/721472	
VAT Registration (provide number)		4650268230	
Declaration of Interest	MGD4	Declared	
Declaration of Past SCM Practices	MGD5	Declared	
Certificate for Payment of Municipal Services	MGD15	Declared	
Municipal Account		In order	
OHASA		Completed & Signed	
WCA Registration Number		950000119068	
WCA Letter of Good Standing/ proof of payment		2018/04/30	
Suppliers database registration		2130	
National Treasury Register for Tender Defaulters		Not Listed	
National Treasury Database for Restricted Suppliers		Not Listed	
E-Mail address		willies@kmsa.com	
NOTES			
Certification: It is hereby certified that the abovementioned information have been compiled from the applicable tender documents and that verifications required in terms of the Supply Chain Management Policy have been undertaken and that the recommended tenderer(s) comply in all respects except if and where specifically indicated otherwise.			
Compiled by: (SCM Office)		S. Immelman Name	 Signature
			2018/05/21 Date
Verified by: (SCM Office)		L. du Preez Name	 Signature
			2018/05/21 Date



# OVERSTRAND

MUNISIPALITEIT/UMASIPALA/MUNICIPALITY

MEETING OF THE ICT STEERING COMMITTEE

## MINUTES

21 February 2018

Mayoral Committee Room,  
Municipal Offices, Hermanus

**OVERSTRAND****MUNICIPALITY/MUNISIPALITEIT/U-MASIPALA**

**MINUTES OF A MEETING OF THE ICT STEERING COMMITTEE HELD IN THE  
MAYORAL COMMITTEE ROOM, HERMANUS,  
ON WEDNESDAY, 21 FEBRUARY 2018 AT 09:00**

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**PRESENT:****Councillors:**

Ald D Coetzee  
Cllr R de Coning

**Officials:**

Mr C Groenewald  
Mrs. D Arrison  
Mr. N Michaels  
Mrs. S Reyneke-Naude  
Mr. R Williams  
Mr. T Loubser  
Mr. C Johnson  
Ms. J van Asperen

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**MINUTES/...**



**1. OPENING AND WELCOME**

Mr Coenie Groenewald, Municipal Manager, welcomes all the representatives at the first ICT Steering Committee Meeting of the year.

**2. APOLOGIES**

Mr. S Madikane  
 Mr. E Smit  
 Mr. D van den Heever  
 Mr. S Muller  
 Mr. C Le Roux

**3. CONFIRMATION OF MINUTES****3.1 MINUTES OF THE MEETING HELD ON 27 NOVEMBER 2017****RESOLVED**

➤ The minutes of the meeting held on 27 November 2017 **have been confirmed.**

**4. MATTERS ARISING****4.1 ICT Governance**

**Resolved that;**

- 4.1.1 the Audit Action plan, **be noted;**
- 4.1.2 the Standard User Account Management Operating Procedure and Change Control Policy – Financial System, **be approved;**

*Mr. T Loubser left the meeting after the discussion of the above items at 09h26.*

- 4.1.3 the Standard User Account Management Operating Procedure - Novell/Microsoft, **be approved;**
- 4.1.4 the Standard User Account Management Operating Procedure - All Systems – Report, **be noted;**
- 4.1.5 the Draft Information Communication Technology Strategic Plan (as per Audit Action plan), **be noted;**
- 4.1.6 the Draft Information Communication Technology Governance Framework (as per Audit Action plan), **be noted;**
- 4.1.7 the ICT Systems Disaster Recovery Plan 2018, **be approved;**
- 4.1.8 the Systems Back Up Policy, **be approved and recommended to Council for adoption, and**
- 4.1.9 the User Account Management Procedure (UAMP) for Kronos System, **be approved.**

**5. ICT BUDGETS****5.1 CAPITAL BUDGET: 2016/2017**

Resolved that;

- the status on spending of the Capital Budget funds, be noted;
- the minor asset status, be noted, and

**5.2 OPERATIONAL BUDGET: 2016/2017**

Resolved that;

- the status on spending of the Operational Budget funds, be noted.

**6. SYSTEMS AND SERVICES****6.1 PROGRESS REPORT****1. Events / Call Log**

Resolved that;

- cognisance be taken of the report.

**2. Contracts**

Resolved that;

- the status of contracts, be noted.

**3. Networks and Systems**

Resolved that;

- the progress and status of the Internet Fibre, Firewall and Email Systems, be noted.

**4. ICT Framework and Strategic Plan**

Resolved that;

- the first drafts of the ICT Framework and Strategic Plan, be noted.

**7. BUSINESS SYSTEMS AND PROCESSES****7.1 PROGRESS REPORT****1. Contracts**

Resolved that;

- the request to follow of a Section 116 (3) process for the Provision of Multi-functional office machines to Overstrand Municipality, be noted and
- a Competitive bidding process will be followed, be noted.

**2. Time and Attendance**

Resolved that;

- the current status, be noted.

**3. mSCOA/SAMRAS**

Resolved that;

- the current status, be noted.

**8. NEXT MEETING**

Resolved that;

- the next special meeting date will be 22 March 2018, be noted.

*The Municipal Manager thanked the ICT staff for their hard work and dedication.*

Meeting adjourned at 10h20.



# **OVERSTRAND**

MUNISIPALITEIT / UMASIPALA / MUNICIPALITY

**MEETING OF THE ICT STEERING COMMITTEE**

## **AGENDA**

**21 February 2018**

**AT 09:00**

Mayoral Committee Room, Municipal Offices, Hermanus

**OVERSTRAND MUNICIPALITY**

Municipal Offices  
HERMANUS  
7200  
30 January 2018

**NOTICE TO ALL MEMBERS OF THE COMMITTEE**

NOTICE IS HEREBY GIVEN that a meeting of the ICT STEERING COMMITTEE, will be held in the Mayoral Committee Room, Municipal Offices, Hermanus on Wednesday, 21 February 2018 at 09:00 to consider the items set out in the attached agenda.

Carlouw Engelbrecht  
CO-ORDINATOR: ICT Steering Committee

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**DISTRIBUTION LIST: ICT STEERING COMMITTEE****Members of the Committee****Council:**

Cllr R de Coning  
Ald D Coetzee

**Management:**

Mr. C Groenewald; Municipal Manager  
Mrs. D Arrison; Director: Management Services  
Mrs. S Reyneke-Naude; Director: Finance  
Mr. N Michaels; Director: Protection Services  
Mr. R Williams; Director: Community Services  
Mr. S Madikane; Director: Local Economic Development  
Mr. S Muller; Director: Infrastructure & Planning  
Mr. C le Roux; Deputy Director: Finance  
Mr. D van der Heever; Manager: Internal Audit  
Mr. E Smit; ICT Infrastructure Services  
Ms. J van Asperen; Senior Business Analyst  
Mr. C Johnson; ICT Senior Systems Developer

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Agenda of the ICT Steering Committee: 21 February 2018

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1. **OPENING AND WELCOME**
2. **APOLOGIES**
3. **CONFIRMATION OF MINUTES OF PREVIOUS MEETING**
  - 3.1 Minutes of Meeting held on 27 November 2017 attached herewith
4. **MATTERS ARISING**
  - 4.1 ICT Governance
    - 4.1.1 Audit Action plan (C Johnson)\_to be Noted
    - 4.1.2 Standard User Account Management Operating Procedure and Change Control Policy – Financial System (T Loubser)\_to be Approved
    - 4.1.3 Standard User Account Management Operating Procedure - Novell/Microsoft (C Johnson)\_to be Approved
    - 4.1.4 Standard User Account Management Operating Procedure - All Systems - Report (C Johnson)\_to be Noted
    - 4.1.5 Draft Information Communication Technology Strategic Plan (as per Audit Action plan) (C Johnson)\_to be Noted
    - 4.1.6 Draft Information Communication Technology Governance Framework (as per Audit Action plan) (C Johnson)\_to be Noted
    - 4.1.7 ICT Systems Disaster Recovery Plan 2018 (J van Asperen)\_to be Approved
    - 4.1.8 Systems Back up Policy (C Johnson)\_to be Approved
5. **ICT BUDGETS** (C Johnson)
  - 5.1 Capital Budget: 2017/2018\_to be Noted
  - 5.2 Operations Budget: 2017/2018\_to be Noted
6. **SYSTEMS AND SERVICES** (C Johnson)
  - 6.1 Progress Report\_to be Noted
7. **BUSINESS SYSTEMS AND PROCESSES** (J van Asperen)
  - 7.1 Progress Report\_to be Noted
8. **NEXT MEETING**

Special Steering Committee: proposed for Thursday, 22 March 2018

ICT Steering Committee

# Business Systems and Processes

Progress Report

21 February 2018

J van Asperen

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## 1. Contracts

### 1.1. In progress

DMP REF #	B26	
EXISTING TENDER NUMBER	SC1660/2015	
COMPLETION/EXPIRY DATE OF CURRENT CONTRACT	2018/06/30	
CONTRACT OWNER	D ARRISON	
CONTRACT CHAMPION	J V ASPEREN	
PROJECT NAME	PROVISION OF MULTI-FUNCTIONAL OFFICE MACHINES TO OVERSTRAND MUNICIPALITY	
AREA	OVERSTRAND	
EST. EXPENDITURE 2017/2018	R 700 000,00	
EST. EXPENDITURE 2018/2019	R 750 000,00	
PLANNED START DATE OF NEW CONTRACT	01/07/2018	
PLANNED COMPLETION OF NEW CONTRACT	30/06/2020	
ANTICIPATED SUBMISSION DATE OF SPECIFICATIONS	28/02/2018	
CONTRACT PERIOD (NEW CONTRACT)	36 MONTHS	
STATUS	23/01/2018	Meeting scheduled with C Roets of Contract Management and I Witbooi SCM to discuss motivation and proposal to follow a Section 116 {3} process. I Witbooi did not attend.
	29/01/2018	Minutes of meeting compiled by C Roets distributed {Annexure A}. As I Witbooi did not attend C Roets to finalise a response with I Witbooi and C le Roux.
	13/02/2018	Follow up with C Roets to request feedback – request sent from C Roets to I Witbooi.
	20/02/2018	Await response

### 1.2. Recommendation

That, the follow of a Section 116 {3} process for the Provision of Multi-functional office machines to Overstrand Municipality, be noted.



## 2. Time and Attendance

### 2.1. Current status

Usage on the APN network is being monitored and overall stable.

As reported previously projects/Enhancements for completion during the first quarter of 2018:

- 1) Partial Leave – capture partial leave on PayDay and pull through to Kronos (eliminates any 'paper' registers currently being held and subsequent challenges with 'part of whole day leave' that has to be managed). *Status: development completed. Testing to be completed by 28/02/2018 after which training and roll out will be scheduled.*
- 2) Automate pull through of Short Hours to Kronos – integration has been completed and we are busy with testing, ready for sign-off. Will run this in production in January 2018 (parallel to manual process) and ensure that this is stable and no errors occur. *Status: In production.*
- 3) Automation of reporting lines – integration between PayDay and Kronos for reporting lines has been completed by PayDay. Kronos is currently busy with testing and once we have done our testing this will be implemented. This should (to be tested and confirmed) have the following benefits – reporting lines always updated real-time (currently done manually) and if a manager is on leave and 'delegates' his/her authority for PayDay related functions, Kronos will also 'carry' this update which means the 'stand-in' manager is able to deal with exceptions. *Status: development completed by PayDay on 19/02/2018. Testing to be completed by 28/02/2018.*

### 2.2. Recommendation

That the current status, be **noted**.



### 3. mSCOA/SAMRAS

#### 3.1. Current status

Main focus is as previously reported to facilitate the process to implement mSCOA compliant integration with 3<sup>rd</sup> party systems. SAMRAS has provided the updated specification of their available interfaces in **February 2018**. Meetings will be set up with the service providers of Overstrand during which the requirements will be discussed and impact will be assessed. The outcome will be reported at the next ICT Steercom.

#### 3.2. Recommendation

That the current status, be **noted**.



## Annexure A

Dietskoors: Finansies  
Voorsienings-Kennelbestuur



Directorate: Finance  
Supply Chain Management

## MEMORANDUM

aan / TO :	Johan van Asperen
CC:	J Grabler, Liesel du Toit, Witbooi, C le Roux
DATUM / DATE:	23 January 2018
ONDERWERP / SUBJECT:	EXPLORE THE POSSIBILITY FOR EXTENSION OF TENDER SC1660/2015 KONICA MINOLTA PROVISION OF MULTI FUNCTIONAL OFFICE MACHINES TO OVERSTRAND MUNICIPALITY FOR A CONTRACT PERIOD ENDING 30 JUNE 2018.

Present at the Meeting : J van Asperen (Management Services), J Grabler (SCM Contracts),  
L du Toit (SCM Procurement), C Roets (SCM Contracts)

Date of the meeting : 23 January 2018

Place : Office of Manager Contracts and Logistics

## 1. Objective of the meeting:

- The objective of the meeting is to establish the possibility to extend Tender SC1660/2015 with Konica Minolta for a further 3 year period effective 01 July 2018 Ending 30 June 2021.
- Get clarity on the process to be followed
- Gather information

## 2. General information

There were six (6) bidders  
Rata based Tender  
2 x Suppliers were successful (Safura and Konica Minolta)  
Supplier performance (Safura could not deliver on their award of one of the printers)  
Konica Minolta (Delivered +-130 machines and have satisfactory performance)  
Safura is under review for non-performance for the printer that they could not deliver  
+- 130 (Hundred and thirty) multifunction machines have been commissioned

## 3. Motivation for Extension of Contract

The sole motivation for the extension of the contract for a further 3 (Three) year period is the risk associated with decommissioning +- 130 (hundred and thirty) multifunction printing machines as of the 30<sup>th</sup> of June 2018 and recommissioning +-130 (hundred and thirty) multifunction printing machines on the 01<sup>st</sup> of July 2018. Commissioning of machines is not as simple as "plug and play". The printers need to be configured for network and user interface. If a new contract and new supplier is introduced, down time will be experienced. The provider furthermore has rendered an excellent service and the value for money is undeniable.

## 4. Process of Extension

As per the MFMA Act, 2003 a section 115 (3) process will have to be followed to extend this contract for an additional 3 (Three) years. It was also mentioned that the probability of

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*Direktoraat: Finansas*  
*Voorsienings-Kantoor*



*Directorate: Finance*  
*Supply Chain Management*

### MEMORANDUM

appeals when opened for public comment is great. This is a highly competitive market and many potential bidders will feel aggrieved if excluded. The question will therefore be: will the motivation be strong enough to mitigate extending the contract for another 3 (three) years?


**5 Steps to follow**

Send all relevant documents to Legal department with motivation, and request legal for their inputs. Have a formal meeting post receiving of legal inputs.

Kind regards

Christo Roets  
Manager, Contracts & Logistics

APPENDIX 1

  
 MUNICIPALITEIT **OVERSTRAND** MUNICIPALITY




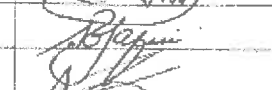


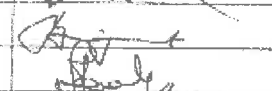






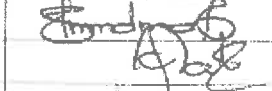

**BID ADJUDICATION COMMITTEE MEETING**

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

Date: 2018.06.08

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
J. Vorster	Finance	
Clint Le Roux	SCM	
Selomzi Modikane	Econ. Dev. & Tourism	
PATRICK AFRICA	TRAFFIC	
JOHANNES VAN ASPEREN	SR Bus Analyst	
LESTER SMITH	Fire Department & Security	
HANRÉ BLIGNANT	ENG PLANNING	
Stefan van Jaal	Solid Waste	
S. Müller	Infra & Plan	
D SARRISON	Man Serv	
H. J. Michaels	Port Dev.	
M. BAETMAN	COMMUNITY SERVICES	
<del>E. Roets</del>	<del>SCM</del>	
R. de Jager	SCM	
S. Immelman	SCM	
C ROETS	SCM - CONTRACTS	

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**MEMORANDUM**



KANTOOR VAN DIE DIREKTEUR: GEMEENSKAPSDIENSTE  
OFFICE OF THE DIRECTOR: COMMUNITY SERVICES

**FROM :** RODERICK WILLIAMS  
*Director: Community Services*

**TO :** Ald DUDLY PETER COETZEE  
*Executive Mayor*

**DATE :** 07 June 2018

**RE :** APPOINTMENT OF ACTING DIRECTOR: COMMUNITY SERVICES

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: Community Services will be on leave Friday, 8 June 2018. It is recommended that you appoint Mr Mike Bartman, Deputy Director Community Services for 8 June 2018 as Acting Director: Community Services with full delegated authority in terms of your Delegated Powers referred to above.

  
**R WILLIAMS**  
**DIRECTOR: COMMUNITY SERVICES**

07, 06 /2018

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

  
**C GROENEWALD**  
**MUNICIPAL MANAGER**

07, 06 /2018

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

  
**EXECUTIVE MAYOR**  
**Ald DUDLY PETER COETZEE**

\_\_\_\_ / \_\_\_\_ /2018

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Office of the  
Director: Finance

## MEMORANDUM

Kantoor van die  
Direkteur: Finansies

e-mail: cfo@overstrand.gov.za

Tel: 028 - 313 8040

Fax: 028 313 8128

The Executive Mayor

### APPOINTMENT OF ACTING DIRECTOR: FINANCE

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: Finance will be out of the office from 7 June to 8 June 2018. It is recommended that you appoint Mr. Hannes Vorster, Snr Manager, Expenditure & Asset Management as Acting Director: Finance for this period, in terms of your Delegated Powers referred to above.

  
SANTIE REYNEKE-NAUDE  
DIRECTOR: FINANCE  
06 / 06 / 2018

  
C. OFFENEWALD  
MUNICIPAL MANAGER  
06 / 06 / 2018

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

  
ALD DUDLEY COETZEE  
EXECUTIVE MAYOR

06 / 06 / 2018

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Minutes of the Proceedings of a special meeting of the Bid Adjudication Committee held in the SCM Committee Room, Hermanus, on Friday, 8 June 2018 at 08:00.

**4. ADJUDICATION/CANCELLATION OF TENDERS/CONTRACTS:**

**4.1 CONTRACT NO. SC 1660/2015: PROPOSED AMENDMENT: PROVISION OF MULTI-FUNCTIONAL OFFICE MACHINES TO OVERSTRAND MUNICIPALITY FOR A CONTRACT PERIOD ENDING 30 JUNE 2018**

The Director: Management Services, Ms. D Arrison vacated her chair as committee member of the Bid Adjudication Committee for the duration of the adjudication of this item.

Upon a proposal by the Director: Infrastructure & Planning, Mr. S Müller duly seconded by the Director: Economic Development & Tourism, Mr. S Madikane, it was

**RESOLVED TO RECOMMEND TO THE ACCOUNTING OFFICER:**

- 1.1 That it be noted that no representations were received from the local community against the intention to amend contract SC1660/2015;
- 1.2 That the reasons provided for the proposed amendment of contract SC1660/2015 be regarded as acceptable and valid and it be recommended to Council to consent to the amendment of the said contract, and
- 1.3 That Contract number SC1660/2016: PROVISION OF MULTI-FUNCTIONAL OFFICE MACHINES TO OVERSTRAND MUNICIPALITY FOR A CONTRACT PERIOD ENDING 30 JUNE 2018 be amended as Contract number SC1660/2015A: PROVISION OF MULTI-FUNCTIONAL OFFICE MACHINES TO OVERSTRAND MUNICIPALITY FOR A CONTRACT PERIOD ENDING 30 NOVEMBER 2018, as summarized in the Schedule of Rates below.

<b>Service Provider / Supplier:</b>		Konica Minolta South Africa a Division of Bidvest Office (Pty) Ltd.		<b>SCM Supplier #</b>	SC2130
<b>Service / Goods Provided:</b>		Provision of multi-functional office machines to Overstrand Municipality			
<b>Vote:</b>	<b>Item Description</b>	OperLease: Computer Equipment			
	<b>Unique Key</b>	20170625078454	<b>Cost Account</b>	1066022120000	
<b>Amount (Excl. VAT):</b>	Rates as per schedule below	<b>Contingency:</b>	N/A		
<b>Contract Owner:</b>	D Arrison	<b>Contract Champion:</b>	J van Asperen		
<b>CONTRACT PERIOD:</b>					
<b>Implementation date:</b>	Date of signing of contract	<b>End date:</b>	30 November 2018	<b>Period:</b>	5 months or part thereof

- 1.4 that the contract will terminate on the earlier of 30 November 2018 or when the successful bidder appointed on tender no. SC 1870/2018 has replaced all the existing machines in use, or
- 1.5 that the contract will terminate on the completion of the section 33 process of the Local Government Municipal Finance Management Act, 2003 (Act 56 of 2003) in the event that the successful bidder appointed on tender SC 1870/2018 is Konica Minolta South Africa a Division of Bidvest Office (Pty) Ltd.

*arr*

Minutes of the Proceedings of a special meeting of the Bid Adjudication Committee held in the SCM Committee Room, Hermanus, on Friday, 8 June 2018 at 08:00.

4.1 CONTRACT NO. SC 1660/2015: PROPOSED AMENDMENT: PROVISION OF MULTI-FUNCTIONAL OFFICE MACHINES TO OVERSTRAND MUNICIPALITY FOR A CONTRACT PERIOD ENDING 30 JUNE 2018

SCHEDULE OF RATES				
ITEM		RATES 2018 (MAY-JUN) (excl. VAT)		RATES 2018 (MAY-JUN) (incl. VAT 15%)
REF AND MODEL	COLOUR		PER COPY	PER COPY
A: KONICA MINOLTA B223	B & W	R	0,2077	R 0,2388
	COLOUR	R	-	R -
B: KONICA MINOLTA C360	B & W	R	0,2077	R 0,2388
	COLOUR	R	0,9837	R 1,1313
D: KONICA MINOLTA B223	B & W	R	0,2077	R 0,2388
	COLOUR	R	-	R -
E: KONICA MINOLTA C360	B & W	R	0,2077	R 0,2388
	COLOUR	R	0,9837	R 1,1313
F: KONICA MINOLTA C360	B & W	R	0,2077	R 0,2388
	COLOUR	R	0,9837	R 1,1313
G: KONICA MINOLTA B283	B & W	R	0,2077	R 0,2388
	COLOUR	R	-	R -
H: KONICA MINOLTA C360	B & W	R	0,2077	R 0,2388
	COLOUR	R	0,9837	R 1,1313
I: KONICA MINOLTA B283	B & W	R	0,2077	R 0,2388
	COLOUR	R	-	R -
J: KONICA MINOLTA B283	B & W	R	0,2077	R 0,2388
	COLOUR	R	-	R -
K: KONICA MINOLTA C360	B & W	R	0,2077	R 0,2388
	COLOUR	R	0,9837	R 1,1313
L: KONICA MINOLTA B283	B & W	R	0,2077	R 0,2388
	COLOUR	R	-	R -
M: KONICA MINOLTA C452	B & W	R	0,1202	R 0,1383
	COLOUR	R	0,7651	R 0,8799
N: KONICA MINOLTA B751	B & W	R	0,0984	R 0,1131
	COLOUR	R	-	R -

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4.1 CONTRACT NO. SC 1660/2015:

PROPOSED AMENDMENT: PROVISION OF MULTI-FUNCTIONAL OFFICE MACHINES TO OVERSTRAND MUNICIPALITY FOR A CONTRACT PERIOD ENDING 30 JUNE 2018

Certified as correct by:

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

08 June 2018  
Date

  
\_\_\_\_\_  
Mr. H. Verster  
Acting Director: Finance (Chairperson)

8/6/2018  
Date

Recommendation approved/not approved:

  
\_\_\_\_\_  
Mr. C. Groenewald  
Accounting Officer

8.6.2018  
Date