

14.

**PROPOSED AMENDMENT OF TWO CONTRACTS REGARDING GEOGRAPHIC INFORMATION SYSTEMS SERVICES (GIS):**

<b>CONTRACT</b>	<b>SC1634A/2015</b>	<b>PROVISION OF GEOGRAPHIC INFORMATION SYSTEMS (GIS) SERVICES IN THE OVERSTRAND MUNICIPAL AREA AS WELL AS</b>
<b>CONTRACT</b>	<b>SC1793/2017</b> <i>(previously SCD2735/2014)</i>	<b>THE ACQUISITION OF A CAPPED ELS LICENSING FEE FOR THE GIS SYSTEM FOR A CONTRACT PERIOD ENDING 30 JUNE 2020</b>

**8/2/2****Lee-Ann Rauch**  
**11/05/2017****(028) 3138910****Hermanus Administration****1. Executive Summary**

The purpose of this report is to provide the necessary information and motivation on the proposed amendment of Contracts SCD 2735/2014 (Enterprise License Agreement (ELA) licensing fee for the Geographic Information System (GIS)) and SC 1634/2015 (Provision of Geographic Information System Services Licence Agreement (SLA) in the Overstrand municipal area) to provide the Overstrand municipality with an extension of Geographic Information System (GIS) software licenses and services for a contract period ending 30 June 2020, 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: Infrastructure & Planning  
 Section: Geographic Information System (GIS)  
 Directorate: Management Services  
 Section: ICT

**3. Compliance with Strategic Priorities**

Provision and maintenance of municipal services  
 Provision of democratic, accountable and ethical governance  
 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 (MFMA), 2003 (Act 56 of 2003)

Overstrand Municipality Supply Chain Management Policy, as amended

Overstrand Municipality Contract Management Policy, as amended

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

The ICT department is the budget holder for the GIS ESRI Enterprise Licence Agreement (GIS ELA) and the GIS department is the contract owner for the GIS ELA as well as the GIS Services Level Agreement (GIS SLA).

A GIS services tender was approved in 2015 for the provision of geographic information systems services for the Overstrand municipal area (**Contract SC 1634/2015**) valid up to 30 June 2017, with ESRI being the only tenderer.

Prior to the SCM process the existing out-dated software licenses were brought to their current release at the time and an operational budget was established to keep the software current. In 2011 after many negotiations ESRI agreed to enter into a three year Enterprise Licence Agreement (ELA) with Overstrand municipality that ended 30 June 2014. The Enterprise Licence Agreement package offered much more support and functionality. A Deviation process followed and Overstrand municipality was granted the opportunity to enter into Enterprise Licence Agreement (ELA) for another three years ending 30 June 2017 (**Contract SCD 2735/2014**).

The GIS ELA (**Contract SCD 2735/2014**) and the GIS SLA (**Contract SC 1634/2015**) will both expire on 30 June 2017. Both are due for renewal from 1 July 2017 to ensure the continued delivery of spatial information throughout the Overstrand Municipality.

The Overstrand municipality has standardised on ESRI GIS, its tools and sub-systems. ESRI SA is the sole creator/developer and distributor of the ESRI GIS in South Africa and has the necessary expertise to support and assist the municipality in its strategic intent and systems going forward.

**Discussion**

GIS is an essential tool to facilitate the management and delivery of service within the Overstrand Municipality. The GIS department in the Infrastructure and Planning Directorate is responsible for the Enterprise GIS provision and support. The ESRI suite of GIS software has been implemented since 2011 and has been expanded continuously since then. This system has become a critically important information system for the Municipality as a whole. This includes the daily use of GIS viewer software deployed to every desktop in the municipality, the maintenance and linkage of property to financial records, the maintenance of the Overstrand electrical network, as well as the recording of the position of assets. There is a large number of spatial data map layers

containing information from vegetation, to roads, to natural water systems and digital elevation models amongst many others.

The continued use and expansion of the GIS depends on the access to GIS licences from ESRI and the provision of specialised GIS services, such as programming the GIS software and maintenance of property boundaries on the GIS.

The Overstrand municipality has standardised on ESRI GIS, its tools and sub-systems used. ESRI SA are the sole creators/developers and distributors of the ESRI GIS in South Africa and have the necessary expertise to support and assist the municipality in its strategic intent and systems going forward.

The Overstrand Municipality has made substantial investments in the ESRI GIS for over 6 years in software and systems.

### **Evaluation**

The GIS SLA: the pricing schedule of the Service Level Agreement is attached and has a 10% yearly increase, the same as in the previous contract.

The GIS ELA: the calculation of the current first year cost is taken in context of the total cost of the Enterprise Licence Agreement contract in the third year (2016/2017), and amounted to R330 750.00, which was based on an exchange rate of R11.00 to the US Dollar.

In order to understand the current ELA pricing model obtained through ESRI, two factors were taken into account viz, (1) Rand to the Dollar exchange rate, and (2) the split in local and International portions of the cost:

35% ESRI SA, based on a fixed percentage;

65% ESRI USA, based on Rand / US Dollar exchange rate.

Taking the above factors into account, the cost for year one (2017/2018) of the new ELA is split into;

35% = R127 338.75 (10% increase from the previous year.)

65% = R272 571.00 (based on R13.20 to the US Dollar exchange rate, which when taking the previous value and exchange rate into account, amount to an increase of 5.65% over the previous year).

ESRI's proposal was to mitigate the volatility of the Rand / US Dollar exchange rate going forward. A flat escalation rate of 7.5% has been agreed for the remaining term of the contract and is deemed a fair compromise and risk acceptance on both parties.

The process required for amendment of contracts in terms of section 116(3) of the MFMA was followed:

Date of Advertising: 24 March 2017

Method of Advertising: Die Burger, The Cape Times, Overstrand Municipality Website

Closing Date for Comment: 24 April 2017

No comment was received from the public by the above closing date

**Conclusion**

Contracts SCD 2735/2014 and SC 1634/2015 for the ESRI Enterprise Licence Agreement and GIS Service Level Agreement Contracts were awarded for a 3 and 2 year period respectively, ending 30 June 2017, to ESRI South Africa.

The GIS system provides spatial information to the entire Municipality and is integral to the provision of services and the management of the Municipality as well as providing the link between infrastructure and the asset system in Finance.

The Overstrand municipality has standardised on ESRI GIS, its tools and sub-systems. ESRI SA is the sole creator/developer and distributor of the ESRI GIS in South Africa and has the necessary expertise to support and assist the municipality in its strategic intent and systems going forward.

It is vital to the continued service delivery by the Overstrand Municipality that the GIS ELA and GIS SLA be renewed to provide the information required to effectively provide the service and the management of these services. The proposal by ESRI is deemed to be a fair sharing of risk related to variable factors between them and the municipality. No comment was received from the public on the proposed amendment of the contracts.

**7. Financial Implications**Source of Funding : Operating Budget Provisions:

Unique Key	:20150212023655
	:20150212015953
Cost Account	:12220201010000
	:10660204300000
Item Description	:Contracted Services
	:Management Services: Info & Communication Technology
Budget Provision 2017/2020	:R 580 000
	:R1 291 958.68
Spent to Date/Committed	: R 0
Balance Available	: R 580 000
	: R 1 291 958.68
Funds Required *This report)	: R 580 000
	: R 1 291 958.68

**8. Staff Implications**

None

**9. Comments from other Departments, Divisions and Administrations****Contract Management:**

It is confirmed that Contracts SCD 2735/2014 and SC 1634/2015 are still active and the proposed extension of these contracts is supported.

The contractor indicated that they are willing to extend the contracts for an additional 3 years. Compliance to section 116(3) of the MFMA has been duly adhered to.

The successful amendments to these contracts are subject to Council considering the reasons for the proposed amendments and whether Council consents to these amendments.

**10. Annexures**

- Annexure A: Intent to amend: SLA
- Annexure B: Intent to amend: ELA
- Annexure C: Pricing Schedule: SLA
- Annexure D: Pricing Schedule: ELA
- Annexure E: SCM Compliance Checklist
- Annexure F: Previous Bid Adjudication Minutes: SLA
- Annexure G: Previous Deviation Minutes: ELA
- Annexure H: Amended specs minutes to BAC
- Annexure I: ICT steering committee minutes
- Annexure J: Advert Placed

**RECOMMENDATION TO THE COUNCIL :**

1. that **cognisance be taken** of the reasons for the proposed amendment of the contract SC1634/2015 for the provision of Geographic Information System services in the Overstrand municipal area, and contract SCD2735/2014 for the Enterprise License Agreement (ELA) licensing fee for the Geographical Information System (GIS) in terms of the enabling provision of Section 116(3) of the Local Government : Municipal Finance Management Act 2003 (Act 56 of 2003), and that the amendments be consented to; and
2. that **cognisance be taken** that no recommendations or representations were received from the local community by closing date, 24 April 2017.

**RESPONSIBLE OFFICIAL :****L RAUCH****TARGET DATE FOR IMPLEMENTATION :****1 JULY 2017****TARGET DATE TO INFORM APPLICANT :****1 JULY 2017**

Annexure A  
P111



OFFICE OF THE DIRECTOR:  
INFRASTRUCTURE & PLANNING

Enquiries: L Rauch/ G B Stavridis  
Date: 3 February 2017

**ADDENDUM – INTENT TO AMEND A CONTRACT**

The parties agree to the following intention to amend the existing contract SC 1634/2014, which were signed between them on the 23 October 2015 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 30 June 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 Midrand this 3rd day of March 2017 in the presence of the undersigned witnesses

WITNESSES:

- 1. *[Signature]*.....
- 2. *[Signature]*.....

*[Signature]*  
.....  
for and on behalf of ESRI: NAME: Hendry Nkosi, Director

Thus done and signed at ..... this ..... day of ..... 2017  
in the presence of the undersigned witnesses

WITNESSES:

- 1. ....
- 2. ....

.....  
for and on behalf of Overstrand Municipality: Desiree Arrison  
Management Services and Stephen Muller, Director:  
Infrastructure and Planning

Annexure B  
P1/1



OFFICE OF THE DIRECTOR:  
INFRASTRUCTURE & PLANNING

Enquiries: L Rauch/ G B Stavridis  
Date: 3 February 2017

ADDENDUM – INTENT TO AMEND A CONTRACT

The parties agree to the following intention to amend the existing contract SCD2735/2014, which were signed between them on the 11 November 2014 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 above mentioned agreement to the 30<sup>th</sup> June 2020 on the same terms and conditions, albeit subject to the approval of the amended rate of exchange and costs as reflected in the amended quotation attached as Annexure A.

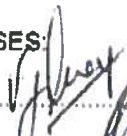
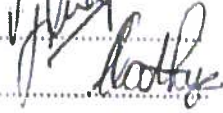
The supplier acknowledges that they do have the capacity to fulfil the obligation as set out in the terms and conditions.

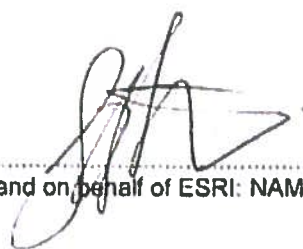
The parties agree that the amendment of the contract is subject to the completion of a Supply Chain Management process, including completing a process as prescribed by section 116(3) of the Municipal Finance Management OR Circular 62 from National Treasury.

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 Cape Town this 16<sup>th</sup> day of March 2017 in the presence of the undersigned witnesses

WITNESSES:

- 1. 
- 2. 

  
 for and on behalf of ESRI: NAME: S Carter, Director

Thus done and signed at ..... this ..... day of ..... 2017 in the presence of the undersigned witnesses

WITNESSES:

- 1. ....
- 2. ....

.....  
 for and on behalf of Overstrand Municipality: Desiree Arrison  
 Management Services and Stephen Muller, Director, Infrastructure and  
 Planning



Company	Overstrand Municipality	From	Stephen Canter
Attention	Ms Lee-Ann Rauch	Date	1 <sup>st</sup> March 2107
Telephone	028 3138910	E-mail	<a href="mailto:scanter@esri-southafrica.com">scanter@esri-southafrica.com</a>
Fax	028 3138119	Tel	021 422 4620
E-mail	<a href="mailto:lee-ann@overstrand.gov.za">lee-ann@overstrand.gov.za</a>	Fax	021 422 4628
Reference	SC/001/03/2017v0	Subject	Quotation for Capped ELA Renewal 2017 to 2020
No of Pages	1		

Dear Lee-Ann and Glen

With reference to our discussion, please find below the proposed costing for the renewal of the GIS Services Contract for a further 3 year period that will run from the 01<sup>st</sup> July 2017 until the 31<sup>st</sup> June 2020.

### PROPOSED OVERSTRAND SERVICES AGREEMENT PRICING 2017-2018-2019

	Description	Inception Date to		01 July 2018 to		01 July 2019 to	
		30-Jun-18		30-Jun-19		30-Jun-20	
		Excluding VAT	Including VAT	Excluding VAT	Including VAT	Excluding VAT	Including VAT
<b>1.</b>	<b>Services</b>						
<b>A</b>	<b>GIS Technical Support – Rate per hour</b>						
A.1	GIS Technical Support - Standard	R 605,00	R 689,70	R 665,50	R 758,67	R 732,05	R 834,54
A.2	GIS Technical Support - Advanced	R 756,00	R 861,84	R 831,60	R 948,02	R 914,76	R 1 042,83
<b>B</b>	<b>System Development – Rate per hour</b>						
B.1	GIS System Development - Standard	R 605,00	R 689,70	R 665,50	R 758,67	R 732,05	R 834,54
B.2	GIS System Development - Advanced	R 847,00	R 965,58	R 931,70	R 1 062,14	R 1 024,87	R 1 168,35
<b>C</b>	<b>GIS Training – Rate per hour</b>						
C.1	GIS Training - Standard	R 424,00	R 483,36	R 466,40	R 531,70	R 513,04	R 584,87
C.2	GIS Training - Advanced	R 508,00	R 579,12	R 558,80	R 637,03	R 614,68	R 700,74
<b>D</b>	<b>Data Capture – Rate per hour</b>						
D.1	Data Capture - Standard	R 339,00	R 386,46	R 372,90	R 425,11	R 410,19	R 467,62
D.2	Data Capture - Advanced	R 605,00	R 689,70	R 665,50	R 758,67	R 732,05	R 834,54
	<b>Scanning – Rate per scan</b>						
1	Black and White Scan A0	R 81,00	R 92,34	R 89,10	R 101,57	R 98,01	R 111,73
2	Black and White Scan A1	R 63,00	R 71,82	R 69,30	R 79,00	R 76,23	R 86,90
3	Black and White Scan A2	R 47,00	R 53,58	R 51,70	R 58,94	R 56,87	R 64,83
4	Black and White Scan A3	R 33,00	R 37,62	R 36,30	R 41,38	R 39,93	R 45,52
5	Black and White Scan A4	R 22,00	R 25,08	R 24,20	R 27,59	R 26,62	R 30,35
6	Colour scan A0	R 115,00	R 131,10	R 126,50	R 144,21	R 139,15	R 158,63
7	Colour scan A1	R 87,00	R 99,18	R 95,70	R 109,10	R 105,27	R 120,01

8	Colour scan A2	R 66,00	R 75,24	R 72,60	R 82,76	R 79,86	R 91,04
9	Colour scan A3	R 44,00	R 50,16	R 48,40	R 55,18	R 53,24	R 60,69
10	Colour scan A4	R 29,00	R 33,06	R 31,90	R 36,37	R 35,09	R 40,00
<b>E</b>	<b>Cadastral Maintenance – Rate per hour</b>						
E.1	Cadastral Maintenance - Standard	R 436,00	R 497,04	R 479,60	R 546,74	R 527,56	R 601,42
E.2	Cadastral Maintenance - Advanced	R 756,00	R 861,84	R 831,60	R 948,02	R 914,76	R 1 042,83
<b>2.</b>	<b>Travel &amp; Subsistence (Applicable to services A – E)</b>						
2.1	Transport costs – Rate per km.	R 5,62	R 6,41	R 6,18	R 7,05	R 6,80	R 7,75
2.2	Accommodation – Costs per night	R 908,00	R 1 035,12	R 998,80	R 1 138,63	R 1 098,68	R 1 252,50

### TERMS AND CONDITIONS

- All prices quoted are **excluding VAT**, unless otherwise indicated
- The terms and conditions of the current GIS Services contract will apply to this proposal.
- Prices are fixed for 30 days
- Cheque payment will only be accepted by bank guaranteed cheque and it will be subject to the standard clearance period before any services or goods can be delivered
- Until credit clearance has been obtained, all purchases have to be paid on receipt of an invoice before delivery can take place
- Delivery: To be confirmed on date of order
- Bank Details:  
Standard Bank, Midrand  
Branch Code: 00.11.55.00  
Account No.: 201130041

I hope the above meets with your approval, however should you require any further information please do not hesitate to contact me.

Yours Sincerely



**Stephen Canter**  
**Western Region Manager**  
**Esri South Africa**



Company	Overstrand Municipality	From	Stephen Canter
Attention	Ms Lee-Ann Rauch	Date	10 <sup>th</sup> March 2107
Telephone	028 3138910	E-mail	<a href="mailto:scanter@esri-southafrica.com">scanter@esri-southafrica.com</a>
Fax	028 3138119	Tel	021 422 4620
E-mail	<a href="mailto:lee-ann@overstrand.gov.za">lee-ann@overstrand.gov.za</a>	Fax	021 422 4628
Reference	SC/001/03/2017v2	Subject	Quotation for Capped ELA Renewal 2017 to 2020
Subject	Quotation for Capped ELA Renewal 2017 to 2020	No of Pages	1

Dear Lee-Ann and Glen

With reference to our discussion, please find below the proposed costing to renew the Esri Capped ELA for a further 3 year period that will run from the 01<sup>st</sup> July 2017 until the 31<sup>st</sup> June 2020.

The Capped ELA licensing renewal costs for the 2017/18 financial year has been derived from the fixed amount paid on the 01<sup>st</sup> July 2016 that was locked at an exchange rate of 1 US\$ = R11.00. The revised costs have been recalculated with 65% of the cost being linked to the current rate of exchange of 1US\$ = R 13.2 and 35% linked to the local currency with a 10% increase being applied to accommodate inflation.

**ELA licensing costs for the 2017/2018 financial year: Fixed Price (Payment date 01 July 2017)**

Description	Qty.	Unit Price	VAT	Total
1 Capped ELA: Year 1	1	R 399 909,83	R 55 987,38	R 455 897,20

**ELA licensing costs for the 2018/19 financial year: Fixed Price (Payment date 01 July 2018)**

Description	Qty.	Unit Price	VAT	Total
1 Capped ELA: Year 2	1	R 429 903,06	R 60 186,43	R 490 089,49

Year 2 cost is based on the 2017 Base price escalated by 7.5 % at the fixed Rate of Exchange 1 USD= R13.20

**ELA licensing costs for the 2019/20 financial year: Fixed Price (Payment date 01 July 2019)**

Description	Qty.	Unit Price	VAT	Total
1 Capped ELA: Year 3	1	R 462 145,79	R 64 700,41	R 526 846,20

Year 3 cost is based on the 2018 base price escalated by 7.5 % at the fixed Rate of Exchange 1 USD= R13.20

**Summary of the costs for the proposed 3 year Capped ELA Renewal**

Description	Qty.	Unit Price	VAT	Total
1 Capped ELA: 2017/18	1	R 399 909,83	R 55 987,38	R 455 897,20
2 Capped ELA: 2018/19	1	R 429 903,06	R 60 186,43	R 490 089,49
3 Capped ELA: 2019/20	1	R 462 145,79	R 64 700,41	R 526 846,20
<b>Total</b>		<b>R 1 291 958,68</b>	<b>R 180 874,21</b>	<b>R 1 472 832,89</b>

**Previous Capped ELA Term Costs: 2014/15, 2015/16 and 2016/17**

	Description	Qty.	Unit Price	VAT	Total
1	Capped ELA: 2014/15	1	R 300 000,00	R 42 000,00	R 342 000,00
2	Capped ELA: 2015/16	1	R 315 000,00	R 44 100,00	R 359 100,00
3	Capped ELA: 2016/17	1	R 330 750,00	R 46 305,00	R 377 055,00
	<b>Total</b>		<b>R 945 750,00</b>	<b>R 132 405,00</b>	<b>R 1 078 155,00</b>

**TERMS AND CONDITIONS**

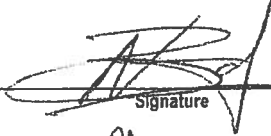

- All prices quoted are **excluding VAT**, unless otherwise indicated
- The terms and conditions of the current capped ELA contract will apply to this capped ELA renewal
- Prices are fixed for 30 days
- Cheque payment will only be accepted by bank guaranteed cheque and it will be subject to the standard clearance period before any services or goods can be delivered
- Until credit clearance has been obtained, all purchases have to be paid on receipt of an invoice before delivery can take place
- Delivery: To be confirmed on date of order
- Bank Details:  
Standard Bank, Midrand  
Branch Code: 00.11.55.00  
Account No.: 201130041

I hope the above meets with your approval, however should you require any further information please do not hesitate to contact me.

Yours Sincerely



**Stephen Canter**  
**Western Region Manager**  
**Esri South Africa**

Overstrand Municipality Evaluation in terms of the Preferential Procurement Regulations			
Compliance Check of Tender No.		SC 1634A/2015	
Tender Name:		Provision of Geographical Information System Services (GIS) in the Overstrand Municipal Area	
Rank number of tenderer (in opening order)		Max Points	1
Name of tenderer			ESRI South Africa (Pty) Ltd
Authority to sign bid			Authorised
Valid Tax Clearance Certificate (provide expiry date)	MBD2		2017/07/21
TCC number			0700/1/2016/A000248856
VAT Registration (provide number)			4940101092
Income tax number			9235155844
Declaration of Interest	MBD4		Declared
Declaration of Past SCM Practices	MBD8		Declared
Certificate for Payment of Municipal Services	MBD15		Declared
Municipal Account			Declared
WCA Registration Number			990000113330
WCA Letter of Good Standing/proof of payment			2017/04/30
Indemnity			Completed & Signed
Suppliers database registration			827
National Treasury Register for Tender Defaulters			Not Listed
National Treasury Database for Restricted Suppliers			Not Listed
E-Mail address			scanter@esri-southafrica.com
NOTES			
<b>Certification:</b>			
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)	N BARNARD		2017/03/28
	Name	Signature	Date
Verified by: (SCM Office)	A MOORE		2017/03/28
	Name	Signature	Date

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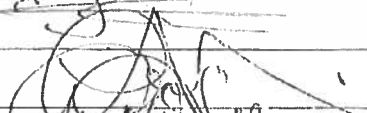
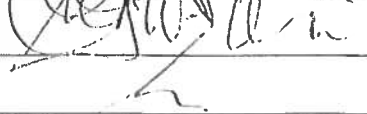
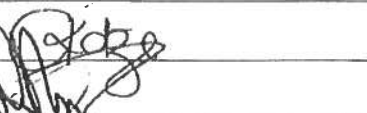
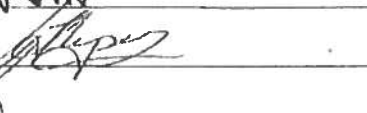

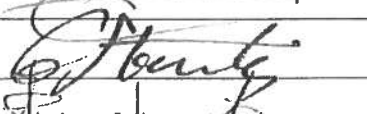
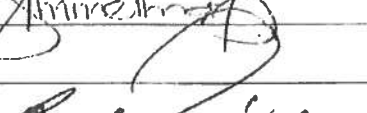
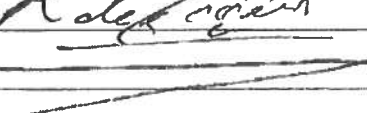
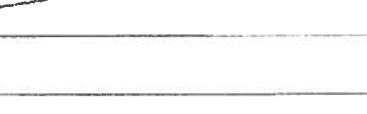
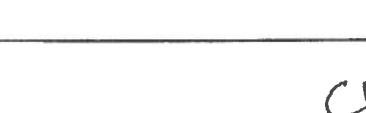

BID ADJUDICATION COMMITTEE MEETING

ATTENDANCE REGISTER & UNDERTAKING OF CONFIDENTIALITY AND IMPARTIALITY

Date: 2015.10.23

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
SG. Reineke Wanda	Finance	
R. Williams	Comm. Serv	
M. A. Michaels	Prop. Serv	
Desree Arison	IT Serv	
S. Muller	Tech. Serv	
A Kotze	Prop Admin	
D. Mote	E.T.S	
F. Meyer	Area Manager: Sports	
K. A. Wallace	Legal Serv	
S. Maitane	Econ. Dev.	
Clint Le Roux	Finance	
GLEN STARRIDIS	GIS	
S. T. Mirelman	Comm	
B. D'Olivera	Comm	
R. de Jager	Comm	

Minutes of the Proceedings of a Bid Adjudication Committee Meeting held in the  
SCM Committee Room, Hermanus Administration, on Friday, 23 October 2015 at 08:00.

**6.4 TENDER NO. SC 1634/2015: PROVISION OF GEOGRAPHICAL INFORMATION  
SYSTEM SERVICES (GIS) IN THE OVERSTRAND  
MUNICIPAL AREA FOR A CONTRACT PERIOD ENDING  
30 JUNE 2017**

The Director: Infrastructure and Planning, Mr. S Müller vacated the chair as Committee member of the Bid Adjudication Committee for the duration of the adjudication of this tender.

Upon a proposal by the Director: Protection Services, Mr. N Michaels duly seconded by the Director: Community Services, Mr. R Williams, it was

**RESOLVED:**

That as they were the only tenderer who responded to the invitation to bid and whereas the rates tendered are considered to be reasonable, Tender No. SC 1634/2015: Provision of geographical information system services (GIS) in the Overstrand Municipal area for a contract period ending 30 June 2017 be awarded to:

<b>Service Provider / Supplier:</b>	ESRI SOUTH AFRICA (PTY) LTD	<b>SCM Supplier #</b>	827
<b>Service / Goods Provided:</b>	PROVISION OF GEOGRAPHICAL INFORMATION SYSTEM SERVICES (GIS) IN THE OVERSTRAND MUNICIPAL AREA FOR A CONTRACT PERIOD ENDING 30 JUNE 2017		
<b>Vote:</b>	<b>Item Description</b>	Contracted Services	
	<b>Cost Account</b>	12220201010000	<b>Cost Code</b>
	<b>Unique Key</b>	20150212023655	
<b>Amount (Excl. VAT):</b>	Rates as per schedule below	<b>Contingency:</b>	N/A
<b>Amount in words:</b>	Rates as per schedule below		
<b>Escalation Percentage:</b>	10% - already included in the schedule below	<b>Escalation Date:</b>	1 July 2016
<b>Contract Owner:</b>	Stephen Muller	<b>Contract Champlon:</b>	G Stavridis
<b>CONTRACT PERIOD:</b>			
<b>Implementation date:</b>	From date of first official order	<b>End date:</b>	30 June 2017
		<b>Period:</b>	24 months or part thereof

**SCHEDULE OF RATES**

	Description	Inception Date to 30 June 2016		01 July 2016 to 30 June 2017	
		Excluding VAT	Including VAT	Excluding VAT	Including VAT
<b>1.</b>	<b>Services</b>				
<b>A</b>	<b>GIS Technical Support – Rate per hour</b>				
A.1	GIS Technical Support - Standard	500.00	570.00	550.00	627.00
A.2	GIS Technical Support - Advanced	625.00	712.50	687.00	783.18
<b>B</b>	<b>System Development – Rate per hour</b>				
B.1	GIS System Development - Standard	500.00	570.00	550.00	627.00
B.2	GIS System Development - Advanced	700.00	778.00	770.00	877.80
<b>C</b>	<b>GIS Training – Rate per hour</b>				
C.1	GIS Training - Standard	350.00	399.00	385.00	438.90
C.2	GIS Training - Advanced	420.00	478.00	462.00	526.68
<b>D</b>	<b>Data Capture – Rate per hour</b>				
D.1	Data Capture - Standard	280.00	319.00	308.00	351.12
D.2	Data Capture - Advanced	500.00	570.00	550.00	627.00

Minutes of the Proceedings of a Bid Adjudication Committee Meeting held in the  
SCM Committee Room, Hermanus Administration, on Friday, 23 October 2015 at 08:00.

	Description	Inception Date to 30 June 2016		01 July 2016 to 30 June 2017	
		Excluding VAT	Including VAT	Excluding VAT	Includ- ing VAT
	<b>Scanning – Rate per scan</b>				
1	Black and White Scan A0	68.00	77.52	74.00	84.36
2	Black and White Scan A1	52.00	59.28	57.00	64.98
3	Black and White Scan A2	39.00	44.42	43.00	49.02
4	Black and White Scan A3	27.00	30.78	30.00	34.02
5	Black and White Scan A4	19.00	21.66	20.00	22.80
6	Colour scan A0	95.00	108.30	104.00	118.56
7	Colour scan A1	72.00	82.08	79.00	90.06
8	Colour scan A2	55.00	62.70	60.00	68.40
9	Colour scan A3	36.00	41.04	40.00	45.60
10	Colour scan A4	24.00	27.36	26.00	29.64
<b>E</b>	<b>Cadastral Maintenance – Rate per hour</b>				
E.1	Cadastral Maintenance - Standard	360.00	410.40	396.00	451.44
E.2	Cadastral Maintenance - Advanced	625.00	712.50	687.00	783.18
<b>2.</b>	<b>Travel &amp; Subsistence (Applicable to services A – E)</b>				
2.1	Transport costs – Rate per km.	4.65	5.30	5.11	5.82
2.2	Accommodation – Costs per night	750.00	855.00	825.00	940.50

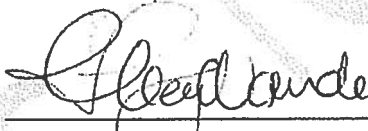
Certified as correct by:



Mr. C Le Roux  
Deputy Director: Finance & SCM

02 November 2015

Date



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

2/11/2015

Date

KANTOOR VAN DJE SENJOR  
BESTUURDER:  
VOORSTENJNGSKANAAL-  
BESTUUR



## MEMORANDUM

OFFICE OF THE SENJOR  
MANAGER:  
SUPPLY CHAIN  
MANAGEMENT

AAN / TO :	Senior Manager: Supply Chain Management, La Cock CEM
AFSKRIF AAN / COPY TO:	Manager: Purchases, Wepener G Director: Infrastructure and Planning
DATUM / DATE:	2014.06.27
ONDERWERP / SUBJECT:	Supply Chain Management Policy: Deviation: The Acquisition of capped ELA Licensing Fee for the GIS system for a contract period ending 30 June 2017, by the sole provider of the current system implemented by the municipality to perform GIS functions.
VERW. NR. / REF. NO.	SCD 2735/2014
BEDRAG / AMOUNT:	R 1,078,155.00 (INCLUDING VAT @ 14%)
VOTE NUMBER:	101066151

A request has been directed to the Supply Chain Management Unit to consider deviating from Council's Supply Chain Management Policy, which requires in Clause 19(1) that a competitive bidding process be followed when procuring goods and service of a value over R 200 000 and/or any long term contracts. The application has been duly motivated in terms of Clause 36(1)(a)(v) of the Policy: In any other exceptional case where it is impractical or impossible to follow the official procurement processes:

by the:	Director: Infrastructure and Planning
as per the attached memo, dated:	2014.06.27

## PROPOSAL AND CONFIRMATION:

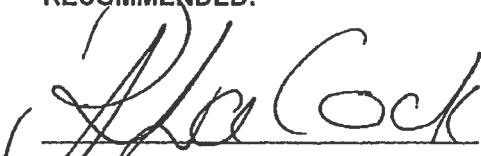
The application satisfies the conditions for a deviation and it is hereby recommended that consideration be granted to the approval of the deviation from Council's Policy for the procurement of goods and/or services as indicated below:

from	Environmental Systems Research Institute SA (Pty) Ltd	SC Database #	827	TCC	2014.07.26
for the:	The Acquisition of capped ELA Licensing Fee for the GIS system for a contract period ending 30 June 2017, by the sole provider of the current system implemented by the municipality to perform GIS functions.				
to the amount of:	Requisition #	Amount Excl. VAT	VAT @ 14%	Total Incl. VAT	
	N / A	R 945,750.00	R 132,405.00	R 1,078,155.00	

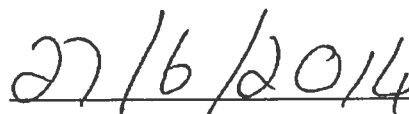
  
BD D'Oliveira

SENIOR ACCOUNTANT: SCM

RECOMMENDED:

  
GEM La Cock

SENIOR MANAGER: SCM

  
Date

KANTOOR VAN DIE SENJOR  
BESTUURDER:

VOORSITTINGSKANAAL-  
BESTUUR



MEMORANDUM

OFFICE OF THE SENJOR  
MANAGER:

SUPPLY CHAIN  
MANAGEMENT

Application for deviation from Council's Supply Chain Management Policy for procurement:

from	Environmental Systems Research Institute SA (Pty) Ltd	SC Database #	827	TCC	2014.07.26
for the:	The Acquisition of capped ELA Licensing Fee for the GIS system for a contract period ending 30 June 2017, by the sole provider of the current system implemented by the municipality to perform GIS functions.				
to the amount of:	Requisition #	Amount Excl. VAT	VAT @ 14%	Total Incl. VAT	
	N/A	R 945,750.00	R 132,405.00	R 1,078,155.00	

RECOMMENDED:

S Reyneke-Naude

DIRECTOR: FINANCE

27/06/2014.

Date

APPROVAL:

C Groenewald

MUNICIPAL MANAGER

27/06/2014.

Date



### CONTRACT AMENDMENT MEETING

#### ATTENDANCE REGISTER AND UNDERTAKING OF CONFIDENTIALITY AND IMPARTIALITY

DATE:

20/02/2017

CONTRACT NO:

SC02735/2014

I, the undersigned, hereby declare:

1. that all information, documentation and decisions regarding any matter before the committee are confidential and undertake not to make known anything in this regard
2. that I will treat all providers and potential providers equitably and will not purposefully favour or prejudice anybody
3. 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
DRUM POTHIETEK	SCM	
GLENN STAVRIDIS	GES	
LOE ANN RAUCH	CIS	
Johannré Grobler	SCM	
Craig Johnson	ICT	



DATE OF MEETING	20/02/2017	SC NUMBER	SC02735/2014
		BIN NUMBER	

MINUTES OF A CONTRACT AMENDMENT MEETING HELD IN THE SCM UNIT

CONTRACT TITLE:	The Acquisition of capped EIA Licensing fee for the GIS system		

BUDGET HOLDER	Craig Johnson	TEL NO:	028 313 8190
CONTACT PERSON (Municipal Official)	Lee-Ann Rauch.	TEL NO:	028 313 8910
CONTACT PERSON (Contractor)	Stephen Carter	E-mail address	scarter@esri-southafrica.com
Current Agreement Expiry date:	30/06/2017		

1. FINANCIAL INFORMATION : CURRENT CONTRACTUAL

a. Budget Information		YEAR 1 (2014/2015)	YEAR 2 (2015/2016)	YEAR 3 (2016/2017)	Total Contract Cost (EXCL VAT)	Total (INC. VAT)
Current Contract Expenditure (EXCL VAT):		300 000 +	319 000 +	330 760 =	945 760	1 078 155-00
Budget 1		300 000	319 500	335 475	U-Key 20150212015953	Cost Account 10660204300000
Budget 2		—	—	—	SCOA Project Segment Municipal Running Cost	SCOA Item Segment OperCost:Ext Comp Serv GIS Lic fees
Total budget		300 000 +	319 500 +	335 475 =	TOTAL BUDGET	9 54 975-00

b. Points	80/20	90/10	Recurring Contract	YES	<input checked="" type="checkbox"/>	NO	<input type="checkbox"/>
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c. VERIFICATION CERTIFICATE FROM THE CFO - bids in excess of R10M - all applicable taxes incl issued PRIOR to advertising (Form A1)	YES	<input type="checkbox"/>	NO	<input checked="" type="checkbox"/>
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2. FINANCIAL INFORMATION: AMENDMENT

		YEAR 1 (2017/2018)	YEAR 2 (2018/2019)	YEAR 3 (2019/2020)	Total Contract Cost (EXCL VAT)	Total (INC. VAT)
QUOTED Contract Expenditure (EXCL VAT):		399 909-83 +	429 903-06 +	462 145-79 =	1 291 958.68	1 472 832-89
Budget 1		402 249-00	444 861-00	462 145-79	U-Key 20150212015953	Cost Account 10660204300000
Budget 2					SCOA Project Segment Municipal Running Cost	SCOA Item Segment OperCost:Ext Comp Serv - GIS Lic fees
Total budget		+	+	=	TOTAL BUDGET	



DATE OF MEETING	20/02/2017	SC NUMBER:	SCD2735/2014
		BIN NUMBER:	

3	CIDB DETAILS	N/A		At least a minimum of			
CIDB GRADING (Indicate with an "X")							
1 = UP TO R200,000 00		2 = UP TO R650,000 00		3 = UP TO R2M		4 = UP TO R4M	
6 = UP TO R13M		7 = UP TO R40M		8 = UP TO R130M		9 = NO LIMIT	

4	CONTRACT AMENDMENT INCREASE National Treasury Circular 62 Threshold = 20%		
Contract Number and Name		N.A	
Total value		Extension/amendment Value	
Date Awarded		Value %	

5	MOTIVATION FOR AMENDMENT – COMPULSORY FOR A SECTION 62 AND 116 AMENDMENT
Practically impossible for another service provider to provide license for the GIS system. Not cost effective to change to another service provider	

6	ADVERTISEMENT		
Date Advertised	24/03/2017	Closing Date	24/04/2017
Closing Time	12:00	BIN / Tender Box Number	7

ADVERTISE IN THE FOLLOWING MEDIA.

NAME	ADV.	SENT	NAME	ADV.	SENT	NAME	ADV.	SENT
Overstrand Website	✓		Notice Boards	✓		Purchasing Department		
Hermanus Times			Cape Times	✓		Die Burger	✓	
Gansbaai Courant			Overstrand Herald			e-Tender		
CIDB Website			Other					

7	CONTRACT CLASSIFICATION	
SET VALUE	TARIFFS /RATES	AS AND WHEN

8	MEETING DATES	Submit before: 18/05/2017	Submit before: 18/04/2017
COUNCIL MEETING	31/05/2017	BID EVALUATION COMMITTEE	26/04/2017
		BID ADJUDICATION COMMITTEE	05/05/2017

9. Budget Office : (COMPLETED SPECIFICATIONS MUST BE ATTACHED)

I hereby certify that the project and item segments and a budget allocation exist for the cost accounts listed above as at this date

Comments: The budget office does not confirm the budget amounts listed above unconditionally, as it is the Budget Holder's responsibility to ensure that sufficient funds are available before the award of the tender and to ensure that all prior commitments have been taken into consideration.

THE BUDGET REQUEST FOR 2017/2020 CAN NOT BE COMPLETED AS IT DOES NOT FORM PART OF THE APPROVED BUDGET. (CURRENT)

Name	B.A. ILIWA	Signature		Date	2017-03-22
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DATE OF MEETING	20/02/2017	SC NUMBER	SCD2735/2014
		BIN NUMBER	

10	<b>Expenditure &amp; Assets Office: (COMPLETED SPECIFICATIONS MUST BE ATTACHED)</b>		
I hereby certify that the correct cost accounts are used for the project and that this project will be funded by the (Please indicate with an 'X')		Capital Budget	Operational Budget <input checked="" type="checkbox"/>
Comments	Part of normal operating cost.		
Name	J Vastar	Signature	Date 22/3/2017

**CERTIFICATION BY DULY DELEGATED BUDGET HOLDER**

In the capacity as: (Designation)	MANAGER: SYSTEMS DEVELOPMENT	
I hereby certify that the attached draft specifications have been prepared, duly considering the requirements of Clause 27(2) of Council's Supply Chain Management Policy (Annexure A), that the project has been duly budgeted for and that the estimated budget for the project is a reasonable reflection of what might be expected in the current market conditions cognisant of the requirements of Clause 8 of Council's Preferential Procurement Policy (Annexure B).		
In terms of my duties as technical expert I hereby recommend that the attached specifications be approved.		
CRAIG JOHNSON		16/3/2017
Name	Signed	Date

**CERTIFICATION BY DIRECTOR**

In the capacity as DIRECTOR:	Management Services	
I hereby approve the attached bid specification as recommended above (Paragraph 27.1 of the Supply Chain Management Policy states that the appropriate bid specification committee must compile the specifications for each procurement transaction for goods or services by the Municipality, depending on the department involved. The specifications must be approved by the relevant director prior to publication of the invitation for bids in terms of clause 27.2.g of this Policy.), and confirm that:		
<ol style="list-style-type: none"> <li>budgetary provision exists for procurement of the goods, services and/or infrastructure; and</li> <li>provision has been made for: any ancillary budgetary implications related to this bid, e.g. does budgetary provision exist for the operation of this project, maintenance costs relating to this project, administration costs and rehabilitation / renewal costs</li> </ol>		
DESIREE ARRISON		23/3/2017
Name	Signed	Date

**CERTIFICATION BY DIRECTOR**

In the capacity as DIRECTOR:		
I hereby approve the attached bid specification as recommended above (Paragraph 27.1 of the Supply Chain Management Policy states that the appropriate bid specification committee must compile the specifications for each procurement transaction for goods or services by the Municipality, depending on the department involved. The specifications must be approved by the relevant director prior to publication of the invitation for bids in terms of clause 27.2.g of this Policy.), and confirm that:		
<ol style="list-style-type: none"> <li>budgetary provision exists for procurement of the goods, services and/or infrastructure; and</li> <li>provision has been made for: any ancillary budgetary implications related to this bid, e.g. does budgetary provision exist for the operation of this project, maintenance costs relating to this project, administration costs and rehabilitation / renewal costs</li> </ol>		
Name	Signed	Date



DATE OF MEETING	20/02/2017	SC NUMBER:	SCD2735/2014
		BIN NUMBER:	

## NOTES:

- Supplier need to sign ICT Main Agreement

- BEC Annexures

"A" - Intent to Amend

"B" - Bill of quantities

"C" - Previous Contract BAC minutes

"E" - ICT Steering Committee minutes

"F" - Circular 10 with e-mail

} for both Amendments

- Council Report Annexures

A - F +

"G" - New BAC minutes

Next ICT Steering Committee meeting: 13/03/2017 @15:00  
Report hand in with Carloun: 09/03/2017



# **OVERSTRAND**

**MUNISIPALITEIT/UMASIPALA/MUNICIPALITY**

## **MEETING OF THE ICT STEERING COMMITTEE**

### **MINUTES**

**13 March 2017**

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 MONDAY, 13 MARCH 2017 AT 14:00**

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

Ald D Coetzee

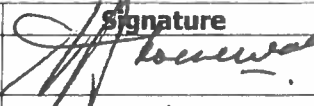

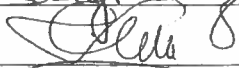





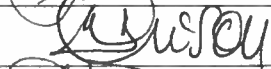

**Officials:**

Mr. C Groenewald  
Mr. DJ Lakey  
Mrs. D Arrison  
Mrs. S Reyneke-Naude  
Ms. J van Asperen  
Mr. S Muller  
Mr. N Michaels  
Mr. C Johnson  
Mr. X Kosi  
Mr. G Stavridis

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**MINUTES/....**

**ATTENDANCE REGISTER  
ICT STEERING COMMITTEE MEETING ON 13 MARCH 2017 AT  
14H00 IN THE MAYORAL COMMITTEE ROOM**

Name & Surname	Directorate	Signature
G. L. Amoswald	MM	
D.P. Coetzee	Ellis	
S.E. Reynolds-Waude	Finance	
DJ Lakey	Community Services	
Xolile Kosi	LED	
GLENN STAVRIDIS	GIS	
JOHNET VAN ASPLEN	Management Services	
CRAIG JOHNSON	MANAGEMENT SERVICES	
Desiree ARRISON	Marr serv	
M.J. Michaels	Tech Serv	
S. Müller	Intro & Plan	

**1. OPENING AND WELCOME**

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

**2. APOLOGIES**

Mr. E Smit  
Cllr. R de Coning

**3. CONFIRMATION OF MINUTES****3.1 MINUTES OF THE MEETINGS HELD ON 23 NOVEMBER 2016 & 22 FEBRUARY 2017 RESOLVED**

- The minutes of the meetings held on 23 November 2016 and 22 February 2017 have been confirmed.

**4. MATTERS ARISING****4.1 MOTIVATION OF FOLLOW AMENDMENT PROCESS, SECTION 116(3) FOR ESRI GIS Recommendation**

- That the GIS and ICT Department follow the process to amend the existing contracts as prescribed in Section 116(3) of the Municipal Finance Management Act 2003, be approved.

*Mr Glen Stavridis left the meeting after the discussion of the above item at 14h10.*

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

- That the status on spending of the Capital Budget funds, be **noted**.

*A deviation from the standardisation on Dell products was condoned for the purchase of HP Laptops for Councillors due to financial constraints.*

*Mr C Johnson undertakes to bring a "Book of Standards" to the next meeting.*

**5.2 OPERATIONAL BUDGET: 2016/2017 Recommendation**

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

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

That cognisance be taken of the report.

**2. Contracts****Recommendation**

That the status of contracts, be noted.

**3. Time and Attendance APN****Recommendation**

That the progress of the Telkom Mobile APN, be noted.

**4. Networks and Servers****Recommendation**

That the progress and status of the new equipment and software, be noted.

**5. Community Engagement Application****Recommendation**

That the information and current status about the Community Engagement Application, be noted.

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

That the current status, be noted.

**2. Time and Attendance****Recommendation**

That the current status, be noted.

**3. Online Bookings – Onrus and Palmiet Caravan Parks****Recommendation**

That the current status, be noted.

**4. Printer solutions****Recommendation**

That the current status, be noted.

*Mrs D Arrison, Director Management Services, requested that employees default printer settings be checked, to ensure that it is set to print greyscale as its default setting, not colour. The user would need to explicitly choose colour if they require it.*

**5. HR Electronic Storage of Personnel File****Recommendation**

That the current status, be noted.

**6. Building Control – submit plans electronically****Recommendation**

That the current status, be noted.

**7. mSCOA****Recommendation**

That the current status, be noted.

**8. PTT****Recommendation**

That the current status, be noted.

**8. NEXT MEETING****Recommendation**

- 15 May 2017

Meeting adjourned at 15h30.

Annexure J  
p/11

**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 AGREEMENTS WITH ENVIRONMENTAL SYSTEMS REASERCH INSTITUTE (ESRI SA) FOR THE ENTERPRISE LICENCE AGREEMENT (ELA) AND PROVISION OF GEOGRAPHICAL INFORMATION SYSTEM SERVICES (GIS)**

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 contracts with ESRI SA. The proposed amendment of the contracts is to provide for the extension of software licences and support services, for a period of three years effectively from 1 July 2017 to 30 June 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 contracts. Such comments or representations must be submitted by not later than Monday, 24 April 2017 at 12:00.

Comments or representations must be submitted in a sealed envelope clearly endorsed "**SCD2735/2014 and/or SC1634/2015: COMMENTS ON NOTICE OF AMENDMENT OF EXISTING AGREEMENT WITH ESRI**" 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**