

**PORTFOLIO COMMITTEE :**

**MANAGEMENT SERVICES**

**Chairperson :**

**Cllr R de Coning**

**Committee Members :**

**Ald M Sapepa, Cllrs J Kloppers-Lourens,  
M Opperman & N Nqinata**

**PORTEFEULJEKOMITEE :**

**BESTUURSDIENSTE**

**Voorsitter :**

**Rdl R de Coning**

**Komiteelede :**

**Rdh M Sapepa, Rdle J Kloppers-Lourens,  
M Opperman & N Nqinata**

**MANAGEMENT SERVICES PORTFOLIO COMMITTEE**

**BESTUURSDIENSTE PORTEFEULJEKOMITEE**

**18 OCTOBER 2016**

**I N D E X**

**ITEM**

**PAGE  
NUMBER**

**APPLICATIONS FOR LEAVE OF ABSENCE**

**STATEMENTS AND COMMUNICATIONS BROUGHT FORWARD BY THE  
CHAIRPERSON**

- |           |   |           |
|-----------|---|-----------|
| <b>1.</b> | <b>AMENDMENT OF CONTRACT SC 1323(iii)A/2013: LEASE AGREEMENT<br/>BETWEEN OVERSTRAND MUNICIPALITY AND MLC TRUST, 96 DIRKIE<br/>UYS STREET, HERMANUS FOR OFFICE ACCOMMODATION</b> | <b>1</b>  |
| <b>2.</b> | <b>SERVICE DELIVERY AND BUDGET IMPLEMENTATION PLAN (SDBIP)<br/>FIRST QUARTERLY REPORT: JULY-SEPTEMBER 2016</b>  | <b>26</b> |

**AGENDA of the  
Portfolio Committee : Management Services  
18 October 2016  
(Also the agenda for the Mayoral Committee Meeting : 26 October 2016)**

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**1.  
AMENDMENT OF CONTRACT SC 1323(iii)A/2013: LEASE AGREEMENT BETWEEN  
OVERSTRAND MUNICIPALITY AND MLC TRUST, 96 DIRKIE UYS STREET,  
HERMANUS FOR OFFICE ACCOMMODATION**

**8/2/2**

**L Bucchianeri**

**(028) 313 8120**

**Hermanus Administration**

**26 September 2016**

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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 **SC1323(iii)A/2013: LEASE AGREEMENT BETWEEN OVERSTRAND MUNICIPALITY AND MLC TRUST, 96 DIRKIE UYS STREET, HERMANUS FOR OFFICE ACCOMMODATION** ending **31 OCTOBER 2016**, 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 or agreement.

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

Directorate: Management Services  
Section-Human Resources

**3. Compliance with Strategic Priorities**

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

**4. Delegated Authority**

None

**5. Legal Requirements**

Local Government: Municipal Finance Management Act, 56 of 2003  
(hereinafter referred to as the MFMA)  
Overstrand Municipality Supply Chain Management Policy, as amended  
Overstrand Municipality Contract Management Policy, as amended  
Circular No. 62 of National Treasury

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

### **Background**

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

- “the reasons for the proposed amendment have been tabled in the council; and
- the local community has been given reasonable notice of the intention to amend the contract or agreement; and
- has been invited to submit representations to the municipality.”

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

Method of Advertising:

Overstrand Municipality Notice Boards and Hermanus Times

Advertising date:	14 July 2016
Closing date for comment:	15 August 2016

Contract No. SC1323(iii)A/2013:Lease agreement between Overstrand Municipality and MLC trust, 96 Dirkie Uys Street, Hermanus for office accommodation was amended through a Circular 62 process on 24 June 2016 for an amount of R102804.67 (Excl. VAT).

The reason for extending the lease agreement for the first 4 months was to investigate what the leasing market offers Overstrand Municipality in the CBD. Unfortunately there was no available property to lease in the market.

The Human Resources Department has a critical need for a training room and should they move to offices, which does not meet their requirements, it will increase cost for hiring other training facilities. The training room is used for different kind of training to be held. The committee room is used to conduct interviews, disciplinary hearings and meetings.

Capital funds have been spent on the offices to be able to function operationally (data and voice requirements). In order to reduce or eliminate these capital expenses in future, the department will utilise the current investment on the existing premises to the fullest, before a more sustainable solution will be investigated within the next 20 months.

The reason for the 20 month period is two folded:

- (1) Running the lease agreement with Overstrand Municipality’s financial year in order to gain maximum financial benefit within the lease term;
- (2) To allow sufficient reasonable time available for possible:

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- (a) Planning
- (b) Construction
- (c) Relocation people
- (d) Involvement of other departments
- (e) Selling of other municipal land
- (f) Establishment of IT Infrastructure

Furthermore the current location at MQ House is central to the main building and in reach of employees, which are more accessible to our officials.

The property leasing market within the Hermanus Central Business District (CBD) was investigated during July 2016. We forwarded correspondence requesting information on available commercial leasing office space to 10 (ten) listed Estate Agencies within the CBD area of Hermanus. From the 10 (ten) Estate Agencies only 6 (six) responded. Attached find Annexure G.

It is evident from the responses from the Estate Agencies that there is a shortage of commercial office space in the CBD area within the required time, notwithstanding the business requirements referred to above, which were not met its staffing, parking and IT infrastructure. The other premises available are still to be erected and will be available from December 2016. Find attached the correspondence from the estate agents, which confirms availability and business requirements which were not met.

## 7. Financial Implications

### SOURCE OF FUNDING

	2016/2017	2017/2018
SCOA Description	Operating: Lease Buildings	Operating: Lease Buildings
SCOA Cost Account	10650203530000	10650203530000
SCOA Unique Key	20150212015725	20150212015725
Budget Provision	R311324.00	R333116.00
Balance Available	R208519.32	
Total Expenditure (excl VAT)	R205609.28	R326918.75
Any other costs related to project, e.g. Consultant fees, etc.	n/a	
Estimated Total expenditure Extension	n/a	
Total Lease Cost (excl VAT)	R532528.03	
Escalation (if any)	6 %	
Escalation date	1 July 2017	

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**8. Staff Implications**

None

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

**Supply Chain Management**

SCM have no objection against the extension of contract SC1323 (iii) (A)/2013 for the Lease agreement with MLC Trust, 96 Dirkie Uys Street, Hermanus.

All the verifications required in terms of the Supply Chain Management Policy have been under-taken and the Supply Chain Management Unit is satisfied that MLC Trust complies in all respects.

**Contract Management Office:**

It is confirmed that contract SC1323 (iii) A/2013 is still alive and the proposed extension of the contract is supported.

The letter of intent to extend the contract was accepted by the lessor, indicating their consent to amend the contract on the same terms and conditions, which enabled Overstrand Municipality to start with the extension process.

The Contract Management office further confirms:

- (1) That this is a third amendment to the existing contract.
- (2) That the local community has been given reasonable notice of the intention to amend the contract or agreement and;
- (3) The local community has been invited to submit representations to the Municipal Manager and it is confirmed that no representations were received from any organs of state and public by closing date, 15 August 2016.

**10. Annexures**

- Annexure A: Addendum to the Contract (intent to amend)
- Annexure B: Public Notice of intention to amend the Contract SC1323 (iii) A/2013
- Annexure C: Price confirmation
- Annexure D: SCM Compliance Checklist
- Annexure E: SC1323 (iii) A/2013 -BEC Minutes
- Annexure F: Specification minutes
- Annexure G: Marketing feasibility test (Availability of leasing in CBD)

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(Also the agenda for the Mayoral Committee Meeting : 26 October 2016)**

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**RECOMMENDATION TO THE COUNCIL:**

1. that cognisance be taken that no recommendations or representations were received from the local community by closing date, 15 August 2016;
2. that the Municipal Manager be authorised to sign the necessary agreements and documents for the above contract; and
3. that **cognisance be taken** of the reasons for the proposed amendment of the contract SC1323(iii)A/2013: **LEASE AGREEMENT BETWEEN OVERSTRAND MUNICIPALITY AND MLC TRUST, 96 DIRKIE UYS STREET, HERMANUS FOR OFFICE ACCOMMODATION** ending **31 OCTOBER 2016**, be amended as Contract No. SC1323 (iii)B/2013 for the extension of the term of the contract for a further 20 months on the same terms and conditions of the existing contract, in terms of the enabling provisions of Section 116(3) of the Local Government: Municipal Finance Management Act 2003 (Act 56 of 2003) and the amendment to be consented to.

<b>Service Provider / Supplier:</b>	<b>MLC Trust</b>	<b>SCM#</b>	<b>1801</b>
<b>Service / Goods Provided:</b>	Leasing of office space: MQ House; 96 Dirkie Uys Street, Hermanus		
SCOA Description	Operating: Lease Buildings	<b>Cost Code:</b>	1065020353000
<b>Unique Key</b>	20150212015725		
<b>Amount (Excl. VAT):</b>	R25 701.16 per month including municipal service accounts	<b>Contingency:</b>	n/a
<b>Amount in words:</b>	Twenty five thousand seven hundred and one rand and sixteen cent only.		
<b>Total estimated contract value excl. VAT</b>	R532528.03		
<b>Escalation Percentage:</b>	6%	<b>Escalation Date:</b>	1 July 2017
<b>Contract Owner:</b>	D S Arrison	<b>Contract Champion:</b>	L Bucchianeri
<b>CONTRACT PERIOD: 30 June 2018</b>			
<b>Implementation date:</b>	<b>01 November 2016</b>	<b>End date:</b>	<b>Contract period 20 months (30 June 2018)</b>

**RESPONSIBLE OFFICIAL :**

**L BUCCHIANERI**

**TARGET DATE FOR IMPLEMENTATION :**

**01 NOVEMBER 2016**

**AGENDA of the  
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(Also the agenda for the Mayoral Committee Meeting: 26 October 2016)**

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**1.  
AMENDMENT OF CONTRACT SC 1323(iii)A/2013: LEASE AGREEMENT  
BETWEEN OVERSTRAND MUNICIPALITY AND MLC TRUST, 96 DIRKIE UYS  
STREET, HERMANUS FOR OFFICE ACCOMMODATION**

**8/2/2**

**L Bucchianeri**

**(028) 313 8120**

**Hermanus Administration**

**26 September 2016**

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**THIS MATTER SERVED BEFORE THE JOINT PORTFOLIO COMMITTEE ON  
18 OCTOBER 2016, WHICH COMMITTEE RECOMMENDED AS FOLLOWS:**

**RECOMMENDATION TO THE COUNCIL:**

1. that cognisance be taken that no recommendations or representations were received from the local community by closing date, 15 August 2016;
2. that the Municipal Manager be authorised to sign the necessary agreements and documents for the above contract; and
3. that **cognisance be taken** of the reasons for the proposed amendment of the contract SC1323(iii)A/2013: **LEASE AGREEMENT BETWEEN OVERSTRAND MUNICIPALITY AND MLC TRUST, 96 DIRKIE UYS STREET, HERMANUS FOR OFFICE ACCOMMODATION** ending **31 OCTOBER 2016**, be amended as Contract No. SC1323 (iii)B/2013 for the extension of the term of the contract for a further 20 months on the same terms and conditions of the existing contract, in terms of the enabling provisions of Section 116(3) of the Local Government: Municipal Finance Management Act 2003 (Act 56 of 2003) and the amendment to be consented to.

<b>Service Provider / Supplier:</b>	<b>MLC Trust</b>	<b>SCM#</b>	<b>1801</b>
<b>Service / Goods Provided:</b>	Leasing of office space: MQ House; 96 Dirkie Uys Street, Hermanus		
SCOA Description	Operating: Lease Buildings	<b>Cost Code:</b>	1065020353000
<b>Unique Key</b>	20150212015725		
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<b>Amount in words:</b>	Twenty five thousand seven hundred and one rand and sixteen cent only.		
<b>Total estimated contract value excl. VAT</b>	R532528.03		
<b>Escalation Percentage:</b>	6%	<b>Escalation Date:</b>	1 July 2017
<b>Contract Owner:</b>	D S Arrison	<b>Contract Champion:</b>	L Bucchianeri

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18 October 2016  
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<b>CONTRACT PERIOD: 30 June 2018</b>			
<b>Implementation date:</b>	<b>01 November 2016</b>	<b>End date:</b>	<b>Contract period 20 months (30 June 2018)</b>

**RESPONSIBLE OFFICIAL :**

**L BUCCHIANERI**

**TARGET DATE FOR IMPLEMENTATION :**

**01 NOVEMBER 2016**

Enquiries: Lucinda  
Date: 04 July 2016

OFFICE OF THE DIRECTOR:  
MANAGEMENT SERVICES

ADDENDUM – INTENT TO AMEND A CONTRACT

The parties agree to the following intention to amend the existing contract SC1323(iii)A/2013, which were signed between them on 29/06/2016 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 from 1 November 2016 to 30 June 2018, regarding the abovementioned agreement to the on the same terms and conditions.

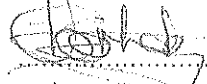
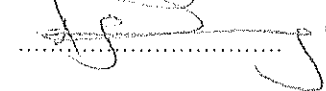
The supplier acknowledges that they do have the capacity to fulfil the obligation as set out in the terms and conditions.

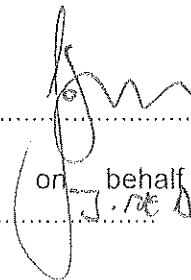
The parties agree that the amendment of the contract is subject to the completion of a Supply Chain Management process, including completing a process as prescribed by **Section 116(3)** of the Municipal Finance Management OR Circular 62 from National Treasury.

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 IRENE this 12th day of July 2016 in the presence of the undersigned witnesses

WITNESSES:

- 1. 
- 2. 

  
 for and on behalf of MLC TRUST IT4782/2006:  
 Director: J. de Ruyn

Thus done and signed at ..... this ..... day of ..... 2016 in the presence of the undersigned witnesses

WITNESSES:

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

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



**NOTICE/KENNISGEWING/ISAZISO**

**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 LEASE AGREEMENT WITH MLC TRUST, 6 DIRKIE UYS STREET HERMANUS, FOR OFFICE ACCOMMODATION.**

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 extend the existing contract with MLC Trust. The proposed extension of the contract to provide for the extension of the services for a period ending 30 June 2018.

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, 15 August 2016 at 12:00.

Comments or representations must be submitted in a sealed envelope clearly endorsed **"SC1323(iii)A/2013: COMMENTS ON NOTICE OF AMENDMENT OF EXISTING AGREEMENT WITH MLC TRUST"** 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**

**KENNISGEWING INGEVOLGE ARTIKEL 116(3) VAN DIE WET OP PLAASLIKE REGERING: MUNISIPALE FINANSIELE BESTUUR, 2003 (WET 56 VAN 2003) VIR DIE VOORGESTELDE WYSIGING VAN DIE BESTAANDE HUUR OOREENKOMS MET MLC TRUST, 6 DIRKIE UYS STRAAT HERMANUS, VIR KANTOOR AKKOMODASIE**

Kennis geskied hiermee ingevolge artikel 116(3) (a) en (b) van die Wet op Plaaslike Regering: Munisipale Finansiële Bestuur, 2003 (Wet 56 van 2003) dat die Munisipaliteit Overstrand van voornemens is om die bestaande Ooreenkoms met MLC Trust te wysig. Die voorgestelde wysiging van die kontrak is om voorsiening te maak vir die uitbreiding van die dienste vir 'n periode wat eindig op 30 Junie 2018.

Kennis geskied verder ingevolge artikel 21 en 21A van die Wet op Plaaslike Regering: Munisipale Stelsels, 2000 (Wet 32 van 2000), dat die plaaslike gemeenskap en geaffekteerde partye genooi word om kommentaar of vertoë oor die voorgestelde wysiging van die kontrak aan die Munisipaliteit te lewer. Hierdie kommentaar of vertoë moet teen nie later nie as Maandag, 15 Augustus 2016 om 12:00 ingedien word.

Alle kommentare of vertoë moet ingedien word in 'n verseëelde koert, duidelik gemerk **"SC1323(iii)A/2013: KOMMENTAAR OP KENNISGEWING VAN WYSIGING VAN BESTAANDE OOREENKOMS MET MLC TRUST"** en geplaas word in Tenderbus nr. 7.

Alle voorleggings moet geadresseer word aan:

Die Munisipale Bestuurder  
Tenderbus nr. 7  
Munisipaliteit Overstrand  
Magnolielaan  
Hermanus  
7200

Persones wat liggaamlik gestremd is of nie kan lees of skryf nie, maar aan die proses wil deelneem, kan gedurende kantoorure na die Munisipale Kantore, Magnolielaan, Hermanus kom, waar 'n personeelid hulle sal help om die kommentaar of vertoë neer te skryf.

**Coenie Groenewald  
Munisipale Bestuurder**

**ISAZISO SECANDELO-116(3) LOMTHETHO ILOCAL GOVERNMENT: MUNICIPAL FINANCE MANAGEMENT ACT, NO.56 WANGO-2003 OKUBA UJONGE UKWANDISA ISIVUMELWANO SOKUGASHA IIOFISI NO MINIKI NKONZO U- MLC TRUST, 6 DIRKIE UYS STREET HERMANUS.**

UMasipala weNgingqi yase-Overstrand, wazisa ukuba unqwenela ukwandisa isivumelwano no- mmiki nkonzo u-MLC Trust, oko kusenziwa ngokwemimiselo yamaCandelo-116(3) (a) no (b) lomfitho iLocal Government: Municipal Finance Management Act, No.56 wango-2003. Lominqwano ubekwayo ngowokuba kwandiswe isivumelwano esikhoyo ukuze kuqhubekethe inkonzo, uyotsho nge 30 Juni 2018.

Abantu abasuka ekuhlaleni nabanye abantu abanomndla bayamerywa ukuba bathumele izimvo zabo okanye izinto abazibhalileyo kuMasipala ngokumayela nesi sivumelwano siphakanyiswayo, oko kwenziwa phambi ko 12:00, 15 Ogasti 2016. Oko kwenziwa ngokwemimiselo yamaCandelo 21 kunye nele- 21A lomfitho iLocal Government: Municipal Systems Act, 32 wowama-2000.

Izimvo ezibhalileyo Zibhalwe ngokucacileyo kwimvulophu etywiniweyo kwabhalwa **"SC1323(iii)A/2013: IZIMVO ZESAZISO UKWANDISA ISIVUMELWANO NO- MINIKI NKONZO U- MLC TRUST"** mayifakwe kwi Bhokisi yeZiniki-maxabiso no. 7.

Zonke izibhalo zifunyelwe kwi:

Umphathi kaMasipala  
Bhokisi yeZiniki-maxabiso no. 7  
UMasipala weNgingqi yase-Overstrand  
Magnolia Avenue  
Hermanus  
7200

Abantu abakhubazekileyo kunye nabantu abangakwaziyo ukubhala kodwa bayangqwenela ukuthatha inxaxheba kulomba, bayacelwa baye kwi ofisi zika Masipala eMagnolia Avenue, eHermanus apho khona banokufumana uncedo ngokubeka izimvo zabo.

**Coenie Groenewald  
UManejala kaMasipala**

ANNEXURE B

ANNEXURE C

**From:** Johan de Bruyn <jdebruyn@odorcure.com>  
**To:** Lucinda Bucchianeri <lbucchianeri@overstrand.gov.za>  
**CC:** Molly De Bruyn <molly@odorcure.com>  
**Date:** 2016/08/18 11:05 AM  
**Subject:** Re: Section 116 Process-Please complete  
**Attachments:** jdebruyn\_mailer2[6] copy[11].png

Hi Lucinda,

From July 2016 the rent for MQ House is R25701.16 excluding VAT

The breakup is as follows:

Rent Unit 1: R7303.40 excl

Rent Unit 2: R17880.08 excl

Services: R517.88 excl

Total R29299.33 including.

There is a yearly increase of 6% due on July 2017

Regards,

From: Lucinda Bucchianeri <lbucchianeri@overstrand.gov.za>  
 Date: Thursday, 18 August 2016 at 9:37 AM  
 To: Johan de Bruyn <jdebruyn@odorcure.com>, <molly@odorcure.com>  
 Cc: Elvida Swartz <ebeukes@overstrand.gov.za>, Morne Potgieter  
 <mpotgieter@overstrand.gov.za>, Zoliswa Mapuma <zmapuma@overstrand.gov.za>  
 Subject: Fwd: Re: Section 116 Process-Please complete

Goeie more Johan



Please see attached email correspondence from Zoliswa regarding rental price confirmation for 20 months. Can you also confirm whether an escalation in the fees is applicable and if so what is the % escalation and what is the escalation date?

Will appreciate if you can respond asap as we want to finalise the matter.

Your co-operation is highly appreciated.

Regards

Lucinda

Overstrand Municipality			
Evaluation in terms of the Preferential Procurement Regulations			
Compliance Check of Tender No. SC 1323(iii)B/2013			
Amendment of Leasing Agreement for 96 Dirkie Uys Street, Hermanus			
Name of tenderer		MLC TRUST	
Authority to sign bid		Authorised	
Valid Tax Clearance Certificate (provide expiry date)	MBD2	2017/05/28	
TCC number		0700/2/2016/A000099590	
VAT Registration (provide number)		4550234668	
Declaration of Interest	MBD4	Declared	
Declaration of Past SCM Practices	MBD8	Declared	
Certificate for Payment of Municipal Services	MBD15	Declared	
Municipal Account		Declared	
National Treasury Register for Tender Defaulters		Not Listed	
National Treasury Database for Restricted Suppliers		Not Listed	
Suppliers database registration		1801	
<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)	A Moore		2016/08/17
	Name	Signature	Date
Verified by: (SCM Office)	L du Preez		2016/08/17
	Name	Signature	Date

MINUTES OF THE BID EVALUATION COMMITTEE MEETING HELD AT 14:20 ON FRIDAY, 24 JUNE  
2016

ANNEXURE E II 2

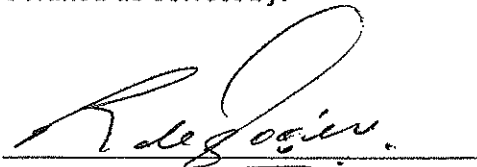
4.2 CONTRACT NO. SC 1323(iii)A/2013: EXTENSION OF CONTRACT SC 1323(iii)/2013: LEASE AGREEMENT BETWEEN OVERSTRAND MUNICIPALITY AND MLC TRUST, 96 DIRKIE UYS STREET, HERMANUS FOR OFFICE ACCOMMODATION

RESOLVED TO RECOMMEND TO THE DIRECTOR: MANAGEMENT SERVICES

that Contract Number SC1323(iii)/2013, for the LEASE AGREEMENT BETWEEN OVERSTRAND MUNICIPALITY AND MLC TRUST, 96 DIRKIE UYS STREET, HERMANUS FOR OFFICE ACCOMMODATION be extended as Contract No. SC1323(iii)A/2013 on the same terms and conditions of the existing contract.

Service Provider / Supplier:	MLC Trust		SCM#	1801
Service / Goods Provided:	Leasing of office space: MQ House; 96 Dirkie Uys Street, Hermanus			
SCOA Description	Operating: Lease Buildings	Cost Code:	1065020353000	
Unique Key	20150212015725			
Amount (Excl. VAT):	R25701.17 per month excluding municipal service accounts	Contingency:	n/a	
Amount in words:	Twenty five thousand seven hundred and one rand and seventeen cents only			
Total estimated contract value excl. VAT	R102804.67 excluding municipal service accounts over a four month period			
Escalation Percentage:	N/A	Escalation Date:	N/A	
Contract Owner:	D S Arrison	Contract Champion:	L Bucchianeri	
CONTRACT PERIOD:				
Implementation date:	01 July 2016	End date:	31 October 2016	

Certified as correct by:

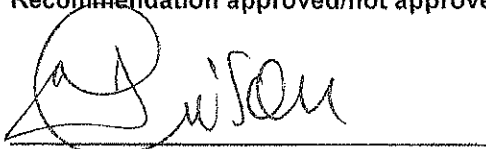


Mr. R de Jager  
Senior Admin Officer: SCM (Chairperson)

24 JUNE 2016

Date

Recommendation approved/not approved:



Ms. D Arrison  
Director: Management Services

27/06/2016.

Date





# ANNEXURE F 113

<b>TO:</b>	THE SENIOR MANAGER: SUPPLY CHAIN MANAGEMENT		
<b>DATE:</b>	2016/08/18	<b>ENQUIRIES:</b>	LUCINDA BUCCHIANERI
<b>SUBJECT:</b>	SUBMISSION OF SPECIFICATIONS IN TERMS OF CLAUSE 27(2)(g) OF THE SUPPLY CHAIN MANAGEMENT POLICY		

<b>NAME OF TENDER</b>	Lease Agreement: MLC Trust: MQ House 6 Dirkie Uys Street, Hermanus
<b>Purpose of the Tender</b>	Renting of office space

## 1. FINANCIAL INFORMATION

### 1.1. Budget Information

	YEAR 1 (2016/2017)	YEAR 2 (2017/2018)	YEAR 3 (2018/2019)		
<b>Estimated Expenditure (EXCL.VAT):</b>	R205609.28+	326918.75+		=	<b>Total Project Cost: (EXCL.VAT)</b> R532528.03
<b>Budget 1</b>	311324.00	333116.00	356434.00	<b>U-Key</b>	20150212015725
<b>SCOA Project Segment</b>	Municipal running cost			<b>Cost Account</b>	10650203530000
				<b>SCOA Item Segment</b>	OperLease:Buildings
<b>Budget 2</b>				<b>U-Key</b>	
<b>SCOA Project Segment</b>				<b>Cost Account</b>	
				<b>SCOA Item Segment</b>	
<b>Budget 3</b>				<b>U-Key</b>	
<b>SCOA Project Segment</b>				<b>Cost Account</b>	
				<b>SCOA Item Segment</b>	
<b>TOTAL PROJECT COST (INCL. VAT)</b>					NA
PLEASE NOTE that this amount MUST include 14% VAT to be able to ascertain the Points system as well as the CIDB grading (if applicable) to be applied.					
<b>Points</b>	80/20		90/10	<b>Recurring</b>	YES x NO


### 1.2. Bids in Excess of R10m:

Verification Certificate from the CFO in terms of MFMA Circular NO. 62 issued by National Treasury (bids in excess of R10M – all applicable taxes included) issued PRIOR to advertising.	YES	NO	x
--	-----	----	---

### 1.3. Budget Office: (COMPLETED SPECIFICATIONS MUST BE ATTACHED)

I hereby certify that the project and item segments and a budget allocation exist for the cost account/s 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.

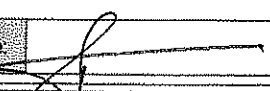
**Name:** B.A. King **Signature:**  **Date:** 2016-08-18

### 1.4. Expenditure & Assets Office: (COMPLETED SPECIFICATIONS MUST BE ATTACHED)

I hereby certify that the correct cost accounts are used for the project and that this project will be funded by the:

Capital Budget	Operational Budget	x
----------------	--------------------	---

**Comments:** Rental expense of operational nature

**Name:** J. Vanster **Signature:**  **Date:** 18/8/2016

## 2. EMERGING CONTRACTOR / SERVICE PROVIDER DEVELOPMENT POLICY & IMPLEMENTATION PLAN:

The procurement strategies in terms of the EMERGING CONTRACTOR / SERVICE PROVIDER DEVELOPMENT POLICY & IMPLEMENTATION PLAN as approved by Council are to be considered and in support of the policy. All necessary requirements, possible measures will be undertaken and weighed based on legislative guidelines and requirements and not as a practice to circumvent the supply chain policy.

YES	NO
-----	----

**Comments:** NA





213

<b>NAME OF TENDER</b>		Lease Agreement: MLC Trust: MQ House 6 Dirkie Uys Street, Hermanus						
<b>3. CONTRACT INFORMATION</b>								
Contract Period	1 Year	2 Years	1 year and 8months	3 Years	Other			
Reason for proposed contract period		Renting of office space for HR		Projected contract start date		01/11/2016		
<b>4. GENERAL INFORMATION</b>								
4.1.	Estimated CJDDB Classification & Rating (for Construction related projects)					NA		
4.2.	Previous tender/quotation information							
(a)	Is there an existing tender in place?					Y	X	N
	i	If yes, when will it expire?					31/10/2016	
(b)	In case of a cancelled tender, has the previous tender already been cancelled?					Y	NA	N
(c)	Is this tender aligned with the Procurement/Demand Management Plan					Y	x	N
	ii	If yes, provide the Procurement/Demand Management Plan reference number					SC1323(iii)A/2013	
4.3.	Estimated implementation date					2016/11/01		
<b>5. KEY PERFORMANCE INDICATORS (KPIs)</b>								
5.1.	Work(s) performed / goods delivered within timeframes specified					Y	x	N
5.2.	Work(s) performed / goods delivered within financial framework specified					Y	x	N
5.3.	Acceptable quality of work(s) performed / goods delivered					Y	x	N
5.4.	OTHER:							
	(a)							
	(b)							
	(c)							
<b>6. ADDITIONAL INFORMATION</b>								
6.1.	The property leasing market within the Hermanus Central Business District was investigated during July 2016. The outcome of the investigation found that there is a shortage of commercial office space in the CBD area. There were however other opportunities available, but did not meet our specified needs, as the space will only be available at a later stage.							
6.2.	Other office space could not accommodate the staff accommodation needs.							
6.3.								
6.4.								
6.5.								
6.6.								

**CERTIFICATION BY DULY DELEGATED BUDGET HOLDER**

<b>In the capacity as : (Designation)</b>		Senior Manager: Human Resources	
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.			
L. Bucchianeri		Bucchianeri	
Name		Signed	
		18/08/16	
		Date	

**CERTIFICATION BY DIRECTOR**

I hereby approve the attached bid specification as recommended above (Paragraph 27.1.g 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 22 of this Policy), and confirm that:

- budgetary provision exists for procurement of the goods, services and/or infrastructure; and
- 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

D SARRISON		[Signature]	
Name		Signed	
		18/08/2016.	
		Date	



## Supply Chain Management Policy

### Section

#### "27(2): Specifications –

- a) must be drafted in an unbiased manner to allow all potential suppliers to offer their goods or services;
- b) must take account of any accepted standards such as those issued by Standards South Africa, the International Standards Organization, or an authority accredited or recognised by the South African National Accreditation System with which the equipment or material or workmanship should comply;
- c) must, where possible, be described in terms of performance required and / or in terms of descriptive characteristics for design;
- d) may not create trade barriers in contract requirements in the forms of specifications, plans, drawings, designs, testing and test methods, packaging, marking or labelling of conformity certification;
- e) may not make reference to any particular trade mark, name, patent, design, type, specific origin or producer unless there is no other sufficiently precise or intelligible way of describing the characteristics of the work, in which case such reference must be accompanied by the word "equivalent";
- f) must indicate each specific goal for which points may be awarded in terms of the points system set out in the Preferential Procurement Regulations, 2011; and
- g) must be approved by the Accounting Officer or the relevant delegated director prior to publication of the invitation for bids in terms of clause 22 of this Policy.

## Supply Chain Management Policy Part B: Preferential Procurement Policy

### Section

#### "8: Cancellation and re-invitation of bids

- 1) In the event that, in the application of the 80/20 preference point system as stipulated in the tender documents
  - a) all tenders received exceed the estimated Rand value of R1,000,000, the tender invitation must be cancelled.
  - b) If one or more of the acceptable tenders received are within the prescribed threshold of R1,000,000, all tenders received must be evaluated on the 80/20 preference point system.
- 2) In the event that, in the application of the 90/10 preference point system as stipulated in the tender documents,
  - a) all tenders received are equal to, or below R1,000,000 the tender must be cancelled.
  - b) If one or more of the acceptable tenders received are above the prescribed threshold of R1,000,000 all tenders received must be evaluated on the 90/10 preference point system.
- 3) In the event that the Municipality has cancelled a tender invitation as contemplated in sub-paragraph (1)(a) and 2(a), tenders must be re-invited and the tender documents must stipulate the correct preference point system to be applied.
- 4) The Municipality may, prior to the award of a tender, cancel a tender if:
  - a) due to changed circumstances, there is no longer a need for the services, works or goods requested, or
  - b) funds are no longer available to cover the total envisaged expenditure; or
  - c) no acceptable tenders are received.
- 5) The decision to cancel a tender in terms of sub-paragraph (4) must be published in the media in which the original tender invitation was advertised.



ANNEXUR G  
I / III**Recipients: 6** Acknowledged: 1, Response Pending: 4, Undelivered: 1

fanie.prins@harcourts.co.za	Transferred
griffonproperties@hermanus.c...	Transferred
gtprop@lantic.net	Transferred
hps@hermanus.co.za	Transferred

hpsonrus@telkomsa.net hpssa...	Undelivered
--------------------------------	-------------

Lucinda Bucchianeri	Emptied
---------------------	---------

**Attachments:** User: 0, System: 1**Send Options:**

501

<hpsonrus@telkomsa.net  
 hpssandbaai@telkomsa.net  
 hermanus@kwsa.co.za  
 peterstigling@hermanus.co.za  
 barbara@remax-  
 townandcountry.co.za>:  
 malformed address:  
 hpssandbaai@telkomsa.net  
 hermanu may not  
 follow  
 <hpsonrus@telkomsa.net

2/11

**From:** Elvida Swartz  
**To:** Lucinda Bucchianeri  
**Date:** 2016/07/04 07:54 AM  
**Subject:** Fwd: RE: Commercial Property to Lease  
**Attachments:** Cape Times Commercial & Industrial Review Sep 2015 ADVERT & EDITORIAL.pdf

FYI

Elvida Swartz  
Human Resources  
Overstrand Municipality  
Tel: 028 313 8122  
Fax: 028 313 2297  
eswartz@overstrand.gov.za  
"Be the change you want to see"

>>> "Hermanus Property Sales" <[hps@hermanus.co.za](mailto:hps@hermanus.co.za)> 2016/06/30 03:36 PM >>>

Elvida Swartz  
Human Resources  
OVERSTRAND MUNICIPALITY

Dear Mrs Swartz

Thank you for your enquiry regarding commercial office space in Hermanus.

We can, in fact, offer you a brand new development to be built on Erf 712 Hermanus situate at 4 Dirkie Uys Street overlooking the Primary School sports field. We attach herewith some initial marketing material and do have full set of plans and pricing should you be interested.

As consents are all in place from Council, you could probably have occupation from year end.

Assuring you of our best professional services at all times.

Most sincerely

David Leppan  
Cell: 082 455 6439

Hermanus Property Sales  
153 Main Road  
Hermanus, 7200  
Tel +27 028 313 0914  
Fax +27 028 312 2210  
Email [hps@hermanus.co.za](mailto:hps@hermanus.co.za)  
Website [www.hpsrealty.co.za](http://www.hpsrealty.co.za)

-----Original Message-----



**From:** Elvida Swartz  
**To:** Lucinda Bucchianeri  
**Date:** 2016/07/05 11:08 AM  
**Subject:** Fwd: RE: Commercial Property

FYI

Elvida Swartz  
 Human Resources  
 Overstrand Municipality  
 Tel: 028 313 8122  
 Fax: 028 313 2297  
 eswartz@overstrand.gov.za  
 "Be the change you want to see"

>>> "Leana" <[hermanus@kwsa.co.za](mailto:hermanus@kwsa.co.za)> 2016/07/05 11:10 AM >>>  
 Hi Elvida,

Sorry, we do not do any leases. We only sell property.

Regards.

Leana Kriel | Market Centre Administrator  
 KW Realty Hermanus Whale Coast | 21 Royal Centre  
 Main road | Hermanus | 7200  
 b: +27(0) 28 312 3142 | m: +27(0) 82 401 6894  
 f: +27(0) 28 312 3146  
 e: [leana.kriel@kwsa.co.za](mailto:leana.kriel@kwsa.co.za) / [hermanus@kwsa.co.za](mailto:hermanus@kwsa.co.za)  
 | w: [www.hermanus.kwsa.co.za](http://www.hermanus.kwsa.co.za)  
 Map to find us

-----Original Message-----

From: Elvida Swartz [<mailto:ebeukes@overstrand.gov.za>]  
 Sent: 05 July 2016 10:17 AM  
 To: [hps@hermanus.co.za](mailto:hps@hermanus.co.za); [peterstigling@hermanus.co.za](mailto:peterstigling@hermanus.co.za); [Hermanus@kwsa.co.za](mailto:Hermanus@kwsa.co.za);  
[barbara@remax-townandcountry.co.za](mailto:barbara@remax-townandcountry.co.za); [hpsonrus@telkomsa.net](mailto:hpsonrus@telkomsa.net);  
[hpssandbaai@telkomsa.net](mailto:hpssandbaai@telkomsa.net)  
 Subject: Commercial Property

Dear Sir / Madam,

Please can you give us an indication if you have any commercial property available for lease in the Hermanus CBD area? If no, please reply in writing, if yes, please provide us with the relevant details.

Thanking you

Elvida Swartz  
Human Resources  
Overstrand Municipality  
Tel: 028 313 8122  
Fax: 028 313 2297  
[eswartz@overstrand.gov.za](mailto:eswartz@overstrand.gov.za)  
"Be the change you want to see"

6/11

**From:** Elvida Swartz  
**To:** Lucinda Bucchianeri  
**Date:** 2016/07/07 10:39 AM  
**Subject:** Fwd: Re: Commercial Rentals

FYI

Elvida Swartz  
Human Resources  
Overstrand Municipality  
Tel: 028 313 8122  
Fax: 028 313 2297  
eswartz@overstrand.gov.za  
"Be the change you want to see"

>>> Accommodation Galore - Rentals <[rentals@accommodationgalore.co.za](mailto:rentals@accommodationgalore.co.za)> 2016/07/07 10:34 AM >>>  
Good day

Unfortunately we do not Commercial Rentals. You can contact Ritcarlo Investments on 028 312 3211

Regards

Levina - Admin  
Accommodation Galore

On 07/07/2016 10:26 AM, Elvida Swartz wrote:

> Dear Sir / Madam,  
>  
> Please can you give us an indication if you have any commercial  
> property available for lease in the Hermanus CBD area? If no, please  
> reply in writing, if yes, please provide us with the relevant details  
> before end of business tomorrow, if possible.  
>  
> Thanking you  
>  
>  
>  
>  
>  
> Elvida Swartz  
> Human Resources  
> Overstrand Municipality  
> Tel: 028 313 8122  
> Fax: 028 313 2297  
> [eswartz@overstrand.gov.za](mailto:eswartz@overstrand.gov.za)  
> "Be the change you want to see"  
>  
>  
>

7/11

**From:** Elvida Swartz  
**To:** Lucinda Bucchianeri  
**Date:** 2016/07/08 01:53 PM  
**Subject:** Fwd: Premises te rent - Hermanus  
**Attachments:** IMG\_0222.JPG; IMG\_4994.JPG; IMG\_5001.JPG; Map.jpg

Hi Lucinda,

Sien onderstaande.

groete

Elvida Swartz  
Human Resources  
Overstrand Municipality  
Tel: 028 313 8122  
Fax: 028 313 2297  
eswartz@overstrand.gov.za  
"Be the change you want to see"

>>> "Brigitte Sabbe" <[bsabbe@hermanus.co.za](mailto:bsabbe@hermanus.co.za)> 2016/07/08 01:21 PM >>>  
Dear Elvida,

RE: Premises to rent - Shop 5 Vorster Building

Address: 3 Mitchell Street, Hermanus

With reference to the above, herewith the information regarding premises you are enquiring about for your office.

Rent: R12 000-00 plus VAT per month with an 8% yearly escalation  
Size: approximately 118 m<sup>2</sup> - which includes kitchen and bathroom.

There is 1 parking bay allocated to the premises.

There is a prepaid meter with a 3 phase electrical power and your basic monthly charge is R513-36.

There are municipal charges which will be charged according to your usage.

If you have any further enquiries please call me at 083 981 0981 / 028 312 1103.

g/n

Regards,

Brigitte Sabbe

BETTYS BAY ESTATE AGENCY (PTY) LTD

9/11

**From:** Elvida Swartz  
**To:** Lucinda Bucchianeri  
**Date:** 2016/07/05 10:50 AM  
**Subject:** Fwd: Re: Commercial Property

FYI

Elvida Swartz  
Human Resources  
Overstrand Municipality  
Tel: 028 313 8122  
Fax: 028 313 2297  
eswartz@overstrand.gov.za  
"Be the change you want to see"

>>> "Hermanus Property Sales Sandbaai" <[hpssandbaai@telkomsa.net](mailto:hpssandbaai@telkomsa.net)> 2016/07/05 10:29 AM >>>

Good Morning Elvida

Thank you for your enquiry but we wish to advise that we do not do any rentals at all. No commercial nor residential.

Kind regards  
Ane' Staunton  
Secretary

-----Original Message-----

From: Elvida Swartz  
Sent: Tuesday, July 05, 2016 10:16 AM  
To: [hps@hermanus.co.za](mailto:hps@hermanus.co.za) ; [peterstigling@hermanus.co.za](mailto:peterstigling@hermanus.co.za) ; [Hermanus@kwsa.co.za](mailto:Hermanus@kwsa.co.za)  
; [barbara@remax-townandcountry.co.za](mailto:barbara@remax-townandcountry.co.za) ; [hpsonrus@telkomsa.net](mailto:hpsonrus@telkomsa.net) ;  
[hpssandbaai@telkomsa.net](mailto:hpssandbaai@telkomsa.net)  
Subject: Commercial Property

Dear Sir / Madam,

Please can you give us an indication if you have any commercial property available for lease in the Hermanus CBD area? If no, please reply in writing, if yes, please provide us with the relevant details.

Thanking you

Elvida Swartz  
Human Resources  
Overstrand Municipality  
Tel: 028 313 8122  
Fax: 028 313 2297

eswartz@overstrand.gov.za  
"Be the change you want to see"

-----  
No virus found in this message.  
Checked by AVG - [www.avg.com](http://www.avg.com)  
Version: 2016.0.7640 / Virus Database: 4613/12559 - Release Date: 07/04/16

11/11

**From:** Elvida Swartz  
**To:** Lucinda Bucchianeri  
**Date:** 2016/07/04 07:54 AM  
**Subject:** Fwd: Re: Commercial Property to Lease

FYI

Elvida Swartz  
Human Resources  
Overstrand Municipality  
Tel: 028 313 8122  
Fax: 028 313 2297  
eswartz@overstrand.gov.za  
"Be the change you want to see"

>>> Griffon Properties <[griffonproperties@hermanus.co.za](mailto:griffonproperties@hermanus.co.za)> 2016/06/30 02:41 PM >>>  
Hi Elvida

Jammer ons het niks beskikbaar nie.

Vriendelike groete

Dirk

Griffon Properties  
37 Siffie Crescent  
Vermont  
Hermanus  
Website: [www.griffon-properties.co.za](http://www.griffon-properties.co.za)  
Tel :(+27) 028 316 4751  
Fax :(+27) 028 316 4875  
Cell:Dirk 082 876 9739  
Gwen 083 663 3080  
Jamy 083 429 9919 ( Long term rentals)

On 2016/06/30 02:26 PM, Elvida Swartz wrote:

> Dear Sir / Madam,  
>  
> Please can you give us an indication if you have any commercial  
> property available for lease in the Hermanus CBD area? If no, please  
> reply in writing, if yes, please provide us with the relevant details.  
>  
> Thanking you  
>  
>  
>  
> Elvida Swartz  
> Human Resources  
> Overstrand Municipality  
> Tel: 028 313 8122  
> Fax: 028 313 2297