



***CONFIDENTIAL***

# **ANNEXURE**

**MANGAUNG METROPOLITAN  
MUNICIPAL COUNCIL**

**Volume 2**

**Reports of the  
Executive Mayor**

**ITEMS 106.5 – 106.9**

**FRIDAY  
NOVEMBER 17, 2017**

**MANGAUNG  
METROPOLITAN  
MUNICIPALITY**

Members are kindly requested  
to retain this annexure for use  
with the minutes

Bram Fischer Building  
BLOEMFONTEIN  
NOVEMBER 13, 2017



Supply Chain Management

30 SEPTEMBER 2017

**REPORT ON THE IMPLEMENTATION OF SUPPLY CHAIN MANAGEMENT POLICY FOR THE QUARTER ENDING SEPTEMBER 2017**

**1. BACKGROUND**

It is the responsibility of each Municipality to have and implement Supply Chain Management policy which gives effect to the legislative mandate.

The Accounting Officer of the Municipality must at the end of the Quarter submit the report to the Mayor and annually to the Council on the implementation of the supply chain management policy.

This report covers the period of July to September 2017 and was prepared in line with the Supply Chain Management policy as well as Municipal Finance Management Act No. 56 of 2003 (MFMA No.56 of 2003) in relation to the implementation of Municipal Supply Chain Management Policy.

**2. PURPOSE**

The purpose of this report is to assist Council to maintain oversight over the implementation of its Supply Chain Management Policy in terms of regulation 6 of the Municipal Supply Chain Management Regulations of 2005.

**3. LIST OF ACCREDITED PROSPECTIVE SERVICE PROVIDERS**

An advertisement will be placed in newspapers circulated both locally and nationally in the second quarter of the 2017/18 financial year inviting prospective service provider to apply for listing into the Municipal Supply Chain Management database of prospective service providers / suppliers and is updated on daily basis as well as reminder for prospective service providers to register on the Central Supplier Database (CSD).

**4. PROCUREMENT PLANS**

All Municipal Departments submitted demand plans and such plans were consolidated into an annual procurement plan and approved by the Accounting Officer

**A: DEMAND & ACQUISITION MANAGEMENT**

**1. ADVERTISED BIDS FOR THE PERIOD OF JULY - SEPTEMBER 2017**

**July 2017**

The following bids were advertised in the month of July 2017

**BID BULLETIN 106 & 107**

NO.	NUMBER	DESCRIPTION	DOCUMENT AMOUNT	CLOSING DATE & TIME
1.	MMM/BID 295(AA): 2017/2018	Supply and maintenance of two way radios and related equipment for period of two years.	R720.00	Date:17 August 2017 Time:11:30
2.	MMM/BID 338(AA): 2017/2018	Qualified and experienced service provider to operate the edge restaurant at Naval Hill.	R360.00	Date:23 August 2017 Time:11:30
3.	MMM/BID 404: 2017/2018	Supply and delivery of maintenance equipment for period of two years.	R720.00	Date:17 August 2017 Time:11:30
4.	MMM/BID 405: 2017/2018	Supply and delivery of lawnmower parts for period of two years.	R720.00	Date:22 August 2017 Time:11:30
5.	MMM/BID 406: 2017/2018	Appointment of an experienced service provider for the installation and maintenance of data points and procurement of network related equipment in Mangaung Metropolitan Municipality for period of two years.	R1 652.00	Date:22 August 2017 Time:11:30
6.	MMM/BID 407: 2017/2018	Supply and delivery of hydraulic and vacuum components for a period of two years.	R720.00	Date:29 August 2017 Time:11:30
7.	MMM/BID 408: 2017/2018	Supply and delivery of spares and general maintenance of fleet for a period of two years.	R720.00	Date:29 August 2017 Time:11:30
8.	MMM/BID 409: 2017/2018	Supply, delivery, rigging, installation and commissioning of one complete new 60 KVA diesel standby generator for Mangaung laboratory, Bayswater in Bloemfontein.	R360.00	Date:30 August 2017 Time:11:30
9.	MMM/BID 410: 2017/2018	Supply and delivery of auto electrical maintenance services for a period of two years.	R720.00	Date:30 August 2017 Time:11:30
10.	MMM/BID 411: 2017/2018	Supply and delivery of different types and sizes of refuse receptacles for MMM CBDs for a period of two years on as and when necessary basis.	R720.00	Date:31 August 2017 Time:11:30
11.	MMM/BID 412: 2017/2018	Supply and delivery of library material for a period of two years.	R720.00	Date:21 August 2017 Time:11:30
12.	MMM/BID 413: 2017/2018	Request for proposals for the provision of fuel, lubricants and modernisation/ development of Mangaung fuel depots for a period of two years.	R1 915.00	Date:31 August 2017 Time:11:30
13.	MMM/BID 414: 2017/2018	Supply and delivery of medical consumables for a period of two years.	R720.00	Date:22 August 2017 Time:11:30

Supply Chain Management

14.	MMM/BID 415: 2017/2018	Supply and delivery of poles, gates, fence, road traffic sign and other related items for a period of two years.	R720.00	Date:21 August 2017 Time:11:30
15.	MMM/BID 416: 2017/2018	Supply and delivery of stationery for a period of two years.	R720.00	Date:25 August 2017 Time:11:30
16.	MMM/BID 417: 2017/2018	Purchasing of electronic Traffic law Enforcement systems and technology (red light, speed, anpr) for a period of two years.	R720.00	Date:24 August 2017 Time:11:30

**August 2017**

The following bids were advertised in the month of August 2017

**BID BULLETIN 108**

NO.	NUMBER	DESCRIPTION	DOCUMENT AMOUNT	CLOSING DATE & TIME
1.	MMM/BID 418: 2017/2018	Supply and delivery of various animal feeds for a period of two years	R720.00	Date:21 September 2017 Time:11:30
2.	MMM/BID 419: 2017/2018	Hiring of vehicles and equipment for a two year period on as and when required	R720.00	Date:21 September 2017 Time:11:30
3.	MMM/BID 420 2017/2018	Upgrading of streets and stormwater: man 11548 in Kagisanong	R1 652.00	Date:26 September 2017 Time:11:30
4.	MMM/BID 421: 2017/2018	Upgrading of streets and stormwater: r1522 tha road 2029, THA road 2031 and THA road 2044	R720.00	Date:26 September 2017 Time:11:30
5.	MMM/BID 422: 2017/2018	Supply and delivery of computers and related hardware equipment for MMM for a period of two years	R720.00	Date:27 September 2017 Time:11:30

**September 2017**

The following bids were advertised in the month of September 2017

**BID BULLETIN**

NO.	NUMBER	DESCRIPTION	DOCUMENT AMOUNT	CLOSING DATE & TIME
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There were no advertised bids for the month of September 2017



## July 2017

The following formal quotations were advertised in the month of July 2017

### QUOTATIONS BULLETIN 127

NO.	NUMBER	DESCRIPTION	DOCUMENT AMOUNT	CLOSING DATE & TIME
1.	MMM/FQ 496: 2017/2018	Supply and delivery of grade 'A' Lucerne.	R 149.00	Date: 28 July 2017 Time: 11:00
2.	MMM/FQ 497: 2017/2018	Supply and delivery of a point of sale system for the Bloemfontein zoo, including staff training.	R 149.00	Date: 28 July 2017 Time: 11:00
3.	MMM/FQ 498: 2017/2018	Supply, delivery and erection of no dumping signboards and littering signboards.	R 149.00	Date: 28 July 2017 Time: 11:00
4.	MMM/FQ 499: 2017/2018	Supply and delivery of A grade coal cv of +27 to stadium swimming pool.	R 149.00	Date: 28 July 2017 Time: 11:00

## August 2017

The following formal quotations were advertised in the month of August 2017

### QUOTATIONS BULLETIN 128 & 129

NO.	NUMBER	DESCRIPTION	DOCUMENT AMOUNT	CLOSING DATE & TIME
1.	MMM/FQ 486(A): 2017/2018	Supply and delivery of two (02) shipping containers for site offices (to be converted into offices).	R149.00	Date: 16 August 2017 Time: 11:00
2.	MMM/FQ 500: 2017/2018	Supply, delivery, installation and commissioning of seven new air-conditioning units at Water and Sanitation offices in Bloemfontein.	R149.00	Date: 16 August 2017 Time: 11:00
3.	MMM/FQ 500(A): 2017/2018	Supply, delivery, installation and commissioning of seven new air-conditioning units at Water and Sanitation offices in Bloemfontein.	R149.00	Date: 06 September 2017 Time: 11:00
4.	MMM/ FQ 501: 2017/2018	Supply and delivery of fruits, vegetables and supplements for Bloemfontein zoo.	R149.00	Date: 05 September 2017 Time: 11:00
5.	MMM/ FQ 502: 2017/2018	Supply and delivery of hand controlled fire nozzles.	R149.00	Date: 05 September 2017 Time: 11:00
6.	MMM/ FQ 503: 2017/2018	Supply and delivery of portable pressure and flow meter.	R149.00	Date: 05 September 2017 Time: 11:00

Supply Chain Management

7.	MMM/ FQ 504: 2017/2018	Supply and delivery of floating pumps.	R149.00	Date: 05 September 2017 Time: 11:00
8.	MMM/ FQ 505: 2017/2018	Supply and delivery of skid unit (veld firefighting skid unit).	R149.00	Date: 05 September 2017 Time: 11:00
9.	MMM/ FQ 506: 2017/2018	Supply and delivery of firefighting extension (folding) ladders.	R149.00	Date: 05 September 2017 Time: 11:00
10.	MMM/ FQ 507: 2017/2018	Laundry services for the Sub-Directorate: Fleet Management Services, Mangaung Metro Municipality, as and when required.	R149.00	Date: 06 September 2017 Time: 11:00
11.	MMM/ FQ 508: 2017/2018	Supply and delivery of model 2r411 cash registers.	R149.00	Date: 06 September 2017 Time: 11:00
12.	MMM/ FQ 509: 2017/2018	Supply and delivery of pesticides chemicals for Mangaung Metropolitan Municipality.	R149.00	Date: 06 September 2017 Time: 11:00
13.	MMM/ FQ 510: 2017/2018	Supply of trucks to remove and transport goods	R149.00	Date: 06 September 2017 Time: 11:00

September 2017

The following formal quotations were advertised in the month of September 2017

**QUOTATIONS BULLETIN 130**

NO.	NUMBER	DESCRIPTION	DOCUMENT AMOUNT	CLOSING DATE & TIME
1.	MMM/FQ500(AA): 2017/2018	Supply, delivery, installation and commissioning of seven new air-conditioning units at Water and Sanitation offices in Bloemfontein.	R 149.00	Date: 02 October 2017 Time: 11:00
2.	MMM/ FQ502(A): 2017/2018	Supply and delivery of hand controlled fire nozzles.	R 149.00	Date: 02 October 2017 Time: 11:00
3.	MMM/ FQ509(A): 2017/2018	Supply and delivery of pesticides chemicals for Mangaung Metropolitan Municipality.	R 149.00	Date: 02 October 2017 Time: 11:00
4.	MMM/ FQ511: 2017/2018	Supply and delivery of wood finishing material for Etsose Batjha Project..	R 149.00	Date: 02 October 2017 Time: 11:00
5.	MMM/ FQ512: 2017/2018	Supply and delivery of cabinet making and upholstery material for Etsose Batjha Project.	R 149.00	Date: 02 October 2017 Time: 11:00

Sale of bid documents from July-September 2017

BANKING	AMOUNT
BIDS	R603 878.00
QUOTATIONS	R14 900.00
<b>GRAND TOTAL</b>	<b>R618 778.00</b>

**4. AWARDED BIDS FOR THE PERIOD OF JULY-SEPTEMBER 2017 (BIDS ABOVE R200 000.00)**

**July 2017**

The following bids were awarded in July 2017 (ABOVE R200 000)

NO.	BID NUMBER	CONTRACT DESCRIPTION	NAME OF CONTRACTOR	TOTAL POINTS SCORED	WOMEN	YOUTH	HDI YES, NO	LOCALLY BASED MANGAUNG YES/NO	TOTAL CONTRACT PRICE	PERIOD
1.	MMM/BID 357-2015/16	Upgrading of street and storm water in Mangaung – MAN 10786 Bergman Square & Rose Avenue.	Umvezi Contractors	97.59	Yes	No	Yes	Yes	R19 990 800.83	12 Months

**August 2017**

The following bids were awarded in August 2017 (ABOVE R200 000)

NO.	BID NUMBER	CONTRACT DESCRIPTION	NAME OF CONTRACTOR	TOTAL POINTS SCORED	WOMEN	YOUTH	HDI YES, NO	LOCALLY BASED MANGAUNG YES/NO	TOTAL CONTRACT PRICE	PERIOD
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There were no awarded bids for the month of August 2017

**September 2017**

The following bids were awarded in September 2017 (ABOVE R200 000)

NO	BID NUMBER	CONTRACT DESCRIPTION	NAME OF CONTRACTOR	TOTAL POINTS SCORED	WOMEN	YOUTH	HDI YES , NO	LOCALLY BASED MANGAUNG YES/NO	TOTAL CONTRACT PRICE	PERIOD
1.	MMM/BID 396:2016/2 017	Provision of Transport services for MMM	Mohale's Taxi Services  Mothebe Shuttle Services	100.00	No	Yes	Yes	Yes	Itemised prices to be funded from vote number of each procuring directorate	Two years
2.	MMM/BID 400:2016/2 017	Waaioek Urban Hub: Phase 2C Urban pocket park	Circle Way Trading 132/ t/a Makomota Stone	100.00	No	No	Yes	Yes	R5 821 088.90	6 (six) months
3.	MMM/ BID 401: 2016/2017	Waaioek: Phase 2A.1 Walkway 1 to C ( Pedestrian walkway)	Black Top Civils (Pty) Ltd	98.84	No	No	Yes	Yes	R8 258 336.90	6 (six) months

**5. AWARDED FORMAL QUOTATIONS FOR THE PERIOD OF JULY-SEPTEMBER 2017 [R30 001 – R200 000,00]**

**July 2017**

The following formal quotations were awarded in July 2017

NO.	QUOTATION NUMBER	DESCRIPTION	NAME OF CONTRACTOR	AMOUNT	TOTAL POINTS SCORED	DURATION
There were no awarded formal quotations for the month of July 2017						



The following formal quotations were awarded in August 2017

NO.	QUOTATION NUMBER	DESCRIPTION NAME OF CONTRACTOR	NAME OF CONTRACTOR	AMOUNT	TOTAL POINTS SCORED	DURATION
1.	MMM/FQ:498: 2017/2018	Supply, delivery and erection of no dumping signboards and littering signboards.	Real Moves Trading	R 198 760.00	100.00	Limited to R200 000.00
2.	MMM/FQ:499: 2017/2018	Supply and delivery of a grade coal cv of +27 to Stadium swimming pool.	Oramok (Pty) Ltd	R 199 800.00	100.00	Limited to R200 000.00

#### September 2017

The following formal quotations were awarded in September 2017

NO.	QUOTATION NUMBER	DESCRIPTION NAME OF CONTRACTOR	NAME OF CONTRACTOR	AMOUNT	TOTAL POINTS SCORED	DURATION
1.	MMM/FQ486(A): 2017/2018	Supply and delivery of two (02) shipping containers for site offices (to be converted into offices).	Oramok (Pty) Ltd	R156 000.00	100.00	Limited to R200 000.00
2.	MMM/FQ496: 2017/2018	Supply delivery of grade 'a' lucerne	Keoratile Holdings (Pty) Ltd	R199 950.00	100.00	Limited to R200 000.00
3.	MMM/ FQ503: 2017/2018	Supply and delivery of portable pressure and flow meter.	Oramok (Pty) Ltd	R57 000.00	100.00	Limited to R200 000.00
4.	MMM/ FQ504: 2017/2018	Supply and delivery of floating pumps	Oramok (Pty) Ltd	R99 000.00	100.00	Limited to R200 000.00
5.	MMM/ FQ506: 2017/2018	Supply and delivery of firefighting extension (folding) ladders.	Oramok (Pty) Ltd	R116 000.00	100.00	Limited to R200 000.00
6.	MMM/ FQ508: 2017/2018	Supply and delivery of model 2r411 cash registers.	Drive Thru Trading (Pty) Ltd	R94 741.02	100.00	Limited to R200 000.00
7.	MMM/ FQ510: 2017/2018	Supply of trucks to remove and transport goods	Meridavi Trading	R2 500.00 Price per load	100.00	Limited to R200 000.00

#### 6. DEVIATIONS FROM NORMAL SCM PROCESSES AND PROCEDURES FOR THE PERIOD OF JULY-SEPTEMBER 2017

The following are the deviations recorded during the third quarter as required by Supply Chain Management Regulations and Section 16.3.1 of Mangaung Metropolitan Municipality SCM policy:

#### July 2017

The following were the deviations recorded during the month of July 2017

NO.	NAME OF SUPPLIER	SERVICE	MONTH	VALUE (R)	DIRECTORATE	REASONS PROVIDED BY USERS
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There were no deviations from normal SCM procurement process during the month of July 2017.

#### August 2017

The following were deviations recorded during the month of August 2017

NO.	NAME OF SUPPLIER	SERVICE	MONTH	VALUE (R)	DIRECTORATE	REASONS PROVIDED BY USERS
1.	BCX (Requisition nr. 10002)	Expenditure Support/App Wizard	August	R 329 983.54	FINANCE	Single Provider for the Upgrading of Venus Financial System to Solar Financial Management System
2.	BCX (Requisition nr. 10003)	Expenditure Support/App Wizard	August	R 49 652.42	FINANCE	Single Provider for the Upgrading of Venus Financial System to Solar Financial Management System
3.	BCX (Requisition nr. 10004)	Expenditure Support/App Wizard	August	R 96 902.84	FINANCE	Single Provider for the Upgrading of Venus Financial System to Solar Financial Management System
4.	BCX (Requisition nr. 10005)	Expenditure Support/Revenue Support	August	R 267 294.39	FINANCE	Single Provider for the Upgrading of Venus Financial System to Solar Financial Management System
5.	BCX (Requisition nr. 10006)	Expenditure Support	August	R 3 571.03	FINANCE	Single Provider for the Upgrading of Venus Financial System to Solar Financial Management System

#### September 2017

The following were deviations recorded during the month of September 2017

NO.	NAME OF SUPPLIER	SERVICE	MONTH	VALUE (R)	DIRECTORATE	REASONS PROVIDED BY USERS
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There were no deviations recorded for the month of September 2017

## B. LOGISTICS MANAGEMENT

### 7. STOCK TAKING DURING THE MONTH OF JULY – SEPTEMBER 2017

#### 7.1 B: LOGISTICS MANAGEMENT

##### MONTHLY STOCK TAKING AS AT 31<sup>ST</sup> JULY 2017

STORE	STOCK VALUE
Maintenance store	R4 984 155.85
Mechanical Store	R803 507.69
Consumable Store	R1 034 421.99
Stationery Store	R534 879.87
<b>TOTAL</b>	<b>R7 320 965.40</b>

#### 7.2 MONTHLY STOCK TAKING AS AT 31<sup>ST</sup> AUGUST 2017

STORE	STOCK VALUE
Maintenance store	R5 651 185.63
Mechanical Store	R1 029 675.42
Consumable Store	R1 272 961.22
Stationery Store	R 720 776.91
<b>TOTAL</b>	<b>R8 674 599.18</b>

#### 7.3 MONTHLY STOCK TAKING AS AT 30<sup>TH</sup> SEPTEMBER 2017

STORE	STOCK VALUE
Maintenance Store	R 5 867 148.82
Mechanical Store	R 747 419.22
Consumable Store	R 941 482.39
Stationery Store	R 706 655.08
<b>TOTAL</b>	<b>R 8 262 705.51</b>

8. STORES BALANCING AT 30<sup>TH</sup> SEPTEMBER 2017

GL Vote Number	STORE NAME	GENERAL LEDGER CLOSING BALANCE	STOCK LIST CLOSING BALANCE	DIFFERENCE
9000055011030	Consumable Store	R 941 482.39	R 941 482.39	R0.00
9000055011001	General Store	R 5 867 148.82	R 5 867 148.82	R0.00
9000055011002	Mechanical Store	R 747 419.22	R 747 419.22	R0.00
9000055011008	Stationery Store	R 706 655.08	R 706 655.08	R0.00
<b>TOTAL</b>		<b>R 8 262 705.51</b>	<b>R 8 262 705.51</b>	<b>R0.00</b>

9. SUMMARY OF STOCK VARIANCE REPORT:

9.1 The following were shortages/surplus and damages noted during the month of July 2017.

NO.	ITEM NO	ITEM DESCRIPTION	QTY	UNIT PRICE	AMOUNT	REASONS	RETURN NO	RETURN DATE
There were no shortages/surplus and damages noted during this stocktaking.								

9.2 The following were shortages/surpluses and damages noted during the month of August 2017.



NO.	ITEM NO	ITEM DESCRIPTION	QTY	UNIT PRICE	AMOUNT	REASONS	RETURN NO	RETURN DATE
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There were shortages/surpluses and damages noted during this stocktaking.

9.3 The following were shortages/surpluses and damages noted during the month of September 2017.

NO.	ITEM NO	ITEM DESCRIPTION	QTY	UNIT PRICE	AMOUNT	REASONS	RETURN NO	RETURN DATE
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There were shortages/surpluses and damages noted during this stocktaking.

9.4 The following were obsolete and redundant noted during the month of July 2017.

NO.	ITEM NO	ITEM DESCRIPTION	QTY	UNIT PRICE	AMOUNT	REASONS	RETURN NO	RETURN DATE
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There were no obsolete and redundant noted during this stocktaking.

9.5 The following were obsolete and redundant noted during the month of August 2017.

NO.	ITEM NO	ITEM DESCRIPTION	QTY	UNIT PRICE	AMOUNT	REASONS	RETURN NO	RETURN DATE
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There were no obsolete and redundant noted during this stocktaking.

9.6 The following were obsolete and redundant noted during the month of September 2017.

NO.	ITEM NO	ITEM DESCRIPTION	QTY	UNIT PRICE	AMOUNT	REASONS	RETURN NO	RETURN DATE
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There were no obsolete and redundant noted during this stocktaking.

**RECOMMENDATION:**

That Council take note of the Supply Chain Management report for the third quarter ending September 2017.

**Submitted by:**



Mr M.E. Mohlahlo  
Chief Financial Officer

**Recommended by:**



Adv. T.B. Mea  
City Manager

**Approved by:**



Cllr S.M. Mlamleli  
Executive Mayor

