



SEKHUKHUNE DEVELOPMENT AGENCY

CONTRACT NO: SDA/8/3/1-02/2023/2024

**REQUEST FOR PROPOSALS ON REGULATING ACCESS,
MAXIMISING PROTECTION AND RECREATIONAL
UTILISATION OF THE DE HOOP DAM WATER RESOURCE
AND REFURBISHING OF EXISTING BUILDINGS**

CLOSING DATE: 08/05/2024

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BIDDERS NAME:

COMPANY NAME:

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INITIAL:

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Initial



SEKHUKHUNE DEVELOPMENT AGENCY

CONTRACT: SDA/8/3/1-02/2023/2024

TERMS OF REFERENCE

FOR

REQUEST FOR PROPOSALS ON REGULATING ACCESS, MAXIMISING PROTECTION AND RECREATIONAL UTILISATION OF THE DE HOOP DAM WATER RESOURCE AND REFURBISHING OF EXISTING BUILDINGS

1. INTRODUCTION

Sekhukhune Development Agency (SDA) is a municipal agency established in accordance with the requirements of the companies Act 71 of 2008 and Municipal Systems Act 117 of 2000. In addition, the agency is based on the By-law gazetted by Limpopo province in 2010.

SDA intends to issue a **Request for Proposals at 100% risk from competitive bidders/vendors** with viable proposals and sound financial capacity regulate access, maximise protection and recreational utilization of the De Hoop Dam Water Resource and refurbishing of existing buildings for a period of 36 months (03 years) from date of appointment.

Sekhukhune Development Agency (SDA) is seeking a financially sound company to present a viable proposal for regulating access, maximise protection and recreational utilization of the De Hoop Dam Water Resource and refurbishing of existing buildings.

The proposals should demonstrate the bidder's financial and administrative capacity to take over the site immediately, install security signage and access control measurers (Physical security) to curtail the ongoing vandalism, illegal activities, piracy on the dam resource and potential environmental threat of hyacinth which threatens to compromise the water quality of the dam resource.

The RFP process will serve to identify the best vendor and the best plan for accomplishing the securing of the dam resource from the current rate of vandalism and illegal activities.

1.1 De Hoop Dam Project Description

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The RFP concern De Hoop Dam water resource which was entrusted with Sekhukhune Development Agency (SDA), in its capacity as the economic development agency of Sekhukhune District Municipality.

The SDA was appointed as the implementing agent and empowered by the Memorandum of Agreement (MoA) entered between Department of Water and Sanitation (DWS) and Sekhukhune District Municipality (SDM) on the De Hoop Dam Resource Management Plan signed on 04 August 2022. For the thirty (30) year duration of the MoA the SDA shall be assigned with control and management of access and use of De Hoop Dam and surrounding state-owned land for recreational purposes and tourism including eco-tourism purposes and others.

1.1.1 The De Hoop Dam is part of the Olifants River Water Resources Development Project (ORWRDP) which encompass De Hoop Dam as a bulk storage facility to augment the current water supply around Steelpoort and Olifants rivers in Limpopo. De Hoop Dam provides a catalyst to economically supply water to towns and poorly serviced communities in the Sekhukhune area. More than 800 000 people in the area stand to benefit from the provision of water.

1.1.2 The SDA has been delegated by SDM as the Implementing Agent (IA) to carry out on its behalf the control and management of access and use of De Hoop Dam and surrounding state-owned land for recreational purposes and tourism including ecotourism purposes in terms of Section 113 of National Water Act 36 of 1998 excluding the inner security area that is earmarked for a National Key Point.

The SDA’s work at De Hoop Dam is directed by the Memorandum of Agreement (MOA) entered with Department of Water and Sanitation (DWS) and the De Hoop Dam Resource Management Plan (RMP). The RMP is a strategic plan that provides guidance on regulating access and the recreational utilisation of the dam.

It also promotes protection of users, community participation and beneficiation of the local communities and ensuring that the dam is kept in good condition without compromising its primary purpose. The dam is located under the jurisdiction of Sekhukhune District Municipality in Limpopo Province.

2. OBJECTIVES

-Provide a planning, proposal drafting, issuing of RFP and reviewing of proposals and awarding of contract for the successful bidder for regulating access, maximizing protection and recreational utilization of the De Hoop Dam Water Resource and refurbishing of existing buildings.

- Providing a fair, expedient and sustainable instrument through which the SDA will be able to solicit proposals from qualified contractors to secure the De Hoop Dam site from the current state of collapse.

- Exert the SDA’s authority as the Implementing Agent of the De Hoop Dam Resource Management Plan (RMP).

- Curtail the ongoing vandalism, illegal activities, piracy on the dam resource and potential environmental threat of hyacinth which literally compromised the water quality of many water resources such Hartebeespoort Dam.

- Provide sustainable solution for the protection of the dam resource against environmental threats such as hyacinth through establishing boat wash bay, regulating entry and revenue generation from boating activities.

- Promote protection of users, community participation and beneficiation of the local communities and ensuring that the dam is kept in good condition without compromising its primary purpose.

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3. THE RFP METHODOLOGY

3.1 Project Planning

The SDA was informed by physical inspection of facilities at De Hoop Dam in line with the Resource Management Plan Risk Assessment and the inception of operations as directed by the initial inception meeting with the Department of Water and Sanitation on 31 March 2023. The following are the finding in the planning stage:

3.1.1 Requirements

Immediate placing of a service provider for physical security, revenue collection from boating and water sport activities, establishing the boats wash bay, issuing of permits for fishing, campaign and caravan activities, risk profiling and allocation of venues for events, converting the existing houses and buildings into commercially viable assets i.e Guest houses, and enabling the services of the environmental monitoring services.

The SDA opted for Request for Proposals as a vehicle to identify, select, award and contract the bidder that has financial capacity to operate the secondary use of the dam resource from the date of appointment

3.1.2 Scope

The scope of the RFP include regulating access, maximizing protection and recreational utilization of the De Hoop Dam Water Resource and refurbishing of existing buildings.

3.1.3 Alignment with SDA's Business Strategy

The capacity to regulate access, maximizing protection and recreational utilization of the De Hoop Dam Water Resource and refurbishing of existing buildings is aligned to the SDA's business strategy as De Hoop Dam forms part of high impact economic projects.

3.1.4 Range of potential vendors

Bidders with financial capacity to establish basic operations onsite, generate income and profitably use existing illegal activities into commercially viable activities.

3.1.5 Timeline

The duration of the contract for the successful bidder is 36 months (03 years) renewable from date of appointment based on performance. This will allow the bidder to recover their cost for providing physical security, managing access, maximizing protection and recreational utilization of the De Hoop Dam Water Resource and refurbishing of existing buildings.

3.1.6 Stakeholders and review panel

The SDA will institute a review panel to comprising the Executive Management of the SDA, Director: Planning and Economic Development and representative of the Department of Water and Sanitation.

3.1.7 Scoring Criteria and review process

The SDA reserves the right to conduct due diligence and assess the financial capacity of the successful bidder ahead of the contracting process. An annual review of the successful bidder's performance will be conducted to ensure the secondary use of the dam is carried out in an environmentally safe and commercially sound manner.

3.2 Guidelines for the RFP

To achieve standardization of effective scoring of proposals the following sections should be included in the RFP:

3.2.1 Introduction

3.2.2 Company's Executive Summary

3.2.3 Background information

3.2.4 Scope of work

3.2.5 Budget

3.2.6 Project Schedule

3.2.7 Interpretation of the Resource Management Plan

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3.3 Issuing of RFP

The SDA will issue the RFP by engaging in the following activities:

ACTIVITY	DETAILS
Distribute to networks	Distributing the notice to networks (media placement, notice boards, WhatsApp groups, websites, public announcements and distribution of copies at public facilities);
Information Sharing	Coordinate responses and answer questions;
Compulsory briefing session	Prospective bidders are required to attend the compulsory briefing and tour at the dam resource
Closing date	Receive submissions

3.4 Reviewing proposals and awarding contract

The following is the process of reviewing proposals and awarding contract:

ACTIVITY	DETAILS
RFPs scored	Submissions received sort and scored in line with the qualifying criteria
Finalists selected	Selection of finalists from the pool of submissions
Interviews and reference checks	All finalists will be subjected to interviews and reference checks
Best and final offers submitted	The selected bidder will be subjected to a reviewed final offer to be submitted for contracting
Contract awarded	Finalisation of contracting aspects
Final negotiations	Finalisation of the offer
Other bidders notified	Notices issued to other bidders notifying the of the final decision

4. RFP SCOPE

4.1 Regulating Access

Proposals should detail measures and strategies on regulating access and the recreational utilisation of the dam. A revenue generation strategy that encompass services and activities such as boating, rowing, canoeing and other sporting events will be an added advantage.

4.2 Maximising Protection

An occupational safety plan and strategies to maximise the protection of users, community participation and beneficiation of the local communities and ensuring that the dam is kept in good condition without compromising its primary purpose (see 1.1.1).

4.3 Recreational Utilisation

Proposals should detail the use of dam resource and state land for recreational purposes and tourism including ecotourism purposes in terms of Section 113 of National Water Act 36 of 1998 excluding the inner security area that is earmarked for a National Key Point.

4.4 Refurbishing existing buildings

Proposals should detail rezoning of the existing buildings into profitably operating guest houses that generates profit and keep the housing structures in a functional shape. X2 housing structures should be reserved for staff housing of SDA and LEDET officials operating from the dam resource, x1 house to be converted into SDA site office and x1 information Centre to be used as conferencing venue.

5. SPECIFIC RESPONSIBILITIES DURING THE TRANSITION PHASE

Successful bidder should be present during the handover of the site from Department of Water and Sanitation, and jointly establish an asset register that would be available electronically for institutional memory. Handover report will be signed by all three parties during the handover ceremony to be coordinated before the bidder establishes a site office and begin operations.

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6. SELECTION CRITERIA

The bidder should have:

- Proven experience of project management and operating income generating projects.
- Financial capacity to set up physical security and risk management systems.
- Strong experience in developing in viable tourism products.
- Understanding of RMP (copies to be made available) to match with adequate technical, ethical and operational solutions to be detailed in the proposal.
- Strong track record in physical security; administration, managing access and business venture creation.

6.1 Selection Process

The proposal should:

- clearly establish an understanding of the services required and layout of activities according the project scope;
- describe how the company engages with current challenges at the De Hoop Dam and the best plan for accomplishing the securing of the dam resource from the current rate of vandalism and illegal activities.
- include CV of the team of (specialists in the proposed projects) assigned to the work, the timetable, and the financial proposal.

6.2 EVALUATION

In order to facilitate a transparent selection process that allows equal opportunity to all relevant companies, the SDA has a policy for the appointment of service providers (SCM) that will be adhered to. Proposals will be evaluated in terms of the prevailing supply chain policy applicable to the SDA and it should be noted that:

*The benchmark of minimum 70 points out of 100 points on technical capability will be the cut off to qualify for further evaluation.

The Criteria for Weighing of the Proposals

Competency	Points Allocation	MAXIMUM/POINTS
Financial Capacity	Bidder must demonstrate financial capacity, proof of funds or guarantees to be submitted. The following criteria will apply to demonstrate financial capacity: Bank rating A plus Audited Annual Financial Statement: (30 points) Bank rating B plus Audited Annual Financial Statement: (15 points)	30
Key expertise 2: Proven track record in ecotourism, out adventure and lodging management.	Proven track record in Ecotourism, Out Adventure and Lodging Management. Stamped and Signed Reference letters or company profiles with contactable references. Below 1 year - 0 · 1 to 5 years - 10 · 6 to 10 years - 20 · Above 10 years – 30	30
Approach and Methodology Proposal should clearly show how the service provider will achieve on the stipulated RFP Scope	<ul style="list-style-type: none">• No proposal/ proposal reflects poor understanding of the TORs and RFP Scope – 0• Proposal shows understanding of TORs and two points on the RFP Scope - 10• Proposal shows understanding of	30

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	<p>TORs and three points on the RFP Scope - 20</p> <ul style="list-style-type: none"> • Proposal shows understanding of TORs and four points on the RFP Scope - 30 <p>NB: Sufficient proof of ability to achieve as per listed RFP scope of works must be attached.</p>	
Value-adding initiatives – bidders are to include any value-adding initiatives/ recommendations in respect of achieving enhanced results in the provision of Business Development services. These are extended services that will improve the business environment for small business to flourish.	<ul style="list-style-type: none"> • No Value adding initiatives – 0 • Value adding initiatives submitted however no clear on how the small business environment will be enhanced - 5 • Value adding initiatives submitted and clear on how the small business environment will be enhanced. – 10 	10
TOTAL		100

NB Only bidders with a minimum score of 70 points will proceed to the next stage of evaluation which will be through presentations to a panel of evaluators.

7. GENERAL INFORMATION

- Only 1 service provider to be appointed.
- The RFP will be advertised for period not less than 30 days.
- Stage 1: Proposals and Stage 2 is Pricing on preferred proposals.
- A compulsory briefing session and site tour will take place on at De Hoop Dam.

The deadline for submissions is 08 May 2024, 11:00 Any questions should be sent to: **kubuziee@sekhukhune.gov.za**

All proposals should be submitted to Sekhukhune District Municipality's Supply Chain Management. Please mention "De Hoop Dam RFP 01/2024" in the subject line 'The SDA De Hoop Dam Request for Proposals.

SCM ENQUIRIES MAY BE DIRECTED TO:		TECHNICAL INFORMATION MAY BE DIRECTED TO:	
DEPARTMENT	SUPPLY CHAIN MANAGEMENT	DEPARTMENT	SEKHUKHUNE DEVELOPMENT AGENCY
CONTACT PERSON	VOSTER MASEMOLA	CONTACT PERSON	TSHIDI KUBUZIE
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