



ADDENDUM REPORT for BID EVALUATION COMMITTEE

HUMAN SETTLEMENT, ENGINEERING, and TRANSPORT ENGINEERING UNIT ARCHITECTURE DEPARTMENT

Report No.: 001

File Ref.: CSA 3080-30673 ZE

09 December 2024

Contract No: CSA 3080-30673 ZE
Contract Title: NEW CHILLER INSTALLATION AT DURBAN FRESH PRODUCE MARKET

PURPOSE OF REPORT

The purpose of this report is to provide sufficient information in response to the Decisions and Remarks made by the Bid Evaluation Committee for contract CSA 3080-30673 ZE: NEW CHILLER INSTALLATION AT DURBAN FRESH PRODUCE MARKET.

PRIOR BID EVALUATION COMMITTEE DECISIONS

The above-mentioned contract was tabled at the Bid Evaluation Committee (BEC) on the 21/11/2024, whereby the committee raised concern in relation to the advert period being less than thirty (30) days for the contract and that SCM policy stipulates that all public invitation for competitive bids with an estimated value of more than R10 million be advertised for a minimum of thirty (30) days. The decision circular is attached as Annexure A.

CONTRACT DESCRIPTION

CSA 3080-30673 ZE is a task order that utilised framework contract CSA 3080: 36-Months Framework Contract for the Supply, Installation, Servicing, Repair and Maintenance of Air-Conditioning and Refrigeration Equipment for eThekweni Municipality. Framework Contract CSA 3080 contains a total of 14 Service Providers (SPs) who were only evaluated based on functionality for inclusion into the framework. As-and-when work becomes available, task orders shall be issued to Service Providers to price, and appointments made based on the most competitive pricing for works.

RESPONSE TO BEC REMARKS

1. INVITATIONS

Contractors on the panel are invited to bid based on their CIDB in relation to the estimated contractor value. Section 22 of the SCM policy, which governs public invitations for bids, does not apply for CSA 3080 task awards since the process is limited to the framework panel Service Providers and not publicly advertised. The invitation is limited to pre-approved service providers within the framework panel.

Further, all invited service providers did submit a bid; therefore, no service provider was unduly disadvantaged by the decision of the line department to shorten the bid period. The decision to reduce the bidding period was driven by the urgency to fast-track the project and deliver services more efficiently. This approach did not prejudice any service provider, as all provided their bids.

RECOMMENDATION

- a) That the most responsive tender received in respect of enquiry CSA 3080-30673 ZE: "NEW CHILLER INSTALLATION AT DURBAN FRESH PRODUCE MARKET ", that of SIAN INVESTMENTS (PTY) LTD, be accepted for the contract sum of R 28,982,760.00 (incl. VAT) in terms of that firm's tender dated 24/09/2024.
- b) That subject to the approval of the above:
- an amount of R 2,898,276.00 (incl. VAT), be authorised to cover Contractual Contingencies.
 - an amount of R 2,217,200.00 (incl. VAT), be authorised to cover Design and Supervision Fees.
- c) That the following amounts be recorded as being required for this contract:
- CONTRACT AUTHORITY : R 31,881,036.00 (incl. VAT)
 - RELATED COSTS : R 2,217,200.00 (incl. VAT)
 - PROJECT AUTHORITY : R 34,098,236.00 (incl. VAT)

SIGNATURES

Signature: 
Name: N. Mbatha Date: 9/12/2024
Acting SENIOR MANAGER: ARCHITECTURE (MBS)

Signature: 
Name: A. Shazi Date: 09/12/2024
DEPUTY HEAD: ARCHITECTURE

Signature: 
Name: Z. Sithole Date: 10/12/2024
DEPUTY HEAD: POLICY AND SUPPORT SERVICES

Enquiries:

Name: Nhlanhla Mbatha

031 311 7466

ANNEXURE A

7.	CSA-3218	(WARD 70) SUPPLY, DELIVER, INSTALL AND COMMISSION 100KVA DIESEL GENERATOR, 20KVA UNINTERRUPTIBLE POWER SUPPLY (UPS), AND ASSOCIATED ELECTRICAL INSTALLATION RETICULATION AT CHATSWORTH CASH OFFICE, 16 MAIN STREET, CHATSWORTH, UNIT 5	NOT APPROVED	The contract advertising period is less than 14 days and contravenes S22(2)(b)(i) of the SCM Policy.
8.	CSA 3080_30673 ZE	NEW CHILLER INSTALLATION AT DURBAN FRESH PRODUCE MARKET	DEFERRED	The advertising period is less than 30 days. Line to confirm if the shortened advertising period in the Framework panel was pre-approved at BAC.
9.	5E-24587	THE CONSTRUCTION OF MV/LV ELECTRICAL NETWORKS FOR MV/LV OPERATIONS DURING A THIRTY-SIX MONTHS PERIOD	DEFERRED	Line to indicate in the addendum how issues which were raised by the committee previously, have been attended to. With only one bidder being recommended, line to demonstrate how the rates that have been submitted would not be misused to collude.
10.	5E-24584	THE CONSTRUCTION OF MV/LV ELECTRICAL NETWORKS FOR MV/LV OPERATIONS DURING A THIRTY-SIX-MONTH PERIOD	DEFERRED	Zaca Jobe and Imbumba AFS's are not audited. Bidders to confirm that they are not required by law to submit unaudited AFS. Hlonofatso and Mzingezwa submitted only 2 set of AFS.

**GRAN DICHABE (ACTING CHAIRPERSON)
BID EVALUATION COMMITTEE**