



File No.:5/6/2

SUBMISSION TO CHIEF EXECUTIVE OFFICER

1. SUBJECT

Deviation for the procurement of polymeric coagulants

2. PURPOSE

To request the accounting officer to approve the deviation from the normal procurement process of polymeric coagulants for the period of nine (9) months from 1st of October 2025 until the 30th of June 2026 for the water treatment plants.

3. BACKGROUND

The coagulant tender RFB/123/2018, which was for the supply of polymer to Magalies Water treatment plants, expired on 19th of August 2023 and extension was sought and approved up until 31 March 2025.

Magalies Water went out on tender for polymeric coagulants in 2023. However, the tender was cancelled due to a few material issues and a retender was issued in July 2024. The tender process was envisaged to be completed by March 2025, however delays in concluding this process led to the contract not being extended and MW being placed in a predicament where the procurement of polymers is currently non-compliant with procurement rules and regulations.

The table below illustrates the process from 2018 to date.

DATE	ITEM	REASON
2018-2019	Tender for polymers for all MW plants	End of contract
2022	New tender for alternative polymers	Due to the exorbitant polymer prices due to the covid pandemic, MW had to look for alternative, more cost-effective polymers
2023	New tender for polymers for all MW plants	End of contract for Tender awarded in F1819
2024	Tender cancelled	There were errors when evaluating the tender
2024	Re-tender issued	The F23 tender was cancelled

2024	Contract extended until March 2025	The tender process delayed.
2025	Contracts elapsed	Late submission for contract extension
2025	Tender was cancelled	Conflict of interest between manufacturer and supplier

Table 1: Timelines

4. DISCUSSION

The coagulant tender RFB/123/2018 for the supply of polymeric coagulants to the Magalies Water plants is currently under evaluation, however all the contracts with the current suppliers have expired. The procurement of polymers is a long and tedious process which involves laboratory trials followed by plant trials and this can take up to a year to conclude. The polymers used are specific to each raw water source which makes procurement outside a contract or via RFQs very difficult. Finding an alternative polymer or a polymer that will treat the water effectively will require jar tests and plant trials, a process that mirrors the tender process in both complexity and duration.

There needs to be a balance between the time-consuming nature of awarding polymer tenders and ensuring that the plants are kept operational during this process. It is therefore proposed that in the interest of time, fairness and practicality, MW offers the current suppliers the chance to continue supplying polymers for another nine (9) months. Magalies Water will enter into a service level agreement with the relevant service providers on a month-to-month basis, not exceeding nine months, with a 30-day notice period for termination.

The reason for the 9 months' timeframe is illustrated in Table 2 below. The lapsed coagulant contracts already include optimized coagulants that have been tested and found to work to meet water quality requirements. This will give us sufficient time to re-tender the polymers and award.

The timelines for completion of the tender process are outlined below:

ACTION/TASK	DURATION	COMPLETION DATE
Specifications approval by BSC	1 week	17 October 2025
Tender advert	2 weeks	3 November 2025
Suppliers jar testing and reports	4 weeks	1 December 2025
BEC checking mandatory requirements and polymer cataloguing	2weeks	15 December 2025
Functionality Evaluation	2 weeks	19 January 2026
Jar testing and report	3 weeks	9 February 2026
BEC to finalize jar test report using polymer costing	2 days	13 February 2026
Internal Audit report	1 week	23 February 2026
BAC to approve Jar test report and recommendations	5 days	27 February 2026
Letters to be sent to suppliers for plant trials	2 days	4 March 2026
Procurement of trial polymers	3 weeks	9 March 2026

Plant trials - polymer 1	5 weeks	13 April 2026
Plant trials - polymer 2	5 weeks	20 May 2026
Plant trials - polymer 3	5 weeks	29 June 2026
Final plant trial report	5 days	6 July 2026
BAC to approve plant trial report and recommendations	5 days	13 July 2026
Award letters to be sent to successful bidders	3 days	17 July 2026
Total	36weeks/9 months	

Table 2: *Tender Timelines*

5. ORGANISATION / HUMAN RESOURCE IMPLICATIONS

This deviation from the procurement process will ensure that Magalies Water continues to meet the SANS 241 Drinking Water Quality Standards.

6. FINANCIAL IMPLICATIONS

The continuation with the current suppliers of polymers to the different sites ensures that there is no additional financial burden or risk on Magalies Water since the procurement of polymer has already been budgeted for under the operational expenses and considers both the dosages and prices at the respective plants.

Current Supplier	Polymer Supplied	Usage in kg	Polymer Price in R/kg	Budget for 9 months
Rheochem	Cullinan	50121	20.20	R 1 012 444
Ifalethu	Wallmannsthal	22042	24.15	R 532 314
Ifalethu	Klipdrift	448542	24.15	R 10 832 289
Rheochem	Vaalkop	1062617	20.92	R 22 229 948
Total				R 34 606 995

7. LEGAL IMPLICATIONS

This deviation is submitted in line with Section 217 of the Constitution, Treasury Regulation 16A6.4, and Magalies Water's SCM Policy provisions on deviations. Legal Services will be consulted to ensure that all contracts entered under this deviation are compliant and enforceable.

8. COMMUNICATION IMPLICATIONS

The approval of the deviation submission will be communicated to the relevant stakeholders accordingly.

9. OPTIONS/RISK

Table 3 below shows the different options, and the associated risks involved.

PROPOSAL	ADVANTAGES	DISADVANTAGES/RISK
MW source polymers directly from the polymer manufacturers until the current tender is concluded	1. The plants are familiar with which polymers work and there isn't a need to run any plant trials. 2. MW has direct access to the manufacturer for any water quality polymer related issues.	1. It can be considered unfair since all the suppliers are eliminated. 2. Some manufacturers do not use suppliers so they can be considered as sole suppliers.
MW procure using the RFQ system.	1. The system allows all suppliers to participate without prejudice.	1. Request for quotations are susceptible to delays as suppliers do not always honour the tight timelines.

		2. Polymers are specific to a particular plant. Some suppliers are sole suppliers of a particular polymer and the RFQ will return only 1 quote.
MW utilizes the current suppliers	1. Budgets have been drafted and approved on the current polymers. 2. Polymers have been tried and tested	1. It does not allow new suppliers to participate, which can be considered unfair. 2. The extension of the contract must strictly adhere to legal and supply chain procedures to avoid non-compliance.

Table 3: Options and Risks

10. DELEGATION OF AUTHORITY

The decision lies with the CEO.

11. RECOMMENDATION/S

It is recommended that the CEO approves the deviation from the normal procurement process and authorizes the continuation of supply by the current polymer suppliers for a period not exceeding nine (9) months, from **1 October 2025** to **30 June 2026**, through month-to-month service level agreements with a 30-day termination clause.

This submission is made in the interest of ensuring uninterrupted water treatment operations, maintaining compliance with water quality standards, and upholding procurement integrity during the interim period.

SUBMITTED BY



2025/10/08

DATE

W.F. STRYDOM

PLANT MANAGER VAALKOP WTW

SUPPORTED BY



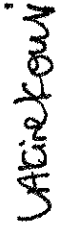
08/10/2025

DATE

S. NGCOBO

REGIONAL MANAGER WEST

SUPPORTED/NOT SUPPORTED BY



08/10/2025

DATE

V. AKINWEKOMI

GENERAL MANAGER WATER SERVICES

RECOMMENDED/NOT RECOMMENDED BY

That Legal Services review and approve all service level agreements before signature.
That Internal Audit be requested to monitor compliance with the approved deviation and report quarterly to the BAC.
That the SCM Unit ensures the new tender process is concluded within the stipulated 9-month period, with monthly progress updates submitted to the COO.
That no further extensions beyond 30 June 2025 will be considered without prior BAC and Accounting Officer approval.



S MBADAMANA
COO(Acting)

DATE

NOTED/WITHDRAWN/DEFERRED/APPROVED/NOT APPROVED



O. NTHUTANG

CHIEF EXECUTIVE OFFICER

28/10/2025
DATE



RHEOCHEM

WATER TREATMENT CHEMICALS

031 700 3700
031 700 3730
7 Hawthorne Place, Mahogany Ridge,
Pinetown, 3610
PO Box 744, Westville, 3630

25th September 2025

Magalies Water
P O Box X82327
Rustenberg
0300

Attention: Nevilen Singh

Via email: nevilens@magalieswater.co.za

Dear Sir

NINE MONTH FIXED PRICING TO VAALKOP AND CULLINAN WATER TREATMENT WORKS

We refer to the request from Magalies Water for nine month fixed pricing, and quote as follows:

PLANT	PRODUCT	LOAD SIZE	PERIOD	PRICE PER kg
Vaalkop Water Treatment Works	Rheofloc 5562XI	30 tons	1 st October 2025 to end June 2026	R20.92/kg
Cullinan Water Treatment Works	Rheofloc 5457XI	10 to 12 tons	1 st October 2025 to end June 2026	R20.20/kg

VAT at 15% is excluded from the above pricing.

Please contact me if you require further details.

Yours faithfully

Jacqui Swart
Chief Executive Officer
Rheochem (Pty) Ltd

Directors: J H Swart (Managing) | V N Mngoma | N R Msomi | V Pillay

www.rheochem.co.za



Ehlanzeni Branch

24 Van Der Merwe St.
Nelspruit 1201
P. O. Box 360
Badplaas, 1190

Gert Sibande Branch

342/2 Robertson Street
Badplaas, 1190
P. O. Box 360
Badplaas, 1190

Nkangala Branch

5 Lava Street, Benfleur x3
Emlahlani, 1049
P. O. Box 41580
Reyno Ridge, 1049

TEL: 013 752 4425 **CELL:** 082 415 6915 **Email:** info@ifa lethu technologies.com

Ref: RFB/MW/123/2017-18

25 September 2025

The Area Manager
Magalies Water
38 Heystek Street
Rustenburg

Attention: Mr. Nevilen Singh

Dear Sir

**CONFIRMATION OF EXTENSION OF VALIDITY OF PRICES FOR WALLMANSTHAL WTW
AND KLIPDRIFT WTW FOR CONTRACT NO: RFB/MW/123/2017-18**

The above subject refers.

The **Ifa Lethu Technologies cc** is currently supplying Bulk Polymeric Flocculants (ZETAFLC 2783) at Wallmansthal and Klipdrift Water Treatment Works under Contract No: RFB/MW/123/2017-18.

The Price of the Product Supplied is currently **R24,150.00** per Ton Excluding VAT. The price includes transportation and delivery of the product to the two (02) water treatment plants.

We, hereby, confirm that the above-mentioned price will remain valid for the next Nine (09) Months, starting from 01 October 2025 to 31 July 2026.

Yours Sincerely,

David M. Masuku
Ifa Lethu General Manager

Memo:
David Mgebiseni Masuku

REQUEST FOR APPROVAL FOR DEVIATION FROM NORMAL PROCUREMENT PROCESSES

FROM: PRODUCTION**DATE: 25/09/2025****DIVISION: WATER SERVICES****TEL: 014 5974636****REF NO:****For Procurement Use):****SUBJECT: Request for approval submission regarding:**

- A deviation from normal procurement procedures with respect to the procurement of polymeric coagulants for Areas East and West.

FORWARDED TO YOU FOR:

- ☒ Approval ☐ Verification
- ☐ For Your Records ☐ Information
- ☐ Action as required ☐ Reading Proof
- ☐ Other

1. PURPOSE:

To request the accounting officer to approve the deviation from the normal procurement process of polymeric coagulants for the period of nine (9) months from 1st of October 2025 until the 30th June 2026 for the water treatment plants..

2. BACKGROUND

The coagulant tender RFB/123/2018, which was for the supply of polymer to Magalies Water treatment plants, expired on 19th of August 2023 and extension was sought and approved up until 31 March 2025.

Magalies Water went out on tender for polymeric coagulants in 2023. However, the tender was cancelled due to a few material issues and a retender was issued in July

2024. The tender process was envisaged to be completed by March 2025, however delays in concluding this process led to an extension of contract until 30 September 2025. The tender was again cancelled and puts MW in a predicament whereby the procurement of polymers is non-compliant with the procurement rules and regulations preventing MW from procuring polymers unless another extension is granted.

- The value of this Deviation request?

☐ R0 – R500k ☐ R500k – R1 Million ☒ more than R1 Million

- Previous history of deviations related to this vendor:

DEVIATION NUMBER	DATE	VALUE
None		
TOTAL		

3. REASON FOR THE DEVIATION REQUEST

☐ CASE OF EMERGENCY (Lack of Planning does not constitute an emergency)

☐ SOLE PROVIDER

☐ IMPRACTICAL (strip and quote)

☒ OTHER

The coagulant tender RFB/123/2018 for the supply of polymeric coagulants to the Magalies Water plants was under evaluation, however all the contracts with the current suppliers have expired. The procurement of polymers is a long and tedious process which involves laboratory trials followed by plant trials and this can take up to a year to conclude. The polymers used are specific to each raw water source which makes procurement outside a contract or via RFQs very difficult. Finding an alternative polymer or a polymer that will treat the water effectively will require jar tests and plant trials, a process no different from the tender process and more importantly, with the same timelines.

There needs to be a balance between the time-consuming nature of awarding polymer tenders and ensuring that the plants are kept operational during this process. It is therefore proposed that in the interest of time, fairness and practicality, MW offers the current suppliers the chance to continue supplying polymers for another nine (9) months. Magalies Water will enter into a service level agreement with the relevant service providers on a month to month basis, not exceeding nine months, with a 30 day notice period for termination.

The lapsed coagulant contracts already include optimized coagulants that have been tested and found to work to meet water quality requirements. This will give us sufficient time to re-tender the polymers and award. The timelines for completion of the tender process is outlined below:

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Total	36 weeks/9 months	

Table 2: Tender Timelines

4. FINANCIAL IMPLICATIONS

The table below shows the financial impact of the procurement of polymers for the next 9 months.

Current Supplier	Polymer Supplied	Usage in kg	Polymer Price in R/kg	Budget for 9 months
Rheochem	Cullinan	50121	20.20	R 1 012 444
Ifalethu	Wallmannsthal	22042	24.15	R 532 314
Ifalethu	Klipdrift	448542	24.15	R 10 832 289
Rheochem	Vaalkop	1062617	20.92	R 22 229 948
Total				R 34 606 995

4.4 OPTIONS/RISKS

The risk of not extending the contracts with the current suppliers will lead to the shutdown of production at the plants due to the lack of polymer. Polymers are plant (raw water) specific and therefore cannot be procured via the RFQ process.

5. LEGAL IMPLICATIONS

5.1 Deviation from normal procurement procedures

Section 16.A6.4 of the Treasury Regulations issued in terms of Public Finance

Management Act, 1999 state that "If in a specific case it is impractical to invite

competitive bids, the accounting officer or accounting authority may procure the required goods or services by other means, provided that the reasons for deviating from inviting competitive bids must be recorded and approved by the accounting officer or accounting authority". The deviation must be recorded and approved by the accounting officer in accordance with the requirements outlined in the above Treasury Regulations.

6. IMPLEMENTATION PLAN / DELIVERABLES

Once the submission is approved, normal procurement processes will follow to procure polymers for the respective plants. During the extension period, MW will finalise the polymer tender.

7. CONTACT PERSON

V Akinwekomi

GM: Water Services

8. ACCOMPANYING / SUPPORTING DOCUMENTS

None

9. RECOMMENDATIONS:

It is recommended that the accounting officer approves the deviation from the normal procurement process of polymeric coagulants for the period of nine (9) months from 1st of October 2025 until the 30th June 2026 for the water treatment plants.

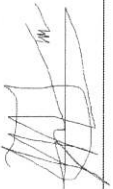
SUBMITTED BY:WF Strydom
Plant Manager Vaalkop WTW08 October 2025

DATE

SUPPORTED/NOT SUPPORTED:**GM: WATER SERVICES****NAME: Vhangwele Akinwekomi****SIGNATURE: V Akinwekomi** **DATE: 08/10/2025**

10. RECOMMENDATION STATUS

Effective date will be the date of approval by the accounting officer, not 1 October 2025

	NAME	SIGNATURE	DATE
SUPPORTED BY BAC MEMBER	Tsholofelo Mentoro		09/10/2025t
SUPPORTED BY BAC MEMBER	Teleni Ntabeni		09/10/2025
SUPPORTED BY BAC MEMBER	Tshiamo Mpane		09/10/2025
SUPPORTED BY BAC MEMBER	Matshidiso Tabane		09/10/2025
SUPPORTED BY BAC MEMBER			

11. APPROVAL STATUS

	NAME	SIGNATURE	DATE
APPROVED: CHIEF EXECUTIVE	Ofentse Nthutang		28/10/2025



TO: MR O. Nthutang

SUBJECT: REQUEST FOR CLARITY POLYMER TENDER

DATE: 16th OCTOBER 2025

Dear Mr Nthutang

BAC acknowledge receipts of your questions dated 06 October 2025.

1. How does extending a contract constitute as a deviation? Is this not unlawful act that contravenes section 217 of the constitution for competitive bidding
2. Why was there no consideration for considering selective tendering process of NSF-certified manufacturers of work treatment chemicals in South Africa, inviting them for a shorter period competitive bidding process that is transparent and align with section 2A of the constitution of SA.
3. Why extent for only three (3) service providers, are there no other service provider
4. Is this contract extending a deviation or variation order from previously appointed service provider

Bid Adjudication Committee response as follows:

A.1 Magalies Water currently does not have an existing contract; the contract has lapsed on the 19th of August 2023. Magalies Water went out on tender for polymeric coagulants, and it was cancelled due to a few material issues. Therefore, the Bid Adjudication Committee would like to deviate from the normal procurement process for a period not exceeding of nine (9) months to finalise the tender process. The current suppliers were approached on the basis that their product were tested satisfactorily. There could be other suppliers in the market who may officer the chemical that may be suit our needs, however it may take time to test the product before implementation.

A.2 A comprehensive tender process is already underway in which products will be sourced based on their cost effectiveness and ability to remove turbidity to the required standard. A plant trial is part of this process during which the top three products are each tested on the plant for five (5) weeks and then the performing product in terms of cost and water quality is recommended. A selective tender process for a shorter period would have undergo the same process as describes above to obtain the correct product. This process is time consuming and would take approximately five (5) months before a product is recommended. Since all the plants already have tried and tested products in use, it was requested to continue using these until the tender process is concluded.

A.3 The reason for extending for the same three (3) service providers is because they were appointed on the previous contract and currently supplying the products which

have been in use for a long period of time and have worked well to treat the raw water at the respective plants. Once the tender process is concluded, new service level agreements will be entered into with the service providers whose products performed the best during the evaluation process.

- A.4 Magalies Water cannot have a variation order; the contract has already lapsed. Therefore, bid adjudication committee (BAC) would like to request the accounting officer to approve the deviation.

5. APPROVED BY:

	NAME	SIGNATURE	DATE
Supported by: BAC Member	Tsholofelo Mentoro		22/10/2025
Recommended by: BAC Member	Vhangwele Akinwekomi		
Recommended by: BAC Member	Tshiamo Mpane		2025/10/22
Recommended by: BAC Member	Teleni Ntabeni		22/10/2025
Recommended by: BAC Member	Kelebogile F Mogamisi		

SUPPORTED/ DEFERRED/WITHDRAWN/APPROVED


Matshidiso Tabane
BAC CHAIRPERSON

22/10/2025
DATE