

ANNEXURE TO ITEM C 06/03/15

SUPPLY CHAIN MANAGEMENT DEVIATIONS TO THE SCM REGULATIONS & SCM POLICY REPORT FOR THE PERIOD: 01 JANUARY 2015 - 31 JANUARY 2015												
No.	CM Ref. No.	CMO Reg. No.	Category	Description	Justification	Value	Supplier	Contract No.	Start Date	End Date	Comments	
1	CM 09/12/14; SCMB 80/12/14	CM 33706	Utility Services	SCMB 80/12/14: Request for deviation and/or condonation: Supply and installation of line capacitors for the variable frequency drives (VFD's) installed at the Voëlvlei Water Treatment Plant's (WTP) Low Lift Pump Station (LLPS)	To obtain approval in terms of clause 308 of the Supply Chain Management Policy sub-clause 308.2 and 308.5, for the deviation from the official procurement processes to allow for the appointment of a service provider to deliver the required services/goods. The costs to be incurred fall within the Utility Services/Water and Sanitation budget to implement the supply and installation of line capacitors for the Variable Frequency Drives (VFDs) installed at the Voëlvlei Water Treatment Plant's (WTP) Low Lift Pump Station (LLPS)	R325 014.00 (excl. VAT)	Sole Provider	Craig Daniels	24/12/2014		That the recommendation as made by the SCMBAC for a deviation in terms of Section 308.2 of the CoCT SCM Policy to dispense with the official procurement process due to it being a sole provider making it impossible to follow a public tender process and to appoint (a) appoint MJS Electronics (Pty) Ltd /a M & M Electronics for the supply and installation of line capacitors for the Variable Frequency Drives installed at the Voëlvlei Water Treatment plant's (WTP) Low lift pump station (LLPS) BE APPROVED in the amount of R325 014.00 (excl. VAT).	The Voëlvlei WTP has suffered the loss of 4 out of 5 Variable Frequency Drives (VFD) installed at the Voëlvlei Water treatment Plant's (WTP) Low Pump Station (LLP). The reason for this is due to vandalism at one of the nearby Metrolair substations. As a result of this and other acts of vandals, the Eskom distribution system has been subject to voltage fluctuations on the 66 000V overhead distribution line feeding the Voëlvlei WTP intake pumps to be operational at any given time. These pumps are in operation on a 24 hour basis and any delays in carrying out repairs have significant impact on the ability to meet the water demand of the City. Taking into account the summer season when water consumption dramatically increases, the exceptional circumstances necessitate the urgent repairs to be undertaken. It is impractical and impossible to follow the procurement process, as the service provider is the sole provider, currently the only certified partner to supply the services and maintenance on the equipment required.
2	CM 06/01/15; SCMB 29/01/15	CM 03922	Utility Services	SCMB 29/01/15: Request for deviation and/or condonation: Tender No. 1385/2011/12: Medium Voltage Switchgear Maintenance, on the job training and assessment, writing voltage manuals and task list for the City of Cape Town's electricity area of Supply	To obtain approval in terms of clause 308 of the Supply Chain Management Policy sub-clause 3 for deviation from the official procurement processes. The costs to be incurred fall within the Electricity Services budget to implement Tender 1385/2011/12: Medium Voltage Switchgear Maintenance. On the job training and assessment, writing of Maintenance Manuals and Task Lists for the City of Cape Town's electricity area of supply.	At same rates as per tender 1385/2011/12	Exceptional Circumstances	Coelze van Heerden	16/01/2015		That the recommendation as made by the SCMBAC for a deviation in terms Section 308.5 of the CoCT SCM Policy to dispense with the official procurement process due to it being impossible to follow a public tender process, and to appoint De Kock and Cronje CC for medium voltage switchgear maintenance, on the job training and assessment, writing voltage manuals and task list for the City of Cape Town's Electricity Area of Supply, BE APPROVED at the same rates, terms and conditions under Tender no. 1385/2011/12, on a month to month basis until the new tender is implemented, not exceeding 6 months, whichever occurs first	The recommendation to dispense with the official procurement process is based on an exceptional circumstance as a new tender process was followed and a new tender is currently being evaluated. Provision is to be made for an appeal period once awarded by the SCMBAC. The relevant ED has been requested that in future where possible timely renewal of tenders be undertaken.
3	CM 08/01/15; SCMB 48/01/15	CM 33959	Corporate Services: Transport for Cape Town and Safety & Security	SCMB 48/01/15: request for deviation and/or condonation: Payment of ERP-SAP Software Licences: Annual Maintenance Fees	To obtain approval in terms of clause 308.2 of the Supply Chain Management Policy, to deviate from the official procurement processes to enact payment to SAP South Africa as the sole service provider for the annual SAP software maintenance. The costs to be incurred fall within the Corporate Services, Transport for Cape Town and Safety & Security Directorate budgets	R37 061 419.00 (Excl. VAT)	Sole Provider	Rudy Abrahams	22/01/2015		As recommended by the SCMBAC the request for a deviation and condonation in terms of Section 308.2 & 310 of the CoCT SCM Policy BE APPROVED as follows: (a) condone the appointment of SAP Africa (Pty) Ltd for the licensing of the SAP products within the City of Cape Town from 01 January 2015 until date of approval by the City Manager; (b) appoint SAP Africa (Pty) Ltd for the licensing of the SAP products within the City of Cape Town from date of approval by the City Manager until 31 December 2015 in the amount of R37 061 419.00 (excl. VAT).	The City of Cape Town business information systems strategy is founded in the SAP-ERP system. This system and business process was selected in 2001 after following a competitive procurement process. The City has invested in an array of additional SAP modules and the SAP system is now regarded as a "mission critical service" within the City. A number of new and additional SAP modules have been purchased following the approved procurement process. These include SAP Productivity Pack, Mobile Asset Management the Business Objects suite of reporting tools, SAP Advance Meter Reading and RECENTLY THE Transport Solution as well as the Safety and Security Solution. The exceptional circumstances is that it is impossible and impractical to obtain the services through any other procurement process due to SAP South Africa (Pty) Ltd being the sole provider of SAP software in South Africa.

4	CM 09/01/15; SCMB 49/01/15	CM 33960	Utility Services	SCMB 49/01/15 - Request for deviation: Supply of Masterkey Software and Associated Services for the capture and validation of Electrical Infrastructure Data for upload to SAP and other systems	To obtain approval in terms of clause 308 of the Supply Chain Management Policy, sub-clause 2 of the deviation from the official procurement processes. The costs to be incurred fall within the Electricity Services Department budget to implement the Supply of Masterkey Software and Associated Services for the capture and validation of Infrastructure Data for upload to SAP and/or other systems	It is recommended that: a) the official procurement process established and adopted BE DISPENSED with in terms of clause 308 of the Supply Chain Management Policy, sub-clause 2; b) Symety Software Solutions CC BE APPOINTED to supply Software and Associated Services for the capture and validation of Infrastructure Data for upload to SAP and/or other systems in the amount of R80 000.00 per month (Excl. VAT) for the period 1 December 2014 to 30 June 2017; c) in the source code of the Masterkey software (as updated from time to time) BE SUPPLIED to the City at no cost and this arrangement be included in the Agreement between Symety Software Solutions and the City.	R80 000.00 (Excl. VAT)	Sole Provider	Siyabulele Gqwede	22/01/2015	As recommended by the SCMBAC the request for a deviation in terms of Section 308.2 of the CoCT SCM Policy for the appointment of Symety Software Solutions CC to supply Software and Associated Services for the capture and validation of Infrastructure Data for upload to SAP and/or other systems BE APPROVED in the amount of R80 000.00 (excl. VAT) per month from date of approval by the City Manager until 30 June 2017.	The City of Cape Town business information systems strategy is founded in the SAP-ERP system. This system and business process was selected in 2001 after following a competitive procurement process. The City has invested in an array of additional SAP modules and the SAP system is now regarded as a "mission critical service" within the City. The Electricity Distribution Department commenced a project approximately 5 years ago to restructure and update their infrastructure data on SAP. The project was underpinned by the deployment of Masterkey, a master data management tool compatible and to support SAP EAM. The appointment for this support and development service after following the procurement process was approved by the SCMBAC in May 2010. It is now necessary to conclude a new appointment for support as well as continued development of required functionality. The exceptional circumstances is that it is impossible and impractical to obtain the services through any other procurement process as the provider of the Masterkey software is Symety Software Solutions CC who is the sole provider of the software and the maintenance service.
5	CM 10/01/15; SCMB 50/01/15	CM 33961	OCM	SCMB 50/01/15 - Request for deviation and/or cancellation: Tender No. 146C/2011/12: Provision of a Service Provider for Training related to Project Management: Re-Appointment of Service Providers	To obtain approval in terms of clause 308 of the Supply Chain Management Policy sub-clause 5.2 for deviation from the official procurement for the re-appointment of service providers to deliver the required services. The costs to be incurred fall within the Office of the City Manager: Strategy and Operations Department budget to implement the training related to project management	It is recommended that: a) the official procurement process established and adopted BE DISPENSED with in terms of clause 308 of the Supply Chain Management Policy, sub-clause 5.2; b) BCA Training (Pty) Ltd, Effective Human Interventions CC and CFG Projects CC t/a van Zyl & Associates in respect of contract 146C/2011/2012: Provision of a Service Provider: Training related to Contract Management BE APPOINTED to render the training service as per the rates below (exclusive of VAT) for the period 01 January 2015 until 30 June 2015	As per schedule of rates included in the original report	Exceptional Circumstances	Christy de Wit	22/01/2015	As recommended by the SCMBAC the request for a deviation and cancellation in terms of Section 308.5 & 318 of the CoCT SCM Policy BE APPROVED as follows: (a) to cancel the appointment of BCA Training (Pty) Ltd, Effective Human Interventions CC and CFG Projects CC t/a Van Zyl and Associates for the Provision of a service provider: Training related to conduct Management of the same terms and conditions under Tender 146C/2011/12 from 01 January 2015 until date of approval by the City Manager; (b) appoint BCA Training (Pty) Ltd, Effective Human Interventions CC and CFG Projects CC t/a Van Zyl and Associates for the Provision of a service provider: Training related to conduct Management of the same terms and conditions under Tender 146C/2011/12 from date of approval by the City Manager until 30 June 2015, as per the schedule of tariffs included in the original report.	Following a procurement process the SCMBAC awarded a tender to the three service providers in 2012 for a period until 30 June 2014. A new tender was advertised but no responsive tender was received and the process has to be cancelled and redone. In the interim until a new tender is in place the demand for training continues and to wait another six months before a new service provider to be appointed will negatively affect the capacity of project managers and administrators especially those that are starting careers with the City to implement projects and advise contracts. The exceptional circumstances is that it is impossible and impractical to obtain the services through any other procurement process for a service urgently required and confirmation has been obtained from the previous three service providers that if accepted their rates per course will remain fixed as per the quote.
6	CM 03/01/15; SCMB 26/01/15	CM 33928	Utility Services	SCMB 26/01/15 - Request for deviation and cancellation: Hire of tall compactors - RFQ's W0531300724, W0531300725 and W0531300726	To obtain in terms of clause 308 of the Supply Chain Management Policy - Sub-Clause 5.2 for deviation from the official procurement processes and for cancellation in terms of clause 310 of the policy for the appointment of a service provider to deliver the required services. The costs to be incurred fall within the Utility Services, Water and Sanitation budget to hire plant and equipment	It is recommended that: a) the official procurement process established and adopted BE DISPENSED with in terms of clause 308 of the Supply Chain Management Policy, sub-clause 5.2; b) the appointment of Bright Idea project 1150CC to R and A Projects for the hire of tall compactors per RFQ W0531300724, W0531300725 and W0531300726 (totaling R113 400.00 (Excl. VAT) BE CONCLUDED in terms of clause 318 of the Supply Chain Management Policy.	R113 400.00 (Excl. VAT)	Exceptional Circumstances	Julian Radkin	19/01/2015	As recommended by the SCMBAC the request for a deviation and cancellation in terms of Section 308.2 & 318 of the CoCT SCM Policy to cancel the appointment of Bright Idea Project 1150 CC t/a R and A Projects for the hire of tall compactors per RFQ W0531300724, W0531300725 & W0531300726 BE APPROVED in the amount of R113 400.00 (excl. VAT).	Three compactors were hired through a RFQ process due to the repairs and maintenance being done on its own compactors. The exceptional circumstance were that it was not anticipated by the depot staff that the hiring cost would exceed the limit of R 200 000 as the segregation of duties resulted in the budget being exceeded.
7	CM 02/01/15; SCMB 25/01/15	CM 33919	TCT	SCMB 25/01/15 - Request for deviation: Construction of Saxe-downs Road from Haleria Crescent to Battery Road and Duvelling of Amandel Road from Sandalwood to Battery Road: Financial Contribution to Developer	To obtain in terms of clause 308 of the Supply Chain Management Policy, sub-clause 5, for deviation from the official procurement processes. The costs to be incurred fall within Transport for Cape Town's (TCT) Capital budget to undertake road projects in the Battery Area as well as Saxe-downs Roads	It is recommended that: a) the official procurement process established and adopted BE DISPENSED with in terms of clauses 308 of the Supply Chain Management Policy, sub-clause 308.5; b) Amphoria (Pty) Ltd BE APPOINTED to undertake the City of Cape Town's portion of the Construction of Saxe-downs Road from Haleria Crescent to Battery Road and Duvelling of Amandel Road from Sandalwood to Battery Road in the amount of R18 554 486 (Excl. VAT)	R18 554 486 (Excl. VAT)	Exceptional Circumstances	Wyndan Buhr	19/01/2015	As recommended by the SCMBAC the request for a deviation in terms of the Section 308.5 of the CoCT SCM Policy to appoint Amphoria (Pty) Ltd to undertake the City of Cape Town's portion of the Construction of Saxe-downs Road from Haleria Crescent to Battery Road and duvelling of Amandel Road from Sandalwood to Battery Road BE APPROVED in the amount of R18 554 486 (incl. VAT).	In terms of the development conditions relating to the Hazardous Phase 1 development in Kuls River certain road improvements are to be implemented. The Traffic Impact Assessment revealed that there is a historic underlying capacity problem for which the City must take responsibility. Following negotiations between the City and the developer it was agreed for practical reasons that the developer through their appointed contractor be responsible for the construction work to avoid the inevitable contractual conflicts and to avoid the disruption to users if the work was carried out by two contractors at different times. The exceptional circumstances are that it is impractical or impossible to follow any other official procurement process and to proceed with the tender awarded by Amphoria (Pty) Ltd and pay them the City share of the work to be undertaken on our behalf.

8	CM 01/01/15; SCMB 24/01/15	CM 33918	Utility Services	SCMB 24/01/15 - Request for deviation and condonation. Deviation from the procurement process - emergency repairs and supply of 11kV substation equipment to a vandalised building substation	To obtain approval in terms of clauses 308 and 310 of the Supply Chain Management Policy sub-clause 308.1 and 308.2 for deviation from the official procurement processes and for condonation in terms of clause 310 of the policy for the appointment of a single service provider to deliver the required services and goods. The costs to be incurred fall within the Utility Services, Electricity Services, budget to implement the repair at Cimbar Substation.	It is recommended that: a) the official procurement process established and adopted BE DISPENSED with in terms of clause 308 of the Supply Chain Management Policy, sub-clause 308.1 and 308.2 b) the appointment of ABB South Africa (Pty) Ltd to render the service/supply the goods for the Repair of Cimbar Substation in the amount of R329 987,50 (Excl. VAT) for the period 12-11-2014 BE CONDONED in terms of clause 310 of the Supply Chain Management Policy	R329 987,50 (Excl. VAT)	State Provider	Ashley Ware-Lane	19/01/2015	As recommended by the SCMBAC the request for a deviation & condonation in terms of Section 308.2 & 310 of the CoCT SCM Policy to condone the appointment of ABB South Africa (Pty) Ltd to effect emergency repairs and the supply of 11kV substation equipment on the Cimbar Substation BE APPROVED in the amount of R329 987,50 (excl. VAT).	The 11 kV Substation was vandalised by unknown persons who disabled the alarm system, switched circuit breakers off, stole copper busbars and damaged equipment. They also destroyed the SCADA system and set off two fire extinguishers inside the substation. An insurance claim was processed and the equipment and service required are only available from the original SCADA provider. The exceptional circumstance is that the service provider does not have a current tender and based on a RFO it is necessary to obtain the services as deviation as provided in the SCM Policy.
9	CM 05/01/15; SCMB 28/01/15	CM 33921	Utility Services	SCMB 28/01/15 - Request for deviation: Removal, Transportation and Disposal of Dewatered Sludge from various wastewater treatment works - Potsdam Wastewater Treatment Works	To obtain approval in terms of clause 308 sub-clause 308.5 of the Supply Chain Management Policy for deviation from the official procurement processes. The costs to be incurred fall within the Water and Sanitation budget to implement the REMOVAL, TRANSPORTATION AND DISPOSAL OF DEWATERED SLUDGE FROM VARIOUS WASTEWATER TREATMENT WORKS	It is recommended that: a) the official procurement process established and adapted BE DISPENSED with in terms of clause 308 of the Supply Chain Management Policy, sub-clause 5 b) EnviroServ Waste Management (Pty) Ltd BE APPOINTED to provide the service of Potsdam Wastewater Treatment Works from commencement of this contract on the same terms and conditions as per contract 3415/2012/13: Removal, Transportation, and Disposal of Dewatered Sludge from various Wastewater Treatment works until 30 June 2016.	Cost/container load in (m³) for removal and transport (excl. VAT) = R719,46. Cost/container load for beneficial = R719,00	Exceptional Circumstances	Nema sabisa Tsawe	19/01/2015	That the recommendation as made by the SCMBAC for a deviation in terms Section 308.5 of the CoCT SCM Policy to dispense with the official procurement process due to it being impossible to follow a public tender process, and to appoint EnviroServ Waste Management (Pty) Ltd for the removal, transportation and disposal of secondary or digested primary sludge with beneficial utilization of Potsdam Wastewater Treatment Works (work omitted in Part 3 and 4 of the tender document) BE APPROVED on the same terms and conditions under Tender no. 3415/2012/13 from date of approval by the City Manager until 30 June 2016, as follows: Description Rates (excl. VAT) Cost per container load (10m3) for removal and transport only R719,46 Cost per container load (10m3) for beneficial utilisation and disposal R719,00	The recommendation to dispense with the official procurement process is based on an exceptional circumstance as a tender was awarded in September 2013 and the contract is still void. The required rates were submitted in the tender process but were not accepted as it did not form part of the pricing schedule. The current tariff is too costly hence a request for a deviation to approve the additional rate to provide for the raw primary sludge of the landfill and the secondary sludge on the farmlands.
10	SCM 640	CM 33749	TCT	SCM 640 - Request for increase in contract period: Contract 4745/2010/2011: Provision of Communications Services to the Integrated Rapid Transit Initiative	To obtain approval in terms of clause 264 of the Supply Chain Management Policy for increase in contract period. The costs to be incurred fall within the Transport for Cape Town budget to give effect to the ICT by-law, National Land Transport Act (Act 5 of 2009) and meet the obligations in terms of grant funding received from the National Department of transport	It is recommended that for the reasons set out in the report, and in accordance with clause 264 of the Supply Chain Management Policy, the contract period in respect of contract 4745/2010/2011 PROVISION OF COMMUNICATION SERVICES TO THE INTEGRATED RAPID TRANSIT INITIATIVE awarded to the HWB Consortium 1/a HWB Communications (Pty) Ltd BE INCREASED, on the same terms and conditions on a month to month basis until the new tender is implemented, not exceeding six months.	Rates based tender with no change in the rates as per the original tender awarded. Only an extension of Contract Period.	Exceptional Circumstances	Ester Maag	31/12/2014	As recommended by the Acting Commissioner, Transport for Cape Town and supported by the Director, Supply Chain Management, and for the reasons set out in the report, in accordance with clause 264 and 308.5 of the Supply Chain Management Policy, the contract period in respect of contract 4745/2010/2011 Provision of Communication Services to the Integrated Rapid Transit Initiative awarded to the HWB Consortium 1/a HWB Communications (Pty) Ltd BE INCREASED, on the same terms and conditions on a month to month basis until the new tender is implemented, not exceeding six months.	The contract period has previously been extended by the Bid Adjudication Committee in terms of clause 264 and 308.5 of the Supply Chain Management Policy, for a period which expires on 31 December 2014 (today). The urgent time frame does not make it possible for the further extension required to be dealt with by the Bid Adjudication Committee. The process for a new tender has been delayed (exceptional circumstances) due to unexpected circumstances as outlined in the report, and it is anticipated that the new contract will not take effect before 1 March 2015, assuming that the tender is not further delayed by appeals. Several critical areas of the IRI project as outlined in the report require continued communication services before the new tender commences.
11	CM 07/01/15; SCMB 47/01/15	CM 33984	Utility Services	SCMB 47/01/15 - request for deviation and condonation. Tender No. 69Q/2012/13: Design-build of Mechanical works for the replacement of dry well suction and discharge pipework together with associated equipment at the Khayelitsha Pump Station	To obtain approval in terms of clause 265 of the Supply Chain Management Policy for increase in contract sum. The costs to be incurred fall within the Utility services - Water and Sanitation budget to implement the design - build of mechanical works for the replacement of dry well suction and discharge pipework together with associated equipment at the Khayelitsha pump station	It is recommended that: a) the contract sum in respect of contract 69 Q/2012/13 and design - build of mechanical works for the replacement of dry well suction and discharge pipework together with associated equipment of the Khayelitsha pump station awarded to M.A.N. Engineering Ltd (formerly Huber Tech (Pty) Ltd) BE INCREASED by an amount of R137 687,82 (Excl. VAT) from R5 054 357,20 to R5 192 045,02 in terms of clause 265 of the Supply Chain Management Policy.	R137 687,82 (excl. VAT)	Exceptional Circumstances	Vukhaya Ndakinda	27/01/2015	As recommended by the SCMBAC the request for a deviation & condonation in terms of Section 308.5 & 310 of the CoCT SCM Policy to condone the appointment of M.A.N. Engineering Ltd (formerly Huber Tech (Pty) Ltd) for the Design-build of mechanical works for the replacement of dry well suction and discharge pipework together with associated equipment at the Khayelitsha pump station of the same terms and conditions under Tender no. 69Q/2012/13 BE APPROVED in the amount of R137 687,82 (excl. VAT).	During the course of construction an unforeseen incident was identified by Operational staff who reported that the pump station was overlooking due to SCADA system problems. A suitable spare pump was sourced and it was urgently required to be installed to prevent a spillage incident in the area, which required repairs and modification and resulted in additional cost to the contract. The exceptional circumstance were that a contractor who was awarded the contract for the design, build of mechanical works for the Khayelitsha Pump Station was required to undertake unforeseen additional work to prevent an incident and that it was impossible and impractical to follow any other procurement process.