

22 AUGUST 2023

Registration No: 2000/029271/30

JW OPS 003/23

THE BID SPECIFICATION COMMITTEE WAS HELD ON 22 AUGUST 2023 TO CONSIDER ADDENDUM 1: JW OPS 003/23 APPOINTMENT OF A PANEL OF SERVICE PROVIDERS FOR THE SUPPLY AND DELIVERY OF POTABLE WATER ON AN AS AND WHEN REQUIRED BASIS FOR A PERIOD OF THIRTY SIX (36) MONTHS

The following voting members were in attendance:

MEMBER	DESIGNATION	RECOMMENDATION SUPPORTED
MR L LUPONDWANA	ACQUISITION MANAGER: SUPPLY CHAIN MANAGEMENT	YES
MR E MATHONSI	NEW DEVELOPMENT MANAGER	YES
MS K MODUNGWA	DEPOT MANAGER KLIPSPRUIT	YES

The following non-voting members were in attendance:

MEMBER	DESIGNATION
MS M SETAKA	DEMAND MANAGEMENT OFFICER

IT BE RESOLVED THAT:


- The Accounting Officer approves the amendment Pricing Schedule (replace page 73 to 78).
- That the Accounting Officer approves the extension of the closing date from 31 August 2023 at 10:30 am to 07 September 2023 at 10:30 am
- That the Accounting Officer approves the amendment to the mandatory evaluation criteria and allocation strategy.
- That the Accounting Officer approves the above-mentioned documentation and be issued to bidders as an Addendum.

1. BID SPECIFICATION COMMITTEE CHAIRPERSON (MR L LUPONDWANA)


.....
SIGNATURE

22 August 2023
.....
DATE

2. APPROVAL BY THE ACCOUNTING OFFICER (MR N MUKWEVHO)


.....
SIGNATURE

23.08.2023
.....
DATE

ADDENDUM 1: APPOINTMENT OF A PANEL OF SERVICE PROVIDERS FOR THE SUPPLY AND DELIVERY OF POTABLE WATER ON AN AS AND WHEN REQUIRED BASIS FOR A PERIOD OF THIRTY-SIX (36) MONTHS

JW OPS 003/23

1.1 PURPOSE

The purpose of this report is to seek the Accounting Officer's approval for the amendment of the tender document for the pricing schedule.

1.2 BACKGROUND

The BSC supported the recommendation to proceed with the advertising of the above tender and subsequent approval was obtained from the Accounting Officer.

1.3 PROBLEM

During the tender compulsory briefing session held on August 3, 2023, the stakeholders identified a risk with the Pricing Schedule which could limit participation by the tenders and JW's ability to commercially evaluate the tender in certain scenarios.

1. Item Pricing: The pricing schedule for each region combines three items, namely, 10-14kl, 16-18kl, and emergency (in case of water scarcity). The tender allows bidders to bid for either or both of the categories (10-14kl and 16-18kl), along with the emergency item. The Pricing Evaluation will be based on the total price per region, which includes the 10-14kl and 16-18kl categories calculated on a kilolitre rate. If a bidder chooses to only tender for one category or capacity within a region and another bidder tenders for both categories or capacities in that region, the BEC may not be able to compare like for like.

During the briefing session, it was explained to the potential bidders that bidders would be allowed to hire water tankers provided that there is an agreement between the potential bidder and the owner of the water tankers, and that all the necessary documentation accompanying the tender submission has been submitted with the tender document. It was also explained that this would not prohibit the owner of the water tankers from also tendering for the same tender. However, upon deliberations, the following scenarios and associated risks were considered:

- a) Where the owner of the water tankers and the lessee of the owner of the water tankers both submit tenders for the same water tankers.

- b) Where the owner of the water tankers leases the same water tankers to more than one bidder that will be competing in this tender.

There is a risk that allowing the bidder and the owner of the water tankers to tender the same water tankers and supporting documentation would mean that the bidders that have submitted the same documentation for the water tankers cannot prove capacity.

1.4 RECTIFICATION

The user department is therefore requesting an addendum be approved and be submitted for publishing on the newspaper, JW website, e-tenders portal. Further to publishing on these platforms mentioned, an email be sent to all bidders who attended compulsory briefing meeting on 03 August 2023.

The recommended solution involves modifying the pricing schedule to create separate totals for the 10-14kl item and emergency items, as well as for the 16-18kl item and emergency item. This will ensure clear differentiation between the two categories in terms of pricing and allow for accurate evaluation during the tender process.

It is recommended that a provision in the document be included which states that to ensure that the bidder can prove capacity in cases where they are leasing, the bidder must also provide at least two letters of intent to hire or lease the vehicles.

Contactable reference letter template has the word tenderer and not client when the instruction is that the letter must be completed by tenderer's client. This was clarified during the briefing and bidders informed that they will be sent the latest template without the word tenderer. Ratification is requested to delete the word "tenderer" on the contactable reference template as it can cause confusion.

1.5 INITIATING DEPARTMENT

This contract is initiated by Operations, Networks.

1.6 USE OF CONTRACT BY DEPARTMENT

Operations and the contract will be managed by Networks. The services will be utilised by Johannesburg Water.

1.7 RESOLUTION

It be resolved that:

- The Accounting Officer approves the amendment Pricing Schedule (replace page 73 to 78).
- That the Accounting Officer approves the extension of the closing date from 31 August 2023 at 10:30 am to 07 September 2023 at 10:30 am
- That the Accounting Officer approves the amendment to the mandatory evaluation criteria and allocation strategy.
- That the Accounting Officer approves the above-mentioned documentation and be issued to bidders as an Addendum.

1.8 ATTACHMENTS

Annexure A: Amended Pricing Schedule.

Annexure B: Amended Mandatory Evaluation Criteria and allocation strategy.



City of Johannesburg

Johannesburg Water SOC Ltd

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65 Ntemi Piliso Street
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a world class African city

<u>ADDENDUM</u>	NO. 01
<u>CONTRACT NUMBER:</u>	JW OPS 003/23
<u>CONTRACT TITLE:</u>	APPOINTMENT OF A PANEL OF SERVICE PROVIDERS FOR THE SUPPLY AND DELIVERY OF POTABLE WATER ON AN AS AND WHEN REQUIRED BASIS FOR A PERIOD OF THIRTY SIX (36) MONTHS
<u>SUBJECT</u>	ADDENDUM 1
<u>DATE</u>	24 AUGUST 2023
<u>SENDER</u>	Khomotso Modungwa, 011 983 5553 khomotso.modungwa@jwater.co.za Nthabiseng More, 011 688 1512 nthabiseng.more@jwater.co.za

Tenderers are required to incorporate the following documents into the tender document and return the Addendum:

- **Pricing Schedule (replace page 73 to 78).**
- **Extension of the closing date from 31 August 2023 at 10:30 am to 07 September 2023 at 10:30 am**
- **Amendment to the mandatory evaluation criteria and allocation strategy.**

Directors:

Ms Gugulethu Phakathi (Chairperson), Mr Ntshavheni Mukwevho (Managing Director and Executive Director),
Mr Johan Koekemoer (Financial Director and Executive Director), Mr Phetole Modika, Mr Siphamandla Mnyani, Mr Siyabonga Mthembu, Mrs
Zandile Meeleso, Mr Pholoso Matjele, Mr Kgaile Mogoye, Mr Molate Mashifane, Ms Pamela Mabece, Mr Lunga Bernard

Ms Kethabile Mabe (Company Secretary),
Johannesburg Water SOC Ltd
Registration Number: 2000/029271/30



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www.johannesburgwater.co.za

Any inconvenience caused is indeed, regretted.

Yours faithfully

 23/08/2023

Malefa Mpitso

Senior Manager: Supply Chain Management

Addendum Received

Name of Tenderer:.....

Signatory:.....

Signature:.....

Date:.....

Directors:

Ms Gugulethu Phakathi (Chairperson), Mr Ntshavheni Mukwevho (Managing Director and Executive Director),
Mr Johan Koekemoer (Financial Director and Executive Director), Mr Phetole Modika, Mr Siphamandla Mnyani, Mr Siyabonga Mthembu, Mrs
Zandile Meeleso, Mr Pholoso Matjele, Mr Kgaile Mogoye, Mr Molate Mashifane, Ms Pamela Mabece, Mr Lunga Bernard

Ms Kethabile Mabe (Company Secretary),
Johannesburg Water SOC Ltd
Registration Number: 2000/029271/30



Johannesburg Water

Registration No: 2000/029271/30

PRICING DATA

Pricing Schedule Northern Region -Year 1

Item number	Description	Unit of Measure (Rate per)	Normal Time			Overtime			Grand Total (Normal Time + Overtime) Incl. 15% VAT
			Unit rate (R) Excl. VAT	VAT @ 15%	Unit rate (R) Inc. VAT	Unit rate (R) Excl. VAT	VAT @ 15%	Unit rate (R) Inc. VAT	
1.	10 kl to 14 kl	Kilolitre							(R)
2.	Provision of water tankers for emergencies (no water situation)	Hour							
3	Total								

Item number	Description	Unit of Measure (Rate per)	Normal Time			Overtime			Grand Total (Normal Time + Overtime) Incl. 15% VAT
			Unit rate (R) Excl. VAT	VAT @ 15%	Unit rate (R) Inc. VAT	Unit rate (R) Excl. VAT	VAT @ 15%	Unit rate (R) Inc. VAT	
1.	16 kl to 18 kl	Kilolitre							(R)
2.	Provision of water tankers for emergencies (no water situation)	Hour							
3	Total								

**Pricing Schedule
Northern Region -Year 2**

Item number	Description	Unit of Measure (Rate per)	Normal Time			Overtime			Grand Total (Normal Time + Overtime) Incl. 15% VAT
			Unit rate (R) Excl. VAT	VAT @ 15%	Unit rate (R) Inc. VAT	Unit rate (R) Excl. VAT	VAT @ 15%	Unit rate (R) Inc. VAT	
1.	10 kl to 14 kl	Kilolitre							(R)
2.	Provision of water tankers for emergencies (no water situation)	Hour							
3	Total								

Item number	Description	Unit of Measure (Rate per)	Normal Time			Overtime			Grand Total (Normal Time + Overtime) Incl. 15% VAT
			Unit rate (R) Excl. VAT	VAT @ 15%	Unit rate (R) Inc. VAT	Unit rate (R) Excl. VAT	VAT @ 15%	Unit rate (R) Inc. VAT	
1.	16 kl to 18 kl	Kilolitre							(R)
2.	Provision of water tankers for emergencies (no water situation)	Hour							
3	Total								

**Pricing Schedule
Northern Region -Year 3**

Item number	Description	Unit of Measure (Rate per)	Normal Time			Overtime			Grand Total (Normal Time + Overtime) Incl. 15% VAT
			Unit rate (R) Excl. VAT	VAT @ 15%	Unit rate (R) Inc. VAT	Unit rate (R) Excl. VAT	VAT @ 15%	Unit rate (R) Inc. VAT	
1.	10 kl to 14 kl	Kilolitre							(R)
2.	Provision of water tankers for emergencies (no water situation)	Hour							
3	Total								

Item number	Description	Unit of Measure (Rate per)	Normal Time			Overtime			Grand Total (Normal Time + Overtime) Incl. 15% VAT
			Unit rate (R) Excl. VAT	VAT @ 15%	Unit rate (R) Inc. VAT	Unit rate (R) Excl. VAT	VAT @ 15%	Unit rate (R) Inc. VAT	
1.	16 kl to 18 kl	Kilolitre							(R)
2.	Provision of water tankers for emergencies (no water situation)	Hour							
3	Total								

Pricing Schedule
Southern Region -Year 1

Item number	Description	Unit of Measure (Rate per)	Normal Time			Overtime			Grand Total (Normal Time + Overtime) Incl. 15% VAT
			Unit rate (R) Excl. VAT	VAT @ 15%	Unit rate (R) Inc. VAT	Unit rate (R) Excl. VAT	VAT @ 15%	Unit rate (R) Inc. VAT	
1.	10 kl to 14 kl	Kilolitre							(R)
2.	Provision of water tankers for emergencies (no water situation)	Hour							
3	Total								

Item number	Description	Unit of Measure (Rate per)	Normal Time			Overtime			Grand Total (Normal Time + Overtime) Incl. 15% VAT
			Unit rate (R) Excl. VAT	VAT @ 15%	Unit rate (R) Inc. VAT	Unit rate (R) Excl. VAT	VAT @ 15%	Unit rate (R) Inc. VAT	
1.	16 kl to 18 kl	Kilolitre							(R)
2.	Provision of water tankers for emergencies (no water situation)	Hour							
3	Total								

Pricing Schedule
Southern Region -Year 2

Item number	Description	Unit of Measure (Rate per)	Normal Time			Overtime			Grand Total (Normal Time + Overtime) Incl. 15% VAT
			Unit rate (R) Excl. VAT	VAT @ 15%	Unit rate (R) Inc. VAT	Unit rate (R) Excl. VAT	VAT @ 15%	Unit rate (R) Inc. VAT	
1.	10 kl to 14 kl	Kilolitre							(R)
2.	Provision of water tankers for emergencies (no water situation)	Hour							
3	Total								

Item number	Description	Unit of Measure (Rate per)	Normal Time			Overtime			Grand Total (Normal Time + Overtime) Incl. 15% VAT
			Unit rate (R) Excl. VAT	VAT @ 15%	Unit rate (R) Inc. VAT	Unit rate (R) Excl. VAT	VAT @ 15%	Unit rate (R) Inc. VAT	
1.	16 kl to 18 kl	Kilolitre							(R)
2.	Provision of water tankers for emergencies (no water situation)	Hour							
3	Total								

**Pricing Schedule
Southern Region -Year 3**

Item number	Description	Unit of Measure (Rate per)	Normal Time			Overtime			Grand Total (Normal Time + Overtime) Incl. 15% VAT
			Unit rate (R) Excl. VAT	VAT @ 15%	Unit rate (R) Inc. VAT	Unit rate (R) Excl. VAT	VAT @ 15%	Unit rate (R) Inc. VAT	
1.	10 kl to 14 kl	Kilolitre							(R)
2.	Provision of water tankers for emergencies (no water situation)	Hour							
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Item number	Description	Unit of Measure (Rate per)	Normal Time			Overtime			Grand Total (Normal Time + Overtime) Incl. 15% VAT
			Unit rate (R) Excl. VAT	VAT @ 15%	Unit rate (R) Inc. VAT	Unit rate (R) Excl. VAT	VAT @ 15%	Unit rate (R) Inc. VAT	
1.	16 kl to 18 kl	Kilolitre							(R)
2.	Provision of water tankers for emergencies (no water situation)	Hour							
3	Total								

Note: Within a region, a tenderer can tender for one capacity/category (10kl to 14kl) or can tender for both capacities/categories (10kl to 14kl and 16kl to 18kl) and maybe awarded for one or both capacities within the region.

SIGNATURE(S) OF AUTHORIZED PERSON

NAME OF BIDDER

NAME OF AUTHORIZED PERSON IN BLOCK LETTERS

BID NUMBER:

1. Stage 1: Mandatory Evaluation Criteria:

Mandatory Requirement

These are the definitely non-negotiable criteria that must be part of the bid and submitted before tender closing date and time or complied with.

NO.	MANDATORY CRITERIA	YES
1	Mandatory Tender Briefing Meeting	Yes
2	<p>Documentation for equipment offered:</p> <ul style="list-style-type: none"> • Proof of Certificate of Registration (RC1) in Respect of Motor Vehicle (National Road Traffic Act); and • Valid LCO Certificate or Operator Card (National Road Traffic Act). • Valid Insurance per item offered. <p>NOTE 1: The proof of certificate of registration in respect of motor vehicle and license disc or roadworthy certificates or operator card must be in the name of the tenderer or name of the company that the tenderer will be leasing the water tankers from.</p> <p>NOTE 2: In the event that the tenderer's water tanker offered will be hired, the tenderer must provide proof of a letter of intent to hire the tankers offered which are not owned by the tenderer, as well as the required documents as stipulated above. The letter of intent must commit that the equipment will be made available within 21 days of date of appointment.</p> <p>NOTE 3: With Johannesburg Water allowing tenderers to hire water tankers in order to meet Johannesburg Water's capacity requirements, there may be a situation where more than one tenderer is the highest scoring in terms of preference points in the two regions and have tendered using the same documentation. Tenderers that are leasing water tankers are to submit alternate letter of intent and documentation for the water tankers that they are offering. Bidders that are hiring water tankers that do not submit an alternate letter of intent to hire and the documentation will not be disqualified. Please refer to the Allocation Strategy to determine which tenderer's water tankers will be allocated Johannesburg Water's requirements.</p>	Yes
3	Signed Pricing Schedule and completed rates for items offered.	Yes

Note: LCO = Motor Vehicle Licence, License Disc, Roadworthy Certificate and Operator Card

NB: Bidders that fail to comply with the above mandatory requirement will not be evaluated further.

4.2 Award and Allocation Strategy:

<p>AWARD STRATEGY</p>	<p>The intention is to award to the highest preference ranking tenderer per region to one or more tenderers based on Johannesburg Water's capacity requirements.</p> <ul style="list-style-type: none"> Tenderers will only be awarded one region irrespective of being the highest preference-ranking Tenderer in both regions, unless Johannesburg Water cannot award a certain region to other Tenderers in which case, Johannesburg Water can then award more than one category to a Tenderer. <p>Tenderers are therefore requested to rank their preferred region of operation from 1-2. Please refer to Pricing Data. <i>Tenderers will be considered for region number tendered for and ranked.</i></p> <ul style="list-style-type: none"> Allocation to region in cases where the Tenderer is the highest preference-ranking Tender will be based on the preferred region provided by the tenderer under-pricing schedule. <p>Johannesburg Water reserves the right to award a region to a Tenderer that is not the highest preference-ranking Tenderer if the highest preference-ranking Tenderer has been awarded another region.</p>
<p>ALLOCATION STRATEGY</p>	<p>Allocate all water tankers offered by the Tenderer to the highest preference ranking Tenderer per region. If the tenderer is the highest preferred ranking tenderer for both regions, their preferred choice of region will be used to determine which region they will be allocated. If the water tankers offered are not sufficient to meet all Johannesburg Water capacity and technical requirements for that region, the following shall happen:</p> <ul style="list-style-type: none"> The next highest preference ranking Tenderer's water tankers offered that meet the technical requirements will be allocated the difference, provided they are not the highest preferred tenderer in another region and will be recommended for award. If Johannesburg Water's capacity requirements are still not meet, the next highest ranking preference Tenderer's water tankers offered that meet the technical requirements will be allocated the difference, provided they are not the highest preferred tenderer in



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EVALUATION



	<p>another region. The cycle will continue until all capacity requirements per region are met.</p> <ul style="list-style-type: none">• To ensure value for money / cost effectiveness, Johannesburg Water will negotiate prices with service providers who are recommended for market related price and reserve the right to standardize the rates of the Tenderers that are awarded for the same region/capacity using Johannesburg Benchmarked rates as a guide to determine cost effectiveness.• In cases where the water trucks that have been hired by the tenderer have been allocated to another service provider, the alternate letters of intent to hire water tankers will be used to allocate the water tankers to meet Johannesburg Water capacity requirements.• If there is no alternate letter of intent or documentation submitted by any of the tenderers that are the highest scoring in different regions and have the same documentation, the allocation will be done as follows (Objective Criteria):<ul style="list-style-type: none">○ The tenderer with highest preference ranking will be allocated those water tankers. If those tenderers have scored the same preference points, the allocation will be made to the tenderer that scored the highest points for specific goals. If there is still a deadlock, the allocation will be decided by the drawing of lots.○ The allocation for the then outstanding capacities will be made to the next highest preference ranking Tenderer. The cycle will continue until all capacity requirements per region are met.
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