



PRINCE ALBERT MUNICIPALITY

33 Church Street, Prince Albert, 6930

Private Bag X53

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Website: www.pamun.gov.za

NOTICE 22/2025

INTENTION OF AMENDMENT OF EXISTING CONTRACT

Notice in terms of Section 116(3) of the Municipal Finance Management Act (Act 56 of 2003) for the proposed amendment of an existing agreement.

Notice is hereby given in terms of Section 116(3)(a) and (b) of the Municipal Finance Management Act (Act 56 of 2003) that it is the intention of the Prince Albert Municipality to amend the following existing contract:

TENDER NUMBER	DESCRIPTION	APPOINTED SERVICE PROVIDER
50 / 2024	CONSTRUCTION OF HIGH MAST LIGHTS AND SOLAR PV FOR PRINCE ALBERT MUNICIPALITY	VE Reticulation (Pty) Ltd.

Notice is hereby further given in terms of Section 21 and 21A of the Municipal Systems Act (Act 32 of 2000) that the local community and affected parties are invited to submit comments or representations on the proposed amendment of the contract. **Such comments or representations must be submitted by no later than the 24th of February 2025 at 12h00.**

Copies of the explanatory documents, contract and information statement will be available for inspection during office hours (from 07h30 to 16h00, Monday to Thursday and 07h30 to 15h30 on Fridays) at the following locations:

- Prince Albert Library, Church Street, Prince Albert, 6930
- Leeu-Gamka Library, Gompou Street, Leeu-Gamka, 6950
- Klaarstroom Library, Bloekom Street, Klaarstroom, 6932
- Administration Offices, Church Street, Prince Albert, 6930
- Financial Services Offices (Thusong Centre), Adderley Street, Prince Albert, 6930

Comments or representations must be submitted in a sealed envelope clearly endorsed with "SECTION 116(3) COMMENTS TENDER 50/2024 and can be hand delivered to the following physical address:

- **Municipal Finance Building (Thusong Centre) Adderley Street, Prince Albert, 6930**

Alternatively, electronic submissions (email) with the subject line “**SECTION 116(3) COMMENTS TENDER 50/2024**” **must** be sent to BOTH of the following addresses:

1. scm@pamun.gov.za
2. rekords@pamun.gov.za

No faxed comments will be considered.

People who have physical disability or unable to write but need to participate in the process may present themselves during office hours at the offices of the Prince Albert Municipality (Finance Division, Thusong Centre, Adderley Street) where a staff member will assist them to transcribe the relevant comments or representations.

Office hours are as follow:

Monday to Thursday: 07h30 to 12h30, 13h00 to 16h00
Fridays: 07h30 to 12h30, 13h00 to 15h30

For any information about the contract expansion, please contact the Manager for Expenditure and Supply Chain Management (Mr. David-Leigh Willemse) via email at willemsed@pamun.gov.za or per telephone number (023 541 1668).

NOËL VAN STADE

Acting Municipal Manager

10 February 2025

PRINCE ALBERT MUNICIPALITY



INFORMATION STATEMENT

AMENDMENT OF EXISTING CONTRACT

TENDER 50/2024

CONSTRUCTION OF HIGH MAST LIGHTS AND SOLAR PV FOR PRINCE ALBERT MUNICIPALITY

Prepared in accordance with the provisions of Section 116 of the Municipal Finance
Management Act (Act 56 of 2003)

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1. INTRODUCTION AND BACKGROUND

Section 116(3) of the Municipal Finance Management Act (Act 56 of 2003) (MFMA) prescribes that public participation is required whenever a local authority intends to amend or extend a contract procured through its municipal supply chain management policy.

2. SECTION 116(3) PROCESS TO BE FOLLOWED

Section 116 of the MFMA refers to the section regarding **CONTRACTS AND CONTRACT MANAGEMENT**. As required by the MFMA, a municipality is therefore required to provide information and to invite written comments from the local community and affected parties and/or persons for the proposed amendment of contracts procured through the municipal supply chain management policy.

Section 116(3) of the MFMA stipulates the following:

- 3) A contract or agreement procured through the supply chain management policy of the municipality or municipal entity may be amended by the parties, but only after—*
- a) the reasons for the proposed amendment have been tabled in the council of the municipality or, in the case of a municipal entity, in the council of its parent municipality; and*
 - b) the local community—*
 - (i) has been given reasonable notice of the intention to amend the contract or agreement; and*
 - (ii) has been invited to submit representations to the municipality or municipal entity.*

3. PROJECT BACKGROUND

The objective of the contract is to provide adequate area lighting for the designated areas within the Municipal Area to try to reduce the risk of criminal activities during the night. The works will consist mainly of the following:

- a) Supply and Installation of a 30m High Mast Lighting in Prince Albert Municipality area
- b) Each mast will be installed on a suitably designed concrete base.
- c) Each mast will be equipped with a switchboard with daylight control.
- d) Each mast will be equipped with 9 x 226W BEKA Omnistar LED type Luminaires or similar approved.
- e) Installation of Solar PV systems at various municipal facilities

4. CONTRACT DETAILS

Service provider:	VE RETICULATION (PTY) LTD.
Commencement Date:	13 JUNE 2024
Estimated Contract ending date:	31 DECEMBER 2024
Revised contract ending date:	30 JUNE 2025
Initial contract value:	R 4 913 199.28 (Inclusive of VAT)
Revised contract value:	R 5 895 839.14 (Inclusive of VAT)

5. FINANCIAL IMPLICATION OF AMENDMENT

Section 116 of the Municipal Finance Management Act (Act 56 of 2003), read together with MFMA Circular 62 (Supply Chain Management, enhancing compliance and accountability) states that contracts may be expanded or varied by not more than **twenty percent (20%) for construction related goods**, services and/or infrastructure projects and **fifteen percent (15%) for all other goods and/or services** of the original value of the contract.

The initial contract value of the project amounted to R 4 913 99.28 (Inclusive of VAT). The municipality approved a variation of the contract value to an amount of R 982 639.86 (Inclusive of VAT), therefore revising the total contract value to R 5 895 839.14 (Inclusive of VAT), and is within the prescribed variation threshold of 20% for construction contracts.

As abovementioned contract value adjustment has already been approved, there are no additional financial implications on the contract. The budget has been made available to proceed with the electrical installations through reallocating of co-funding contributions for the respective High mast Lights budget votes.

6. MOTIVATION FOR AMENDMENT

Tender 50/2024 (Construction of High Mast Lights and Solar PV was awarded to VE Reticulation) during June 2024 for the installation of Solar PV and erection of 11 High Mast Lights across the entire Municipal Area which includes the towns of Prince Albert, Leeu Gamka and Klaarstroom as part of the MIG Programme for the Financial Years 2023-24 with completion scheduled for FY2024-2025.

VE Reticulation being a reputable Electrical Contractor and currently employed under Tender 50/2024 were requested to submit a quotation to conduct the electrical installations at the newly constructed Municipal Offices at the Thusong Centre to save on overhead costs already covered under Tender 50/2024. Since the works under Tender 50/2024 has not yet achieved practical completion or completion it is considered plausible to amend the scope of works for VE Reticulation to include Electrical Installations in accordance with the provision of the General Conditions of Contract 2015, 3rd Edition , Clause 6.3.(1) , to execute the additional works as per their quotation for an all-inclusive amount of R242 644.25 (Incl.VAT).

7. ACCESS TO RELEVANT INFORMATION

- a) Copies of the explanatory documents, contract and information statement will be available for inspection during office hours (from 07h30 to 16h00, Monday to Thursday and 07h30 to 15h30 on Fridays) at the following locations:

Municipal libraries:

LOCATION	ADDRESS	CONTACT PERSON
Prince Albert Library	Church Street, Prince Albert, 6930	Ms. Reinie Smit
Leeu-Gamka Library	Gompou Street, Prince Albert, 6930	Ms. Deborah Sarels
Klaarstroom Library	Bloekom Street, Prince Albert, 6930	Ms. Erica Pienaar

Offices:

LOCATION	ADDRESS	CONTACT PERSON
Administration Offices	Church Street, Prince Albert, 6930	Ms. Wilhelmina Hannies
Finance Offices	Adderley Street, Prince Albert, 6930	Mr. Dean Damons

- b) A copy of all documentation will also be available on the Prince Albert Municipal website at www.pamun.gov.za .

8. SUBMISSION OF COMMENTS

8.1) Written comments

Written comments must be submitted to the Prince Albert Municipality. All comments must be sealed in an envelope that must be deposited in Tender Box Nr. 2. All submissions must be addressed to:

The Municipal Manager - Prince Albert Municipality

33 Church Street, Prince Albert, 6930

RE: SECTION 116(3) COMMENTS TENDER 50/2024

8.2) Electronic submissions

Electronic submissions must be sent to BOTH of the following addresses:

- scm@pamun.gov.za

- rekords@pamun.gov.za

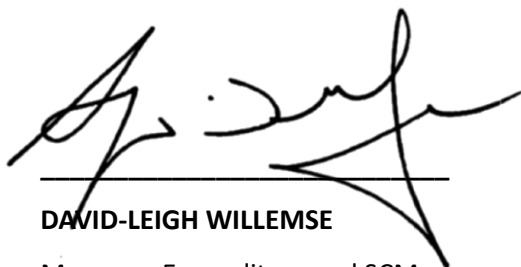
8.3) Assistance with physically disabled individuals

People who have physical disability or unable to write but need to participate in the process may present themselves during office hours at the offices of the Prince Albert Municipality (Finance Division, Thusong Centre, Adderley Street) where a staff member will assist them to transcribe the relevant comments or representations.

9. DUE DATE FOR SUBMISSION OF COMMENTS

All comments must be submitted to the municipality **by no later than Monday 24 February 2025 at 12h00. No exceptions and/or late comments will be allowed.**

Drafted and issued by:



DAVID-LEIGH WILLEMSE

Manager: Expenditure and SCM

10 February 2025