



**TENDER NO INFRA/CE/T10/2020 –  
Kimberley Rehabilitation and Development  
(Changing the Face of the City)  
UNSOLICITED BID FOR SOL PLAATJE MUNICIPALITY**

**SOL PLAATJE MUNICIPALITY**

**NOTICE OF INTENT TO AWARD AN UNSOLICITED BID**

In terms of Section 43(3) of the Sol Plaatje Supply Chain Management Policy read together with Section 21A of the Municipal Systems Act, notice is hereby given that Sol Plaatje Municipality has received an unsolicited BID from Kimberley Rehabilitation and Development (Pty) Ltd (KRD) for a project known as the “Changing the face of the City”.

The Sol Plaatje Municipality further invites potential bidders who has undertaken a similar unique and innovative proposals to respond to this bid, this is to test the market for existence of other potential bidders capable of providing a similar proposal.

Sol Plaatje Municipality has perused the project proposal and is satisfied that the proposal conforms to the requirements set out in the Municipal Supply Chain Management Policy Sect 43, Municipal Supply Chain Regulations section 113(2), SCM Regulation no 37, Municipal System Act Sect 32 of 2000 Sect 21(1), National Practice Note no 11 of 2008/2009, Regulation 16 of the Public Private Partnership, Constitution sect 217 which is tabled hereunder:

Municipal Supply Chain Management Policy and the Municipal Supply Chain Regulations requirement	Description
1. The product or service offered in terms of the bid is a demonstrably or proven unique innovative concept	The BID is unique and innovative in that it proposes a project model that integrates rehabilitation, manufacturing, and construction disciplines which makes the project cost effective and feasible. Another important matter was firstly the technical confirmation of the ability to manufacture bricks from the mining debris and secondly the quality of the bricks so manufactured. To achieve this objective KRD contracted Cermalab, an accredited SANAS laboratory to conduct these tests. Cermalab confirmed the suitability of the debris as source for the manufacture of clay bricks and the technical ability to manufacture the bricks. Cermalab had to manufacture a significant number of bricks to conduct the SANAS tests. The bricks passed all the test criteria applicable to face bricks, plaster bricks and damp-proof bricks.

<p>2. The product or service will be exceptionally beneficial to, or have exceptional cost advantages for, the municipality or municipal entity</p>	<p>The implementation of the project will result in the fundamental redevelopment of the city and its urban design for the benefit of the SPM and the citizens of the city. KRD undertook a feasibility study (amounting to R12.8 million) that shows the value proposition and economic benefit to Sol Plaatje Municipality (SPM) and its broader community with the implementation of this project.</p> <p>One of the objectives of the project is that preference will be given to local jobseekers and companies for all employment and contracting opportunities that will arise from the implementation of this project. Only when the required skills, suppliers and services cannot be</p>
	<p>sourced locally will consideration be given to jobseekers and companies from outside the city and province.</p> <p>The project hosts numerous benefits to the Municipality e.g.:</p> <ul style="list-style-type: none"> <li>o <b>Direct income to SPM</b> <ul style="list-style-type: none"> <li>□ Potential income of R165 million from the development of the land portions.</li> <li>□ Additional rates and taxes income of R77 million per annum.</li> </ul> </li> <li>o <b>Socio Economic benefits</b> <ul style="list-style-type: none"> <li>□ Provision of social &amp; community facilities</li> <li>□ Regeneration of inner city</li> <li>□ Making housing available close to city centre.</li> <li>□ Addressing housing needs in the middle and lower market segment</li> <li>□ Larger employment (26k temporary &amp; 22k sustained jobs)</li> <li>□ Saving on living expenses (i.e. travel costs).</li> <li>□ Training and skills development opportunities</li> </ul> </li> <li>o <b>Economic benefits (Construction Phase)</b> <ul style="list-style-type: none"> <li>□ Capital Investment of R 6.5 Billion</li> <li>□ 22 000 sustainable (through the multiplier effect) jobs created</li> <li>□ Estimated Additional GDP of R6.2 billion</li> <li>□ 249 formal SMMEs Opportunities</li> </ul> </li> <li>o <b>Economic benefits (Operational Phase)</b> <ul style="list-style-type: none"> <li>□ 22 649 sustainable jobs created</li> <li>□ Estimated Additional GDP of R5.6 billion</li> <li>□ 227 formal SMMEs Opportunities</li> </ul> </li> </ul>

<p>3. The person who made the bid is the sole provider of the product or service</p>	<p>KRD is considered as the sole provider for delivering the project as no bids have been received or considered. KRD is in the unique position to be the only entity that can process the mining dumps by virtue of the fact that it acquired exclusive right through the dual mining permitting process of the DMRE for the removal and processing of the dump material. KRD is also the <u>only developer that showed the initiative and innovation to develop this concept and to invest capital in the design, planning and</u></p>
	<p><u>compilation of the project.</u> Another reason that KRD should be considered as sole provider is the fact that <u>its innovative and integrated business model provides cost benefits and efficiencies that allows KRD to make substantial contributions towards education, health and social facilities and to absorb the cost of the rehabilitation into its overall project cost.</u> Furthermore, KRD is also <u>funding some of the bulk services required to supply the development areas</u> from the Bulk services central supply and distribution points in the City.</p>
<p>4. The reasons for not going through the normal bidding processes are found to be sound by the accounting officer</p>	<p>For many years large portions of land close to the city centre has been sterilised by deposits of mining debris and no development took place on these land portions. <u>KRD expressed an interest and developed the unique and innovative idea to change the status quo by considering the mining debris as an opportunity to contribute to the development of the city.</u> No other application for the same mineral and land can according to the MPRDA be accepted on these properties, because KRD has already lodge an application and has been accepted</p>

This R 6.5 Billion project, with a life span of 7 to 10 years comprises of:

- o Removal of Mining Debris from development sites to the Roodepan Quarry. Use of suitable debris for the manufacturing of clay products. Discard to be used to rehabilitate old quarry into public open space and municipal purposes.
- o Rehabilitate development sites by means of purpose engineering designs with aggregate attained from Old Shooting Range Quarry developed by KRD.
- o KRD to establish various industries through an empowerment incentive programme. KRD as main and EPCM contractor will develop the development sites utilising the construction material locally manufactured.
- o The municipality will provide supportive infrastructure to enable the successful implementation of the project.

Any comment or objection to Sol Plaatje Municipality considering the UNSOLICITED BID to Kimberley Rehabilitation and Developments (Pty) Ltd must be submitted in writing to the office of the Municipal Manager, Sol Plaatje Municipality, within 30 days from the date of the publication of this notice.

For more detailed information visit this links as stated on the advert to understand the broader concept that the project will achieve.

Once the municipality has received written comments pursuant to abovementioned processes, it must submit such comments, including any responses from the unsolicited bidder, to the National Treasury and the relevant Provincial Treasury for comment. The final appointment will be made based on the entire process having unfolded seamlessly.