

MINUTES OF COMPULSORY BID CLARIFICATION MEETING

BID NUMBER	:	AW2021/22/03
BID DESCRIPTION	:	PROVISION OF INTERNAL AUDIT SERVICES TO AMATOLA WATER FOR THE PERIOD OF THREE YEARS
VENUE	:	NAHOON DAM BOAT HOUSE
DATE	:	01 FEBRUARY 2022
TIME	:	11:00am

1. OPENING ANNOUNCEMENT & INTRODUCTIONS

Mr. Sandile Biyela welcomed all present and declared the meeting officially opened at 11:00am. He then introduced himself as the Amatola Water Supply Chain Management representative accompanied by the following officials:

- Ms. Anathi Mbadla – Amatola Water Supply Chain Management
- Ms. Nosihle Makhamba – Amatola Water Supply Chain Management
- Ms. Chantell Weimers – Amatola Water Corporate Performance Information Specialist
- Mr. Lunga Mvandedwa – Amatola Water Internal Audit Manager
- Mr. Ntsikelelo Khwinise – Amatola Water Industrial Relations Specialist

Mr. Biyela requested that all attendees ensure that the Attendance Register is properly completed and signed. He further noted the following:

- The Attendance Register has separate columns for the name of person attending the briefing and also for the name of contact person to whom all further communications must be sent.
- AW will not be responsible for being unable to decipher badly-written contact details i.e. e-mails or telephone numbers, or incorrect contact information. Everyone should ensure that their handwriting is legible.

2. DECLARATION OF INTEREST BY AW OFFICIALS

- Ms. Anathi Mbadla – Declared to have no interest.
- Mr. Sandile Biyela – Declared to have no interest.
- Ms. Nosihle Makhamba – Declared to have no interest.
- Ms. Chantell Weimers – Declared to have no interest.
- Mr. Ntsikelelo Khwinise – Declared to have no interest.
- Mr. Lunga Mvandedwa – Declared that he knows some of the prospective bidder's representatives in attendance. However; he confirmed that he will submit a detailed declaration of interest indicating the names of the representatives, name of service providers in attendance and the nature of interest upon receipt of the attendance register.



3. COVID PRECAUTIONS

- Social distance was maintained, and a sanitizer was provided as well for all attendees.

4. MEETING DISCUSSIONS

4.1. Presentation by Mr. Sandile Biyela

Mr. Biyela presented the specification document to the attendees highlighting the following:

- The entire bid document (Bid name, bid description, closing date for the bid, submission of the Bid and importance of declaration of interest by both the Bidders and the Amatola Water Officials participating in the Bid).
- It was outlined that tender closing date is 22 February 2022 at 11:00AM and that all the clarification questions will be closed by the 18th February 2022.
- Mr. Biyela referred technical aspects of the tender to Mr. Mvandedwa: Manager Internal Audit, namely the following aspects:
 - Stage 3: Functionality/Technical Evaluation- page 10-12
 - Part of Item No. 7: Conditions of Tenders/Post Award Negotiation.
 - Bid Specification from page 16-18.

4.1.1. Questions & Answers (Q&A):

Q: A question was asked by one of the service provider's representative, as to what extent the service providers have to declare under SBD4.

A: In response, Mr. Biyela, Mr. Mvandedwa and Mr. Khwinise responded bidders are required to declare any known facts or interest when submitting the bid. Service providers are expected to declare any relationship and their nature they might have with any of AW employees even if the employees are not part of the Bid, as the service providers would not know who will participate in Bid Evaluation Committee and Bid Adjudication Committee and it was also emphasized that even Amatola Water employees participating on processing of this Bid are expected to declare in the relevant Committees sittings if they have any interest or relationships with the prospective bidders. This is to help the Chairpersons of the BEC and BAC to make an informed decision if whether any of Amatola Water employees should be excused in participating on processing of the Bid and promote fairness and avoid biasness.

4.2. Presentation by Mr. Mvandedwa

Mr. Mvandedwa presented and explained requirements stipulated under:

- Stage 3: Functionality/Technical Evaluation on page 10-11.
- Partly Item No. 7: Conditions of Tender/Post Award Negotiation

4.2.1. Questions & Answers (Q&A)

i) Representative from Moore Assurance:

Q: Are the proof of registration with relevant professional body requested/required for all the professional bodies listed under Stage 1: Pre-qualification on page 8 of the tender document or any of those listed?

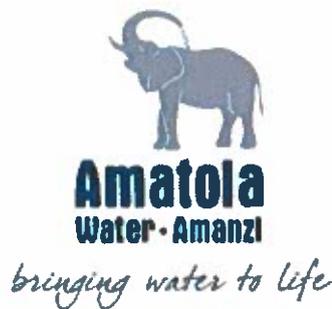
A: In -response, service providers were advised that proof of registration or letter of good standing are required for any of the professional bodies listed under Stage 1: Pre-qualification. However; service providers are encouraged to submit the proof of registration or letters of good standing for all the professional bodies listed in Stage 1-Pre-qualification, if they have all.

Q: Are the proof of registration with relevant professional body requested for the professional bodies listed under Stage 1: Pre-qualification on page 8 relate to the Company or individual team members working for the company?

A: In-response, the proof of registration or letter of good standing required under Stage 1: Pre-qualification are specifically for companies and not individual employees. However; it is understood and accepted that the letter of good standing from the professional body may refer to individual employees working for that particular company to be at good standing.

Q: Requirement no. 2 under Stage 3: Functionality/Technical Evaluation, part 3 Audit Team Technical Expertise- Audit team for "Manager to have a minimum Bachelor's Degree/B-Tech, completed articles and registered with SAICA/IIA SA and studying towards CA (SA) or CIA exams", is it necessary or a nice to have.

A: In-response, it was indicated that this is a requirement and that either the Manager completed SAICA articles or IIA SA articles that would be accepted in line with the IIA standards which state that: *"Internal auditors must possess the knowledge, skills, and other competencies needed to perform their individual*



responsibilities. The internal audit activity collectively must possess or obtain the knowledge, skills, and other competencies needed to perform its responsibilities."

Q: The Engineer required under Specialists on page 11, requirement no. 3, does it have to be specifically a Civil Engineer?

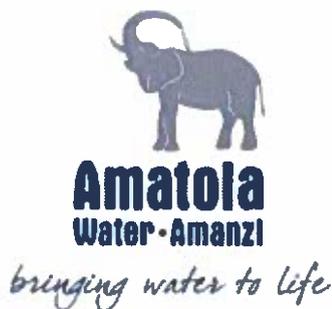
A: In-response, service providers were advised not to limit their submissions to a Civil Engineer only, as there are other Internal Audit reviews that may test controls that are mechanical in nature. Furthermore; it was stressed to the service providers that Amatola Water primary business is provision of bulk water and therefore works with huge infrastructure that from time to time may need to be repaired and maintained.

Q: What is the point allocation under part 6 of Skills Transfer Plan, under Stage 3: Functionality/Technical Evaluation? Does the Portfolio of Evidence required under Skills Transfer Plan collectively grants 5 points or any of the listed POE will score a service provider full 5 points?

A: Service providers were advised that they will be allocated full 5 points provided they submit all the required Portfolio of Evidence. If only one of the POE is provided, the service provider will not be allocated any points. It was emphasized that, it has been observed that service providers submit a good Skills Transfer Plan. However, such plans do not get to be implemented thus both the plan and proof of successful implementation of the plan are required for allocation of the full 5 points.

Q: How are the service providers expected to provide costing if there are no hours provided for each project under Three Year Strategic Rolling Internal Audit Plan reflected on page 17-18.

A: Service providers were advised to provide total average hourly rate for each project listed under the Three Year Strategic Internal Audit Plan and those transferred to the Pricing Schedule under SBD 3.3. Furthermore; the service providers were advised that at this stage it would be difficult to prescribe number of hours to be spent on each project. Therefore, it is critical that the service providers quote average total rate to be spent on each project and total per each of the three financial years clearly indicating how many resources are to be allocated on each project and what rate.



ii) **Representative from Mayile Mdlumtsha JV**

Q: How will Amatola Water will manage the risk of some service providers quoting minimal hours against each project, if the Three Year Rolling Internal Audit Plan does not specify how many hours are to be spent on each project?

A: Service providers were advised to provide total average hourly rate for each project listed under the Three Year Strategic Internal Audit Plan and those transferred to the Pricing Schedule under SBD 3.3. Furthermore; the service providers were advised that at this stage it would be difficult to prescribe number of hours to be spent on each project. Therefore, it is critical that the service providers quote average total rate to be spent on each project and total per each of the three financial years clearly indicating how many resources are to be allocated on each project and what rate.

Q: Are the service providers expected to quote for accommodation prices, considering that Amatola Water has different offices, sites, and projects across the Eastern Cape? Are there any Amatola Water Internal Audit projects that are performed requiring travelling outside East London area?

A: Service providers were referred to page 35, Section C: Price Instructions and Escalation under value added tax sentence no. 5 which states that *"All prices tendered must include all expenses, disbursements and costs, e.g., transport that may be required for the execution of tenders obligation in terms of the Contract, all prices tendered will final bidding."*

5. MEETING CLOSURE

Mr. Biyela declared the meeting closed at 12:57pm.

SIGNATORY:

BSC Chairperson:  **DATE:** 9/2/2022

