



TENDER

CONTRACT NO.	DESCRIPTION OF CONTRACT
CE 178	PROFESSIONAL TEAM REQUIRED FOR DESIGN AND PROJECT MANAGEMENT SERVICES FOR IMPLEMENTATION OF HOUSING UNITS AND OTHER SERVICES

CONTRACT PRICE AMENDMENT IN TERMS OF MFMA (No. 56, 2003) SECTION 116 (3) (a) AND (b) (i) & (ii)

This communicate serves to inform the BCMM community in terms of Section 116 (3)(a) and (b) (i) & (ii) of the Municipal Finance Management Act (56 of 2003) which outlines 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.”

BCMM hereby informs BCMM Community about the ammedment to the design and project management fee on **Contract No: CE 178** awarded to **Sokhani Housing Consortium**

The reason supporting the contract price adjustment-

- The Bid was advertised for professional team required for design and project management services for implementation of housing units and other services in 2014
- However, the project took longer than expected. The contractor to implement the project was only appointed in 2022.
- Due to price escalation and time spent on the project the funds are insufficient to complete the project.
- The contract was amended with an additional amount of R 5 602 879.00 which is 230% increase of the original contract.

Comments to the aforementioned must be forwarded in writing to:

The City Manager, 10th Floor, Trust Centre Building, Cnr Oxford Street and North Street East London, 5201 or via email at Kholekas@buffalocity.gov.za within a period of **seven days (7)** from the date of the advertisement on the newspaper/s. For any enquiries, please contact Ms X. Dube telephonically at **043 705 1897 (5399)**