



**RAYMOND  
MHLABA**  
MUNICIPALITY  
\*\*\*\*\*  
UMANYANO KUPHULHISO

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8 SOMERSET STREET  
FORT BEAUFORT | 5720  
P.O.BOX 36 | FORT BEAUFORT | 5720

Date 26 June 2023

## REQUEST FOR QUOTATIONS

### VALUATION OF LANDFILL SITE IN ACCORDANCE WITH GRAP 17 & 19 FOR A PERIOD OF 1 FINANCIAL YEAR LINKED TO THE AUDIT.

Enquiries should be addressed to L Mayi at [lmayi@raymondmhlaba.gov.za](mailto:lmayi@raymondmhlaba.gov.za). Quotations/Proposals are to be placed in a sealed envelope endorsed with the name of the project mentioned above and must be deposited in the Bid Box at the **Budget and Treasury Office: Corner of Campbell and Market Street, Fort Beaufort Town Hall, 5720**, not later than **12h00pm on 3<sup>rd</sup> July 2023**, at which time they will be opened in public.

Preferential Procurement Policy Framework Act points will be awarded as follows:

Price	- 80 Points
Specific goals	- 20 Points
Total	- 100 Points

### MANDATORY DOCUMENTS TO BE SUBMITTED AND FAILURE TO DO SO WILL LEAD TO BIDS DEEMED TO BE NON-RESPONSIVE.

- Raymond Mhlaba Municipality Supply Chain Management Policy will apply.
- Raymond Mhlaba Municipality does not bind itself to accept the lowest bid or any other bid and reserves the right to accept the whole or part of the bid and value for money will be the key determinant of the appointment.
- Prices quoted must be firm and must be inclusive of VAT for VAT vendors.
- Bids which are late, not filled in black ink, incomplete, pages not filled in, unsigned or submitted by facsimile or electronically, will not be accepted.
- A confirmation from SARS with a verification pin.
- Certified copy of company CIPC Document. Proof of CIDB registration
- Certified BBBEE certificate or sworn affidavits for EME's and QSE's (non-elimination item).
- Certified ID Copies of Managing Directors/ Owners.
- Municipal Billing Clearance Certificate from your local municipality is a compulsory submission. All service providers must provide municipal billing clearance obtainable from Revenue Manager/Section. Take note that the municipality will not enter into a contract with a bidder whose Municipal Bill is more than 3 months in arrears.
- Certification of documents must be within a period of 90 days and must be originally certified.
- Bidders must be registered on CSD and provide confirmation of registration.
- Specific goals will be allocated to SMMEs and youth and means of verification will be a Sworn Affidavit issued by the Commissioner of Oath or a certificate from the Verification Agency as means of verification to claim points plus Certified ID
- No bidders in the service of the state are allowed to bid.
- Bidders will be required to produce proof of VAT registration for appointments in excess of R 1 Million.



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#### **TERMS OF REFERENCE FOR:**

**VALUATION OF LANDFILL SITE IN ACCORDANCE WITH GRAP 17 & 19 FOR A PERIOD OF 1 FINANCIAL YEAR LINKED TO THE AUDIT.**

#### **PROJECT PLAN**

**1.1.** Raymond Mhlaba Local Municipality (RMLM) is inviting all suitable, qualified and experienced Professional Service Providers to submit quotations for the valuation of Landfill site.

#### **2. OVERALL OBJECTIVES**

**2.1.** The Financial Reporting and asset management unit requires a service provider to perform the annual review of the valuation of the provision for the rehabilitation and closure costs under Generally Recognized Accounting Practice 19 (GRAP 19) framework.

#### **3. BACKGROUND**

**3.1.** Sections 122(1) and (3) of the Municipal Finance Management Act (MFMA), Act 56 of 2003, require local authorities to prepare annual financial statements in accordance with generally recognized accounting practice. This should include particulars of any contingent liabilities of the municipality at the end of the year (section 125(2) (c) of the MFMA). This includes liability for the rehabilitation and closure of landfills under its control.

**3.2.** The amount of such liabilities needs to be reviewed annually. Liabilities are present obligations of an entity arising from past events, the settlement of which is expected to result in an outflow from the entity of resources embodying economic benefits (paragraph 16 of GRAP 19).

**3.3.** Applicable legislation: Department of Water Affairs Minimum Requirements (DWAf MR) for Waste Disposal by Landfill, 2nd Edition (1998) and Norms and Standards for Assessment of Waste for Landfill Disposal prior to the disposal of waste to landfill (GN R.635 promulgated on 23 August 2013) are the latest and most to date legislation in South Africa pertaining to the permitting of landfill waste sites.

#### **4. AIMS OF THE PROJECT**

**4.1.** The aim of this project is for Raymond Mhlaba Local Municipality to make provisions for rehabilitation. The operation of a landfill results in an obligation to rehabilitate the landfill and prevent any further pollution after closure thereof in terms of section 28 of the National Environmental Management Act, Act 107 of 1998, sections 3(14) – (16) and 4 (10) of Government Notice 718 of 3 July 2009, and the landfill permits issued under section 20 of the Environment Conservation Act, Act 73 of 1989, or the waste management licenses issued under section 50 of the National Environmental Management: Waste Act, Act 59 of 2008.

Valuation of Raymond Mhlaba Local Municipality landfill sites in accordance with GRAP 17 and 19.

#### **5. SCOPE OF WORK**

##### **5.1** Description of the Services

• Valuation of Raymond Mhlaba Local Municipality landfill sites in accordance with GRAP 17 and 19 for a period of 1 Financial year<sup>1</sup> linked with audit.

- Inspect and value each cell for the annual financial statements.
- Estimates of annual closure and rehabilitation costs of the site.
- Respond to queries from Auditor General or any other authorized person.
- To ensure that the municipality complies with applicable legislation & laws and monitor compliance.

**5.2** The valuation must include the following calculations and information in the report.

- Estimated annual costs of closure and rehabilitation
- Minimum obligation of Raymond Mhlaba Local Municipality in terms of legislation.



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- Financial methodology – direct and indirect contract costs, professional fees. Escalation costs, indirect disbursements, escalation
- Estimation of the remaining useful lifespan (RUL) of the site
- Summary of financial calculations; landfill capping, landfill cover, closure permit application, borehole monitoring, survey, fencing, contingencies and summary of cost of landfill site
- Detailed analysis of total estimated closure costs for the landfill site
- Detailed source documentation of all costs
- The successful bidder will be required to provide a methodology and cost estimate in order for the municipality to undertake an acceptable determination of the remaining useful lifespan (RUL) for the operational landfill site.
- Any other estimates affecting operations of the landfill site such as net present values.

#### **Deliverables**

- Financial valuation report for each landfill cell (Annual Report by 20 July )
- Detailed description of site and photographs of cells.
- Diagram indicating areas to be rehabilitated.
- Source documentation motivating each cost element of the financial calculation. (Calculation Methodology other than the report)
- Provide a report with recommendations on how the landfill site is operated and improvement of operations.
- Provide a report on Compliance with legislation.

#### **6. EXPECTED OUTCOMES**

- The service provider is expected to comply with the above terms of reference.
- The service provider is expected to deliver quality service in accordance with the magnitude and requirements of this project.

#### **7. PROJECT TIMEFRAME**

- The Project is expected to be done for a period of 1 financial year.

#### **8. QUALIFYING CRITERIA**

- Proven Experience in respect to rehabilitation of landfill sites (attach Signed appointment letters and reference letters) from other Municipalities – minimum of 4 projects
- Proof of registration as a registered Engineer on the Engineering Counsel of South Africa (ECSA) with more than 15 years' experience (Certified copy)
- Attach Certified Qualifications, Membership certificate, CV of a professional engineer (minimum of ten years)

#### **9. SPECIFIC CRITERIA**

- SMME - <51% black owned – 10 POINTS
- YOUTH – POINTS 10

**X.Pantsi**  
SCM Manager