



Sustainable Development & City Enterprises  
Economic Development & Investment Promotions Unit

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22 June 2018

**CONTRACT NO: 7N-39543**

### **Terms of Reference**

#### **Request for proposals for a consultant/Service Provider to undertake an Operational and Management Plan for Hammersdale Waste Beneficiation Centre.**

##### **1. Project Title**

Hammersdale Waste Beneficiation Centre – Operational and Management Plan

##### **2. Background/Motivation**

The stimulation and growth of priority sector by Economic Development Unit (EDU) contributes towards the realization of the Plan 2 goal of the Integrated Development Plan (IDP) which is to develop the economic wealth of the eThekweni region for the well-being of all its citizens. The support of niche economic sectors such as the green economy, is in line with the strategic development principles of the IDP and the Economic Development Strategy in tackling unemployment and facilitating radical economic growth and development within the City.

The recycling industry, waste beneficiation and the green economy have been recognized by the EDU as one of the key sectors to the local economy and potentially a major employer within the municipal area, and hence the EDU's continued support of the Waste Materials Recovery Initiative which has been in existence since 2009.

The request for proposal related to the soon to be completed Hammersdale Waste Beneficiation Centre which is one of the flagship projects for our partner organization USE-IT, a Non-Profit Company.

A feasibility Study was completed in 2012 which determined that the Hammersdale / Mpumalanga Waste Beneficiation Centre was a feasible project from an environmental, social economic and financial perspective. This study found that Waste Beneficiation Centre (hereinafter referred to as HWBC) would substantially benefit the surrounding community by creating employment opportunities and providing skills training. The environment will also benefit from the recycling activities occurring onsite from the environmentally and energy efficient design of the centre.

The HWBC centre was originally conceived by USE-IT and eThekweni Municipality stakeholders as a community collection and recycling facility, however, over the past few years, the concept was

substantially expanded to include several additional components and roles, which will maximise the employment creation potential and skills transfer potential of the project.

The initial project scope was for:

1. Community Recycling Collection Centre
2. Up-cycling Incubators

This scope was however reviewed to comprise of:

1. Community Recycling Collection Centre
2. Up-cycling Incubators
3. Compressed Earth Block Yard
4. E-Waste Processing Centre
5. Plastics Collection Warehouse
6. Glass Collection Warehouse
7. Training block (incubation program) and;
8. Composting yard

Processes to take place on site:

- Sorting
- Shredding
- Grinding
- Crushing
- Screening
- Bailing
- Recycling and;
- Recovery of general hazardous waste in terms of Government Notice 634 of 23 August 2013.

### **3. Objectives**

The main objective is to appoint a suitably qualified Consulting team to investigate and consolidate a credible operational plan for the HWBC as this will inform necessary resource mobilization and budget allocation for the Centre to fully operate. The HWBC is currently under construction and is due to be completed end of June 2018. Further updates and information on the Centre, can be sources from the City's partner organization website [www.use-it.co.za](http://www.use-it.co.za)

The feasibility studies for the construction of the HWBC was completed, however further investigations are required at this project stage as the operational requirements need further analysis and development.

The feasibility study was done before the application for waste licence was completed and several additional expenses have now resulted due to the waste licence requirements, these expenses relate to:

- Appointment of Waste Management Control Officer
- Odour control
- Separation of general and hazardous waste (Government Notice 926 of 29 November 2013)
- Annual reporting to the DEA

- Annual Audits, both internal and external

An investigation, with reference to other similar facilities, and advise on the most appropriate institutional vehicle and make up to operationalize the facility, which will appropriately link to Use-It the NPO will be an integral part of this work.

The core function of the HWBC will be the incubation facility. It will be necessary as part on the management and operational plan, to define the best possible plan for this operation which will best accommodate the upcoming businesses from Hammersdale and the surrounding areas.

Another main objective is for the Municipality and its partner Use-It to holistically understand the financial resource requirement related to the management, the operations, the necessary marketing and communication of HWBC and the facility.

#### **4. Deliverables**

The Consultant is required to deliver a comprehensive operational and management plan for the HWBC that will guide among other things, the institutional, human resources, maintenance, marketing, and most importantly financial requirement for a fully operational facility in Hammersdale especially for the first 3 years of operation.

Most of the information will be sourced from the Municipality's partner organization Use-It as some adhoc/preliminary work relating to the scope has been done and will be shared with the successful bidder.

#### **5. Individual/Professional Team**

The consultant / consortium appointed would need to have experience and/or qualifications in the following key knowledge areas:

- Property Management
- Development Economics

The successful consultant/consortium must submit proof in the proposal that they have sufficient expertise in facilities management and operational plan development, and show an understanding of issues relating to the properties and facilities management and an ability to deliver the work.

#### **6. Project Commencement and termination dates**

The eThekweni Economic Development Department will provide the appointed consultant with any relevant information at its disposal as a basis to start the work.

The appointment will be made by the 25 August 2018. If the commencement date is earlier or later, the due date will be adjusted accordingly. The development of an operational and management plan is not expected to take longer **than 4 months**.

Once the appointment has been made the consultant has 5 working days to hand in the inception report detailing the scope of work, methodology and deliverables etc, for the duration of the project

The consultant will be required to make presentations each report to the Project Team as well as to any other stakeholders that the team deems necessary; before finalization.

## 7. Evaluation Criteria

CRITERIA	MAX SCORE
<b>STAGE 1</b>	
<b>1. Response to the brief</b>	<b>35</b>
<p>1.1. Does the proposal clearly demonstrate good understanding of the brief i.e. does it clearly articulate the theme, how each task &amp; expected deliverable would be carried out, and resources and timeframes thereof? = <b>10 points</b>.</p> <p>1.2. Is the methodology/approach innovative and tailor-made for the execution of i.e. the methodology, in terms of delivering the plan, MUST be in line with the project's objective. = <b>20 points</b>.</p> <p>1.3. Is the project plan sufficiently flexible to accommodate changes that may occur during execution? = <b>5 points</b>.</p> <p><i>The above points will be further be interpreted as follows.</i></p> <ul style="list-style-type: none"> <li>○ Nil – No submission</li> <li>○ Poor (score 40%) – The proposal shows limited understanding of the brief and project, has not adequately dealt with the key challenges.</li> <li>○ Satisfactory (score 70%) – The brief is well understood, clearly articulated, and key components are adequately addressed. The proposal reflects necessary concepts but has insufficient detail for it to be distinctive.</li> <li>○ Good (score 90%) – the proposal clearly demonstrates an understanding of the project's vision and the brief. All key components are adequately addressed.</li> <li>○ Very good (score 100%) - A unique proposal that is strongly aligned to and identifiable with the project. It identifies and deals well with all the brief criteria and has the potential to leave a broader legacy.</li> </ul>	
<b>2. Expertise and experience</b>	<b>40</b>
<p><i>Points will be interpreted as follows.</i></p> <ul style="list-style-type: none"> <li>○ Nil – No submission</li> <li>○ Poor (score 40%) – The team has limited relevant experience in projects of similar nature. The company is unlikely to deliver within the specified time frame.</li> <li>○ Satisfactory (score 70%) – The tenderer has relevant experience in projects of similar nature but has not directly undertaken a project of this magnitude.</li> <li>○ Good (score 90%) – The tenderer has extensive experience in projects of similar nature and has directly undertaken similar projects.</li> <li>○ Very good (score 100%) – The tenderer has outstanding experience in projects of similar nature and has taken many such projects. Key personnel allocated to the project have outstanding relevant experience.</li> </ul>	
<b>3. Capacity to deliver and capability</b>	<b>25</b>
<p><i>Points will be interpreted as follows.</i></p> <ul style="list-style-type: none"> <li>○ Nil – No submission</li> <li>○ Poor (score 40%) – The project plan is sketchy, there is no clarity in terms of resources aligned to the project.</li> <li>○ Satisfactory (score 70%) –Project plan is complete &amp; reasonably detailed. Resources appear adequate.</li> </ul>	

<ul style="list-style-type: none"> <li>○ <i>Good (score 90%) – besides meeting ‘satisfactory’ rates and resources have been clearly defined and make provision for key risk areas.</i></li> <li>○ <i>Very good (score 100%) – Besides meeting “good” rating, the plan make provision for every eventuality.</i></li> </ul>	
<b>TOTAL</b>	<b>100</b>
<b>THE MINIMUM THRESHOLD OF THIS FUNCTIONALITY IS 70 OUT OF 100 POINTS. ANY BID WHICH FAILS TO MEET THIS MINIMUM THRESHOLD WILL BE DISQUALIFIED. ONLY BIDS SCORING 60 AND ABOVE WILL PROCEED TO STAGE 2</b>	
<b>STAGE 2</b>	
Price: overall budget of the project	80
BEE: empowerment status	20
<b>GRAND TOTAL</b>	<b>100</b>

## 8. Appointment Of Service Provider

The selection and appointment of a service provider will be according to the MFMA Circular 53 (Municipal Finance Management Act No. 56 of 2003), and proposals must be submitted in the following format:

- a) Full name of company.
- b) Physical address.
- c) Full contact details, including cell phone number of contact person.
- d) Valid Tax clearance certificate (ORIGINAL COPY) *by the date of evaluation.*
- e) EThekwini Municipality database registration number.
- f) A clear & complete proposal. Take note of information requested above, in order to adhere to the requirements.
- g) complete and sign the attached declarations wherein they declare that all municipal fees are in order
- h) Budget

### Budget

The budget is subject to the range of costs as quoted by consultants for similar studies and is expected to cost up to **R 200 000 (Including VAT, and disbursements)** for the full scope of deliverables. The consultant must provide a full budget breakdown and final costs to undertake all work pertaining to this project the full scope of deliverables.

## 9. Payment Terms

Payments are made on the satisfactory completion of the different stages of the process, covering the full range of tasks as will be finalized.

Payment will be made according to Ethekwini Municipality standard terms and conditions. On receipt of invoice for work rendered, the service provider should allow at least **4 weeks** for the payments to be processed.

## 10. Accountability

The client is eThekweni Municipality: Economic Development Unit: the Task team under the leadership of the Deputy Head Programmes or any other nominated official is responsible for the implementation of the project.

### **11. Non Appointment**

The eThekweni Municipality has a right not to make an appointment should it find that bidding parties do not meet the specified criteria/ requirements.

The eThekweni Municipality reserves the right to award the tender to the most responsive and not necessarily the lowest bidder.

### **12. Closing Date And Time**

**The closing date for submission of proposals is 11h00 on Wednesday, 8<sup>th</sup> August 2018.**

Each service provider must submit 3 colour copies of proposal marked Enquiry No 7N-39543  
**“Request for proposals for a consultant/Service Provider to undertake an Operational and Management plan of the Hammersdale Waste Beneficiation Centre.”**

Must be placed in the Tender Box at Materials Management Building (Ground Floor), Corporate Procurement, Archie Gumede Place, (and not any other Municipal Department) not later than 11:00 on 8<sup>th</sup> August Wednesday, 2018.

**For further information/enquiries, please contact Phakamile Mbonambi on 031-311 4227 or email:**  
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