



Public Procurement and Disposal of Public Assets Authority

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Our Ref:.....PPDA/000/B02.....

Your Ref:.....

17th October 2017

The Inspector General of Government
Inspectorate of Government
P.O Box 1682
KAMPALA

**RE: DISCLOSURE OF FRAUDULENT AWARD OF CONTRACT FOR HIRE OF EARTH
MOVING EQUIPMENT FOR KITEZI LANDFILL – KCCA/NCONS/16-17/00105**

Reference is made to a complaint dated 18th August 2017 addressed to the Executive Director, Kampala City Council Authority and copied to you.

The complainant alleged as follows:

1. The evaluation process fell short of the required expected standards with gross inconsistencies and incompetence which has delayed procurement process.
2. Some bidders were not fully scrutinized during the due diligence.

The Authority requested the Accounting Officer to investigate the complaint in accordance with Section 26(1) (h) of the PPDA Act 2003. The Accounting Officer submitted an investigation report dated 20th September 2017.

The Authority reviewed the investigation report and noted that:

1. The Entity carried out due diligence on all bidders that participated in the bidding process and a copy of a due diligence report dated 28th October 2016 is attached.
2. The Entity carried out a re-evaluation on the procurement as per the decision of the Public Procurement and Disposal of Public Assets Authority Appeals Tribunal in application No. 6 of 2017 dated 16th August 2017.

SB/bk

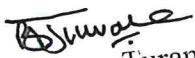
3. The re-evaluation report dated 3rd August 2017 recommended award of framework contract to Valley Technical Services Limited for a period of 18 months.

4. On 4th August 2017, the Contracts Committee awarded the contract for the hire of earth moving equipment for Kitezi Landfill to Valley Technical Services Limited for 18 months at the following rates;

1. Bull Dozer LGP (Low Ground Pressure) with a V sprocket chain (unit rate inclusive of operator, fuel and other equipment consumables) at a cost of UGX 2,301,000 VAT inclusive per day.
2. Bull Dozer (unit inclusive of operators, fuel and equipment consumables) at UGX 2,183,000 VAT inclusive per day.
3. Hydraulic Chain Excavator (unit rate inclusive of operators, fuel and other equipment consumables) at a cost of UGX 2,301,000 VAT inclusive per day.

5. On 18th September 2017, the Entity signed a contract with Valley Technical Services Limited for a period of eighteen (18) months.

In light of the above, the Authority found no merit in the allegations. The Entity is advised to implement the contract as per the terms and conditions therein



Benson Turamye

Ag. EXECUTIVE DIRECTOR

c.c.: The Executive Director, Kampala City Council Authority