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TENDER NOTICE AND INVITATION TO TENDER

Expression of Interest / Request for Proposal (RFP)

PROJECT NAME	Contract Number	Compulsory Briefing on Friday, 13 October 2023	Closing Date
Mixed Commercial Development Lease Tlokoeng Public-Private Partnership	ELM-6/005/2023-2024	Nqanqarhu and Tlokoeng Municipal Boardroom at 11:00	Thursday, 16 November 2023

Proposals are hereby invited from suitably qualified interested parties with a proven track record for the development of commercial property on municipal or public owned land. As This will be a Public-Private Partnership, (regulated by MFMA and Municipal PPP). The municipality has conducted an Economic Feasibility and its attached, however the developer is at liberty to review it. Possible incentives to be discussed with the appointed developer.

Interested parties are invited to provide proposals to construct and manage a commercial property on an identified portion of municipal or public owned land, with a lease period of 30 years and the details of the proposed building on Erf 4369, Mount Fletcher found in Tlokoeng town (formerly Mount Fletcher).

This is an Expression of Interest / Request for Proposal (RFP) where a two-envelope procurement method will be used as bidders are expected to propose a specific solution (methodology and workplan) to fulfilling a specific requirement.

Bidders are required to submit technical and financial proposals in two separate envelopes. The technical proposal is evaluated first and ranked according to pre-established evaluation criteria which is functionality, and only the financial proposals of those bidders that achieved the minimum qualifying score indicated in the RFP, are opened and evaluated further for price and specific goals.

Contracts will be based on the National Treasury General Conditions of Contract

EVALUATION CRITERIA

STAGE 1: TECHNICAL PROPOSAL

- Phase 1 of Stage 1: Test for responsiveness and eligibility Criteria (Compliance, responsiveness to the bid rules and conditions, thereafter (if applicable).
- Phase 2 of Stage 1: Evaluation – Quality/Functionality

STAGE 2: FINANCIAL PROPOSAL

- Price and Specific Goals in accordance with the Preferential Procurement Regulations 2022.

NB: Only bidders who achieved the minimum qualifying score indicated in the RFP, are opened and evaluated further for price and specific goals

PREFERENTIAL PROCUREMENT POLICY FRAMEWORK ACT (PPPFA) POINTS WILL BE AWARDED AS FOLLOWS:

Maximum points on price	- 90 points
Maximum points for Specific Goals	- 10 points
Maximum points	- 100 points

NB: Specifications on evaluation criteria will be made available on municipal website and e-tender portal for bidders to test whether they qualify or not. However, it must be noted that the tender document to be submitted as the final offer will be sold ELM website: specifications may be uploaded on our website www.elundini.gov.za

FUNCTIONALITY

Quality criteria	Maximum number of points
Resources and Experience of the Service Provider in related scope of works	20
Financial Capability	20
Tenants	40
Proposed Project plan and value	20
Maximum possible score for quality (Ms)	100

No bidder will be evaluated if not achieved the minimum qualifying score of 70 Points

Bidder that fail to submit proof of specific goal as stipulated below will not be allocated points

The specific goals allocated points in terms of this tender	Number of points claimed (90/10 system)	Proof to claim points
Tender Price	90	
EME or QSE which is at least 51% owned by Black people	10 Points	Company registration document and valid certified B-BBEE certificate or original sworn affidavit and CSD Report

PURCHASING AND SUBMISSION OF TENDER DOCUMENTS.

Tender documents may be obtained from the Elundini Local Municipality SCM Unit or emailed to a bidder upon payment of a non-refundable amount of R250 (two hundred and fifty Rand). Payment for tender document can be made either paid in cash or by means of electronic funds transfer (EFT) to the Elundini Local Municipality (Where EFT is used proof of payment must be sent to kwaneles@elundini.gov.za). The cash amount is to be paid at the cashier's office between the hours of 08:00 and 16:00, prior to the collection of the tender documents from the SCM unit.

NB: For EFT payment bidders must pay using this account: First National Bank (FNB) cheque account No: 62159933772, Ref No. 020114350000.

ELM Cashier's office is situated at Elundini Traffic Department, ERF 3503 Station Street, Nqanqarhu, 5480.

The tender documents will be available on **Monday, 16 October 2023**

Completed bid documents and supporting documentation are to be placed in a sealed envelope endorsed with Project Name and Bid Number. At the back of the envelope bidders must write the bidder's name and address. Bid submissions must be delivered to the Elundini Local Municipality, at No. 1 Seller Street, Nqanqarhu, Finance Department. The tender document must be placed in the Tender Box not later than 12H00 Noon on Tuesday, 14 November 2023 at which time the tenders will be opened in public. Accept that the Elundini Municipality shall not assume any responsibility for the misplacement or premature opening of the tender offer if the outer package is not sealed and marked as stated.

Bidders are encouraged to make electronic copies of the bid submission in a form of USB / CD as a precautionary backup.

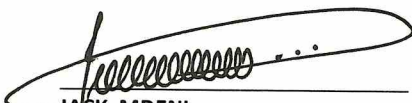
Enquiries relating to SCM may be addressed to Ms. H Mdusulwana, Tel No. 045 932 8125 or email: hlobikazi@elundini.gov.za. Technical inquiries may be addressed to Mrs N. Eddie on email: ntomboxoloe@elundini.gov.za Tel No. 045 932 8104

Telegraphic, telephonic, telex, facsimile, e-mail and late tenders will not be accepted.

Tenders may only be submitted on the tender documentation that is issued. Requirements for sealing, addressing, delivery, opening and assessment of tenders are stated in the tender data and tender documents

The minimum specifications, other bid conditions and rules are detailed in the bid document under Tender Data. The Elundini Local Municipality SCM policy applies. Tender validity period is 12 Weeks.

Tenderers must request clarification on the tender documents, if necessary, by notifying the employer at least 5 (Five) working days before the closing time stated in the tender data. No clarifications that will require issue of an addendum will be entertained after this period.


JACK MDANI
MUNICIPAL MANAGER



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BID CONDITIONS AND TENDER DATA

Clause number	Tender Data
1	The employer is the Elundini Local Municipality
2	The tender documents issued by the employer comprise the documents listed on the contents page
3	The employer's representative is: Name: Ms N C Eddie Elundini Local Municipality 1 Seller Street, Nqanqarhu, 5480. Tel No.: 045 932 8104 Fax No.: 045 932 1094 E-mail: ntomboxolon@elundini.gov.za
4.	The language for communications is English
5	Elundini Local Municipality bidding process in the context of this bid is administered by ELM Supply Chain Management Policy , MFMA Act 56 of 2003 and MFMA SCM Regulations and shall act in accordance with the said legislative prescripts The General Conditions of Contract as well as any Special Conditions of Contract that may form part of this set of bid documents will be applicable to this bid in addition to the conditions of bid.
6	The successful bidder will be expected to sign the service Level agreement within 30 days from the date of notification by the Elundini Municipality that his/her bid has been accepted.
7	Tenderer's Obligations



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7.1	<p>Only tenderers who satisfy the following eligibility criteria and who have provided the required evidence in their tender submission are eligible to have their bid offers evaluated:</p> <ol style="list-style-type: none"> JV Eligibility requirements: <ul style="list-style-type: none"> Incorporated Joint Venture that complies with the Companies Act and other relevant laws and regulations. A Joint venture must submit a consolidated valid original or certified copy of B-BBEE certificate must be submitted with the bid OR a valid original or certified copy of a Sworn Affidavit attested by a Commissioner of Oaths prepared and issued in terms of the amended B-BBEE Construction Sector Codes (CSC000) must be submitted in order to qualify for preference points for B-BBEE. Failure to comply with this, will automatically results in the non-awarding of points for B-BBEE.(This will not disqualify bidders but points for B-BBEE will not be allocated) Submit Joint Venture agreement in the case of joint venture. Fully completed Compulsory Returnable Documents for JV Directors or company is not in the Treasury's database of restricted suppliers JV to be Incorporated Joint Venture in terms of Companies Act 2008 and contract law. Bidder must provide and attach evidence of the development, with contactable references confirming two (2) mixed commercial developments stated in the company profile (Mall, Office Park). The value of the completed projects must be in the value of R 50 million and above each successfully completed development. (POE: Company profile with contactable references) NB: Any developer with less than two (2) mixed commercial developments will not be eligible. Bidders must provide valid proof of one (1) anchor tenant (large and prestigious, most prominent store in the centre) alongside with letter of intent as one of the tenants. Bidders must provide letter of intent from tenants to rent from a minimum of Five (5) National Footprint. Audited or independently reviewed financial statements by a firm of registered auditors for the past three financial years with a current ratio being equal to (2) two or higher. (In case of incorporated JV or Consortium financial statements must be submitted individually.) Pre- funding letter from reputable financial institution (FSP Registered Institution) for the value of the proposed building or confirmation of the availability of funding to undertake the project.
7.2	Tenderer must submit one (1) hard copy of the original tender submission in the prescribed format at tender submission deadline failure to do so, the tenderer will be disqualified. Bidders are encouraged to make electronic copies of the bid submission in a form of USB / CD as a precautionary backup.
8	The tenderer accepts that, unless otherwise stated in the tender data, the employer does not compensate the tenderer for any costs incurred in the preparation and submission of a tender offer, including the costs of any testing necessary to demonstrate that aspects of the offer comply with requirements.
9	It is the responsibility of the tenderer to check the tender documents on receipt for completeness and notify the employer of any discrepancy or omission.
10	The tenderer must record and reference all information submitted contained in other documents for example cover letters, brochures, catalogues, etc. in the returnable schedule titled "List of Other Documents Attached by Tenderer" .
11	Treat as confidential all matters arising in connection with the tender. Use and copy the documents issued by the employer only for the purpose of preparing and submitting a tender offer in response to the invitation.
12	The tenderer shall obtain, as necessary for submitting a tender offer, copies of the latest versions of standards, specifications, conditions of contract and other publications, which are incorporated into the tender documents by reference.



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13	Acknowledge receipt of addenda to the tender documents, which the employer may issue, and, if necessary, apply for an extension to the closing time stated in the tender data, in order to take the addenda into account.
14	<p>Please note that if the tender stipulates that a site/clarification meeting is mandatory/compulsory; then suppliers must attend such meeting. Those suppliers who do not attend such mandatory/compulsory meeting will be disqualified and will not be evaluated.</p> <p>Where compulsory briefing is applicable, tenderers will be obligated to sign the attendance list in the name of the tendering entity. In that case, any Addenda issued to tenders will be received only from those tendering entities appearing on the attendance list.</p>
15	<p>Tenderers must request clarification on the tender documents, if necessary, by notifying the employer at least 5 (Five) working days before the closing time stated in the tender data. No clarifications that will require issue of an addendum will be entertained after this period.</p> <p>Bidders shall not contact the Elundini Municipality on any matter relating to their bid from the time of the opening of the bid to the time the contract is awarded for additional information or amendments of bids. Any effort by the firm to influence the Elundini Municipality in the bid evaluation, bid comparison or contract award decisions may result in the rejection of the bid.</p>
16	Tenderers are required to state the rates and currencies in Rands. Include in the rates, prices, and the tendered total of the prices (if any), all duties, taxes which the law requires to be paid [except value added tax (VAT)], and other levies payable by the successful tenderer, that are applicable 14 days before the closing time stated in the tender data. Show the VAT payable by the employer separately as an addition to the tendered total of the prices. Provide rates and prices that are fixed for the duration of the contract and not subject to adjustment except as provided for in the conditions of contract identified in the contract data. State the rates and prices in monetary value of the contract unless otherwise instructed in the tender data
17	If after the commencement of the Contract, the cost or duration of the services is altered as a result of changes in, the amount of the main contractor or contract amount from which estimate were based, or amounts or additions to, any statute, regulation or by-laws, or the requirements of any authority having jurisdiction over any matter in respect of the Project, then the Contract Price and time for completion shall be adjusted in order to reflect the impact of those changes, provided that, within 90 days of first having become aware of the change, the Contractor furnished the Employer with detailed justification to the Price or Period of the Performance (or both).
18	<p>Alterations to the documents</p> <p>Do not make any alterations or additions to the tender documents, except to comply with instructions issued by the employer or to correct errors made by the tenderer and ensure that all signatories to the tender offer initial all such alterations. Do not make erasures using masking fluid.</p> <p>No unauthorised alteration of this set of bid documents will be allowed after the closing date. Any unauthorised alteration will disqualify the proposal automatically. Any ambiguity has to be cleared with contact person for the bid before the closure date.</p>
19	<p>Signatory</p> <p>A copy of the recorded Resolution taken by the Board of Directors, members, partners or trustees authorising the representative to submit this bid on the bidder's behalf must be attached to the Bid Document on submission of same.</p> <p>A bid shall be eligible for consideration only if it bears the signature of the bidder or of some person duly and lawfully authorised to sign it for and on behalf of the bidder</p>
20	No alternative tender offers will be considered
21	Parts of each tender offer communicated on paper shall be submitted as an original. No copies are required
22	Bidder must comply with all pricing instructions as stated on the Price Schedule and tender conditions



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23	<p>Tax Clearance Certificate Bidder must submit a valid SARS Tax Clearance Certificate or/and a tax compliance status document reflecting the pin for the Employer to verify that the tenderer is in good standing.</p> <p>Certified copy of a tax clearance certificate is still required by Foreign suppliers (with a footprint in South Africa- but who are not on CSD and have not provided a SARS pin number) and Local suppliers (who have not provided their SARS e-filing PIN number for verification by Elundini Local Municipality and/or their CSD profile / CSD number) . Foreign suppliers (even those with no deemed footprint in South Africa) must still complete the relevant section in Part A of the MBD1 document, however, no proof of tax compliance is required if the supplier answers "no" to all questions. If they answer "yes" to any of the questions, however, they are required to register and be tax compliant as per Part B- section 2 of the MBD 1 document and relevant legislation governing tax compliance.</p> <p>Upon submission of a bid/quote/proposal the bidder automatically grants confirmation that SARS may, on an ongoing basis during the contract term disclose the bidders Tax Compliance status to the municipality.</p> <p>Each party to a Consortium/Joint Venture shall submit a separate valid Tax Clearance Certificate and must be compliant with SARS</p> <p>Prices must always be VAT inclusive where applicable.</p>
24	<p>Registration on Accredited Supplier Database</p> <p>It is expected of all prospective service providers who are not yet registered on the Central Supplier Database to register online (www.csd.gov.za) and verify their company information Elundini Municipality Database Department. The Elundini Municipality reserves the right not to award proposals to prospective suppliers who are not registered on the CSD (Central Supplier Database).</p>
25	<p>BBBEE Certificate</p> <p>For the proof of B-BBEE status level of contributor the bidder must submit an original or certified copy of a valid verification certificate from a verification agency accredited by SANAS and recognized as an Accredited B-BBEE Verification Agencies (www.sanas.co.za/afdirectory/bbbee_list.php) or original or certified completed AFFIDAVIT downloaded from www.thedti.gov.za/economic_empowerment/bee_codes.jsp</p>
26	<p>Municipal Rates, Taxes and Charges</p> <p>The bidder to provide their municipal account of rates and taxes of both the Bidding entity and its directors' in its Bid Document submission. Any bidder which is or whose directors are in arrear with their municipal rates and taxes due to any Municipality within South Africa for more than three months and have not made an arrangement for settlement of or same before the bid closure date will be disqualified.</p> <p>If the bidder is renting the office a Lease Agreement must be attached to the bid document OR Affidavit from SAPS stating that the bidder is not obliged to pay municipal rates with a letter from a ward Councilor is submitted with the tender document.</p>
27	<p>Tenderer must put initials at the bottom of each page of the tender document as proof that the bidder has reviewed and agreed to the contents of the tender data. This also prevents and ensures that various parties involved do not change and / or replace any page and modify the contents after the submission of the tender.</p> <p>Tenderer must sign the original and all copies of the tender offer where required in terms of the tender data. NOTE: The employer holds all authorized signatories liable on behalf of the tenderer.</p>



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28	<p>The employer's details and address for delivery of tender offers and identification details that are to be shown on each tender offer package are:</p> <p>Location of tender box: Elundini Local Municipality Finance Department</p> <p>Physical address: 1 Seller Street Nqanqarhu 5480</p> <p>Identification details : Tender no, Title of Tender and the closing date and time for tenders Closing Date : Thursdaay, 16 November 2023 Closing Time : 12H00</p> <p>The tender box is only open on weekdays between 08:00 and 16:00</p>
29	<p>Where a two-envelope system is required in terms of the tender conditions, place and seal the returnable documents listed in the tender conditions in an envelope marked "financial proposal" and place the remaining returnable documents in separate envelope marked "technical proposal". Each envelope shall state on the outside the Elundini Municipality's address and identification details of the bid, as well as the tenderer's name and contact address.</p> <p>Accept that the Elundini Municipality shall not assume any responsibility for the misplacement or premature opening of the tender offer if the outer package is not sealed and marked as stated.</p> <p>Where stated in the tender conditions that a two-envelope system is to be followed, open only the technical proposal of tenders in the presence of tenderers' agents who choose to attend at the time and place stated in the tender conditions and announce the name of each tenderer whose technical proposal is opened.</p> <p>Employer shall evaluate the quality of the technical proposals offered by tenderers, then advise tenderers who have submitted responsive technical proposals of the time and place when the financial proposals will be opened. Open only the financial proposals of tenderers, who have submitted responsive technical proposals in accordance with the requirements as stated in the tender conditions, and announce the total price and any preferences claimed. Return unopened financial proposals to tenderers whose technical proposals were non-responsive.</p>
30	Telephonic, telegraphic, telex, facsimile or e-mailed tender offers will not be accepted.
31	The closing time for submission of tender offers is as stated in the Tender Notice and Invitation to Tender.
32	The tender offer validity period is 12 weeks . The validity of bids may be further extended by a period of not more than six months upon approval by the Accounting Officer.
33	<p>The tenderer shall provide clarification of a tender offer during the evaluation of tender offers, in response to a request from the employer to do so.</p> <p>Such clarifications can include providing a breakdown of rates or prices and correction of arithmetical errors by the adjustment of certain rates or item prices (or both). No change in the competitive position of tenderers or substance of the tender offer is sought, offered, or permitted.</p> <p>Note: This clause does not preclude the negotiation of the final terms of the contract with a preferred tenderer following a competitive selection process, should the Elundini Municipality elect to do so. Failure, or refusal, to provide such clarification or additional information within the time for submission stated in the Elundini Municipality's written request may render the tender non-responsive.</p>



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34	The employer shall grant during working hours to premises for inspections, tests and analysis, as provided for in the tender data.
35	<p>A tenderer may request in writing, after the closing date, that the tender offer be withdrawn.</p> <p>Such withdrawal will be permitted or refused at the sole discretion of the Elundini Municipality after consideration of the reasons for the withdrawal, which shall be fully set out by the tenderer in such written request for withdrawal. Should the tender offer be withdrawn in contravention hereof, the tenderer agrees that:</p> <ul style="list-style-type: none"> it shall be liable to the Elundini Municipality for any additional expense incurred or losses suffered by the Elundini Municipality in having either to accept another tender or, if new tenders have to be invited, the additional expenses incurred or losses suffered by the invitation of new tenders and the subsequent acceptance of any other tender; the Elundini Municipality shall also have the right to recover such additional expenses or losses by set-off against monies which may be due or become due to the tenderer under this or any other tender or contract or against any guarantee or deposit that may have been furnished by the tenderer or on its behalf for the due fulfilment of this or any other tender or contract. Pending the ascertainment of the amount of such additional expenses or losses, the Elundini Municipality shall be entitled to retain such monies, guarantee or deposit security for any such expenses or loss.
36	<p>Samples, Inspections, tests and analysis</p> <p>Provide access during working hours to premises for inspections, tests and analysis as provided for in the tender conditions or specifications.</p> <p>If the Specification requires the tenderer to provide samples, these shall be provided strictly in accordance with the instructions set out in the Specification.</p> <p>If such samples are not submitted as required in the bid documents or within any further time stipulated by the Elundini Municipality in writing, then the bid concerned may be declared non-responsive.</p> <p>The samples provided by all successful bidders will be retained by the Elundini Municipality for the duration of any subsequent contract. Bidders are to note that samples are requested for testing purposes therefore samples submitted to the Elundini Municipality may not in all instances be returned in the same state of supply and in other instances may not be returned at all.</p> <p>Unsuccessful bidders will be advised by the Project Manager or dedicated ELM Official to collect their samples, save in the aforementioned instances where the samples would not be returned.</p>
37	<p>Compliance with Occupational Health and Safety Act, 85 of 1993</p> <p>Tenderers are to note the requirements of the Occupational Health and Safety Act, 85 of 1993. The Tenderer shall be deemed to have read and fully understood the requirements of the above Act and Regulations and to have allowed for all costs in compliance therewith.</p> <p>In this regard the Tenderer shall submit upon written request to do so by the Elundini Municipality, a Health and Safety Plan in sufficient detail to demonstrate the necessary competencies and resources to deliver the goods or services all in accordance with the Act, Regulations and Health and Safety Specification.</p>



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38	<p>Claims arising from submission of tender</p> <p>The tenderer warrants that it has:</p> <ul style="list-style-type: none"> inspected the Specifications and read and fully understood the Conditions of Contract. read and fully understood the whole text of the Specifications and Price Schedule and thoroughly acquainted himself with the nature of the goods or services proposed and generally of all matters which may influence the Contract. visited the site(s) where delivery of the proposed goods will take place, carefully examined existing conditions, the means of access to the site(s), the conditions under which the delivery is to be made, and acquainted himself with any limitations or restrictions that may be imposed by the Municipal or other Authorities in regard to access and transport of materials, plant and equipment to and from the site(s) and made the necessary provisions for any additional costs involved thereby. requested the Elundini Municipality to clarify the actual requirements of anything in the Specifications and Price Schedule, the exact meaning or interpretation of which is not clearly intelligible to the Tenderer Escalations and escalations rates are clearly disclosed. received any notices to the tender documents which have been issued in accordance with the Elundini Municipality's Supply Chain Management Policy. <p>The Elundini Municipality will therefore not be liable for the payment of any extra costs or claims arising from the submission of the tender.</p>
39	Employer's Undertaking
40.1	The employer will respond to requests for clarification received up to Five (5) working days before the tender closing time.
40.2	<p>The employer shall issue addenda until before tender closing time</p> <p>If necessary, the employer shall issue addenda in writing that may amend or amplify the tender documents to each tenderer during the period from the date the tender documents are available until Five (5) working days before the tender closing time stated in the Tender Data. The Employer reserves its rights to issue addenda less than Five (5) working days before the tender closing time in exceptional circumstances. If, as a result a tenderer applies for an extension to the closing time stated on the front page of the tender document, the Elundini Municipality may grant such extension and, shall then notify all tenderers who drew documents.</p> <p>Notwithstanding any requests for confirmation of receipt of notices issued, the tenderer shall be deemed to have received such notices if the Elundini Municipality can show proof of transmission thereof via electronic mail, facsimile or registered post.</p>
40.3	<p>Tenders will be opened immediately after the closing time for tenders as stated in the Tender Notice and Invitation to Tender. If requested by any bidder present, names of the bidders, and if practical the total amount of each bid and of any alternative bids will be read out loud.</p> <p>Bids received in time recorded and entered in a register which is open for public inspection.</p>
40.4	Late bids will be registered and returned unopened unless the bidder did not clearly specify their address at the back of the envelope.
40.5	The employer or any of its employees must not disclose to tenderers, or to any person not officially concerned with such processes, information relating to the evaluation and comparison of tender offers, the final evaluation price and recommendations for the award of a contract, until after the award of the contract to the successful tenderer



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40.6	Make available a record of the details announced at the tender opening meeting on the Elundini Municipality's website (www.elundini.gov.za)
40.7	<p>Bids must be evaluated in terms of their responsiveness to the bid specifications, requirements as well as criteria as set out in the bid document.</p> <p>Any additional criterial as per communicated addendum shall be considered.</p> <p>The Elundini Municipality reserves the right to withdraw any invitation to submit a bid and/or to re-advertise or to reject any bid or to accept a part of it.</p> <p>The Elundini Municipality does not bind itself to accepting the lowest bid</p>
40.8	<p>Determine, after opening and before detailed evaluation, whether each tender offer that was properly received</p> <p>a) complies with the requirements of the standard conditions of tender in this part</p> <p>b) has been properly and fully completed and signed, and</p> <p>c) is responsive to the other requirements of the tender documents.</p> <p>A responsive tender is one that conforms to all the terms, conditions, and scope of work of the tender documents, without material deviation or qualification. A material deviation or qualification is one which, in the employer's opinion, would</p> <p>a) detrimentally affect the scope, quality, or performance of the works, services or supply identified in the scope of work,</p> <p>b) significantly change the employer's or the tenderer's risks and responsibilities under the contract, or</p> <p>c) affect the competitive position of other tenderers presenting responsive tenders if it were to be rectified.</p> <p>Reject a non-responsive tender offer, and do not allow it to be subsequently made responsive by correction or withdrawal of the non-conforming deviation or reservation.</p>
40.9	<p>Due Diligence</p> <p>The municipality will conduct intense due diligence which must include inspection of the claimed experience of the preferred bidder(s).</p> <p>The municipality will provide due diligence form which will be used for the assessment purposes of the claimed project experience.</p>



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Pricing

Arithmetical errors, omissions and discrepancies

Check responsive tenders for discrepancies between amounts in words and amounts in figures. Where there is a discrepancy between the amounts in figures and the amount in words, the amount in words shall govern.

If pricing schedules apply and there is an error in the line item total resulting from the product of the unit rate and the quantity, the line item total shall govern and the rate shall be corrected. Where there is an obviously gross misplacement of the decimal point in the unit rate, the line item total as tendered shall govern, and the unit rate shall be corrected.

Where there is an error in the total of the prices either as a result of other corrections required by this checking process or in the tenderer's addition of prices, the total of the prices shall govern and the tenderer will be asked to revise selected item prices (and their rates if Price Schedules apply) to achieve the tendered total of the prices.

Consider the rejection of a tender offer if the tenderer does not correct or accept the correction of the arithmetical error in the manner described above.

Other

For Vat related discrepancies, National and Provincial Treasury prescripts in relation to VAT procedures apply.

Unconditional discounts must be taken into account for evaluation purposes

The Employer must evaluate whether tender has offered a market related offer. If the offer is believed not to be market related, the Municipality through its Supply Chain Management bid committees will attempt to negotiate the offer with identified bidder/s to a reasonable amount. Bidders are not allowed to increase their tender offers during this process

In the event of tendered rates or lump sums being declared by the Elundini Municipality to be unacceptable to it because they are not priced, either excessively low or high, or not in proper balance with other rates or lump sums, the tenderer may be required to produce evidence and advance arguments in support of the tendered rates or lump sums objected to. If, after submission of such evidence and any further evidence requested, the Elundini Municipality is still not satisfied with the tendered rates or lump sums objected to, it may request the tenderer to amend these rates and lump sums along the lines indicated by it.

The tenderer will then have the option to alter and/or amend the rates and lump sums objected to and such other related amounts as are agreed on by the Elundini Municipality, but this shall be done without altering the tender offer in accordance with this clause. Should the tenderer fail to amend his tender in a manner acceptable to and within the time stated by the Elundini Municipality, the Elundini Municipality may declare the tender as non-responsive.

Bidder must comply with all pricing instructions as stated on the Price Schedule and tender conditions.

All prices must include VAT where applicable

The Elundini Municipality may, after the closing date, request additional information or clarification from tenderers, in writing on any matter affecting the evaluation of the tender offer or that could give rise to ambiguity in a contract arising from the tender offer, which written request and related response shall not change or affect their competitive position or the substance of their offer. Such request may only be made in writing by the delegated official using any means as appropriate and such communication must be approved by the Accounting Officer.



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TECHNICAL PROPOSAL

EVALUATION OF TENDER OFFERS

PHASE 1 OF STAGE ONE: TEST FOR RESPONSIVENESS TO THE BID REQUIREMENTS AND RULES

Bidders' proposals must meet the following minimum requirements and supporting documents must be submitted with the completed bid document in a sealed envelope in the bid box at the closing date and time. Failure to comply will automatically eliminate the bid for further consideration.

1. Bid Document (This Document) must be submitted in its original format.
2. Bids which are late, incomplete, unsigned or submitted by facsimile or electronically, will not be accepted.
3. A copy of the Central Supplier Database report showing, amongst other things, that tax matters of the service provider are in order with the South African Revenue Services.
4. Bidders must be a registered legal entity or partnership or consortia or joint ventures with a signed agreement in place with a consolidated BBBEE Certificate.
5. Form of offer and Acceptance (fully completed and signed)
6. Invitation to bid must be completed and signed.
7. Declaration of Interest (fully completed and signed)
8. Preference Points Claim form in terms of the Preferential Procurement Regulations 2022 (fully completed and signed)
9. Declaration of Bidder's past Supply Chain Management Practices. (Completed and signed)
10. Certificate of Independent Bid Determination. (Completed and signed)
11. Compulsory Enterprise Questionnaire (Completed and signed)
12. Elundini Municipality Ethics Commitment form for Suppliers (Completed and signed)
13. Proof of Authority of Signatory
14. Declaration of Employees of the State or other State Institutions.
15. Proof of attendance of clarification meeting, an attendance register will be circulated for record purposes.
16. A valid original or certified copy of B-BBEE certificate must be submitted with the bid OR a valid original or certified copy of a Sworn Affidavit attested by a Commissioner of Oaths prepared and issued in terms of the amended B-BBEE Construction Sector Codes (CSC000) must be submitted in order to qualify for preference points for B-BBEE. Failure to comply with this, will automatically results in the non-awarding of points for B-BBEE. (This is not an Elimination factor).
17. On financial Proposal: All Items listed in the Bills of Quantities or Pricing schedule must be priced for failure to do so will increase commercial risk of the bid and may lead to elimination or passing over of the bidder.
18. If the offer (any of the items quoted for) is "Vat Inclusive", the VAT registration number of service provider must be indicated. Bidders are not entitled to claim the VAT if they are not VAT registered.
19. A Resolution of signatory form has been completed and signed by director/s or a letter bearing a letterhead of the tenderer has been attached (specific to this bid) to the bid submission; it must be duly signed by all directors and submitted the bid. Only a duly authorized official can sign the bid.

20. DUE DILIGENCE

Only bidders with the following will be eligible for evaluation on functionality:

- a) Bidder must provide and attach evidence of the development, with contactable references confirming two (2) commercial developments stated in the CV (Mall, Office Park). The value of the completed projects must be in the value of R 50 million up each.
- b) Bidders must provide valid proof of one anchor tenant alongside with letter of intent thereof.
- c) Bidders must provide letter of intent from tenants to rent from a minimum of 5 National Footprint.
- d) Audited or independently reviewed financial statements by a firm of registered auditors for the past three financial years with a current ratio being equal to (2) two or higher.
- e) Pre- funding letter from reputable financial institution (FSP Registered Institution) for the value of the proposed building or confirmation of the availability of funding to undertake the project.



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f) Joint ventures must be incorporated JV

PHASE 2 OF STAGE ONE: TECHNICAL PROPOSAL

EVALUATION OF QUALITY/FUNCTIONALITY

The quality criteria and maximum score in respect of each of the criteria in accordance with 5.11.9 are as follows:

Quality criteria	Maximum number of points
Resources and Experience of the Service Provider in related scope of works	20
Financial Capability	20
Tenants	40
Proposed Project plan and value	20
Maximum possible score for quality (Ms)	100

A minimum number of evaluation points for quality is **70 Points** . Any bidder who fails to meet the minimum qualifying score will not be considered further for evaluation on Price and Preference.



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Scoring Quality

The quality criteria and maximum score in respect of each of the criteria are as follows:

	QUALIFYING CRITERIA	EVIDENCE	POINTS
1.	Resources and Experience of the Service Provider in related scope of works		
1.1	The company should have a minimum of two (2) commercial property developments.	<p>Bidder must provide and attach evidence of the development, with contactable references confirming two (2) commercial developments stated in the Company Profile (Mall, Office Park). The value of the completed projects must be in the value of R50 million up each.</p> <p>0 -1 commercial developments Projects = 0 points</p> <p>2 commercial development Projects = 10 points</p> <p>3 and above commercial developments Projects = 20 points</p>	20
2.	Project Methodology and Systems		
2.1	Financial Capacity	The tenderer must provide pre- funding letter from reputable financial institution (FSP Registered Institution) for the value of the proposed building or confirmation of the availability of funding to undertake the project	10
2.2.	Financial statements	<p>Audited financial statements must provide for the past 3 years with a <u>current ratio being equal to (2) two or higher.</u></p> <p>No points or marks will be provided for less than 3 years.</p>	10
2.3.	Anchor tenants	<p>Provide valid proof an anchor tenant and letter of intent to rent.</p> <p>1 letter of Anchor Tenants</p> <p>No points or marks will be given to submissions less that minimum letter of intent to rent.</p>	10
	Tenants	<p>Bidders must provide letter of intent from tenants to rent from a minimum of 5 with the National Footprint.</p> <p>5 letters of intent = 30 Points</p> <p>No appoints are allocated for; less than 5 tenants with National foot print</p>	30
2.4.	Proposed Project and value of the building to be constructed	<p>The bidder must provide Plans and sketches with detailed costing of the project which must cover the following topics and activities –</p> <p>Site development plan = 4 Points</p>	10



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		Detailed building plans = 3 Points Detailed costing for the commercial development = 3 Points	
2.5.	Proposed Project plan	The tenderer must provide a Clear project plan with approach, methodology and proposed time frames which must :- <ul style="list-style-type: none"> - Demonstrate the ability to assist Small and Medium Enterprises and local industries during and post construction on leasing retail or office space = 5 Points - Demonstrate the ability to manage and maintain the property during the lease period = 5 Points 	10
	Maximum possible score for quality (M _s)		100

NB: Only bidders who achieved the minimum qualifying score of 70% are opened and evaluated further for price and specific goals



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Tender offers will only be accepted if:

- a) Submits a valid SARS Tax Clearance Certificate or/and a tax compliance status document reflecting the pin for the Employer to verify that the tenderer is in good standing.
- b) Bidder submits Company registration certificates
- c) Bidder submits Certified ID copies of the directors
- d) Bidder provides and attach evidence of the development, with contactable references confirming two (2) commercial developments stated in the CV (Mall, Office Park). The value of the completed projects must be in the value of R 50 million up each.
- e) Bidders provides valid proof of one anchor tenant alongside with letter of intent thereof.
- f) Bidders provides letter of intent from tenants to rent from a minimum of 5 National Footprint.
- g) Bidders provides Audited or independently reviewed financial statements by a firm of registered auditors for the past three financial years with a current ratio being equal to (2) two or higher.
- h) Bidders provides Pre- funding letter from reputable financial institution (FSP Registered Institution) for the value of the proposed building or confirmation of the availability of funding to undertake the project.
- i) Joint ventures must be incorporated JV
- j) the tenderer is registered on the Central Supplier Database (CSD) for the South African government (see <https://secure.csd.gov.za/>) unless it is a foreign supplier with no local registered entity
- k) Prospective bidders must register on CSD prior submitting bids (open tenders). Any prospective bidder found to have Tax matters not in order with SARS (verified through CSD) during the evaluation process (after being given an opportunity to rectify tax matters) will be eliminated and not be considered further in the process. Preferred bidder/s will be afforded an opportunity to rectify their tax affairs within 7 days. A bidder that fails to rectify its tax matters with SARS will be eliminated.
- l) the tenderer or any of its directors/shareholders is not listed on the Register of Tender Defaulters in terms of the Prevention and Combating of Corrupt Activities Act of 2004 as a person prohibited from doing business with the public sector.
- m) the tenderer has not:
 - i) abused the Employer's Supply Chain Management System; or
 - ii) failed to perform on any previous contract and has been given a written notice to this effect; and
- n) the tenderer has completed the Compulsory Enterprise Questionnaire and there are no conflicts of interest which may impact on the tenderer's ability to perform the contract in the best interests of the employer or potentially compromise the tender process and persons in the employ of the state are permitted to submit tenders or participate in the contract;
- o) the tenderer is not more than three months in arrears in its municipal rates and taxes or municipal service charges, if applicable. Proof of payment to be supplied. Where no municipal rates are applicable, a proof of residence from the Councillor and a Sworn Affidavit from the SAPS stating that the tenderer is not liable for municipal rates must be supplied.
- p) the tender has offered a market related offer. If the offer is believed not to be market related, the Municipality through its Supply Chain Management bid committees will attempt to negotiate the offer with identified bidder/s to a reasonable amount. Bidders are not allowed to increase their tender offers during this process.
- q) A Resolution of signatory form has been completed and signed by director/s or a letter bearing a letterhead of the tenderer has been attached (specific to this bid) to the bid submission; it must be duly signed by all directors and submitted the bid. Only a duly authorized official can sign the bid.
- r) The Municipality reserves the right not to award the bid to the most favourable tenderer, if any of the situations occur if:-
 - the bidder has been awarded a considerable number of projects by the Municipality.



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	<ul style="list-style-type: none"> • as performed unsatisfactorily in the past. • Does not meet objective criteria <p>s) Reject a bid where a tenderers submit more than one tender either individually or as a partner in a joint venture (JV) or consortium.</p> <p>t) Reject a bid where thee tender submitted by a JV or consortium where the JV/consortium agreement does not explicitly state that the parties of the JV or consortium shall be jointly and severally liable for the execution of the Contract in accordance with the Contract terms.</p> <ul style="list-style-type: none"> • Where a bidder or its directors has previously failed to perform in the previous order where notices of poor performance were issued or application for restriction has been lodged with National Treasury in terms of SCM Regulation 38.
45	<p>PHASE 2 OF STAGE ONE: TECHNICAL PROPOSAL</p> <p>DUE DILIGENCE</p> <p>The municipality will conduct intense due diligence which must include inspection of the claimed experience of the preferred bidder(s).</p> <p>The municipality will provide due diligence form which will be used for the assessment purposes of the claimed project experience.</p>



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46	<p>Risk Analysis</p> <p>Notwithstanding compliance with regard to any requirements of the tender, the Elundini Municipality will perform a risk analysis in respect of the following:</p> <ol style="list-style-type: none"> reasonableness of the financial offer reasonableness of unit rates and prices the tenderer's ability to fulfil its obligations in terms of the tender document, that is, that the tenderer can demonstrate that he/she possesses the necessary professional and technical qualifications, professional and technical competence, financial resources, equipment and other physical facilities, managerial capability, reliability, capacity, experience, reputation, personnel to perform the contract, etc.; the Elundini Municipality reserves the right to consider a tenderer's existing contracts with the Elundini Municipality in this regard. any other matter relating to the submitted bid, the tendering entity, matters of compliance, verification of submitted information and documents, etc. there is any history/record of the tenderer/s (or any of its directors/members/shareholders) failing to meet their contractual obligation with any Organ Of the State and where there are notices of poor performance issued thereof. [Note: Companies/persons who are listed on the Database were informed in writing of this restriction by the Authority/Accounting Officer of the institution that imposed the restriction after the <i>Audi alteram partem</i> rule was applied]. tenderer/s (or any of its directors/members/shareholders) listed on National Treasury's Database of Restricted Suppliers as companies/persons prohibited from doing business with the public sector [Note: Companies/persons who are listed on the Database were informed in writing of this restriction by the Authority/Accounting Officer of the institution that imposed the restriction after the <i>audi alteram partem</i> rule was applied]. The Database of Restricted Suppliers can be accessed on the National Treasury's website (www.treasury.gov.za). tenderer/s (or any of its directors / members / shareholders)? listed on the Register for Tender Defaulters in terms of section 29 of the Prevention and Combatting of Corrupt Activities Act (No 12 of 2004) tenderer/s (or any of its directors/members/shareholders) convicted by a court of law (including a court outside South Africa) for fraud and/or corruption with respect to the procurement/tendering processes/procedures during the past five years? the tenderer/s employees/directors are also employees/contractors/consultants or directors in the organ of state. <p>The conclusions drawn from this risk analysis will be used by the Elundini Municipality in determining the acceptability of the tender offer.</p> <p>No tenderer will be recommended for an award unless the tenderer has demonstrated to the satisfaction of the Elundini Municipality that he/she has the resources and skills required.</p>
47	The number of paper copies of the signed contract to be provided by the employer is one.
48	<p>Incorrect Information</p> <p>Where a contract has been awarded on the strength of the information furnished by the bidder which, after the conclusion of the relevant agreement, is proved to have been incorrect, the Elundini Municipality may, in addition to any other legal remedy it may have, recover from the contractor all costs, losses or damages incurred or sustained by the Municipality as a result of the award of the contract</p>
49	If after the commencement of the Contract, there is any amendment in the key personnel from which bid evaluation was based, within 90 days of first having become aware of the change, the Contractor must furnish the Employer with detailed justification to change of key personnel, which might be accepted or not accepted by the employer depending on its discretion and the level of skill of personnel used for the replacement.



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TERMS OF REFERENCE

PROJECT DESCRIPTION

Proposals are hereby invited from suitably qualified interested parties with a proven track record for the development of commercial property on municipal or public owned land. As This will be a Public-Private Partnership, (regulated by MFMA and Municipal PPP). The municipality has conducted an Economic Feasibility and its attached, however the developer is at liberty to review it . Possible incentives to be discussed with the appointed developer.

Interested parties are invited to provide proposals to construct and manage a commercial property on an identified portion of municipal or public owned land, with a lease period of 30 years and the details of the proposed building on Erf 4369, Mount Fletcher found in Tlokoeng town (formerly Mount Fletcher).

BACKGROUND

The Elundini Local Municipality, which comprises of the towns of Ugie, Nqanqarhu and Tlokoeng in the Eastern Cape is embarking on a program aimed at achieving a sustainable local economic growth and development by the enhanced use of its land and properties. The strategy is to mobilise private sector investment for the purpose of property development, that will benefit local residents by the creation of direct and indirect employment within the Municipality. The Municipality, accordingly, invites interested parties who operate within the Property Development and Management fields (specialising in the construction of a retail shopping centres, property lease and management) to submit proposals for a Development Lease on Erf 4369, Mount Fletcher in Tlokoeng for the construction of a Commercial development.

Property development for manufacturing, retail and office use is one of the municipality's main priorities under the Small Towns Regeneration project which is in line with the National Development Plan and serves to enhance macro- economic growth. The municipality has identified prime municipal owned property in, which is zoned for business or commercial use and is inviting proposals from suitably qualified service providers for a development lease.

The property is situated on the R56 main road in the Tlokoeng Central Business District, which is a rural town within the borders of the municipality have been identified for this project. The property along the R56 road is deemed to be prime property for commercial mixed purposes as it is easily accessible for the communities that use Tlokoeng to acquire goods and services. The subject property measures a total of 2.2911 hectares and is appropriately zoned to conduct business.

In line with the municipality's mandate of Local Economic Development that benefits locals economically by promoting local business and skills development, the service provider will be expected to make use of local materials which have been quality assured by a recognised organization from the local manufacturers/suppliers and local labour .



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Project Duration: 30 Years

STAGE 1: TECHNICAL PROPOSAL

- 1) Bidders are expected to submit development proposals with concept designs indicating the type and size of buildings that will be erected on the subject property. (Bids must be accompanied by sketches and artist impressions together with detailed descriptions that will enable lay people to understand the submission)
- 2) The successful bidder will be expected to finance the development and in return will be given the right to manage the properties and claw back the investment for the duration of the developmental lease for a minimum period of 30 years and this will include the maintenance of the building to standards acceptable to the municipality. At the end of the agreed period, the property will be handed over to the municipality with all the relevant information and records.
- 3) The successful bidder will be responsible for the tenant selection and contracting, which will consider Small and Micro enterprise promotion.
- 4) Bidder must indicate the value of the proposed building. The contract will, as a minimum, make provision for the following:
 - a) A thirty year notarially executed lease;
 - b) An annual rental of rand value with escalations as per properties CPIX
 - c) The successful bidder to:
 - Meet the cost of infrastructure and services within the Property;
 - Provide proof of insurance;
 - Meet municipal building regulations and all other regulatory laws

PROJECT COMMISSIONING TIMELINES

- The successful bidder within three months (3) must submit an implementation plan after which , in twelve (12) months construction of the building must be complete depending on the final approved building to be built.
- The bidder is expected to illustrate the management and maintenance plans of the building during this period, indicating how the municipal will be involved and provided with regular reports.



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PHASE 1 (b) OF STAGE 1 : ELIGIBILITY CRITERIA:

Only bidder who met the following criteria will be evaluated further to functionality:

- a) JV to be Incorporated Joint Venture in terms of Companies Act 2008 and contract law.
- b) Bidder must provide and attach evidence of the development, with contactable references confirming two (2) mixed commercial developments stated in the company profile (Mall, Office Park). The value of the completed projects must be in the value of R 50 million and above each successfully completed development. **(POE: Company profile with contactable references)**
NB: Any developer with less than two (2) mixed commercial developments will not be eligible.
- c) Bidders must provide valid proof of **one (1) anchor tenant (large and prestigious, most prominent store in the centre)** alongside **with letter of intent as one of the tenants.**
- d) Bidders must provide letter of intent from tenants to rent from a minimum of **Five (5) National Footprint.**
- e) Audited or independently reviewed financial statements by a firm of registered auditors for the past three financial years with a current ratio being equal to (2) two or higher. (In case of incorporated JV or Consortium financial statements must be submitted individually.)
- f) Pre- funding letter from reputable financial institution (FSP Registered Institution) for the value of the proposed building or confirmation of the availability of funding to undertake the project.

BIDDERS MUST NOTE THE FOLLOWING:

- Bidders are advised to make themselves familiar with the town of Tlokoeng in order to determine the best use for the proposed development in order to be able to secure tenants for the development.



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PHASE 2 OF STAGE 1: EVALUATION – QUALITY/FUNCTIONALITY

	QUALIFYING CRITERIA	EVIDENCE	POINTS
1	Resources and Experience of the Service Provider in related scope of works		
1.1	The company should have a minimum of two (2) mixed commercial property developments.	<p>Bidder must provide and attach evidence of the development, with contactable references confirming two (2) mixed commercial developments stated in the Company Profile (Mall, Office Park). The value of the completed projects must be in the value of R50 million up each.</p> <p>0 -1 commercial developments Projects = 0 points 2 commercial development Projects = 10 points 3 and above commercial developments Projects = 20 points</p>	20
2.	Project Methodology and Systems		
2.1	Financial Capacity	The tenderer must provide pre- funding letter from reputable financial institution (FSP Registered Institution) for the value of the proposed building or confirmation of the availability of funding to undertake the project	10
2.2.	Financial statements	<p>Audited financial statements must provide for the past 3 years with a <u>current ratio</u> being equal to (2) two or higher.</p> <p>No points or marks will be provided for less than 3 years.</p>	10
2.3.	Anchor tenants	<p>Provide valid proof an anchor tenant and letter of intent to rent.</p> <p>1 letter of Anchor Tenants</p> <p>No points or marks will be given to submissions less that minimum letter of intent to rent.</p>	10
	Tenants	<p>Bidders must provide letter of intent from tenants to rent from a minimum of 5 with the National Footprint.</p> <p>5 letters of intent = 30 Points</p> <p>No appoints are allocated for; less than 5 tenants with National foot print</p>	30
2.4.	Proposed Project and value of the building to be constructed	<p>The bidder must provide Plans and sketches with detailed costing of the project which must cover the following topics and activities –</p> <p>Site development plan = 4 Points Detailed building plans = 3 Points Detailed costing for the commercial development = 3 Points</p>	10



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2.5.	Proposed Project plan	<p>The tenderer must provide a Clear project plan with approach, methodology and proposed time frames which must :-</p> <ul style="list-style-type: none"> - Demonstrate the ability to assist Small and Medium Enterprises and local industries during and post construction on leasing retail or office space - = 5 Points Demonstrate the ability to manage and maintain the property during the lease period - = 5 Points 	10
	Maximum possible score for quality (Ms)		100

NB: Only bidders who achieved the minimum qualifying score of 70% are opened and evaluated further for price and specific goals



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STAGE 2: FINANCIAL PROPOSAL

PRICE EVALUATION

All proposals will be evaluated on the feasibility of the proposed development. The monetary value will be measured against the local economy of scale and affordability of the cost per square meter. The proposal that adds the highest value will be considered. Therefore, the Elundini local Municipality holds the right not to award the bid to the highest monetary value or to any bidder should the proposals not comply with the criteria.

This bid is an Income generating bids and the formula for income generating bids shall be applied as per PPPFA 2022.

PREFERENTIAL PROCUREMENT POLICY FRAMEWORK ACT (PPPFA) POINTS WILL BE AWARDED AS FOLLOWS:

Maximum points on price	- 90 points
Maximum points for Specific Goals	- 10 points
Maximum points	- 100 points

The following formula will be used :-

$$Ps = 90 \frac{(1 + Pt - Pmax)}{(Pmax)}$$

Where :

Ps	=	Points scored for price of the tender under consideration
Pt	=	Price of the tender under consideration
Pmax	=	Price of highest acceptable tender

Price and Specific Goals will be calculated in accordance with the Preferential Procurement Regulations 2022.

Bidder that fail to submit proof of specific goal as stipulated below will not be allocated points



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Specific Goals : EME or QSE which is at least 51% owned by Black people = 10 Points

Specific Goals	Proof of goal points	Proof for claiming Specific goal points
EME or QSE which is at least 51% owned by Black people	Company registration document and valid certified B-BBEE certificate or original sworn affidavit	

The pricing factor should be based on land rentals

Details to be included in the proposal (Financial model)	OFFER
1. The offer for rental per square metre	
Total	

Bidder must indicate the value of the proposed building. The contract will, as a minimum, make provision for the following:

- a) A thirty year notarial executed lease;
- b) An annual rental of rand value with escalations as per properties CPIX