



MORETELE LOCAL MUNICIPALITY

INVITATION TO TENDER

APPOINTMENT OF A SERVICE PROVIDER TO SUPPLY ELECTRO-HYDRAULIC BRICK MAKING MACHINE, PAN MIXER 300L380 VOLT MOTOR AND 100*18MM WOOD PALLETS MLM/PURCHASE MACHINE/ LED/02/2023

NAME OF BIDDER: _____

MAAA NUMBER_____

TOTAL BID PRICE (Incl. VAT)

R_____

BID DOCUMENT FEE Receipt No: _____ (Attach documentary proof)

APPOINTMENT OF A SERVICE PROVIDER TO SUPPLY ELECTRO HYDRAULIK BRICK MAKING MACHINE, PANMIXER 300LT BY 380 VOLTS AND 100*18MM WOOD PALLETS MLM/ LED/PURCHASE MACHINE/02/2023

FOREWORD

This document consists of three volumes clustered to form a bid and contract namely:

1. BIDDING PROCEDURES

This volume contains the bid notice and invitation describing the nature of related works required as well as the bid date outlining the conditions of bid to be complied with by every bidder submitting a bid.

2. RETURNABLE DOCUMENTS

This volume contains the returnable schedules and forms to be completed by each bidder for the purpose of evaluating Bids and which will subsequently form part of a contract between successful Bidder and the Employer.

3. THE CONTRACT

This volume consists of nine (9) parts, namely:

- (a) Scope of Work (Project Specifications)
- (b) Pricing schedule
- (c) Evaluation criteria
- (d) Authority to signature
- (e) General conditions of contract
- (f) Declaration of interest – MBD4
- (g) Declaration of the bidder's past supply chain management practices – MBD8
- (h) Form of Offer and Acceptance
- (i) Annexures (Attachments)

IMPORTANT NOTE

Each Bidder must complete the BID SUMMARY PAGE for BID opening purposes following hereafter.

1. BID SUMMARY PAGE: DETAILS OF BIDDER

Name of firm/entity/enterprise	
Trading as (if different from above)	
Postal Address	
Physical Address	
Contact details of the Bidder	Name & Surname: _____ Telephone: () _____ Fax: () _____ Cell phone: _____ E-mail Address: _____
Company Income Tax number	
VAT Registration number	
Company Registration number	
Bidder's Banking details	Name of Bank: _____ Branch name: _____ Branch Code: _____ Account No: _____

VOLUME 1

1. BIDDING PROCEDURES

1.1 BID NOTICE AND INVITATION

BID NO MLM/PURCHASE MACHINE/LED/02/2023

APPOINTMENT OF A SERVICE PROVIDER TO PURCHASE ELECTRO-HYDRAULIC BRICK MAKING MACHINE, PANMIXER 300LT, 380VOLT MOTOR AND 100*18MM WOOD PANELS

Bid documents with detailed bid specifications are obtainable at the **Finance Department of the Moretele Local Municipality, 4065 B Mathibestad on the 06th June 2023**

A non-refundable deposit of **R500.00 (Five Hundred rands only)** is payable on collection of the bid documents.

Sealed and clearly marked bids “**MLM/PURCHASE MACHINE/LED/02/2023**” must be placed in the Bid box situated at the Finance Section, **MORETELE LOCAL MUNICIPALITY, and 4065 B MATHIBESTAD, on or before 15 JUNE 2023 at 12h00** at which time the Bids will be opened in public. Bidders should ensure that bids are delivered timeously to the correct address. Compulsory briefing session will be held on the **06th JUNE 2023 at 10h00**. If the bid is late, it will not be accepted for consideration. Bids that are not fully completed and initialled in each page will be disqualified. **Please note that dismantling of Bid document will result in automatic disqualification of a Bidder.**

Moretele Local Municipality does not bind itself to accept the lowest or any bid and the Municipality reserves the right to accept the whole or part of any bid and further reserves the right to re-advertise if it so wishes to.

Bids will be evaluated according to 80/20 Preferential Procurement Policy Framework Act. Bids will be adjudicated according to Moretele Local Municipality's Supply Chain Management Policy, the Preferential Procurement Policy Framework Act, (Act No. 5 of 2000) and the Preferential Procurement Regulations 2011, as well as the broad Based Black Economic Empowerment Act (Act 53 of 2003). Shortlisted Bidders will be required to make presentation to the Bid committee before final appointment is made. Site inspection will be conducted by the Municipality to validate availability of the Vehicles and Specialized equipment required.

Supply chain Enquiries may be directed to **Ms. Modiegi Phenya at (012)716 1413**, Technical Enquiries may be directed to **Ms. Marry Motshabi /Mr. Tsholofelo Mohalanyane at (012)716 1312/16**

Municipal Manager: Mr. S. Ngwenya

APPOINTMENT OF A SERVICE PROVIDER TO SUPPLY ELECTRO HYDRAULIK BRICK MAKING MACHINE, PANMIXER 300LT BY 380 VOLTS AND 100*18MM WOOD PALLETS MLM/ LED/PURCHASE MACHINE/02/2023

VOLUME 2

(RETURNABLE DOCUMENTS)

RETURNABLE SCHEDULES, FORMS, CERTIFICATES AND DOCUMENTS REQUIRED FOR BID EVALUATION PURPOSES

1. Company profile
2. Certified copies of ID (directors and key personnel)
3. Authority of Signature
4. Company registration documents
5. Letter of good standing for Compensation of Occupational Injuries and Diseases.
6. Certified Copy or Original B-BBEE Status Level Validation Certificate
7. Municipal account for the business and directors not owing for more than 90 days or municipal account from private provider or statement of account from landlord with valid lease agreement.
8. Proof of Bidders banking details
9. Central Supply Database (CSD) Summary
10. Form of Offer and Acceptance
11. Compulsory briefing certificate
12. Preliminary Occupational Health and Safety plan
13. Declaration of interest
14. Declaration of Bidder's past Supply Chain Management practices
15. All pages to be completed and initialled.

VOLUME 3
(THE CONTRACT)

APPOINTMENT OF A SERVICE PROVIDER TO PURCHASE ELECTRO-HYDRAULIC BRICK MAKING MACHINE, PANMIXER 300LT, 380VOLT MOTOR AND 100*18MM WOOD PALLETS

1. INTRODUCTION

- 1.1. The municipality seeks to appoint the suitable and experience service provider to supply Electro-Hydraulic Brick Making Machine, Panmixer 300lt * 380volts and 100*18mm Wood Pallets
- 1.2. This has been enthused by the need to support our local entrepreneurs and SMME's in manufacturing and to enhance local production which will result into creation of work opportunities and poverty alleviation to the people.
- 1.3. The above herein necessitated the need to have service providers appointed, to supply the aforementioned, as it will increase production of the identified SMME.

2. PROBLEM STATEMENT

Moretele Local Municipality has identified the need to support local entrepreneurs and SMME's to increase their production and contribute to the local economy.

- 2.1. Low production of bricks
- 2.2. The SMME not being able to meet the demand required by clients.
- 2.3. Manufacturing services not reaching the other sides of the municipality, district, and the province.
- 2.4. The company not growing as it suppose to be growing due to small scale production and limited manufacturing resources.

3. PROJECT OBJECTIVES

The main objective is to support and assist the local entrepreneur's and SMME's to grow their business. To Manufacture bricks for building houses, pavements etc. The project will

benefit the community to able to buy quality building and paving bricks locally. Targeting all building construction and households. It will also address the issue of Job Creation for our Local People.

4. OUTCOMES AND DELIVERABLES

The successful service providers would be expected to submit the following:

4.1 ELECTRO – HYDRAULIC BRICK MAKING MACHINE AND EQUIPMENTS

ITEM	DESCRIPTION	QUANTITY
1.	Robust 14/1 Electro – Hydraulic Brick Making Machine	1
2.	Pan Mixer 300L 380 Volt Motor	1
3.	100 x 18mm Pallets	1

5. PROJECT MANAGEMENT

The service provider is expected to deliver and supply the required machines and equipment's according to the specifications of the municipality.

In the case where the appointed service provider appoints the services of other supply of company, the appointed service providers will take responsibility of the delivery and supply of the goods. The project is to be coordinated and managed by an appointed service provider.

6. MONITORING

During the delivery and supply of the machinery and equipment's, it is expected that, the service providers deliver and supply quality goods.

7. PROJECT COST AND DURATION

It is expected that the procurement, supply, and delivery of the goods be done in 90 days effective from date of appointment.

Due to the urgency of the project, it is critical that timeframes are strictly adhered to. Financial penalties will be imposed for any delay or non-compliance with time and quality requirements.

TABLE 1: PROJECT COST AND TIME FRAMES

PHASES	% PAYABLE	TIME FRAMES	SUBMISSION OUTPUT
Phase 1: Procurement and placing order of the machine and supply and delivery of the machine and equipment's.	100%	3 (Three months)	Delivery notes and signed off
TOTAL	100%	90 DAYS (12 Weeks)	

8. EVALUATION CRITERIA

The proposals will be evaluated in two stages, namely.

Stage 1- Functionality

Only service providers that can demonstrate the required experience and knowledge relating to the execution of this project will be considered. The following criteria will be considered for the appointment of a successful service provider.

A bid that scores less than 70 points for functionality will be deemed non-compliant and thus, will be disqualified.

ITEM	CRITERIA		WEIGHTING	TOTAL SCORE
1	COMPANY EXPERIENCE			
	Supply and delivery of similar machines and equipment's (appointment letters & delivery notes)			
	5 or more similar projects	30	30	
	2-4 similar projects	20		
	1-2 similar projects	10		

	0 similar projects	0		
2	Total value of Machinery or Equipment's supplied.	30		
	1 to 1.9 million or more	30		
	800 to 999 thousand	20		
	500 to 790 thousand	10		
3	TIMEFRAME FOR DELIVERY	30		
	Within 30 days	30		
	Within 60 days	20		
	Within 90 days	10		
3.3	WARRANTIES		10	
	PROVIDED BY THE MANUFACTURE	10		
	PROVIDED BY THE SUPPLY	05		

9. RELEVANT SKILLS AND EXPERIENCE

Experience of the service provider include the following:

9.1 The turn-around time to supply and deliver the machinery and equipment's.

9.2 The quality of the goods delivered and supplied with ISO BS/EN, ISO 9001:2000 AND SABS approved.

9.3 The capability and accuracy of the supply to deliver the required goods.

9.4 It is therefore recommended that the service providers ensure that people with relevant skills are part of the projects.

10 INFORMATION GATHERING

- 1) The successful Service Providers are expected to contact all the relevant disciplines, officials and units to obtain relevant information that is required for the supply and delivery. Any existing information pertaining to the supply and delivery that may be required will be made available to the successful service providers.
- 2) In the light of the event that the service providers need a letter to confirm the motive for requesting information from the different stakeholders, the municipality will provide the requested letter. ***However, the responsibility for collecting information necessary for the successful execution of the projects remains entirely with the service providers.***

11 REPORTING AND ACCOUNTABILITY

11.1 During the execution of the project, the service providers must ensure constant communication with the municipality.

11.2 The projects will be signed off by the delegated official upon the supply and delivery of the goods when:

- All the end products (refer to list) have been delivered,
- All the goods have been delivered to the Municipality and relevant stakeholders, and all are satisfied that all requirements have been met.

4.1 PRICING SCHEDULE

4.1.1 Total amount indicated above includes all cost that the bidder will bear in line with the scope of work outlined as per relevant regulation.

4.1.2 Tender prices shall remain firm for the duration of the contract (3 Months) until the end of the contract.

4.2 OVERVIEW ON EVALUATION PROCESS

Method 4 – Financial, Quality and Preference Offer

- 1) Score quality, rejecting all bid offers that fail to score the minimum number of points for quality stated in the bid.
- 2) Score bid evaluation points for financial offer.
- 3) Confirm that Bidders are eligible for the preferences claimed, and if so, score bid evaluation points for referencing.
- 4) Calculate total bid evaluation points.
- 5) Rank bid offers from the highest number of bid evaluation points to the lowest.
- 6) Recommended Bidder with the highest number of bid evaluation points for the award of the contract, unless there are compelling and justifiable reasons not to do so. In the event that two or more bidders score equal total points, the successful bid must be the one scoring the highest number of preference points for B-BBEE. However, when functionality is part of the valuation process and two or more bids have scored equal points including equal preference points for B-BBEE, the successful bid must be the one scoring the highest score for functionality.

4.2.1 STAGE EVALUATION

Stage 1 - Responsiveness

All bids will be screened before a detailed evaluation, and be tested whether each bid offer received:

- a) meets the requirements of these Conditions of bid,
- b) has been properly and fully completed and signed, and
- c) is responsive to the other requirements of the bid documents.

Items of key importance to be addressed in the test for responsiveness are:

1. Company profile
2. Certified copies of ID (directors and key personnel)
3. Authority of Signature
4. Company registration documents
5. Letter of good standing for Compensation of Occupational Injuries and Diseases.
6. Certified Copy or Original B-BBEE Status Level Validation Certificate

7. Municipal account for the business and directors not owing for more than 90 days or municipal account from private provider or statement of account from landlord with valid lease agreement.
8. Proof of Bidders banking details
9. Central Supply Database (CSD) Summary
10. Form of Offer and Acceptance
11. Compulsory briefing certificate
12. Preliminary Occupational Health and Safety plan
13. Declaration of interest
14. Declaration of Bidder's past Supply Chain Management practices
15. All pages to be completed and initialled.

Bids will be considered non-responsive if inter-alia:

- The Bidder has dismantled the bid document.
- The bidder has not initialed and completed the document
- The bid is not in compliance with the full scope of work
- The bidder has not completed and/or signed the offer portion in the tender document.
- The Bidder has failed to clarify or submit any supporting documentation within the time for submission in the employer's written request.

4.3.1. Clarification of a bid offer

Obtain clarification from a Bidder on any matter that could give rise to ambiguity in a contract arising from a bid offer.

4.3.2 Evaluation of Bids

Add the following:

The procedure for the evaluation of responsive bid is **Method 4**. The total score for financial offer, quality and preference will be calculated as follows:

$N_T = W_c + N_p$ where,

N_T = Total score awarded to the Bidder(s) under consideration (max 100)

W_c = Score for Quality and Financial offer (80)

N_p = Score for preferences (max 20)

NOTE: If, after bids have been brought to comparative level, two or more bids score equal total evaluation points, the recommended Bidder shall be one scoring the highest number of preference points.

A AREAS TO BE INCLUDED IN EVALUATION PROCESS RELEVANT EXPERTISE

The Schedule of Relevant Expertise must be completed, detailing the proposed service providers team/ individuals (including identification of any sub-consultants if applicable) as follows:

- Names: with team/ project leader and main contact person clearly identified, and professional registration with prescribed institutions.
- List of recent work undertaken in similar/related fields. It is essential that suitably qualified and experienced personnel be assigned to this project.

B RECENT AND PREVIOUS EXPERIENCE

The schedule of previous experience listing recent and previous work of a similar nature undertaken by the firm or individuals. Provide proof of relevant experience from three references.

4.4.1 The Evaluation Criteria for Functionality and Quality are as follows:

Only tenderers who score a minimum score of 70 points in respect of the following functionality criteria will proceed to the price preference goals.

Description of Quality Criteria	Maximum Number of Tender Evaluation points
Company Experience	30
Total Value of machines or equipment's supplied	30
Timeframe for delivery	30

warranties	10
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The 80/20 principle will apply in terms of the Preferential Procurement Policy Framework Act 5 of 2000.

80 Points will be allocated to price and 20 Points will be allocated to the BBBEE contribution level.

4.4.2 Moretele Local Municipality Procurement Specific Goals

80/20 R30 00-R50m

80=Price

20=Objectives Goals

Women	5
Youth	5
Locality	5

4.4.3 BBBEE points in terms of the Preferential Procurement Policy Framework Act Regulations will be allocated as follows:

B-BBEE Status Level of Contributor	Number of points (80/20 system)
1	5
2	4
3	4
4	3
5	2

6	2
7	2
8	2
Non-compliant contributor	0

NB: Moretele Local Municipality will verify all the information submitted in terms of this bid and any information that is incorrect will result in that bid being automatically disqualified and not considered further.

5.1 AUTHORITY TO SIGNATURE

Indicate the status of the Bidder by ticking the appropriate box hereunder. The Bidder must complete the certificate set out below for the relevant category.

(I) Company	(II) Close Corporation	(III) Partnership	(IV) Joint Venture	(V) Sole Proprietor

Signatories for Companies, Close Corporations, Partnerships, Joint Ventures or Sole Proprietors must establish their authority thereto by attaching a copy of the relevant resolution of their Board of Directors, Members or Partners duly signed and dated. Examples are shown below.

(I) Certificate for Company

I,, chairperson of the Board of Directors of

....., hereby confirm that by resolution of the Board
(copy

attached) taken on 20....., Mr./Ms.
....., acting in

the capacity of, was authorized to sign all documents
in

Connection with the Bid no:and any contract resulting from it, on behalf of the company.

Chairman:

As Witness: 1.

2.

Date:

(II) Certificate for Close Corporation

We, the undersigned, being the key members in the business trading as
....., hereby authorize Mr./Ms.
....., acting in the capacity of
.....to sign all documents in connection with the Bid for
.....and any contract resulting from it, on our behalf.

Name	Address	Signature	Date

Note: This certificate is to be completed and signed by all of the key members upon whom rests the directions of the affairs of the Close Corporation as a whole.

(III) Certificate for Partnership

We, the undersigned, being the key partners in the business trading as,
.....hereby
authorize Mr./Ms.acting in the
capacity of
....., to sign all documents in
connection with the Bid forand any contract resulting from it, on our behalf.

Name	Address	Signature	Date

Note: This certificate is to be completed and signed by all of the key members upon whom rests the direction of the affairs of Partnership as a whole.

(IV) Certificate for Joint Venture (JV)

We, the undersigned, are submitting this Bid offer in Joint Venture and hereby authorize Mr./Ms.
.....,authorized signatory of the
company..... acting in the capacity of lead
partner,
to sign all documents in connection with the Bid offer forand any contract resulting from
it, on our behalf.

This authorization is evidenced by the attached power of attorney signed by legally authorized
signatories of all the partners to the Joint Venture.

Name of Company	Address	Duly Authorized Signature
Lead Partner		Signature
		Name

		Designation
Lead Partner		Signature
		Name
		Designation

Note: This certificate is to be completed and signed by all of the key partners upon whom rests the direction of the affairs of individual Companies.

(V) Certificate for Sole Proprietor

I,, hereby confirm that I am the sole owner of the business trading as

Signature of Sole Owner:

Date:

As Witnesses:

.....

Date:

6.1 GENERAL CONDITION OF CONTRACT

TABLE OF CLAUSES

1. Definitions
2. Application
3. General
4. Standards
5. Use of contract documents and information inspection
6. Patent Rights
7. Performance security
8. Inspections, tests and analyses
9. Packing
10. Delivery and documents

11. Insurance
12. Transportation
13. Incidental Services
14. Spare parts
15. Warranty
16. Payment
17. Prices
18. Variation orders
19. Assignment
20. Subcontracts
21. Delays in the supplier's performance
22. Penalties
23. Termination for default
24. Force Majeure
25. Termination for insolvency
26. Settlement of Disputes
27. Limitation of Liability
28. Governing language
29. Applicable law
30. Notices
31. Taxes and duties
32. Transfer of contracts
33. Amendments of contracts

1. Definitions

1. The following terms shall be interpreted as indicated:

1.1 "Closing time" means the date and hour specified in the bidding documents for the receipt of bids.

1.2 "Contract" means the written agreement entered into between the purchaser and the supplier, as recorded in the contract form signed by the parties, including all attachments and appendices thereto and all documents incorporated by reference therein.

1.3 "Contract price" means the price payable to the supplier under the contract for the full and proper performance of his contractual obligations.

1.4 "Corrupt practice" means the offering, giving, receiving, or soliciting of anything of value to influence the action of a public official in the procurement process or in contract execution.

1.5 "Countervailing duties" are imposed in cases where an enterprise abroad is subsidized by its government and encouraged to market its products internationally.

1.6 "Country of origin" means the place where the goods were mined, grown or produced or from which the services are supplied. Goods are produced when, through manufacturing, processing or substantial and major assembly of components, a commercially recognized new product results that is substantially different in basic characteristics or in purpose or utility from its components.

1.7 "Day" means calendar day.

1.8 "Delivery" means delivery in compliance of the conditions of the contract or order.

1.9 "Delivery ex stock" means immediate delivery directly from stock actually on hand.

1.10 "Delivery into consignees store or to his site" means delivered and unloaded in the specified store or depot or on the specified site in compliance with the conditions of the contract or order, the supplier bearing all risks and charges involved until the goods are so delivered and a valid receipt is obtained.

1.12" Force majeure" means an event beyond the control of the supplier and not involving the supplier's fault or negligence and not foreseeable. Such events may include, but is not restricted to, acts of the purchaser in its sovereign capacity, wars or revolutions, fires, floods, epidemics, quarantine restrictions and freight embargoes.

1.13 "Fraudulent practice" means a misrepresentation of facts in order to influence a procurement process or the execution of a contract to the detriment of any bidder and includes collusive practice among bidders (prior to or after bid submission) designed to establish bid prices at artificial non-competitive levels and to deprive the bidder of the benefits of free and open competition.

1.14 "GCC" means the General Conditions of Contract.

1.15 "Goods" means all of the equipment, machinery, and/or other materials that the supplier is required to supply to the purchaser under the contract.

1.16 "Imported content" means that portion of the bidding price represented by the cost of components, parts or materials which have been or are still to be imported (whether by the supplier or his subcontractors) and which costs are inclusive of the costs abroad, plus freight and other direct importation costs such

as landing costs, dock dues, import duty, sales duty or other similar tax or duty at the South African place of entry as well as transportation and handling charges to the factory in the Republic where the goods covered by the bid will be manufactured.

1.17 “Local content” means that portion of the bidding price, which is not included in the imported content provided that local manufacture does take place.

1.18 “Manufacture” means the production of products in a factory using labour, materials, components and machinery and includes other related value-adding activities.

1.19 “Order” means an official written order issued for the supply of goods or works or the rendering of a service.

1.20 “Project site,” where applicable, means the place indicated in bidding documents.

1.21 “Purchaser” means the organization purchasing the goods.

1.22 “Republic” means the Republic of South Africa.

1.23 “SCC” means the Special Conditions of Contract.

1.24 “Services” means those functional services ancillaries to the supply of the goods, such as transportation and any other incidental services, such as installation, commissioning, provision of technical assistance, training, catering, gardening, security, maintenance and other such obligations of the supplier covered under the contract.

1.25 “Supplier” means the successful bidder who is awarded the contract to maintain and administer the required and specified service(s) to the State.

1.26 “Tort” means in breach of contract.

1.27 “Turnkey” means a procurement process where one service providers assume total responsibility for all aspects of the project and delivers the full end product / service required by the contract.

1.28 “Written” or “in writing” means hand-written in ink or any form of electronic or mechanical writing.

2. Application 2.1 These general conditions are applicable to all bids, contracts and orders including bids for functional and professional services (excluding

professional services related to the building and construction industry), sales, hiring, letting and the granting or acquiring of rights, but excluding immovable property, unless otherwise indicated in the bidding documents.

2.2 Where applicable, special conditions of contract are also laid down to cover specific goods, services or works.

2.3 Where such special conditions of contract are in conflict with these general conditions, the special conditions shall apply.

3. General 3.1 unless otherwise indicated in the bidding documents, the purchaser shall not be liable for any expense incurred in the preparation and submission of a bid. Where applicable a non-refundable fee for documents may be charged.

3.2 Invitations to bid are usually published in locally distributed news media and on the municipality/municipal entity website.

4. Standards 4.1 the goods supplied shall conform to the standards mentioned in the bidding document and specifications.

5. Use of contract documents and information inspection

5.1 The supplier shall not, without the purchaser's prior written consent, disclose the contract, or any provision thereof, or any specification, plan, drawing, pattern, sample, or information furnished by or on behalf of the purchaser in connection therewith, to any person other than a person employed by the supplier in the performance of the contract. Disclosure to any such employed person shall be made in confidence and shall extend only so far as may be necessary for purposes of such performance.

5.2 The supplier shall not, without the purchaser's prior written consent, make use of any document or information mentioned in GCC clause 5.1 except for purposes of performing the contract.

5.3 Any document, other than the contract itself mentioned in GCC clause 5.1 shall remain the property of the purchaser and shall be returned (all copies) to the purchaser on completion of the supplier's performance under the contract if so, required by the purchaser.

5.4 The supplier shall permit the purchaser to inspect the supplier's records relating to the performance of the supplier and to have them audited by auditors appointed by the purchaser, if so, required by the purchaser.

6. Patent Rights

6.1 The supplier shall indemnify the purchaser against all third-party claims of infringement of patent, trademark, or industrial design rights arising from use of the goods or any part thereof by the purchaser.

6.2 When a supplier developed documentation / projects for the municipality / municipal entity, the intellectual, copy and patent rights or ownership of such documents or projects will vest in the municipality / municipal entity.

7. Performance security

7.1 Within thirty (30) days of receipt of the notification of contract award, the successful bidder shall furnish to the purchaser the performance security of the amount specified in SCC.

7.2 The proceeds of the performance security shall be payable to the purchaser as compensation for any loss resulting from the supplier's failure to complete his obligations under the contract.

7.3 The performance security shall be denominated in the currency of the contract, or in a freely convertible currency acceptable to the purchaser and shall be in one of the following forms:

(a) a bank guarantee or an irrevocable letter of credit issued by a reputable bank located in the purchaser's country or abroad, acceptable to the purchaser, in the form provided in the bidding documents or another form acceptable to the purchaser; or

(b) a cashier's or certified cheque.

7.4 The performance security will be discharged by the purchaser and returned to the supplier not later than thirty (30) days following the date of completion of the supplier's performance obligations under the contract, including any warranty obligations, unless otherwise specified.

8. Inspections, tests and analyses

8.1 All pre-bidding testing will be for the account of the bidder.

8.2 If it is a bid condition that goods to be produced or services to be rendered should at any stage be subject to inspections, tests and analyses, the bidder or contractor's premises shall be open, at all reasonable hours, for inspection by a representative of the purchaser or organization acting on behalf of the purchaser.

8.3 If there are no inspection requirements indicated in the bidding documents and no mention is made in the contract, but during the contract period it is decided

that inspections shall be carried out, the purchaser shall itself make the necessary arrangements, including payment arrangements with the testing authority concerned.

8.4 If the inspections, tests and analyses referred to in clauses 8.2 and 8.3 show the goods to be in accordance with the contract requirements, the cost of the inspections, tests and analyses shall be defrayed by the purchaser.

8.5 Where the goods or services referred to in clauses 8.2 and 8.3 do not comply with the contract requirements, irrespective of whether such goods or services are accepted or not, the cost in connection with these inspections, tests or analyses shall be defrayed by the supplier.

8.6 Goods and services which are referred to in clauses 8.2 and 8.3 and which do not comply with the contract requirements may be rejected.

8.7 Any contract goods may on or after delivery be inspected, tested or analysed and may be rejected if found not to comply with the requirements of the contract. Such rejected goods shall be held at the cost and risk of the supplier who shall, when called upon, remove them immediately at his own cost and forthwith substitute them with goods, which do comply with the requirements of the contract. Failing such removal, the rejected goods shall be returned at the suppliers cost and risk. Should the supplier fail to provide the substitute goods forthwith, the purchaser may, without giving the supplier further opportunity to substitute the rejected goods, purchase such goods as may be necessary at the expense of the supplier.

8.8 The provisions of clauses 8.4 to 8.7 shall not prejudice the right of the purchaser to cancel the contract on account of a breach of the conditions thereof, or to act in terms of Clause 22 of GCC.

9. Packing 9.1 The supplier shall provide such packing of the goods as is required to prevent their damage or deterioration during transit to their final destination, as indicated in the contract. The packing shall be sufficient to withstand, without limitation, rough handling during transit and exposure to extreme temperatures, salt and precipitation during transit, and open storage. Packing, case size weights shall take into consideration, where appropriate, the remoteness of the goods' final destination and the absence of heavy handling facilities at all points in transit.

9.2 The packing, marking, and documentation within and outside the packages shall comply strictly with such special requirements as shall be expressly provided for in the contract, including additional requirements, if any, and in any subsequent instructions ordered by the purchaser.

10. Delivery and documents

10.1 Delivery of the goods and arrangements for shipping and clearance obligations, shall be made by the supplier in accordance with the terms specified in the contract.

11. Insurance 11.1 The goods supplied under the contract shall be fully insured in a freely convertible currency against loss or damage incidental to manufacture or acquisition, transportation, storage and delivery in the manner specified.

12. Transportation

12.1 Should a price other than an all-inclusive delivered price be required, this shall be specified.

13. Incidental Services

13.1 The supplier may be required to provide any or all of the following services, including additional services, if any:

- (a) performance or supervision of on-site assembly and/or commissioning of the supplied goods.
- (b) furnishing of tools required for assembly and/or maintenance of the supplied goods.
- (c) furnishing of a detailed operations and maintenance manual for each appropriate unit of the supplied goods.
- (d) performance or supervision or maintenance and/or repair of the supplied goods, for a period of time agreed by the parties, provided that this service shall not relieve the supplier of any warranty obligations under this contract; and
- (e) training of the purchaser's personnel, at the supplier's plant and/or on-site, in assembly, start-up, operation, maintenance, and/or repair of the supplied goods.

13.2 Prices charged by the supplier for incidental services, if not included in the contract price for the goods, shall be agreed upon in advance by the parties and shall not exceed the prevailing rates charged to other parties by the supplier for similar services.

14. Spare parts

14.1 As specified, the supplier may be required to provide any or all of the following materials, notifications, and information pertaining to spare parts manufactured or distributed by the supplier:

(a) such spare parts as the purchaser may elect to purchase from the supplier, provided that this election shall not relieve the supplier of any warranty obligations under the contract ;and;

(b) in the event of termination of production of the spare parts:

(i) advance notification to the purchaser of the pending termination, in sufficient time to permit the purchaser to procure needed requirements; and

(ii) following such termination, furnishing at no cost to the purchaser, the blueprints, drawings, and specifications of the spare parts, if requested.

15. Warranty

15.1 The supplier warrants that the goods supplied under the contract are new, unused, of the most recent or current models, and that they incorporate all recent improvements in design and materials unless provided otherwise in the contract. The supplier further warrants that all goods supplied under this contract shall have no defect, arising from design, materials, or workmanship (except when the design and/or material is required by the purchaser's specifications) or from any act or omission of the supplier, that may develop under normal use of the supplied goods in the conditions prevailing in the country of final destination.

15.2 This warranty shall remain valid for twelve (12) months after the goods, or any portion thereof as the case may be, have been delivered to and accepted at the final destination indicated in the contract, or for eighteen (18) months after the date of shipment from the port or place of loading in the source country, whichever period concludes earlier, unless specified otherwise.

15.3 The purchaser shall promptly notify the supplier in writing of any claims arising under this warranty.

15.4 Upon receipt of such notice, the supplier shall, within the period specified and with all reasonable speed, repair or replace the defective goods or parts thereof, without costs to the purchaser.

15.5 If the supplier, having been notified, fails to remedy the defect(s) within the period specified, the purchaser may proceed to take such remedial action as may be necessary, at the supplier's risk and expense and without prejudice to any other rights which the purchaser may have against the supplier under the contract.

16. Payment 16.1 The method and conditions of payment to be made to the supplier under this contract shall be specified.

16.2 The supplier shall furnish the purchaser with an invoice accompanied by a copy of the delivery note and upon fulfilment of other obligations stipulated in the contract.

16.3 Payments shall be made promptly by the purchaser, but in no case later than thirty (30) days after submission of an invoice or claim by the supplier.

16.4 Payment will be made in Rand unless otherwise stipulated.

17. Prices 17.1 Prices charged by the supplier for goods delivered and services performed under the contract shall not vary from the prices quoted by the supplier in his bid, with the exception of any price adjustments authorized or in the purchaser's request for bid validity extension, as the case may be.

18. Variation orders

18.1 In cases where the estimated value of the envisaged changes in purchase does not vary more than 15% of the total value of the original contract, the contractor may be instructed to deliver the goods or render the services as such. In cases of measurable quantities, the contractor may be approached to reduce the unit price, and such offers may be accepted provided that there is no escalation in price.

19. Assignment 19.1 The supplier shall not assign, in whole or in part, its obligations to perform under the contract, except with the purchaser's prior written consent.

20. Subcontracts

20.1 The supplier shall notify the purchaser in writing of all subcontracts awarded under this contract if not already specified in the bid. Such notification, in the original bid or later, shall not relieve the supplier from any liability or obligation under the contract.

21. Delays in the supplier's performance

21.1 Delivery of the goods and performance of services shall be made by the supplier in accordance with the time schedule prescribed by the purchaser in the contract.

21.2 If at any time during performance of the contract, the supplier or its subcontractor(s) should encounter conditions impeding timely delivery of the goods and performance of services, the supplier shall promptly notify the purchaser in writing of the fact of the delay, its likely duration and its cause(s). As soon as practicable after receipt of the supplier's notice, the purchaser shall evaluate the situation and may at his discretion extend the supplier's time for performance, with or without the imposition of penalties, in which case the extension shall be ratified by the parties by amendment of contract.

21.3 The right is reserved to procure outside of the contract small quantities or to have minor essential services executed if an emergency arises, the supplier's point of supply is not situated at or near the place where the goods are required, or the supplier's services are not readily available.

21.4 Except as provided under GCC Clause 25, a delay by the supplier in the performance of its delivery obligations shall render the supplier liable to the imposition of penalties, pursuant to GCC Clause 22, unless an extension of time is agreed upon pursuant to GCC Clause 22.2 without the application of penalties.

21.5 Upon any delay beyond the delivery period in the case of a goods contract, the purchaser shall, without cancelling the contract, be entitled to purchase goods of a similar quality and up to the same quantity in substitution of the goods not supplied in conformity with the contract and to return any goods delivered later at the supplier's expense and risk, or to cancel the contract and buy such goods as may be required to complete the contract and without prejudice to his other rights, be entitled to claim damages from the supplier.

22. Penalties 22.1 Subject to GCC Clause 25, if the supplier fails to deliver any or all of the goods or to perform the services within the period(s) specified in the contract, the purchaser shall, without prejudice to its other remedies under the contract, deduct from the contract price, as a penalty, a sum calculated on the delivered price of the delayed goods or unperformed services using the current prime interest rate calculated for each day of the delay until actual delivery or performance. The purchaser may also consider termination of the contract pursuant to GCC Clause 23.

23. Termination for default

23.1 The purchaser, without prejudice to any other remedy for breach of contract, by written notice of default sent to the supplier, may terminate this contract in whole or in part:

(a) if the supplier fails to deliver any or all of the goods within the period(s) specified in the contract, or within any extension thereof granted by the purchaser pursuant to GCC Clause 21.2;

(b) if the supplier fails to perform any other obligation(s) under the contract;
or

(c) if the supplier, in the judgement of the purchaser, has engaged in corrupt or fraudulent practices in competing for or in executing the contract.

23.2 In the event the purchaser terminates the contract in whole or in part, the purchaser may procure, upon such terms and in such manner, as it deems appropriate, goods, works or services similar to those undelivered, and the supplier shall be liable to the purchaser for any excess costs for such similar goods, works or services. However, the supplier shall continue performance of the contract to the extent not terminated.

23.3 Where the purchaser terminates the contract in whole or in part, the purchaser may decide to impose a restriction penalty on the supplier by prohibiting such supplier from doing business with the public sector for a period not exceeding 10 years.

23.4 If a purchaser intends imposing a restriction on a supplier or any person associated with the supplier, the supplier will be allowed a time period of not more than fourteen (14) days to provide reasons why the envisaged restriction should not be imposed. Should the supplier fail to respond within the stipulated fourteen (14) days the purchaser may regard the supplier as having no objection and proceed with the restriction.

23.5. Any restriction imposed on any person by the purchaser will, at the discretion of the purchaser, also be applicable to any other enterprise or any partner, manager, director or other person who wholly or partly exercises or exercised or may exercise control over the enterprise of the first-mentioned person, and with which enterprise or person the first-mentioned person, is or was in the opinion of the purchaser actively associated.

23.6 If a restriction is imposed, the purchaser must, within nine (9) working days of such imposition, furnish the National Treasury ,with the following information:

(i) the name and address of the supplier and / or person restricted by the purchaser.

- (ii) the date of commencement of the restriction
- (iii) the period of restriction; and
- (iv) the reasons for the restriction. These details will be loaded in the National Treasury's central database of suppliers or persons prohibited from doing business with the public sector.

23.7. If a court of law convicts a person of an offence as contemplated in sections 12 or 13 of the Prevention and Combating of Corrupt Activities Act, No. 12 of 2004, the court may also rule that such person's name be endorsed on the Register for Tender Defaulters. When a person's name has been endorsed on the Register, the person will be prohibited from doing business with the public sector for a period not less than five years and not more than 10 years. The National Treasury is empowered to determine the period of restriction and each case will be dealt with on its own merits. According to section 32 of the Act the Register must be open to the public. The Register can be perused on the National Treasury website.

25. Force Majeure

25.1 Notwithstanding the provisions of GCC Clauses 22 and 23, the supplier shall not be liable for forfeiture of its performance security, damages, or termination for default if and to the extent that his delay in performance or other failure to perform his obligations under the contract is the result of an event of force majeure.

25.2 If a force majeure situation arises, the supplier shall promptly notify the purchaser in writing of such condition and the cause thereof. Unless otherwise directed by the purchaser in writing, the supplier shall continue to perform its obligations under the contract as far as is reasonably practical, and shall seek all reasonable alternative means for performance not prevented by the force majeure event.

26. Termination for insolvency

26.1 The purchaser may at any time terminate the contract by giving written notice to the supplier if the supplier becomes bankrupt or otherwise insolvent. In this event, termination will be without compensation to the supplier, provided that such termination will not prejudice or affect any right of action or remedy, which has accrued or will accrue thereafter to the purchaser.

27. Settlement of Disputes

27.1 If any dispute or difference of any kind whatsoever arises between the purchaser and the supplier in connection with or arising out of the contract, the parties shall make every effort to resolve amicably such dispute or difference by mutual consultation.

27.2 If, after thirty (30) days, the parties have failed to resolve their dispute or difference by such mutual consultation, then either the purchaser or the supplier may give notice to the other party of his intention to commence with mediation. No mediation in respect of this matter may be commenced unless such notice is given to the other party.

27.3 Should it not be possible to settle a dispute by means of mediation, it may be settled in a South African court of law.

27.4 Notwithstanding any reference to mediation and/or court proceedings herein,

(a) the parties shall continue to perform their respective obligations under the contract unless they otherwise agree; and

(b) the purchaser shall pay the supplier any monies due the supplier for goods delivered and / or services rendered according to the prescripts of the contract.

28. Limitation of Liability

28.1 Except in cases of criminal negligence or willful misconduct, and in the case of infringement pursuant to Clause 6;

(a) the supplier shall not be liable to the purchaser, whether in contract, tort, or otherwise, for any indirect or consequential loss or damage, loss of use, loss of production, or loss of profits or interest costs, provided that this exclusion shall not apply to any obligation of the supplier to pay penalties and/or damages to the purchaser; and

(b) the aggregate liability of the supplier to the purchaser, whether under the contract, in tort or otherwise, shall not exceed the total contract price, provided that this limitation shall not apply to the cost of repairing or replacing defective equipment.

29. Governing language

29.1 The contract shall be written in English. All correspondence and other documents pertaining to the contract that is exchanged by the parties shall also be written in English.

30. Applicable law

30.1 The contract shall be interpreted in accordance with South African laws, unless otherwise specified.

31. Notices 31.1 Every written acceptance of a bid shall be posted to the supplier concerned by registered or certified mail and any other notice to him shall be posted by ordinary mail to the address furnished in his bid or to the address notified later by him in writing and such posting shall be deemed to be proper service of such notice.

31.2 The time mentioned in the contract documents for performing any act after such aforesaid notice has been given, shall be reckoned from the date of posting of such notice.

32. Taxes and duties

32.1 A foreign supplier shall be entirely responsible for all taxes, stamp duties, license fees, and other such levies imposed outside the purchaser's country.

32.2 A local supplier shall be entirely responsible for all taxes, duties, license fees, etc., incurred until delivery of the contracted goods to the purchaser.

32.3 No contract shall be concluded with any bidder whose tax matters are not in order. Prior to the award of a bid SARS must have certified that the tax matters of the preferred bidder are in order.

32.4 No contract shall be concluded with any bidder whose municipal rates and taxes and municipal services charges are in arrears.

33. Transfer of contracts

33.1 The contractor shall not abandon, transfer, cede assign or sublet a contract or part thereof without the written permission of the purchaser

34. Amendment of contracts

34.1 No agreement to amend or vary a contract or order or the conditions, stipulations or provisions thereof shall be valid and of any force unless such agreement to amend or vary is entered into in writing and signed by the contracting parties. Any waiver of the requirement that the agreement to amend or vary shall be in writing, shall also be in writing.

7.1 DECLARATION OF INTEREST

1. No bid will be accepted from persons in the service of the state*.
2. Any person, having a kinship with persons in the service of the state, including a blood relationship, may make an offer or offers in terms of this invitation to bid. In view of possible allegations of favouritism, should the resulting bid, or part thereof, be awarded to persons connected with or related to persons in service of the state, it is required that the bidder or their authorised representative declare their position in relation to the evaluating/adjudicating authority and/or take an oath declaring his/her interest.

3 In order to give effect to the above, the following questionnaire must be completed and submitted with the bid.

3.1 Full Name:

3.2 Identity Number:

3.3 Company Registration Number:

3.4 Tax Reference Number:

3.5 VAT Registration Number:

3.6 Are you presently in the service of the state*

YES / NO

3.6.1 If so, furnish particulars.

* MSCM Regulations: "in the service of the state" means to be –

(a) a member of –

- (i) any municipal council.
- (ii) any provincial legislature; or
- (iii) the national Assembly or the national Council of provinces.

(b) a member of the board of directors of any municipal entity.

(c) an official of any municipality or municipal entity.

(d) an employee of any national or provincial department, national or provincial public entity or constitutional institution within the meaning of the Public Finance Management Act, 1999 (Act No.1 of 1999).

(e) a member of the accounting authority of any national or provincial public entity; or

(f) an employee of Parliament or a provincial legislature.

.....
.....

3.7 Have you been in the service of the state for the past twelve months? **YES / NO**

3.7.1 If so, furnish particulars.

.....
.....

3.8 Do you, have any relationship (family, friend, other) with persons in the service of the state and who may be involved with the evaluation and or adjudication of this bid?

YES/NO

3.8.1 If so, furnish particulars.

.....
.....

3.9 Are you, aware of any relationship (family, friend, other) between a bidder and any persons in the service of the state who may be involved with the evaluation and or adjudication of this bid?

YES/NO

3.9.1 If so, furnish particulars.

.....
.....

3.10 Are any of the company's directors, managers, principle shareholders or stakeholders in service of the state? **YES / NO**

3.10.1 If so, furnish particulars.

.....
.....

YES / NO

.....

.....

I, _____ THE _____ UNDERSIGNED _____ (NAME)

FALSE.

.....
Date

.....
Name

- 1 This Municipal Bidding Document form part of the bid.
- 2 It serves as a declaration to be used by municipalities and municipal entities in ensuring that when goods and services are being procured, all reasonable steps are taken to combat the abuse of the supply chain management system.
- 3 The bid of any bidder may be rejected if that bidder, or any of its directors have:
 - a. abused the municipality's / municipal entity's supply chain management system or committed any improper conduct in relation to such system.

- b. been convicted for fraud or corruption during the past five years.
- c. willfully neglected, reneged on or failed to comply with any government, municipal or other public sector contract during the past five years; or
- d. been listed in the Register for Tender Defaulters in terms of section 29 of the Prevention and Combating of Corrupt Activities Act (No 12 of 2004).

4 In order to give effect to the above, the following questionnaire must be completed and submitted with the bid.

Item	Question	Yes	No
4.1	Is the bidder or any of its directors listed on the National Treasury's database as a company or person prohibited from doing business with the public sector? (Companies or persons who are listed on this database were informed in writing of this restriction by the National Treasury after the <i>audi alteram partem</i> rule was applied).	Yes ☐	No ☐
4.1.1	If so, furnish particulars:		
4.2	Is the bidder or any of its directors listed on the Register for Tender Defaulters in terms of section 29 of the Prevention and Combating of Corrupt Activities Act (No 12 of 2004)? (To access this Register enter the National Treasury's website, www.treasury.gov.za, click on the icon "Register for Tender Defaulters" or submit your written request for a hard copy of the Register to facsimile number (012) 3265445).	Yes ☐	No ☐
4.2.1	If so, furnish particulars:		
4.3	Was the bidder or any of its directors convicted by a court of law (including a court of law outside the Republic of South Africa) for fraud or corruption during the past five years?	Yes ☐	No ☐
4.3.1	If so, furnish particulars:		
Item	Question	Yes	No

4.4	Does the bidder or any of its directors owe any municipal rates and taxes or municipal charges to the municipality / municipal entity, or to any other municipality / municipal entity, that is in arrears for more than three months?	Yes ☐	No ☐
4.4.1	If so, furnish particulars:		
4.5	Was any contract between the bidder and the municipality / municipal entity or any other organ of state terminated during the past five years on account of failure to perform on or comply with the contract?	Yes ☐	No ☐
4.7.1	If so, furnish particulars:		

CERTIFICATION

**I, THE UNDERSIGNED (FULL NAME)
CERTIFY THAT THE INFORMATION FURNISHED ON THIS
DECLARATION FORM TRUE AND CORRECT.**

**I ACCEPT THAT, IN ADDITION TO CANCELLATION OF A CONTRACT, ACTION MAY BE
TAKEN AGAINST ME SHOULD THIS DECLARATION PROVE TO BE FALSE.**

.....
Signature

.....
Date

.....
Position

.....
Name of Bidder

7.3 FORM OF OFFER AND ACCEPTANCE

A. OFFER

The **Employer**, identified in the Acceptance signature block, has solicited offers to enter into a contract in respect of the following works:

BID NO: MLM/LED/PURCHASE MACHINE/02/2023

INVITATION TO TENDER: DEMARCATION OF SITES PROJECT

The **Bidder**, identified in the Offer signature block below, has examined the documents listed in the Bid , and by submitting this Offer has accepted the Conditions of Bid.

By the representative of the Bidder, deemed to be duly authorized, signing this part of this Form of Offer and Acceptance, the Bidder offers to perform all of the obligations and liabilities of the Service Providers under the Contract including compliance with all its terms and conditions according to their true intent and meaning for an amount to be determined in accordance with the Conditions of Bid identified.

THE OFFERED TOTAL OF THE PRICES IS ALL INCLUSIVE OF VALUE ADDED TAX

.....

.....

.....and (in words);

R..... (in figures), (or other suitable wording).

This Offer may be accepted by the Employer by signing the Acceptance part of this Form of Offer and Acceptance and returning one copy of this document to the Bidder before the end of the period of validity stated in the Bid, whereupon the Bidder becomes the party named as the Service Providers in the Conditions of Bid .

FOR THE BIDDER:

Signature

Name

Capacity

Name and Address of Organization

Name : -----

Address : -----

Signature and Name of Witness

Signature

Name

Date: -----

B. ACCEPTANCE

By signing this part of this **FORM OF OFFER AND ACCEPTANCE**, the Employer identified below accepts the Bidder's Offer. In consideration thereof, the Employer shall pay the Contractor the amount due in accordance with the Conditions of Bid identified in the Bid. Acceptance of the Bidder's Offer shall form an agreement, between the Employer and the Bidder upon the terms and conditions contained in this Agreement and in the Contract that is the subject of this Agreement.

Notwithstanding anything contained herein, this Agreement comes into effect on the date when the Bidder receives one fully completed original copy of this document. Unless the Bidder (now Service Providers) within five days of the date of such receipt notifies the Employer in writing of any reason why he cannot accept the contents of this Agreement, this Agreement shall constitute a binding contract between the parties,

FOR THE EMPLOYER:

Signature

Name

Capacity

Name and Address of Organization

Name: _____

Address: _____

Signature and Name of Witness

Signature

Name

Date: -----