



## **GAMAGARA LOCAL MUNICIPALITY**

**GM2021/35**

### **PROVISION OF INFRASTRUCTURE AS A SERVICE (IaaS) AND SOFTWARE AS A SERVICE (SaaS) FOR GAMAGARA LOCAL MUNICIPALITY FOR A PERIOD OF 36 MONTHS**

<b>NAME OF BIDDER</b>	
<b>TOTAL BID PRICINCE (VAT INCL.)</b>	
<b>CSD SUPPLIER NO:</b>	

#### **PREPARED AND ISSUED BY:**

Directorate: Budget & Treasury

Supply Chain Management Unit

CONTACT PERSON: Josephine Nampa

Tel No. 053 723 6000

Email: josephine@gamagara.co.za

#### **TECHNICAL ENQUIRIES:**

Mr Tshenolo Tshekedi

Tel No. 053 723 6000

Email: ttshekedi@gamagara.co.za

<b>BID DETAILS</b>						
TENDER NO.:	GM2021/35					
TENDER TITLE	<b><u>PROVISION OF INFRASTRUCTURE AS A SERVICE (IaaS) AND SOFTWARE AS A SERVICE (SaaS) FOR GAMAGARA LOCAL MUNICIPALITY FOR A PERIOD OF 36 MONTHS</u></b>					
CLOSING DATE				Closing Time:	10:00	
SITE MEETING	Date:	n/a	Time:	n/a	Compulsory?	n/a
SITE MEETING ADDRESS	n/a					
BID BOX	Foyer of main building between the hours 07:30 till 16:30 Cnr Hendrik van Eck & Frikkie Meyer Roads Kathu, 8446					
OFFER VALIDITY	90 days					
<b>BIDDER DETAILS</b>						
NAME OF BIDDER						
CONTACT PERSON						
PHYSICAL ADDRESS				Postal Address:		
TELEPHONE NO.						

EMAIL ADDRESS	
DATE:	
SIGNATURE OF BIDDER	
CAPACITY	

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## 1. TENDER ADVERT

## GAMAGARA MUNICIPALITY



**BID: GM2021/35**

### PROVISION OF INFRASTRUCTURE AS A SERVICE (IAAS) AND SOFTWARE AS A SERVICE (SAAS) FOR GAMAGARA LOCAL MUNICIPALITY FOR A PERIOD OF 36 MONTHS

Gamagara Local Municipality is inviting Suppliers to submit bids for PROVISION OF INFRASTRUCTURE AS A SERVICE (IAAS) AND SOFTWARE AS A SERVICE (SAAS) FOR GAMAGARA LOCAL MUNICIPALITY FOR A PERIOD OF 36 MONTHS.

The bid document will be available on the municipal website at [www.gamagara.co.za](http://www.gamagara.co.za) and on the e-tender portal at [www.etenders.gov.za](http://www.etenders.gov.za)

Bid documents in a sealed envelope and **a soft copy**, on a read-only/write protected media, clearly marked "**GM2021/35 PROVISION OF INFRASTRUCTURE AS A SERVICE (IaaS) AND SOFTWARE AS A SERVICE (SaaS) FOR GAMAGARA LOCAL MUNICIPALITY FOR A PERIOD OF 36 MONTHS**" must be deposited in the bid box, Cnr Hendrik van Eck & Frikkie Meyer Road, Kathu, not later than 10:00, **22 September 2021**

All administrative enquiries must be directed to Mrs. J. Nampa @ 053 722 6000 and technical enquiries must be directed to Mr. Tshenolo Tshekedi @ 053 723 6000 during office hours.

Bids will be evaluated according to Gamagara Municipality's Supply Chain Management Policy and the Preferential Procurement Policy Framework Act.

### **Important notice**

**No faxed, e-mailed or late tenders will be considered. The municipality is not obliged to accept the lowest bid, or any bid.**

P. Leserwane  
Municipal Manager  
P.O.Box 1001  
KATHU, 8446

## 2. SPECIFICATIONS / SCOPE OF WORK

### 2.2 Project Background

Currently, the Municipality has a multiple, unmanaged WAN links and a number of outstations connected via VPN and partial SD-WAN solution.

The overall Municipality ICT Infrastructure (Networks, Physical Server hosting and Telephony System) has reached its end of useful life span.

### 2.3 Organisation Strategic Objective

Gamagara Local Municipality intends to select a preferred bidder for the management of its new municipal wide area network and private cloud services, which includes a Voice Over IP solution and virtual servers hosting, to enhance its end-user experience by providing high availability to all its municipal outstations. By implementing the latest technologies (hardware and software) which will ensure the Municipality's ICT infrastructure and voice services are aligned to its Digital Transformational Strategy.

Due to technology direction and operational resilience requirement, during disasters like COVID pandemic, in which the Municipality operates, may require flexibility in relation to growth, in which the preferred bidder will be required to accommodate mobility, additions and changes on a national and local scale.

The Municipality's ICT environment is becoming increasingly decentralised and therefore reliable SD-WAN connectivity between Head Office, outstations and cloud providers sites, is required in order to maintain high levels of system availability. In line with its strategic objectives, Municipality endeavours to reach under serviced areas (Gamagara outstations) by increasing its delivery network. This objective demands an agile service provider with an extensive network coverage that is capable of offering flexible connectivity options (directly or via third parties). The preferred requirement would be that all offices **must** at least have a ***last-mile fibre or fixed LTE or a licenced frequency link***.

The Municipality's core objectives include:

- Obtain a comprehensive quote (clear and unambiguous) from bidders in terms of their ability to support the delivery of the solutions and specifically the realisation of the objectives and expected benefits.
- Reduction in cost; including the cost of WAN, VoIP services, Server hosting, network, equipment and resourcing costs associated with configuration and management.
- To leverage inter-site voice cost savings
- Gain an enhanced view on management and visibility of the municipal network
- Improved security that ensures the confidentiality, integrity and availability of the municipality's ICT infrastructure and systems

- Identify opportunities for increased network performance and availability which includes a technology refresh over the contract period
- Identify opportunities for faster and easier provisioning and configuration



## 2.4 Technical Specifications

Gamagara Local Municipality is looking for systematic approach in addressing the required improvements as listed in the objectives above. The proposed solution in response to Municipality's specific situation, should be guided by best practice, industry trends and key architecture principles.

**The proposed Infrastructure as a Service (IaaS) and Software as a Service (SaaS) Solution should have the following minimum features:**

SITE ADDRESS & COORDINATES	DESCRIPTION	QUANTITY
<b>DC Colocation Service</b>	<b>SD-WAN Service, Dedicated Internet Access Service and Other Installation Components</b>	
	Internet Dedicated Premium 10Mbps	1
	Internet Dedicated National 40Mbps	1
	Other Installation Components	
<b>SD WAN - Gamagara Head Office</b>	<b>SD WAN Service, Dedicated Internet Access Service and Other Installation Components</b>	
Cnr Hendrik Van Eck and Frikkie Meyer 27°41'57.0"S 23°03'00.7"E - 27.699165, 23.050185		
	Internet Dedicated Premium 40Mbps	1
	Internet Dedicated National 40Mbps	1
	Other Installation Components	1
<b>SD WAN - Deben Office</b>	<b>SD WAN Service, Dedicated Internet Access Service and Other Installation Components</b>	
Cnr of Main and Gemsbok Street 27°35'44.3"S 22°52'29.7"E - 27.595643, 22.874902		
	Internet Dedicated Premium 10Mbps	1
	Internet Dedicated National 10Mbps	1
	Other Installation Components	
<b>SD WAN - Olifantshoek Municipal Office</b>	<b>SD WAN Service, Dedicated Internet Access Service and Other Installation Components</b>	
Cnr of Van Riebeeck and Ianham street 27°57'33.2"S 22°42'03.3"E - 27.959209, 22.700921		
	Internet Dedicated Premium 10Mbps	1
	Internet Dedicated National 10Mbps	1
	Other Installation Components	
<b>SD WAN - Gamagara fire station</b>	<b>SD WAN Service, Dedicated Internet Access Service and Other Installation Components</b>	
Sekgame offices (Ian Flemming road)		
	Internet Dedicated Premium 10Mbps	1
	Internet Dedicated National 10Mbps	1

27°42'12.0"S 23°02'21.4"E - 27.703321, 23.039271	Other Installation Components	
<b>SD WAN - Gamagara Parks</b>	<b>SD WAN Service, Dedicated Internet Access Service and Other Installation Components</b>	
Sekgame offices (Ian Flemming road) 27°42'12.0"S 23°02'21.4"E - 27.703321, 23.039271		
	Internet Dedicated Premium 10Mbps	<b>1</b>
	Internet Dedicated National 10Mbps	<b>1</b>
	Other Installation Components	
<b>SD WAN - Gamagara Traffic</b>	<b>SD WAN Service, Dedicated Internet Access Service and Other Installation Components</b>	
Ian Flemming street No. 2 27°42'32.0"S 23°02'13.1"E - 27.708884, 23.036977		
	Internet Dedicated Premium 10Mbps	<b>1</b>
	Internet Dedicated National 10Mbps	<b>1</b>
	Other Installation Components	
<b>SD WAN - Gamagara Workshop</b>	<b>SD WAN Service, Dedicated Internet Access Service and Other Installation Components</b>	
Cnr of Ian Flemming and Jaspes(Jaspes 31) 27°42'30.0"S 23°02'18.2"E - 27.708337, 23.038399		
	Internet Dedicated Premium 10Mbps	<b>1</b>
	Internet Dedicated National 10Mbps	<b>1</b>
	Other Installation Components	
<b>SD WAN - Gamagara Mapoteng Library</b>	<b>SD WAN Service, Dedicated Internet Access Service and Other Installation Components</b>	
6th Street, Sesheng, Gamagara Local Municipality, South Africa -27.695593, 23.011131		
	Internet Dedicated Premium 10Mbps	<b>1</b>
	Internet Dedicated National 10Mbps	<b>1</b>
	Other Installation Components	
<b>SD WAN - Gamagara Siyathemba</b>	<b>SD WAN Service, Dedicated Internet Access Service and Other Installation Components</b>	
Gamagara Ward 1, Gamagara Local Municipality, 8446, SA 27°42'39.3"S 23°03'20.6"E - 27.714941, 23.067033		
	Internet Dedicated Premium 10Mbps	<b>1</b>
	Internet Dedicated National 10Mbps	<b>1</b>
	Other Installation Components	
<b>Hosted Telephone System, Voice Services and Related Components</b>	<b>Advanced Telephone Management System &amp; Related Components</b>	
	Entry-level IP Desk Phone Rental & Associated accessories	<b>100</b>
	Entry-level colour screen IP Phone Rental & Associated accessories	<b>35</b>
	Gigabit IP Phone suited to receptionists and expansion module Rental	<b>1</b>

	High performance IP Conference Phone for mid-large meeting rooms Rental	2
	Other Installation Components	
<b>Server Virtualization</b>	<b>Virtual Servers</b>	
<b>Server 1</b>	Virtual Server RAM	32
	Hard Drive 1 per GB	250
	Hard Drive 2 per GB	2 000
	NIC	2
	Backup Software	1
<b>Server 2</b>	Virtual Server RAM	16
	Hard Drive 1 per GB	250
	Hard Drive 2 per GB	1 000
	NIC	2
	Backup Software	1
<b>Server 3</b>	Server Virtualization RAM	16
	Hard Drive 1 per GB	250
	Hard Drive 2 per GB	500
	Hard Drive 3 per GB	1 000
	NIC	2
	Backup Software	1
<b>Server 4</b>	Virtual Server RAM	16
	Hard Drive 1 per GB	250
	Hard Drive 2 per GB	500
	Hard Drive 3 per GB	1 000
	NIC	2
	Backup Software	1
<b>Server 5</b>	Virtual Server RAM	16
	Hard Drive 1 per GB	250
	Hard Drive 2 per GB	500
	Hard Drive 3 per GB	1 000
	NIC	2
	Backup Software	1
<b>Application Software Service</b>	<b>Application Software Services and Management Tools</b>	
	Microsoft Remote Desktop Services	5
	Microsoft SQL Server Standard Edition SAL (Per Subscriber)	1
<b>Managed Backup Cloud Storage</b>	<b>Managed Backup Cloud Storage &amp; Related Components</b>	
	Cloud Storage 2 TB	3
<b>SaaS</b>	<b>Microsoft 365 Business Basic</b>	

	Microsoft Corporate Licenses Microsoft 365 Business Standard Yearly	190
<b>Optional</b>	Microsoft Office 365 Remote Deployment (Basic with Data Migration)	190
	<b>TOTAL Exclusive VAT</b>	
	<b>TOTAL Inclusive VAT</b>	

### 2.4.1 Mandatory Service Monitoring

- All services to be delivered as per timelines, mutually defined and agreed by Municipality and the preferred bidder. This will include the management of 3<sup>rd</sup> party vendors.
- The successful bidder will ensure support (24 hours every day x 365 days in each year) for any issue related to availability and accessibility.
- The successful bidder would be solely responsible for any defect in the solution(s).
- Service uptimes per location - The successful bidder will be required to adhere to the service levels outlined in the table below, which contains the classification of Service Levels by priority and location type.

Service Level Type	Time to Respond	Time to Resolve	Target Uptime	Maximum Monthly Downtime	Typical Gamagara Local Municipality Locations
Priority 1	15 mins	2 hours	99.99%	2 hours	Municipality Head Office  Municipality Cloud hosting site(s)
Priority 2	20 mins	3 hours	99.95%	3 hours	Municipality office internet breakout
Priority 3	20 mins	3 hours	99.90%	4 hours	Municipality outstations offices internet breakout

- Link performance requirements will be required to proactively monitor the SD-WAN and its related services, to ensure high availability of the service to Municipality, in compliance with required service levels as outlined in the link performance requirement table below.

Link	Latency	Packet Loss	Jitter
------	---------	-------------	--------

Municipality Head Office	<100ms	<1%	<25ms
Municipality Cloud hosting site(s)			
Municipality outstations offices	<150ms	<1%	<25ms

## 2.4.2 Solution Implementation Roadmap

The delivery of the required services should be aligned to the Municipality's roadmap and priorities.

The Bidders are therefore required to provide proposals, implementation plans and costing for each of the proposed work streams i.e., Network, Parameter security and protection, Cloud hosted PABX and VoIP using Microsoft Teams, and Virtual Server(s) Hosting.

The bidder needs to supply a converged scalable network with a view of delivering on future services (technology refresh) that will reduce costs and promote high availability.

### ➤ Governance deliverables

- Detailed Project Plan including milestones and project phases
- Risk Management Plan that will address risks associated with scope, quality, schedule and cost.
- Clear and proven Project Management methodology (e.g. Agile, PRINCE 2).
- Project Execution Plans detailing the execution and monitoring of the project
- Project Acquisition Plan describing the acquisition of materials, goods and enabling system services supplied
- Project Quality Plan that describes the quality criteria of the project deliverables
- Project Requirements and Change Control Plan
- Project Communications and Change Management Plan
- Project Resource Plan that describes the key resources who will be assigned to the project including the Project manager and Project manager's certification.
- A Service Transition Plan to ensure that there are no disruptions during the changeover phase between service providers if applicable covering a maximum period of eight (8) weeks
- Change control processes and roll-back plans.
- Preliminary information gathering such as sites visits and site surveys and infrastructure assessments.

- Service continuity obligation to provide support for the smooth transition to new network.

## ➤ **Technical deliverables**

- The Software Defined Wide Area Network (SD-WAN) which connects the Municipality outstations and the Head Office should be made up of links of different sizes and speeds according to the business requirements of each site.
- Bidders are required to set up the WAN network localized at each Municipality site as per (Annexure A: Gamagara Local Municipality Site Listing) to provide connectivity to Municipality Head Office and Municipality Cloud hosting site(s), through various capable broadband and LTE links with SD-WAN Technology at optimal speeds.
- The bidders are required to structure their tariffs for extending SD-WAN, VoIP and Internet services to new locations on a fixed-cost basis per technology and service type for the contract duration, while allowing flexibility for periodic price benchmarking for similar services in the market to enable Municipality to benefit from cost reductions as technologies and services become cheaper.

- **Internet Services**

The bidder should supply an Internet Breakout on the SD-WAN that terminates at the main provider Datacentre and should start off with 10 Mbps with a 1:1 contention ratio and will be either increased or decreased over the contract period according to the needs of the Municipality. Internet traffic from the local Municipality outstations should be transported via local PE (Provider Edge) routers (shortest path) to the Internet. A hosted managed firewall service/module before the Internet capable of web, layer 3 and layer 4 filtering, intrusion detection, and reporting and auditing should be supplied.

- **Access Point Name (APN)**

- a) Provide a secure reverse billed (corporate) Access Point Name (APN) as an extension of the SD-WAN network.
- b) A portal must be provided for the provisioning and management of SIM cards connecting to the APN.
- c) All traffic from the APN must pass through the firewall at the Internet breakout as a security measure.
- d) One of the main use cases for the APN would be to provide connectivity for the municipal mobile users to the SD-WAN.
- e) It may also be used for providing connectivity to Cloud server hosting provider(s), which must incorporate an extra layer of security such as radius authentication.

- **Security**

- a) All routers including the Internet breakout router should have the ability to be remotely managed and also export data to the Municipality management tools.
- b) Connectivity devices' operating systems must be patched regularly to the latest versions as per software releases.
- c) Router information and configurations must be made available for audit purposes and Municipality or any third party appointed to audit Municipality's network security.
- d) Municipality will supply the successful bidder a set of rules for the initial configuration of the firewall and further change requests will be logged via the successful bidder's Service Desk.
- e) Read-only access to the firewall must be supplied to designated Municipality technical contacts for the purposes of troubleshooting and auditing. A DMZ (demilitarise zone) must be supplied to host services such as the Website and Web portal, etcetera in this segment. The Service Provider must have the capability to provide Municipality with hosted virtual machine instances when required in the DMZ segment.
- f) Bidders must be able to promptly submit proof of security vetting of their key personnel who will be working on the SD-WAN Infrastructure supplied by the bidder when requested and ensure that such clearance is maintained.
- g) Bidders must also maintain a sufficient number of technically certified and security cleared personnel to supply the necessary SD-WAN/MPLS network services.
- h) Bidders must adhere to highest integrity standards in the industry. Bidders must be able to supply a managed firewall for which they must be duly certified by appropriate vendors (e.g., Sophos, Cisco or Meraki). The successful bidder must also for the duration of the contract, maintain such firewall security certification.

- **ICASA Licensing and ISPA Certification**

- a) In the case of the successful bidder being a telecommunications company, they must provide proof of valid licensing with the Independent Communications Authority of South Africa (ICASA).
- b) All networking devices used in the provision of the envisaged services must be duly certified by ICASA for use in the Republic of South Africa.



### 3. SPECIAL CONDITIONS OF CONTRACT (SCC)

The bid is for the **PROVISION OF INFRASTRUCTURE AS A SERVICE (IaaS) AND SOFTWARE AS A SERVICE (SaaS) FOR GAMAGARA LOCAL MUNICIPALITY FOR A PERIOD OF 36 MONTHS.**

- 3.1 The bid documents must be neatly packaged and arranged accordingly, in a sealed envelope, **and a soft copy**, on a read-only/write protected media.
- 3.2 The price should include VAT, supply and delivery and be valid for 90 days
- 3.3 A complete spreadsheet of all equipment delivered with all the relevant data of each machine to keep a proper asset track.
- 3.4 Rates shall include and make provision for all shipping and clearance obligations and costs thereof for the supply, delivery and installation of goods at Corner Hendrik Van Eck and Frikkie Meyer, Kathu.
- 3.5 The warranty shall remain valid for 24 months after the goods have been received in full. The bidder's offered total amount should be inclusive of the warranty cost.
- 3.6 Time for delivery of the goods and performance of services must be indicated by the supplier within the tender response.
- 3.7 Bidders are required to comply with the prescribed pricing schedule in section H. MBD 3.2 – *PRICING SCHEDULE – NON-FIRM PRICES*. No pricing schedules other than the pricing schedule as stated in Section H will be accepted and those pricing schedules will not be evaluated and it will be seen as not responsive.
- 3.8 All services must be delivered to the Main Municipal Buildings at Corner Hendrik Van Eck & Frikkie Meyer, Kathu.
- 3.9 The total value of the contract will be used for evaluation purposes.
- 3.10 Only Manufacture factory assembled units will be acceptable
- 3.11 Successful Bidder will enter into a contract performance agreement, failure of which may nullify the appointment.

## **4. PHASE 1: MANDATORY BIDDING DOCUMENTS**

### **List of Returnable Documents**

The bidder must complete and submit the following returnable schedules:

#### **Pre-qualification (Phase 1)**

FAILURE TO SUBMIT THE DOCUMENTS LISTED UNDER THIS SECTION WILL LEAD TO DISQUALIFICATION

**Refer to the Pre-qualification Requirements (Section 5 (page 16) of this document)**

- 4.1 Municipal Accounts for the company AND for the ALL the directors
- 4.2 2 Written Reference Letters
- 4.3 Letter in a company's letter head confirming existence of the NOC
- 4.4 Undertaking on company's letter head containing bidder's support centres
- 4.5 Undertaking of back-to-back SLA with OEM on company's letter head
- 4.6 A valid ICASA Certificate.

#### **Functional Evaluation (Phase 2)**

FAILURE TO SUBMIT THE DOCUMENTS LISTED UNDER THIS SECTION WILL LEAD TO POINTS NOT BE SCORED/ALLOCATED

- 4.1.1 Valid Networking certification from a legitimate vendor (for example: Sophos, Cisco or Meraki etc.)
- 4.1.2 Firewall Security Certification
- 4.1.3 Detailed Curriculum Vitae (CV) of key technical staff (Certificates must be provided)
- 4.1.4 Detailed Curriculum Vitae of the Project Manager (Include PMP Certification)
- 4.1.5 A minimum of three (3) detailed case studies
- 4.1.6 Detailed Project Plan
- 4.1.7 Overview of the project management methodology

**A. IN CASE OF PROPOSAL FROM A JOINT VENTURE, CONSORTIUM OR  
SUBCONTRACTING**

THE FOLLOWING MUST BE SUBMITTED TOGETHER WITH THE PROPOSAL: -

- a) Joint Venture Agreement including split of work and rand value signed by both parties;
- b) Technical Certifications by the technical personnel by the party.
- c) The original or certified copy of the B-BBEE certificate of the joint venture;
- d) The Tax Clearance Certificate of each joint venture member;

## 5 TECHNICAL EVALUATION

The evaluation is based on functionality, which will be evaluated using the following criteria and points:

(i) **Pre-qualification - Phase 1**

- The bidders will be evaluated on the pre-qualification criteria.
- Bidders who do not meet these criteria's will not be evaluated further.

(ii) **Paper-based Technical Evaluation – Phase 2**

- The bid submission will be technically evaluated out of a maximum of **100 points** based on the bidder's paper-based submission.
- A minimum threshold of **70 points** out of the 100 has been set
- Only bidders achieving **70 points** minimum threshold will qualify to be evaluated for Phase 3.

(iii) **Supplier Presentations - Phase 3**

- Shortlisted bidders will be required to present the proposed solution, technology and implementation plan including timelines.

(iv) **Price and Preference – Phase 4**

- All bidders meeting the set threshold will qualify to be further evaluated on B-BBEE and Price.

### Technical Evaluation Criteria

Allocation of points on functional and technical evaluation will be to criteria within the following framework:

#### Pre-qualification - Phase 1:

The following is the pre-qualifying criteria that are applicable to this bid, any bidder who does not meet them will be disqualified and shall not be evaluated further

No.	Qualification criteria	Supporting Documents Required	Reference page/Index Number	Check
1	The Bidder must have at least three (3) years' experiences in supplying, installing, commissioning and managing of SD-WAN or similar solutions and must have implemented SD-WAN and VoIP in two institutions in the last 2 calendar years.	2 Client letters from the previous clients where these services have been successfully completed within the predefined time period. Letters are to be dated with Client letterhead and <b>authorised signatory</b> .		

	The Bidder (Service Provider) must also have delivered Cloud infrastructure hosting and have managed broadband link or combination of various connectivity links at least to <b>10 sites across South Africa.</b>			
<b>2</b>	The Bidder must have their own Network Operation Centre (NOC) existence in South Africa for at least three years, with a centralised call logging facility to provide 24X7X365 customer support.	Letter in a company's letter head confirming existence of the NOC from the bidder duly signed by authorised signatory, dated.		
<b>3</b>	Bidder must have Service support centres managed by own staff in at least 3 major cities/ locations in South Africa covering all the locations of Gamagara Local Municipality where onsite support is required	The bidder's support centres containing Office Address, Telephone nos., and contact person to be submitted. Certification / Undertaking on company's letter head from the bidder duly signed by authorised signatory with company stamp.		
<b>4</b>	The Bidder must have a back-to-back service level agreement with OEM provider of physical devices.	Partner/solution certification / Undertaking on company's letter head from the bidder duly signed by authorised signatory with Company stamp.		
<b>5</b>	The Bidder must provide proof of ICASA Certification for WAN infrastructure and if applicable any partnership arrangement must be proven where ICASA certification is not issued directly to the Bidder.	A valid ICASA Certificate to be provided.		

## Paper-Based Technical Evaluation – Phase 2

No.	Technical Evaluation	Mark Allocation	Compliance Y/N	Bidder reference page or Index number
1	<p><b>Networking</b></p> <p>Networking - The bidder is required to demonstrate networking certification which is valid and current from a legitimate vendor (for example: Juniper, Cisco, Huawei, Sophos, Cisco, 24 Meraki etc.) through the provision of one networking certificate which indicates the highest level of certification.</p> <ul style="list-style-type: none"> <li>- Partnership: Advanced Level - <b>15 Points</b></li> <li>- Partnership: Intermediate Level - <b>10 Points</b></li> <li>- Partnership: Entry Level - <b>5 Points</b></li> </ul>	15		
2	<p><b>Security</b></p> <p>The bidder is required to provide legitimate Firewall Security Certification.</p> <ul style="list-style-type: none"> <li>- Advanced Certification - <b>15 Points</b></li> <li>- Intermediate Certification - <b>10 Points</b></li> <li>- Entry Certification - <b>5 Points</b></li> </ul>	15		
3	<p><b>Technical Resources</b></p> <p>The bidder is required to provide detailed Curriculum Vitae (CV) of key technical staff that will be assigned to this project with defined roles.</p> <p><i>Note:</i></p> <p>1) <i>Certificates must be provided with the CV of the assigned key technical staff, in order to be considered to be awarded points for the minimum certification requirement; and</i></p> <p>2) <i>CV's of assigned staff must reflect the minimum experience requirement in order to be considered when awarded points for</i></p>	15		

	<p><i>this evaluation criteria, which can be verified.</i></p> <p><i>3) Individual identities such as names may be omitted to maintain the privacy of individuals.</i></p> <p>a) Specify by means of an organogram, which needs to be attached, the structure and key technical staff which will be allocated to Gamagara Local Municipality.</p> <p>b) CV's Provided for all key technical staff</p> <p>c) CV's should demonstrate the following minimum skills of technical staff being recommended for this project: -</p> <ul style="list-style-type: none"> <li>• Please attach minimum certification of CCIE or equivalent, ITIL v3, CISSP or equivalent; – <b>6 Points</b></li> <li>• Please attach certified Solutions Architect on vendor networking devices (CCDP or equivalent); – <b>4 Points</b></li> </ul> <p><b>NB: Provide both Certificates as above to score 6 +4 =10 points.</b></p> <p>d) Please provide post certification experience working on projects of a similar nature, scope, size and scale in planning, installation, configuration and supporting of MPLS/SD-WAN/VPN/WAN and ISP Services.</p> <ul style="list-style-type: none"> <li>• 5 years or more experience provided – <b>3 Points</b></li> <li>• <i>Less than 5 years' experience provided – 2 Points</i></li> </ul>			
<b>4</b>	<p><b>Project Manager</b></p> <p>The bidder is required to provide the detailed Curriculum Vitae of the Project Manager(s) who will be assigned to the project who has acquired the following certification and skills:</p>	15		

	<ul style="list-style-type: none"><li>- Post Certification Experience in the management of projects of a similar nature, scope, size and scale in planning, installation, configuration and supporting of SD WAN technology and ISP Services;</li></ul> <p>Note:</p> <p>1) PMP Certificates must be provided with the Project Managers' CV in order to be considered to be awarded points for this evaluation criteria; in addition to</p> <p>2) Relevant post certification experience which can be verified.</p> <p>3) Individual identities such as names may be omitted to maintain the privacy of individuals.</p> <p>a) Provided CV of Project Manager (s)</p> <p>b) Provided PMP Certificate</p> <p>c) Post Certification Experience</p> <table><tr><td><ul style="list-style-type: none"><li>• 5+ Years Post Certification Experience</li></ul></td><td><b>15 Points</b></td></tr><tr><td><ul style="list-style-type: none"><li>• 3-5 Years Post Certification Experience</li></ul></td><td><b>10 Points</b></td></tr><tr><td><ul style="list-style-type: none"><li>• 0-3 Years Post Certification Experience</li></ul></td><td><b>5 Points</b></td></tr></table>	<ul style="list-style-type: none"><li>• 5+ Years Post Certification Experience</li></ul>	<b>15 Points</b>	<ul style="list-style-type: none"><li>• 3-5 Years Post Certification Experience</li></ul>	<b>10 Points</b>	<ul style="list-style-type: none"><li>• 0-3 Years Post Certification Experience</li></ul>	<b>5 Points</b>			
<ul style="list-style-type: none"><li>• 5+ Years Post Certification Experience</li></ul>	<b>15 Points</b>									
<ul style="list-style-type: none"><li>• 3-5 Years Post Certification Experience</li></ul>	<b>10 Points</b>									
<ul style="list-style-type: none"><li>• 0-3 Years Post Certification Experience</li></ul>	<b>5 Points</b>									
<b>5</b>	<b>Experience and Track Record</b> <p>In order to prove experience and understanding of the scope, size and scale of this project for MPLS/SD-WAN/VPN/WAN and ISP Services, the bidder is required to provide a minimum of three (3) detailed case studies of same/ similar projects successfully implemented.</p>	20								



	<p><b>Requirements fully met: 20 Points</b></p> <p>Has successfully implemented all services of same, size and scale and has adequately experience in SD WAN technology and ISP Services contained in <b>three (3)</b> separate detailed case studies and references to fully meet verification requirements.</p> <p><b>Requirements partially met: 15 Points</b></p> <p>Has not implemented projects on same size and scale comprising of all the elements of SD WAN technology and ISP services contained in <b>two (2)</b> /or less case studies presented to prove partial reference verification.</p>			
<b>6</b>	<p><b>Project Methodology</b></p> <p>Provide the overview of the project management methodology to be used and the phases included in the methodology in line with the delivery of this project</p> <p><b>Methodology provided – 5 Points</b></p> <p>Detailed Project Plan on how these systems will be implemented. A detailed project implementation plan (including but not limited to Gantt Charts, Work Breakdown Structure (WBS), Resource Allocation, Timelines and Critical Path) with respect to operational readiness within an eight (8) week period must be provided.</p> <p>(i) A good project plan presented, and is fully detailed and aligned to requirements, timeframe included – <b>15 Points</b></p>	20		
	<b>Total Points</b>	<b>100</b>		

The minimum required points for the bidder to be considered for phase three is 70 points. Any bidder that scores below the minimum threshold points of 70 points will be regarded as non-responsive and therefore disqualified.

**VERY IMPORTANT: Technical documents must be arranged in sequence of the above criteria in a pack with clearly marked sections according to the headings listed above.**

### Supplier Presentations – Phase 3

**NB :** The presentation should be structured as per criteria on the below table.

No.	Evaluation	Criteria	Check
1	Suppliers Presentation	1. Demonstrate the overall <b>proposed technical solution</b>	
		2. Demonstrated transition and <b>implementation plan</b>	
		3. Demonstrated <b>enhanced capabilities and innovations aligned</b> to Municipality's future digital requirements	
		4. Demonstrated <b>reporting and deployment capabilities</b>	
		5. Demonstrated <b>technical support model</b>	
		6. Demonstrated <b>value-added services</b>	
No Points will be allocated to this phase. This phase is to enable the Municipality, to clarify and understand the solution the shortlisted bidder is looking to offer.			

### Price and Preference – Phase 4

The following preference point systems are applicable to all bids whereby preference points shall be awarded for Price; and B-BBEE Status Level of Contribution.

- the 80/20 Preference Point System for bids with a Rand value of more than R30,000-00 but not exceeding R50,000,000-00 (all applicable taxes included); and
- the 90/10 Preference Point System for bids with a Rand value above R50,000,000-00 (all applicable taxes included).

The lowest acceptable bid will be used to determine the applicable preference point system.

## **B. CENTRAL SUPPLIER DATABASE REGISTRATION SUMMARY**

PLEASE ATTACH THE CSD REGISTRATION SUMMARY NOT OLDER THAN 1 MONTH

## **C. SARS TAX COMPLIANCE PIN**

#### **D. BROAD-BASED BLACK ECONOMIC EMPOWERMENT**

PLEASE ATTACH THE COMPANY'S ORIGINAL OR CERTIFIED BBBEE CERTIFICATE

FAILURE THE REQUIRED CERTIFICAT WILL NOT LEAD TO DISQUALIFICATION, PREFERENCE POINTS WILL NOT BE AWARDED

## **E. MUNICIPAL ACCOUNTS OF THE COMPANY**

PLEASE ATTACH THE MUNICIPAL ACCOUNT / LEASE AGREEMENT / PROOF OF RESIDENCE FROM TRIBAL AUTHORITY (whichever is applicable)

- The account must not be, older than one month prior to the closing date of this tender and owing for more than 90 days
- Please proof of residence or letter from tribal authority will not be accepted in an area where the municipality issues accounts
- Unsigned and expired lease agreement will not be accepted
- Where the company and the director share the same premises, an explanatory letter must be submitted
- A municipal clearance account must indicate the age analysis of the account and all outstanding amount(s)

## **F. MUNICIPAL ACCOUNT(S) OF COMPANY DIRECTORS**

PLEASE ATTACH THE MUNICIPAL ACCOUNT / LEASE AGREEMENT / PROOF OF RESIDENCE FROM TRIBAL AUTHORITY (whichever is applicable)

- The account must not be, older than one month prior to the closing date of this tender and owing for more than 90 days
- Municipal accounts for ALL the directors listed on the company must be submitted
- Please proof of residence or letter from tribal authority will not be accepted in an area where the municipality issues accounts
- Unsigned and expired lease agreement will not be accepted
- Where the company and the director share the same premises, an explanatory letter must be submitted
- A municipal clearance account must indicate the age analysis of the account and all outstanding amount(s)



## G. AUTHORITY TO SIGN A BID

### 1. SOLE PROPRIETOR (SINGLE OWNER BUSINESS) AND NATURAL PERSON

1.1 I, \_\_\_\_\_, the undersigned, hereby confirm that I am the sole owner of the business trading as \_\_\_\_\_

OR

1.2 I, \_\_\_\_\_, the undersigned, hereby confirm that I am submitting this tender in my capacity as a natural person.

SIGNATURE:		DATE:	
PRINT NAME:			
WITNESS 1:		WITNESS 2:	

### 2. COMPANIES AND CLOSE CORPORATIONS

2.1. **If a Bidder is a COMPANY, a certified copy of the resolution by the board of directors**, duly signed, authorising the person who signs this bid to do so, as well as to sign any contract resulting from this bid and any other documents and correspondence in connection with this bid and/or contract on behalf of the company **must be submitted with this bid**, that is, before the closing time and date of the bid

2.2. In the case of a **CLOSE CORPORATION (CC)** submitting a bid, **a resolution by its members**, authorizing a member or other official of the corporation to sign the documents on their behalf, **shall be included with the bid**.

**PARTICULARS OF RESOLUTION BY BOARD OF DIRECTORS OF THE  
COMPANY/MEMBERS OF THE CC**

<b>Date Resolution was taken</b>	
<b>Resolution signed by (name and surname)</b>	
<b>Capacity</b>	
<b>Name and surname of delegated Authorised Signatory</b>	
<b>Capacity</b>	
<b>Specimen Signature</b>	

**Full name and surname of ALL Director(s) / Member (s)**

<b>Full name and surname of ALL Director(s) / Member(s)</b>			
<b>1</b>		<b>6</b>	
<b>2</b>		<b>7</b>	
<b>3</b>		<b>8</b>	
<b>4</b>		<b>9</b>	
<b>5</b>		<b>10</b>	
<b>Is a CERTIFIED COPY of the resolution attached?</b>		<b>YES</b>	<b>NO</b>
<b>SIGNED ON BEHALF OF COMPANY / CC:</b>		<b>DATE:</b>	
<b>PRINT NAME:</b>			
<b>WITNESS 1:</b>		<b>WITNESS 2</b>	

### 3. PARTNERSHIP

We, undersigned partners in the business trading as:

\_\_\_\_\_

hereby authorize Mr. / Ms.

\_\_\_\_\_

to sign this bid as well as any contract resulting from the bid and any other documents and correspondence in connection with this bid and / or any contract for and on behalf of the abovementioned partnership.

The following particulars in respect of every partner must be furnished and signed

Full name and surname of partner (s)			
1		6	
2		7	
3		8	
4		9	
5		10	
Is a CERTIFIED COPY of the resolution attached?		YES	NO

SIGNED ON BEHALF OF PARTNERSHIP		DATE:	
PRINT NAME:			
WITNESS 1:		WITNESS 2	

#### 4. CONSORTIUM

We, the undersigned consortium partners, hereby authorize

\_\_\_\_\_  
(name of entity) to act as lead consortium partner and further authorize  
Mr. / Ms \_\_\_\_\_ to  
sign this offer as well as any contract resulting from this tender and any  
other documents and correspondence in connection with this tender and  
/ or any contract for and on behalf of the consortium

The following particulars in respect of every partner must be furnished and signed  
by every partner:

Full name of partner			Signature
SIGNED ON BEHALF OF  PARTNERSHIP:		DATE:	
PRINT NAME:			
WITNESS 1:		WITNESS 2:	

## H. MBD 3.2 – PRICING SCHEDULE – NON FIRM PRICES

### (PURCHASES)

**NOTE: PRICE ADJUSTMENTS WILL BE ALLOWED AT THE PERIODS AND TIMES SPECIFIED IN THE BIDDING DOCUMENTS.**

**IN CASES WHERE DIFFERENT DELIVERY POINTS INFLUENCE THE PRICING, A SEPARATE PRICING SCHEDULE MUST BE SUBMITTED FOR EACH DELIVERY POINT**

Name of Bidder.....	Bid number.....
Closing Time .....	Closing Date .....

OFFER TO BE VALID FOR.....DAYS FROM THE CLOSING DATE OF BID.

ITEM NO. **{	QUANTITY	DESCRIPTION	BID PRICE IN RSA CURRENCY ALL APPLICABLE TAXES INCLUDED)
-----------------	----------	-------------	---

Required by: .....

At: .....

Brand and model .....

Country of origin .....

Does the offer comply with the specification(s)? \*YES/NO

If not to specification, indicate deviation(s) .....

Period required for delivery .....

Delivery: \*Firm/Not firm

\*\* "all applicable taxes" includes value- added tax, pay as you earn, income tax, unemployment insurance fund contributions and skills development levies.

\*Delete if not applicable

## PRICE ADJUSTMENTS

## A NON-FIRM PRICES SUBJECT TO ESCALATION

1. IN CASES OF PERIOD CONTRACTS, NON FIRM PRICES WILL BE ADJUSTED (LOADED) WITH THE ASSESSED CONTRACT PRICE ADJUSTMENTS IMPLICIT IN NON FIRM PRICES WHEN CALCULATING THE COMPARATIVE PRICES

2. IN THIS CATEGORY PRICE ESCALATIONS WILL ONLY BE CONSIDERED IN TERMS OF THE FOLLOWING FORMULA:

$$Pa = (1 - V)Pt \left( D1 \frac{R1t}{R1o} + D2 \frac{R2t}{R2o} + D3 \frac{R3t}{R3o} + D4 \frac{R4t}{R4o} \right) + VPt$$

Where:

Pa	=	The new escalated price to be calculated.
(1-V) Pt	=	85% of the original bid price. <b>Note that Pt must always be the original bid price and not an escalated price.</b>
D1, D2..	=	Each factor of the bid price eg. labour, transport, clothing, footwear, etc. The total of the various factors D1,D2...etc. must add up to 100%.
R1t, R2t.....	=	Index figure obtained from new index (depends on the number of factors used).
R1o, R2o	=	Index figure at time of bidding.
VPt	=	15% of the original bid price. This portion of the bid price remains firm i.e. it is not subject to any price escalations.

3. The following index/indices must be used to calculate your bid price:

Index..... Dated.....      Index..... Dated.....      Index..... Dated.....

Index..... Dated.....      Index..... Dated.....      Index..... Dated.....

4. FURNISH A BREAKDOWN OF YOUR PRICE IN TERMS OF ABOVE-MENTIONED FORMULA. THE TOTAL OF THE VARIOUS FACTORS MUST ADD UP TO 100%.

FACTOR (D1, D2 etc. eg. Labour, transport etc.)	PERCENTAGE OF BID PRICE

**B PRICES SUBJECT TO RATE OF EXCHANGE VARIATIONS**

1. Please furnish full particulars of your financial institution, state the currencies used in the conversion of the prices of the items to South African currency, which portion of the price is subject to rate of exchange variations and the amounts remitted abroad.

PARTICULARS OF FINANCIAL INSTITUTION	ITEM NO	PRICE	CURRENCY	RATE	PORTION OF PRICE SUBJECT TO ROE	AMOUNT IN FOREIGN CURRENCY REMITTED ABROAD
				ZAR=		
				ZAR=		
				ZAR=		
				ZAR=		
				ZAR=		
				ZAR=		

2. Adjustments for rate of exchange variations during the contract period will be calculated by using the average monthly exchange rates as issued by your commercial bank for the periods indicated hereunder: (Proof from bank required)

AVERAGE MONTHLY EXCHANGE RATES FOR THE PERIOD:	DATE DOCUMENTATION MUST BE SUBMITTED TO THIS OFFICE	DATE FROM WHICH NEW CALCULATED PRICES WILL BECOME EFFECTIVE	DATE UNTIL WHICH NEW CALCULATED PRICE WILL BE EFFECTIVE

.

## I. MBD 4 – DECLARATION OF INTEREST

1. No bid will be accepted from persons in the service of the state<sup>1</sup>.
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.

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

3.1 Full Name of bidder or his or her  
representative:.....

3.2 Identity Number:  
.....

3.3 Position occupied in the Company (director, trustee,  
shareholder<sup>2</sup>):.....

3.4 Company Registration Number:  
.....

3.5 Tax Reference Number:.....

3.6 VAT Registration Number: .....

3.7 The names of all directors / trustees / shareholders members, their individual  
identity numbers and state employee numbers must be indicated in  
paragraph 4 below.

3.8 Are you presently in the service of the state? **YES /**  
**NO**

3.8.1 If yes, furnish particulars.

.....  
.....

---

<sup>1</sup>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.
- <sup>2</sup> Shareholder" means a person who owns shares in the company and is actively involved in the management of the company or business and exercises control over the company.

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

3.9.1 If yes, furnish particulars.....

.....

3.10 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**

3.10.1 If yes, furnish particulars.

.....

.....

3.11 Are you, aware of any relationship (family, friend, other) between any other 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**

3.11.1 If yes, furnish particulars

.....

.....

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

3.12.1 If yes, furnish particulars.

.....

.....

3.13 Are any spouse, child or parent of the company's directors trustees, managers, principle shareholders or stakeholders in service of the state? **YES / NO**

3.13.1 If yes, furnish particulars.

.....

.....

3.14 Do you or any of the directors, trustees, managers, principle shareholders, or stakeholders of this company have any interest in any other related companies or business whether or not they are bidding for this contract.

**YES /**

**NO**

3.14.1 If yes, furnish particulars:

.....

.....

4. Full details of directors / trustees / members / shareholders.

Full Name	Identity Number	State Employee Number

.....  
**Signature**

.....  
**Date**

.....  
**Capacity**

.....  
**Name of Bidder**

## J. MBD 6.1- PREFERENCE POINTS

### PREFERENCE POINTS CLAIM FORM IN TERMS OF THE PREFERENTIAL PROCUREMENT REGULATIONS 2017

This preference form must form part of all bids invited. It contains general information and serves as a claim form for preference points for Broad-Based Black Economic Empowerment (B-BBEE) Status Level of Contribution

**NB: BEFORE COMPLETING THIS FORM, BIDDERS MUST STUDY THE GENERAL CONDITIONS, DEFINITIONS AND DIRECTIVES APPLICABLE IN RESPECT OF B-BBEE, AS PRESCRIBED IN THE PREFERENTIAL PROCUREMENT REGULATIONS, 2017.**

---

#### 1. GENERAL CONDITIONS

1.1 The following preference point systems are applicable to all bids:

- the 80/20 system for requirements with a Rand value of up to R50 000 000 (all applicable taxes included); and
- the 90/10 system for requirements with a Rand value above R50 000 000 (all applicable taxes included).

1.2

- a) The value of this bid is estimated to exceed/not exceed R50 000 000 (all applicable taxes included) and therefore the ..... preference point system shall be applicable; or
- b) Either the 80/20 or 90/10 preference point system will be applicable to this tender (*delete whichever is not applicable for this tender*).

1.3 Points for this bid shall be awarded for:

- (a) Price; and
- (b) B-BBEE Status Level of Contributor.

1.4 The maximum points for this bid are allocated as follows:

	POINTS
PRICE	
B-BBEE STATUS LEVEL OF CONTRIBUTOR	
<b>Total points for Price and B-BBEE must not exceed</b>	<b>100</b>

1.5 Failure on the part of a bidder to submit proof of B-BBEE Status level of contributor together with the bid, will be interpreted to mean that preference points for B-BBEE status level of contribution are not claimed.

1.6 The purchaser reserves the right to require of a bidder, either before a bid is adjudicated or at any time subsequently, to substantiate any claim in regard to preferences, in any manner required by the purchaser.

## 2. DEFINITIONS

- (a) **“B-BBEE”** means broad-based black economic empowerment as defined in section 1 of the Broad-Based Black Economic Empowerment Act;
- (b) **“B-BBEE status level of contributor”** means the B-BBEE status of an entity in terms of a code of good practice on black economic empowerment, issued in terms of section 9(1) of the Broad-Based Black Economic Empowerment Act;
- (c) **“bid”** means a written offer in a prescribed or stipulated form in response to an invitation by an organ of state for the provision of goods or services, through price quotations, advertised competitive bidding processes or proposals;
- (d) **“Broad-Based Black Economic Empowerment Act”** means the Broad-Based Black Economic Empowerment Act, 2003 (Act No. 53 of 2003);
- (e) **“EME”** means an Exempted Micro Enterprise in terms of a code of good practice on black economic empowerment issued in terms of section 9 (1) of the Broad-Based Black Economic Empowerment Act;
- (f) **“functionality”** means the ability of a tenderer to provide goods or services in accordance with specifications as set out in the tender documents.
- (g) **“prices”** includes all applicable taxes less all unconditional discounts;
- (h) **“proof of B-BBEE status level of contributor”** means:
  - 1) B-BBEE Status level certificate issued by an authorized body or person;
  - 2) A sworn affidavit as prescribed by the B-BBEE Codes of Good Practice;
  - 3) Any other requirement prescribed in terms of the B-BBEE Act;
- (i) **“QSE”** means a qualifying small business enterprise in terms of a code of good practice on black economic empowerment issued in terms of section 9 (1) of the Broad-Based Black Economic Empowerment Act;
- (j) **“rand value”** means the total estimated value of a contract in Rand, calculated at the time of bid invitation, and includes all applicable taxes;

## 3. POINTS AWARDED FOR PRICE

### 3.1 THE 80/20 OR 90/10 PREFERENCE POINT SYSTEMS

A maximum of 80 or 90 points is allocated for price on the following basis:

80/20 or 90/10

$$P_s = 80 \left( 1 - \frac{P_t - P_{\min}}{P_{\min}} \right) \quad \text{or} \quad P_s = 90 \left( 1 - \frac{P_t - P_{\min}}{P_{\min}} \right)$$

Where

$P_s$  = Points scored for price of bid under consideration

$P_t$  = Price of bid under consideration

$P_{\min}$  = Price of lowest acceptable bid

## 4. POINTS AWARDED FOR B-BBEE STATUS LEVEL OF CONTRIBUTOR

- 4.1 In terms of Regulation 6 (2) and 7 (2) of the Preferential Procurement Regulations, preference points must be awarded to a bidder for attaining the B-BBEE status level of contribution in accordance with the table below:

B-BBEE Status Level of Contributor	Number of points (90/10 system)	Number of points (80/20 system)
1	10	20
2	9	18
3	6	14
4	5	12
5	4	8
6	3	6
7	2	4
8	1	2
Non-compliant contributor	0	0

## 5. BID DECLARATION

- 5.1 Bidders who claim points in respect of B-BBEE Status Level of Contribution must complete the following:

## 6. B-BBEE STATUS LEVEL OF CONTRIBUTOR CLAIMED IN TERMS OF PARAGRAPHS 1.4 AND 4.1

- 6.1 B-BBEE Status Level of Contributor: . = .....(maximum of 10 or 20 points)  
(Points claimed in respect of paragraph 7.1 must be in accordance with the table reflected in paragraph 4.1 and must be substantiated by relevant proof of B-BBEE status level of contributor.

## 7. SUB-CONTRACTING

- 7.1 Will any portion of the contract be sub-contracted?

(Tick applicable box)

YES	<input type="checkbox"/>	NO	<input type="checkbox"/>
-----	--------------------------	----	--------------------------

- 7.1.1 If yes, indicate:

- What percentage of the contract will be subcontracted.....%
- The name of the sub-contractor.....
- The B-BBEE status level of the sub-contractor.....
- Whether the sub-contractor is an EME or QSE

**(Tick applicable box)**

YES		NO	
-----	--	----	--

v) Specify, by ticking the appropriate box, if subcontracting with an enterprise in terms of Preferential Procurement Regulations, 2017:

**Designated Group: An EME or QSE which is at least 51% owned by:**

**EME**

**QSE**

✓

✓

Black people

Black people who are youth

Black people who are women

Black people with disabilities

Black people living in rural or underdeveloped areas or townships

Cooperative owned by black people

Black people who are military veterans

**OR**

Any EME

Any QSE

**8. DECLARATION WITH REGARD TO COMPANY/FIRM**

8.1 Name of company/firm:.....

8.2 VAT registration number:.....

8.3 Company registration number:.....

8.4 TYPE OF COMPANY/ FIRM

- ☐ Partnership/Joint Venture / Consortium
- ☐ One person business/sole propriety
- ☐ Close corporation
- ☐ Company
- ☐ (Pty) Limited

[TICK APPLICABLE BOX]

8.5 DESCRIBE PRINCIPAL BUSINESS ACTIVITIES

.....

.....  
.....  
.....

8.6 COMPANY CLASSIFICATION

- ☐ Manufacturer
- ☐ Supplier
- ☐ Professional service provider
- ☐ Other service providers, e.g. transporter, etc.

[TICK APPLICABLE BOX]

8.7 MUNICIPAL INFORMATION

**Municipality**                      **where**                      **business**                      **is**                      **situated:**

.....

**Registered Account Number:** .....

**Stand Number:**.....

8.8 Total number of years the company/firm has been in business:.....

8.9 I/we, the undersigned, who is / are duly authorised to do so on behalf of the company/firm, certify that the points claimed, based on the B-BBE status level of contributor indicated in paragraphs 1.4 and 6.1 of the foregoing certificate, qualifies the company/ firm for the preference(s) shown and I / we acknowledge that:

- i) The information furnished is true and correct;
- ii) The preference points claimed are in accordance with the General Conditions as indicated in paragraph 1 of this form;
- iii) In the event of a contract being awarded as a result of points claimed as shown in paragraphs 1.4 and 6.1, the contractor may be required to furnish documentary proof to the satisfaction of the purchaser that the claims are correct;
- iv) If the B-BBEE status level of contributor has been claimed or obtained on a fraudulent basis or any of the conditions of contract have not been fulfilled, the purchaser may, in addition to any other remedy it may have –
  - (a) disqualify the person from the bidding process;
  - (b) recover costs, losses or damages it has incurred or suffered as a result of that person's conduct;
  - (c) cancel the contract and claim any damages which it has suffered as a result of having to make less favourable



arrangements due to such cancellation;

- (d) recommend that the bidder or contractor, its shareholders and directors, or only the shareholders and directors who acted on a fraudulent basis, be restricted by the National Treasury from obtaining business from any organ of state for a period not exceeding 10 years, after the *audi alteram partem* (hear the other side) rule has been applied; and
- (e) forward the matter for criminal prosecution.

WITNESSES

- 1. ....
- 2. ....

.....  
SIGNATURE(S) OF BIDDERS(S)

DATE: .....

## **K. MBD 7.1 – CONTRACT FORM – PURCHASE OF GOOD**

**THIS FORM MUST BE FILLED IN DUPLICATE BY BOTH THE SUCCESSFUL BIDDER (PART 1) AND THE PURCHASER (PART 2). BOTH FORMS MUST BE SIGNED IN THE ORIGINAL SO THAT THE SUCCESSFUL BIDDER AND THE PURCHASER WOULD BE IN POSSESSION OF ORIGINALLY SIGNED CONTRACTS FOR THEIR RESPECTIVE RECORDS.**

### **PART 1 (TO BE FILLED IN BY THE BIDDER)**

1. I hereby undertake to supply all or any of the goods and/or works described in the attached bidding documents to (name of institution)..... in accordance with the requirements and specifications stipulated in bid number..... at the price/s quoted. My offer/s remain binding upon me and open for acceptance by the purchaser during the validity period indicated and calculated from the closing time of bid.
2. The following documents shall be deemed to form and be read and construed as part of this agreement:
  - (i) Bidding documents, viz
    - Invitation to bid;
    - Tax clearance certificate;
    - Pricing schedule(s);
    - Technical Specification(s);
    - Preference claims for Broad Based Black Economic Empowerment Status Level of Contribution in terms of the Preferential Procurement Regulations 2011;
    - Declaration of interest;
    - Declaration of bidder's past SCM practices;
    - Certificate of Independent Bid Determination;
    - Special Conditions of Contract;
  - (ii) General Conditions of Contract; and
  - (iii) Other (specify)
3. I confirm that I have satisfied myself as to the correctness and validity of my bid; that the price(s) and rate(s) quoted cover all the goods and/or works specified in the bidding documents; that the price(s) and rate(s) cover all my obligations and I accept that any mistakes regarding price(s) and rate(s) and calculations will be at my own risk.
4. I accept full responsibility for the proper execution and fulfilment of all obligations and conditions devolving on me under this agreement as the principal liable for the due fulfillment of this contract.
5. I declare that I have no participation in any collusive practices with any bidder or any other person regarding this or any other bid.
6. I confirm that I am duly authorised to sign this contract.

NAME (PRINT) .....

CAPACITY .....

SIGNATURE .....

NAME OF FIRM .....

DATE .....

WITNESSES

1 .....

2. ....

**CONTRACT FORM - PURCHASE OF GOODS/WORKS  
PART 2 (TO BE FILLED IN BY THE PURCHASER)**

1. I..... in my capacity  
as.....accept your bid under  
reference number .....dated.....for the supply of  
goods/works indicated hereunder and/or further specified in the annexure(s).
2. An official order indicating delivery instructions is forthcoming.
3. I undertake to make payment for the goods/works delivered in accordance with  
the terms and conditions of the contract, within 30 (thirty) days after receipt of  
an invoice accompanied by the delivery note.

ITEM NO.	PRICE (ALL APPLICABLE TAXES INCLUDED)	BRAND	DELIVERY PERIOD	B-BBEE STATUS LEVEL OF CONTRIBUTION	MINIMUM THRESHOLD FOR LOCAL PRODUCTION AND CONTENT (if applicable)

4. I confirm that I am duly authorized to sign this contract.

SIGNED AT .....ON.....

NAME (PRINT) .....

SIGNATURE .....

OFFICIAL STAMP

**WITNESSES**

1. ....

2. ....

DATE .....

## L. MBD 8 – DECLARATION OF BIDDER'S PAST SUPPLY CHAIN MANAGEMENT PRACTICES

- 1 This Municipal Bidding Document must form part of all bids invited.
- 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	<p>Is the bidder or any of its directors listed on the National Treasury's Database of Restricted Suppliers as companies or persons prohibited from doing business with the public sector?</p> <p>(Companies or persons who are listed on this Database were informed in writing of this restriction by the Accounting Officer/Authority of the institution that imposed the restriction after the <i>audi alteram partem</i> rule was applied).</p> <p><b>The Database of Restricted Suppliers now resides on the National Treasury's website(<a href="http://www.treasury.gov.za">www.treasury.gov.za</a>) and can be accessed by clicking on its link at the bottom of the home page.</b></p>	Yes <input type="checkbox"/>	No <input type="checkbox"/>
4.1.1	<p>If so, furnish particulars:</p>       		

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)? <b>The Register for Tender Defaulters can be accessed on the National Treasury's website (<a href="http://www.treasury.gov.za">www.treasury.gov.za</a>) by clicking on its link at the bottom of the home page.</b>	Yes <input type="checkbox"/>	No <input type="checkbox"/>
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 <input type="checkbox"/>	No <input type="checkbox"/>
4.3.1	If so, furnish particulars:		
<b>Item</b>	<b>Question</b>	<b>Yes</b>	<b>No</b>
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 <input type="checkbox"/>	No <input type="checkbox"/>
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 <input type="checkbox"/>	No <input type="checkbox"/>
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**

## **M. MBD 9 – CERTIFICATE OF INDEPENDENT BID DETERMINATION**

- 1 This Municipal Bidding Document (MBD) must form part of all bids<sup>1</sup> invited.
- 2 Section 4 (1) (b) (iii) of the Competition Act No. 89 of 1998, as amended, prohibits an agreement between, or concerted practice by, firms, or a decision by an association of firms, if it is between parties in a horizontal relationship and if it involves collusive bidding (or bid rigging).<sup>2</sup> Collusive bidding is a *pe se* prohibition meaning that it cannot be justified under any grounds.
- 3 Municipal Supply Regulation 38 (1) prescribes that a supply chain management policy must provide measures for the combating of abuse of the supply chain management system, and must enable the accounting officer, among others, to:
  - a. take all reasonable steps to prevent such abuse;
  - b. reject the bid of any bidder if that bidder or any of its directors has abused the supply chain management system of the municipality or municipal entity or has committed any improper conduct in relation to such system; and
  - c. cancel a contract awarded to a person if the person committed any corrupt or fraudulent act during the bidding process or the execution of the contract.
- 4 This MBD serves as a certificate of declaration that would be used by institutions to ensure that, when bids are considered, reasonable steps are taken to prevent any form of bid-rigging.
- 5 In order to give effect to the above, the attached Certificate of Bid Determination (MBD 9) must be completed and submitted with the bid:

**<sup>1</sup> Includes price quotations, advertised competitive bids, limited bids and proposals.**

**<sup>2</sup> Bid rigging (or collusive bidding) occurs when businesses, that would otherwise be expected to compete, secretly conspire to raise prices or lower the quality of goods and / or services for purchasers who wish to acquire goods and / or services through a bidding process. Bid rigging is, therefore, an agreement between competitors not to compete.**



## CERTIFICATE OF INDEPENDENT BID DETERMINATION

I, the undersigned, in submitting the accompanying bid:

---

(Bid Number and Description)

in response to the invitation for the bid made by:

---

(Name of Municipality / Municipal Entity)

do hereby make the following statements that I certify to be true and complete in every respect:

I certify, on behalf of: \_\_\_\_\_ that:

(Name of Bidder)

1. I have read and I understand the contents of this Certificate;
2. I understand that the accompanying bid will be disqualified if this Certificate is found not to be true and complete in every respect;
3. I am authorized by the bidder to sign this Certificate, and to submit the accompanying bid, on behalf of the bidder;
4. Each person whose signature appears on the accompanying bid has been authorized by the bidder to determine the terms of, and to sign, the bid, on behalf of the bidder;
5. For the purposes of this Certificate and the accompanying bid, I understand that the word "competitor" shall include any individual or organization, other than the bidder, whether or not affiliated with the bidder, who:
  - (a) has been requested to submit a bid in response to this bid invitation;
  - (b) could potentially submit a bid in response to this bid invitation, based on their qualifications, abilities or experience; and
  - (c) provides the same goods and services as the bidder and/or is in the same line of business as the bidder

6. The bidder has arrived at the accompanying bid independently from, and without consultation, communication, agreement or arrangement with any competitor. However communication between partners in a joint venture or consortium<sup>3</sup> will not be construed as collusive bidding.
7. In particular, without limiting the generality of paragraphs 6 above, there has been no consultation, communication, agreement or arrangement with any competitor regarding:
  - (a) prices;
  - (b) geographical area where product or service will be rendered (market allocation)
  - (c) methods, factors or formulas used to calculate prices;
  - (d) the intention or decision to submit or not to submit, a bid;
  - (e) the submission of a bid which does not meet the specifications and conditions of the bid; or
  - (f) bidding with the intention not to win the bid.
8. In addition, there have been no consultations, communications, agreements or arrangements with any competitor regarding the quality, quantity, specifications and conditions or delivery particulars of the products or services to which this bid invitation relates.
9. The terms of the accompanying bid have not been, and will not be, disclosed by the bidder, directly or indirectly, to any competitor, prior to the date and time of the official bid opening or of the awarding of the contract.
10. I am aware that, in addition and without prejudice to any other remedy provided to combat any restrictive practices related to bids and contracts, bids that are suspicious will be reported to the Competition Commission for investigation and possible imposition of administrative penalties in terms of section 59 of the Competition Act No 89 of 1998 and or may be reported to the National Prosecuting Authority (NPA) for criminal investigation and or may be restricted from conducting business with the public sector for a period not exceeding ten (10) years in terms of the Prevention and Combating of Corrupt Activities Act No 12 of 2004 or any other applicable legislation.

.....

.....

Signature

Date

.....

.....

Position

Name of Bidder

**<sup>3</sup> Joint venture or Consortium means an association of persons for the purpose of combining their expertise, property, capital, efforts, skill and knowledge in an activity for the execution of a contract.**

**N. MBD 10 – CERTIFICATE FOR PAYMENT OF MUNICIPAL RATES & SERVICES**

**DECLARATION IN TERMS OF CLAUSE 112(1) OF THE MUNICIPAL FINANCE  
MANAGEMENT ACT (NO.56 OF 2003)**

I, \_\_\_\_\_, \_\_\_\_\_  
(full names) (ID no.),

Hereby acknowledge that according to SCM Regulation 38(1)(d)(i), the Municipality may reject the tender of the tenderer if any municipal rates and taxes or municipal service charges owed by the Tenderer or any of its directors/members/partners to the Gamagara Municipality, or to any other municipality or municipal entity, are in arrears for more than 3 (three) months.

I declare that I am duly authorised to act on behalf of:

\_\_\_\_\_  
(Name of the firm)

and hereby declare, that to the best of my personal knowledge, neither the firm nor any director/member/partner of said firm is in arrears on any of its municipal accounts with any municipality in the Republic of South Africa, for a period longer than 3 (three) months.

I further hereby certify that the information set out in this schedule and/or attachment(s) hereto is true and correct.

The Tenderer acknowledges that failure to properly and truthfully complete this schedule may result in the tender being disqualified, and/or in the event that the tenderer is successful, the cancellation of the contract.

<b>PHYSICAL BUSINESS ADDRESS(ES) OF THE TENDERER / COMPANY</b>	<b>MUNICIPAL ACCOUNT NUMBER</b>

**FURTHER DETAILS OF THE BIDDER'S Director / Shareholder / Partners, etc.:**

Director / Shareholder / Partner	Physical address of the Dir	Municipal Account number(s)

**NB:**

- a) Please attach certified copy (ies) of ID document (s)
- b) Copies of municipal account(s) not owing more than 90 days for the company **and** all its directors must be attached. **If any of the municipal accounts are outstanding for more than days, the bidder will be disqualified from further evaluation.**
- c) Where the bidding company or any of its directors are residing in a tribal authority, then a proof of residence from the tribal authority must be attached.
- d) If the entity or any of its Directors/Shareholders/Partners, etc. rents/leases premises, a copy of the rental/lease agreement must be submitted with this tender
- e) In case of a joint venture, all bidding companies must submit the above-mentioned.

<b>Signature</b>	<b>Position</b>	<b>Date</b>

## **O. GENERAL CONDITIONS OF CONTRACT (GCC)**

### **DEFINITIONS**

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 supplies are so delivered and a valid receipt is obtained.
- 1.11. "Dumping" occurs when a private enterprise abroad market its goods on own initiative in the RSA at lower prices than that of the country of origin and which have the potential to harm the local industries in the RSA.
- 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.
- 1.13. 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.
- 1.14. "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.
- 1.15. "GCC" means the General Conditions of Contract.

- 1.16. "Goods" means all of the equipment, machinery, and/or other materials that the supplier is required to supply to the purchaser under the contract.
- 1.17. "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 supplies covered by the bid will be manufactured.
- 1.18. "Local content" means that portion of the bidding price which is not included in the imported content provided that local manufacture does take place.
- 1.19. "Manufacture" means the production of products in a factory using labour, materials, components and machinery and includes other related value-adding activities.
- 1.20. "Order" means an official written order issued for the supply of goods or works or the rendering of a service.
- 1.21. "Project site" where applicable, means the place indicated in bidding documents.
- 1.22. "Purchaser" means the organization purchasing the goods.
- 1.23. "Republic" means the Republic of South Africa.
- 1.24. "SCC" means the Special Conditions of Contract.
- 1.25. "Services" means those functional services ancillary 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.
- 1.26. "Supplier" means the successful bidder who is awarded the contract to maintain and administer the required and specified service(s) to the State.
- 1.27. "Tort" means in breach of contract.
- 1.28. "Turnkey" means a procurement process where one service provider assumes total responsibility for all aspects of the project and delivers the full end product / service required by the contract.
- 1.29. "Written" or "in writing" means handwritten 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, 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 supplies, 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 documents 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 as 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:

7.3.1. 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

7.3.2. 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 supplies to be produced or services to be rendered should at any stage during production or execution or on completion be subject to inspections tests and analysis, the bidder or contractor's premises shall be open, at all reasonable hours, for inspection by a representative of the purchaser or an 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. Supplies 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 analyzed 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 and 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, and in any subsequent instructions ordered by the purchaser.

## **10. Delivery**

Delivery of the goods shall be made by the supplier in accordance with the documents and terms specified in the contract. The details of shipping and/or other documents to be furnished by the supplier are specified.

## **11. Insurance**

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**

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

## **13. Incidental**

- 13.1. The supplier may be required to provide any or all of the following services, including additional services, if any:
- 13.1.1. performance or supervision of on-site assembly and/or commissioning of the supplied goods;
  - 13.1.2. furnishing of tools required for assembly and/or maintenance of the supplied goods;
  - 13.1.3. furnishing of a detailed operations and maintenance manual for each appropriate unit of the supplied goods;
  - 13.1.4. 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
  - 13.1.5. 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:

- 14.1.1. 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;
- 14.1.2. in the event of termination of production of the spare parts:
  - 14.1.2.1. advance notification to the purchaser of the pending termination, in sufficient time to permit the purchaser to procure needed requirements; and
  - 14.1.2.2. 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 in SCC.
- 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 in SCC 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 by the purchaser **no later than thirty (30) days** after submission of an **invoice, statement** or claim by the supplier.
- 16.4. Payment will be made in Rand unless otherwise stipulated.

## 17. Prices

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**

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**

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**

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 supplies 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 without the application of penalties.

- 21.5. Upon any delay beyond the delivery period in the case of a supplies contract, the purchaser shall, without cancelling the contract, be entitled to purchase supplies 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**

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:
- 23.1.1. 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;
  - 23.1.2. if the Supplier fails to perform any other obligation(s) under the contract; or
  - 23.1.3. if the supplier, in the judgment 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 five (5) working days of such imposition, furnish the National Treasury, with the following information:
- 23.6.1. the name and address of the supplier and / or person restricted by the purchaser;
  - 23.6.2. the date of commencement of the restriction
  - 23.6.3. the period of restriction; and
  - 23.6.4. 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.

## **24. Anti-dumping and countervailing duties and rights**

When, after the date of bid, provisional payments are required, or antidumping or countervailing duties are imposed, or the amount of a provisional payment or anti-dumping or countervailing right is increased in respect of any dumped or subsidized import, the State

is not liable for any amount so required or imposed, or for the amount of any such increase. When, after the said date, such a provisional payment is no longer required or any such anti-dumping or countervailing right is abolished, or where the amount of such provisional payment or any such right is reduced, any such favourable difference shall on demand be paid forthwith by the contractor to the State or the State may deduct such amounts from moneys (if any) which may otherwise be due to the contractor in regard to supplies or services which he delivered or rendered, or is to deliver or render in terms of the contract or any other contract or any other amount which may be due to him.

## **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**

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,

27.4.1. the parties shall continue to perform their respective obligations under the contract unless they otherwise agree; and

27.4.2. the purchaser shall pay the supplier any monies due 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 wilful misconduct, and in the case of infringement pursuant to Clause 6;

28.1.1. 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

28.1.2. 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**

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**

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**

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**

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.

### **35. Prohibition of restrictive practices.**

- 35.1. In terms of section 4 (1) (b) (iii) of the Competition Act No. 89 of 1998, as amended, an agreement between, or concerted practice by, firms, or a decision by an association of firms, is prohibited if it is between parties in a horizontal relationship and if a bidder(s) is / are or a contractor(s) was / were involved in collusive bidding.
- 35.2. If a bidder(s) or contractor(s) based on reasonable grounds or evidence obtained by the purchaser has / have engaged in the restrictive practice referred to above, the purchaser may refer the matter to the Competition Commission for investigation and possible imposition of administrative penalties as contemplated in section 59 of the Competition Act No 89 Of 1998.
- 35.3. If a bidder(s) or contractor(s) has / have been found guilty by the Competition Commission of the restrictive practice referred to above, the purchaser may, in addition and without prejudice to any other remedy provided for, invalidate the bid(s) for such item(s) offered, and / or terminate the contract in whole or part, and / or restrict the bidder(s) or contractor(s) from conducting business with the public sector for a

period not exceeding ten (10) years and / or claim damages from the bidder(s) or contractor(s) concerned.

## P. CHECKLIST

**PLEASE ENSURE THAT THE FOLLOWING FORMS HAVE BEEN DULY COMPLETED AND SIGNED AND THAT ALL DOCUMENTS AS REQUESTED, ARE ATTACHED TO THE TENDER DOCUMENT:**

	YES	NO
<b>Central Supplier Database Registration Summary Report</b>		
<b>SARS Tax Compliance Pin</b>		
<b>BBBEE Certificate</b>		
<b>Authority to Sign a Bid</b> Is the form duly completed and is a <b>certified copy</b> of the <b>resolution</b> attached?		
<b>MBD 3.2</b> (Non-firm Prices) Is the form duly completed and signed		
<b>MBD 4</b> (Declaration of Interest) Is the form duly completed and signed?		
<b>MBD 6.1</b> (Preference Points claim form for purchases/services) <ul style="list-style-type: none"> <li>• Is the form duly completed and signed?</li> <li>• Is a <b>CERTIFIED</b> copy of the <b>B-BBEE Certificate</b> or the <b>original B-BBEE Certificate</b> or Sworn affidavit attached?</li> </ul>		
<b>MBD 7.1</b> (Contract form – Goods) Is the form duly completed and signed?		
<b>MBD 8</b> (Declaration of Past Supply Chain Practices) Is the form duly completed and signed?		

<b>MBD 9</b> (Certificate of independent Bid determination)		
<b>MBD 10</b> (Certificate of Payment of Municipal Accounts) <ul style="list-style-type: none"> <li>Is the form duly completed and signed?</li> </ul>		
<ul style="list-style-type: none"> <li>Are there <b>Identity numbers, residential addresses</b> and <b>municipal account numbers</b> of the company and <b>ALL</b> member, Partners, directors, etc. provided on the form as requested?</li> </ul>		

SIGNATURE		NAME (PRINT)	
CAPACITY		DATE	
NAME OF FIRM			

## **6 PHASE 2: EVALUATION CRITERIA**

## A. FUNCTIONALITY

- The bid submission will be technically evaluated out of a maximum of 100 points based on the bidder's paper-based submission.
- **Please see page 18 for functionality criteria**
- A minimum threshold of 70 points out of the 100 has been set
- Only bidders achieving 70 points minimum threshold will qualify to be evaluated for Phase 3.

## B. PRICE & PREFERENCE

### 1. Pricing & Preference point system

#### PLEASE USE THE ATTACHED PRICING SCHEDULE

- a) In terms of regulation **7** of the Preferential Procurement Regulations pertaining to the Preferential Procurement Policy Framework Act, 2000 (Act 5 of 2000), responsive bids will be adjudicated by the State on the 90/10-preference point system in terms of which points are awarded to bidders on the basis of:

- **The bid price (maximum 80 points)**
- **B-BBEE status level of contributor (maximum 20 points)**

- b) The following formula will be used to calculate the points for

A maximum of 80 or 90 points is allocated for price on the following basis:

$$P_s = 80 \left( 1 - \frac{P_t - P_{\min}}{P_{\min}} \right)$$

Where

$P_s$  = Points scored for price of bid under consideration

$P_t$  = Price of bid under consideration

$P_{\min}$  = Price of lowest acceptable bid

- c) A maximum of 10 points may be allocated to a bidder for attaining their B-BBEE status level of contributor in accordance with the table below:

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



2	18
3	14
4	12
5	8
6	6
7	4
8	2
Non-compliant contributor	0

- a) Bidders are required to complete the preference claim form (MBD 6.1), and submit their original and valid B-BBEE status level verification certificate or a certified copy thereof or a sworn affidavit at the closing date and time of the bid in order to claim the B-BBEE status level points.
- b) The points scored by a bidder in respect of the level of B-BBEE contribution will be added to the points scored for price.
- c) Only bidders who have completed and signed the declaration part of the preference claim form and who have submitted a B-BBEE status level certificate from an accredited verification agency or a sworn affidavit will be considered for preference points.
- d) Failure on the part of the bidder to comply with paragraphs 5.3.1(c) above will be deemed that preference points for B-BBEE status level of contribution are not claimed and will therefore be allocated a zero (0).
- e) The State may, before a bid is adjudicated, require a bidder to substantiate claims it has made with regard to preference.
- f) The points scored will be rounded off to the nearest 2 decimals. In the event that two or more bids have scored equal total points, the Contract will be awarded to the bidder scoring the highest number of preference points for B-BBEE.
- g) Should two or more bids be equal in all respects; the award shall be decided by the drawing of lots.
- h) A Contract may, on reasonable and justifiable grounds, be awarded

to a bid that did not score the highest number of points.