

**uMKHANYAKUDE DISTRICT MUNICIPALITY**

|  |  |
| --- | --- |
| **BID No** | SCM 024/2021/2022 |
|  |  |
| **BID DESCRIPTION:** | **APPOINTMENT OF PROFESSIONAL SERVICE PROVIDER FOR THE IMPLEMENTATION OF WATER CONSERVATION/WATER DEMAND MANAGEMENT STRATEGY IN THE UMKHANYAKUDE DISTRICT MUNICIPALITY FOR A PERIOD OF 36 MONTHS** |
| **TOTAL BID AMOUNT:****AMOUNT IN WORDS****CLOSING DATE:** | **R……………………………………………………****…………………………………………………………………………..****12:00p.m, Thursday, the 31 March 2022** |
| **NAME OF BIDDER:**  | **…………………………………………………………………………** |
| **CONTACT PERSON:**  | **……………………………………………………..………………….** |
| **STREET ADDRESS** | **………………………………………………………………………..****……………………………………………………………………….** |
| **TEL: ……………………………** | **CELL: …………………….……………………** |
| **FAX: …………………………….** | **E-MAIL: ……………………………….……….** |
|  |  |
| **PREPARED FOR:** |  |
| uMkhanyakude District Municipality13433 Kingfisher Avenue |  |
| Mkuze |  |
|  |  |
|  |  |
|  |  |
|  |  |

**INVITATION TO BID: REQUEST FOR PROPOSALS**

**uMkhanyakude District Municipality** invites prospective service providers to submit bids in accordance with the Terms of Reference provided in this invitation.

|  |  |
| --- | --- |
| **BID NO.** | **PROJECT NAME** |
| SCM 024/2021/2022 | APPOINTMENT OF PROFESSIONAL SERVICE PROVIDER FOR THE IMPLEMENTATION OF WATER CONSERVATION/WATER DEMAND MANAGEMENT STRATEGY IN THE UMKHANYAKUDE DISTRICT MUNICIPALITY FOR A PERIOD OF 36 MONTHS |
| **COLLECTION OF BID DOCUMENTS:** | **Bid documents uploaded on E - Tender.** |
| **COMPULSORY SITE INSPECTION AND BRIEFING MEETING:** | **N/A** |
| **BID CLOSING:** | **12:00 pm, Thursday, 31 March 2022.** Bids must be delivered at uMkhanyakude District Municipality Offices no later than the time and date indicated above. The delivery address is 13433 Kingfisher Avenue, Mkuze, KwaZulu-Natal. |

**The Bid evaluation process will be conducted in four stages as follows:**

**Stage 1:** Administrative Compliance.

**Stage 2:** Functionality. The minimum qualifying score for functionality is 70%. All bids that fail to achieve the minimum qualifying score on functionality shall not be considered for further evaluation on Price and B-BBEE and administrative compliance

**Stage 3:** Preferential Procurement Policy Regulations of 2017 using the 80:20 points system, where 80 points are allocated to price and 20 points are allocated to B-BBEE Level of Contribution

Bids must be sealed, externally endorsed with the **Project Name:**  **APPOINTMENT OF PROFESSIONAL SERVICE PROVIDER FOR THE IMPLEMENTATION OF WATER CONSERVATION/WATER DEMAND MANAGEMENT STRATEGY IN THE UMKHANYAKUDE DISTRICT MUNICIPALITY FOR A PERIOD OF 36 MONTHS**. **Bid No: RFP/XXXXX** to be deposited in the uMkhanyakude District Municipality Tender Box, 13433 Kingfisher Avenue, Mkuze.

All enquiries regarding this bid must be directed **in writing** to the uMkhanyakude District Municipality Supply Chain Department, contact person: **Kenneth Ntshangase**, e-mail address: **kenneth@ukdm.gov.za,** Technical queries must directed to: **Sabelo Madela**, contact number: 035 573 8600, e-mail address: **sabelom@ukdm.gov.za**

***Should you not receive communication from uMkhanyakude District Municipality within 90 days of submitting your bid; accept your submission is unsuccessful****.*

|  |
| --- |
| **THE EVALUATION OF THE TENDER WILL BE CONDUCTED IN THREE STAGES AS FOLLOWS:** |
| **STAGE 1:*** Administrative Compliance prejudice
 | **CRITERIA** | **MEANS OF VERIFICATION** |
| **Primary:*** 1. SARS Tax Compliance Status Pin;
	2. Company CIPC or CK Document;
	3. Up to date municipal account/statement for the company or its active directors (not older than 3 months) in case where a bidder or the director is a lessee, a signed certified copy of a valid lease agreement must be supplied
	4. Certified ID copies of all directors;
	5. Completed and signed FORM OF OFFER (Cover page);
	6. Central Supplier Database (CSD) report;
	7. B-BBEE certificate or independent confirmation of the bidders BEE status level of contribution;
	8. In the case of a JV, an original JV Authority of Signatory, JV agreement and a Consolidated B-BBEE Certificate from an approved verification agency for the JV must be submitted;
	9. Cancelled cheque or a letter from Bank not older than 3 months confirming bank account details;
	10. Proof of compliance with COIDA;
	11. Proof of Professional Indemnity Insurance of at least R10 million cover.
 |

|  |  |
| --- | --- |
| **Stage 2:*** Functionality
 | The minimum qualifying score for functionality is 70%. All bids that fail to achieve the minimum qualifying score on functionality shall not be considered for further evaluation on Price and B-BBEE and administrative compliance.  |
| **Stage 3:*** Preferential Procurement points System
 | Bidders will be evaluated in terms of Preferential Procurement Policy Regulations of 2017 using the 80:20 points system, where by 80 points will be allocated for price and 20 points allocated for B-BBEE status level of contribution.  |

**uMKHANYAKUDE DISTRICT MUNICIPALITY**

**TABLE OF CONTENTS**

**SECTION 1: GENERAL CONDITIONS OF BID**

1. Proprietary Information
2. Enquiries
3. Bid Validity Period
4. Instructions on submission of Tenders
5. Preparation of Bid Response
6. Supplier Performance Management
7. Municipality’s Rights
8. Undertakings by the Bidder
9. Reasons for disqualification
10. Local Production/ Content
11. Returnable Schedules
12. Evaluation Criteria and Weightings

**SECTION 2: TECHNICAL REQUIREMENTS SPECIFICATION**

1. Special instructions to bidders
2. Background Information
3. Scope of Work/ Terms of Reference
4. Duration of the Contract
5. Functionality Evaluation Criteria

**SECTION 3: PRICE PROPOSAL**

**SECTION 4: ANNEXURES**

1. Returnable Documents
2. Municipal Bidding Documents
3. Administrative Documents
4. General Conditions of Contract – Government

**uMKHANYAKUDE DISTRICT MUNICIPALITY**

**SECTION 1: GENERAL CONDITIONS OF BID**

1. **PROPRIETARY INFORMATION**

**uMKHANYAKUDE DISTRICT MUNICIPALITY** considers this Tender and all related information, either written or verbal, which is provided to the respondent, to be proprietary to uMkhanyakude District Municipality. It shall be kept confidential by the respondent and its officers, employees, agents and representatives. The bidders shall not disclose, publish, or advertise this specification or related information to any third party without the prior written consent of uMkhanyakude e District Municipality.

1. **ENQUIRIES**

All communication and/or pertinent enquiries for information of any kind relative to this Bid should be channelled to:

Contact person (all technical questions should be in writing):

|  |  |
| --- | --- |
| **Name & Surname** | Sabelo Madela |
| **Telephone Number (Office)** | 035 573 8600 |
| **Email Address** | sabelom@ukdm.gov.za |

Bidders may not contact any other uMkhanyakude District Municipality employee besides contact person mentioned above on any matter pertaining to this bid from the time when bid is advertised to the time the bid is awarded.

Any effort by a bidder to influence bid evaluation, bid comparisons or bid award decisions in any manner, may result in rejection of the bid concerned.

1. **BID VALIDITY PERIOD**

Responses to this bid received from bidders will be valid for a period of **90 calendar days**, counted from the closing date of the tender.

1. **INSTRUCTIONS ON SUBMISSION OF TENDERS**
	1. Tenders should submit one original (hard copy) all bound in a sealed envelope endorsed, **BID NO.: SCM 024/2021/2022:** **APPOINTMENT OF PROFESSIONAL SERVICE PROVIDER FOR THE IMPLEMENTATION OF WATER CONSERVATION/WATER DEMAND MANAGEMENT STRATEGY IN THE UMKHANYAKUDE DISTRICT MUNICIPALITY FOR A PERIOD OF 36 MONTHS.** The sealed envelope must be placed and be deposited in the uMkhanyakude District Municipality Tender Box, 13433 Kingfisher Avenue, Mkuze: **12:00 p.m, , Thursday 31 March 2022.**
	2. The closing date, company name and the return address must also be endorsed on the envelope.
	3. If a courier service company is being used for delivery of the tender document, the tender description must be endorsed on the delivery note/courier packaging and the courier must ensure that documents are placed / deposited into the tender box. uMkhanyakude District Municipality will not be held responsible for any delays where tender documents are handed to the uMkhanyakude District Municipality Receptionist and/or arrives late.
	4. No bids received by telegram, telex, email, facsimile or similar medium will be considered.
	5. Where a tender document is not in the tender box at the time of the tender closing, such a tender document will be regarded as a late tender. uMkhanyakude District Municipality reserves the right not to consider/evaluate any late tender response.
2. **PREPARATION OF BID RESPONSE**
	1. All the documentation submitted in response to this bid must be in English.
	2. The bidder is responsible for all the cost that they shall incur related to the preparation and submission of the tender document.
	3. Bids submitted by bidders must be signed by a person or persons duly authorised thereto by a resolution of a Board of Directors, a copy of which Resolution, be submitted with the Tender.
	4. Bidders should check the numbers of the pages to satisfy themselves that none are missing or duplicated. No liability will be accepted by uMkhanyakude District Municipality in regard to anything arising from the fact that pages are missing or duplicated.
3. **SUPPLIER PERFORMANCE MANAGEMENT**
	1. Supplier Performance Management is viewed by the uMkhanyakude District Municipality as critical component in ensuring value for money acquisition and good supplier relations between the Municipalityand all its suppliers.
	2. The successful bidder shall upon receipt of written notification of an award, be required to conclude a Service Level Agreement (SLA) with the uMkhanyakude District Municipality, which will form an integral part of the supply agreement.
	3. The SLA serves as a tool to measure, monitor and assess the supplier ‘s performance level and ensure effective delivery of service, quality and value-add to Municipality’s business.
4. **MUNICIPALITY’S RIGHTS**
	1. Municipality is entitled to amend any tender conditions, validity period, specifications, or extend the closing date of tenders before the closing date. All tenderers, to whom the tender documents have been issued, will be advised in writing of such amendments in good time.
	2. The Municipalityreserves the right not to accept the lowest bid or any bid in part or in whole. It normally awards the contract to the bidder who proves to be fully capable of handling the contract and whose bid is technically acceptable and/or financially advantageous to the Municipality.
	3. The Municipality reserves the right to award this tender to a purely empowerment company or may award this tender on condition that a joint venture with an empowerment company is formed. This will be added to the criteria when evaluating the tenders.
	4. The Municipality reserves the right to award this tender as a whole or in part without furnishing reasons.
	5. Municipality reserves the right at all material times to extend the scope of work relating to this tender to include all or some of the Municipality’s requirements. Should this be the case, as a result thereof all the relevant implications will be negotiated between the Municipality and the successful bidder.
5. **UNDERTAKINGS BY THE BIDDER**
	1. The bidder hereby offers to render all or any of the services described in the attached documents to theMunicipality on the terms and conditions and in accordance with the terms of reference/ specifications stipulated in this Tender documents. **(And which shall be taken as part of, and incorporated into, this Proposal.)**
	2. Bids submitted by prospective bidders must be signed by a person or persons duly authorised thereto by a resolution of a Board of Directors, a copy of which Resolution, be submitted with the bid.
	3. The bidder hereby agree that the offer herein shall remain binding upon him/her and receptive for acceptance by the Municipality during the validity period indicated and calculated from the **closing hour and date of the Tender**; this bid and its acceptance shall be subject to the terms and conditions contained in this tender document.
	4. The bidder furthermore confirms that he/she has satisfied himself/herself as to the correctness and validity of his/her bid response that the price(s) and rate(s) quoted cover all the work/item(s) specified in the bid response documents and that the price(s) and rate(s) cover all his/her obligations under a resulting contract and that he/she accept that any mistakes regarding price(s) and calculations will be at his/her risk.
	5. The bidder hereby accepts full responsibility for the proper execution and fulfilment of all obligations and conditions devolving on him/her under this agreement as the principal(s) liable for the due fulfilment of this contract.
6. **REASONS FOR DISQUALIFICATION**
	1. Municipality reserves the right to disqualify any bidder which does any one or more of the following, and such disqualification may take place without prior notice to the offending bidder, however the bidder may be notified in writing of such disqualification:
		1. bidders who submitted incomplete information and documentation according to the requirements of this bid document;
		2. bidders who submitted information that is fraudulent, factually untrue or inaccurate information;
		3. bidders who received information not available to other vendors through fraudulent means; and/or; other non-prescribed means;
		4. Bidders who do not comply with compulsory requirements as stipulated in this bid document.
7. **LOCAL PRODUCTION/ CONTENT**

uMkhanyakude District Municipality promotes Local Production and Content. In the case of designated sectors, only locally produced goods, services or works or locally manufactured goods, with a stipulated minimum threshold for local production and content will be considered. uMkhanyakude District Municipality reserves the right to set minimum threshold for local production and content for undesignated sectors***.***

1. **RETURNABLE SCHEDULES**

Bidders shall submit the following schedules with their responses:

* 1. **Cover Page:** the cover page must clearly indicate the bid reference number, bid description, bidder’s name and contact details
	2. **Schedule 1:**
		1. Company profile;
		2. List of similar projects completed within the past 10 years;
		3. References from respective clients in relation to the above projects;
		4. List of Project Personnel – this should include the identification of the contact person, Project Lead or Director, who will have primary responsibility for Municipality contracts, other personnel to be used for execution including partners and/or sub-consultants
		5. Signature requirements: all bids must be signed by person authorised to sign contracts on its behalf
		6. Rejection of bids: uMkhanyakude District Municipality reserves the right not to proceed with the award of the proposal.
	3. **Schedule 2:**
		1. SARS tax compliance status pin;
		2. Copy of CIPRO company registration documents listing all members with percentages, in case of a CC. Or latest copies of all share certificates in case of a company;
		3. Certified ID copies of all directors;
		4. Proof of compliance with COIDA;
		5. BBBEE Certificate verified by a SANAS accredited verification agency or a letter from the supplier’s auditor or Sworn Affidavit;
		6. Central Supplier Database (CSD) registration;
		7. Professional Indemnity Insurance cover of at least R10 million cover.

***Note:*** *If a Consortium, Joint Venture or Subcontractor, the documents listed above must be submitted for each Consortium/ JV member or subcontractor. A consolidated B-BBEE certificate is required for Joint Venture bidders*

* 1. **Schedule 3:**
		1. Approach, Methodology and Work Plan Paper
	2. **Schedule 4:** Price Proposal
1. **EVALUATION CRITERIA AND WEIGHTINGS**

Bidders shall be evaluated in terms of the following parameters:

* 1. **BID EVALUATION**

Bids will be evaluated in accordance with the following criteria:

* + 1. **Administrative Requirements**

All bidders who do not meet administrative requirements will disqualified and will not be considered for further evaluation on the ‘functionality’ requirements.

* + 1. **Functionality Criteria**

The following summary of the criteria and weightings will be applicable

|  |  |
| --- | --- |
| **Criteria** | **Weight** |
| Company Experience | 30% |
| Experience of Key Personnel | 25% |
| Specialised Resources  | 20% |
| Local Office  | 10% |
| Approach, Methodology and Work Plan | 15% |
|  |  |
| **TOTAL** | **100%** |
|  |  |

Note: the minimum qualifying score for functionality is 70%. All bids that fail to achieve the minimum qualifying score on functionality shall not be considered for further evaluation on Price and B-BBEE and administrative compliance.

* 1. **PREFERENCE POINT SYSTEM**

All bids that will achieve the minimum qualifying score (acceptable bids) will be evaluated further in terms of the preference point system as follows:

|  |  |
| --- | --- |
|  **CRITERIA** | **POINTS** |
| Price | **80.00** |
| B-BBEE | **20.00** |
| **TOTAL** | **100.00** |
|  |  |

*(In accordance with the Preferential Procurement Regulations, 2017)*

**uMKHANYAKUDE DISTRICT MUNICIPALITY**

**SECTION 2: TECHNICAL REQUIREMENTS SPECIFICATION**

**SECTION 2: TECHNICAL REQUIREMENTS SPECIFICATION**

1. **SPECIAL INSTRUCTIONS TO BIDDERS**
	1. Should a bidder have reasons to believe that the requirement Specification is not open and/or is written for a particular brand or product or service provider; the bidder shall notify uMkhanyakude District Municipality in writing within two (2) days after publication of the bid.
	2. Bidders shall provide full and accurate answers to the questions posed in this document, and, where required explicitly state either **“Comply/Not Comply”** regarding compliance with the requirements. Bidders must substantiate their response to all questions, including full details on how their bid meets the specific functional/ technical requirements; failure to substantiate will lead to the bidder being disqualified. All documents as indicated must be supplied as part of the bid response. Failure to comply with compulsory requirements will lead to the bidder being disqualified.
2. **BACKGROUND INFORMATION**
	1. **Employer’s Objective**

uMkhanyakude District Municipality has focused on the reduction of Non-Revenue Water (NRW) as part of its overall Water Conservation/Water Demand Management strategy. This strategy has been fully embraced by the Council as part of its contribution towards the objectives of the Department of Water and Sanitation’s National Water Conservation/Water Demand Management (WC/WDM) initiatives in support of the protection of a scarce water supply resource.

* 1. **Overview and Extent of the Works**

The uMkhanyakude District Municipality will initiate a 5-year Non-Revenue (NRW) Water Reduction Programme to reduce the current levels of NRW by volume. In order to achieve this, the Employer needs a consultant to implement a detailed NRW programme within its area of jurisdictions. The overall NRW Programme includes: -

* Reservoir Outlet Metering;
* Reservoir Inspection and Refurbishment/Repair;
* Optimizing of existing PRV zones/PMZs and advanced controllers;
* Rezoning, designing and commissioning of new PMZs;
* Infrastructure Condition Factor Testing;
* Meter Replacement for domestic consumers;
* Meter Replacement for non-domestic consumers;
* Leak Detection and repair program;
* Upgrading of existing Telemetry System;
* Bulk Meter and Control Valve Audit and Maintenance;
* Consumer Awareness and Education program;
* Audit and changeout of Custody Transfer Meters;
* Billing Database/GIS reference audit and linking;
* Standpipe Metering and Repair
* Pressure: burst modeling and prediction
* Pressure: leak modeling and prediction
* Pressure: consumption modeling and prediction
* Digital maturity assessment of UKDM for readiness of digital transformation of the business
* Drafting of Revenue Management Plan
* Review, selection and specification of appropriate flow meters for different applications (domestic, prepaid, non-domestic, bulk and check meters)

This implementation model allows for:

* Dedicated management, coordination and guidance of all NRW reduction activities within the Municipality;
* Accountability for performance management and results; and
* Cost-effective management of key Municipal activities, such as billing database analysis, leak detection and advanced pressure management.

The primary real loss focus areas are pressure reduction, advanced pressure management and leak detection and repair. The primary apparent loss interventions are locating and metering unmetered connections (formal properties) and the auditing of changeout of Custody Transfer Meters.

Due to any potential conflict of interest, companies who supply metering products relevant to the scope of works will not be allowed to tender on this contract.

* 1. **Location of the Works**

The various sites are located in the uMkhanyakude District Municipality area of jurisdiction

1. **SCOPE OF WORKS/TERMS OF REFERENCE**

The objective of uMkhanyakude District Municipality is to appoint Professional Service Providers on a three-year term contract for the implementation of Water Conservation/Water Demand Management Plan.

* 1. **Project Director and Project Engineer Services**

The services to be carried out by the Programme Director and Project Engineers, to be provided through this contract, have been described below but not limited. It is envisaged that the role and responsibilities shall be carried out by two resources with experience as outlined in this document.

* Compilation of a monthly water balance, which includes, inter alia, consolidation of all Operational Areas water balances and sum of all reservoirs water balances;
* Providing liaison, assistance and advice to Municipality on all matters relating to the bulk purchase of water from its supplier;
* Identification and assessment of all bulk transmission mains falling outside of the Operational Area NRW Reduction contract and preparing monthly bulk transmission main balances;
* Development of all reporting templates, standards and Key Performance Indicators (KPI’s) to be used;
* Compilation of the Performance Management System to be adopted and implemented by the Employer as part of the NRW Reduction Programme, including performance tracking;
* Consolidate and present programme progress reports on a monthly basis;
* Provide comment to the Employer on the quality, standard and acceptability of each team when compared to the work plan;
* Consolidate and check all civils contractor and specialist consultant’s invoices for accuracy and completion; Undertake quality assurance reviews on the services performed by all external service providers forming part of this programme;
* Develop, workshop and disseminate common best practice methodology to be adopted and implemented by the NRW Reduction Team; Document this best practice methodology such that it can be replicated elsewhere;
* Provision of secretarial duties and administrative support at all programme progress meetings and other administrative or general meetings related to the programme;
* Review and provide advice to the Employer on the effectiveness of specific NRW reduction interventions and propose alternative approaches/methodologies/interventions if required;
* Issuing of all Employer standard information/documentation to the NRW Reduction Team;
* Preparation and presentation of programme progress presentations as and when required;
* Compilation of communication plans and messages;
* Coordination and compilation of all claims and reports as required by the Employer;
* Compilation of all tender documentation required for all service providers for specialist work required. This will include but is not exclusive to civils contracts, GIS/billing database specialist contracts, leak detection and repair contracts, metering contracts etc. Any outside service providers required will be dealt with and tender documentation prepared, adjudicated and supervised by the Project Engineers/Director;
* The PSP is to ensure that all tender documentation, adjudication and awarding of Contracts to sub-Consultants and Contractors will follow the Employer’s SCM policies and rules;
* Development of real loss and apparent loss policies; and
* Development of Refurbishment Plan as well as Operations and Maintenance Plans.
	1. **Project Steering Committee**

For the Contract to run successfully and in line with Client’s Supply Chain Management (SCM) Policy a Steering Committee will be set up at the outset of this Contract. The Project Steering Committee (PSC) will be used as an oversight function for the Client ensuring that all funds are used to the benefit of the Municipality ensuring no unauthorized, irregular or fruitless expenditure take place. The oversight activities are highlighted below:

* Project Steering Committee meetings to take place fortnightly for the first three months and thereafter be scheduled monthly. The Program Steering Committee will be responsible for all technical, financial, procurement and quality control decisions;
* At these meetings representatives from the Client’s SCM unit are present and ensure all policies and rules were followed accordingly. Furthermore, all awards of contracts to sub-consultants and contractors will only be given once the representatives from the SCM are satisfied with the protocol/s used by the Professional Team and then ratified at the PSC meetings;
* Regular reporting on all aspects of the programme will be sent to all representatives on the Project Steering Committee. Reports included financial, Key Performance indicators, procurement matters etc.
* Members of the PSC will include representatives from the Client’s SCM, Income and Operations Units as well as the Project Director and Engineer from the PSP. When ratifying any decisions only members from the Client’s Units will have a vote and the PSP will only be on hand as an advisory and secretarial role for any decisions discussed and made.
	1. **Term Contract Services**

The Consultant shall provide the professional services as set out in this scope of work, which shall be deemed to be Task Orders: Provisional sums have been allowed for these activities and scope and costs must be agreed before these activities commence:

* Preparing and presenting detailed 1-year NRW Reduction programme supported by annual work plan, clearly indicating KPI’s, targets, work packages and performance management system within 20 working days of appointment (described in more detail in the following section).
* Preparation and presentation of an annual review report on achievements and progress against work plan as per provided template provided.
* Updating and presentation of the 5-year NRW Reduction Masterplan and associated Business Plan/s for funding if the need arises (described in more detail in the following sections).
* Production of monthly IWA standard water balances, with 95% confidence levels and Key Performance indicators per reservoir zone and the entire Municipality.
* Attendance at monthly PSC and Progress Meetings (anticipated time requirements: 2 days per month for Project Director and Engineer) and production of monthly project progress reports. The monthly progress reports will include the following headings:
* Activities carried out during the month
	+ Infrastructure improvements (installation of reservoir outlet meters, PRVs, district metering, PRVs, zone dividers etc)
	+ System Input volumes (confirmation of SIV Meters, reservoir zone dividers etc.)
	+ Billed Metered Consumption (replacement of damaged, domestic consumer meters, replacement of top consumer meters, metering of unmetered areas, informal metering etc)
	+ Apparent Losses (Meter accuracy assessment, meter reading assessments)
	+ Real Losses (PRV optimisation, advanced controller installation, leak detection and repair services, fire flow testing, rezoning, step testing etc.)
* Progress against Workplan
	+ Progress towards specified targets
	+ Scope Change control
	+ Supply Areas with marked improvement
	+ Exception Reports
* Resource Management
	+ Team Changes
	+ Man days to date
* Financial Management
	+ Expenditure to date
	+ Expenditure Projections
* Equipment Management
	+ Asset Management
	+ Equipment Requirements
* Challenges Experienced
* Success Stories
* Lessons Learnt
* Annexures
	1. **Time Based Contract Services**

The Consultant shall provide the professional services as set out in this scope of work over a period of approximately three years in order to meet the Employer’s objectives. The NRW Reduction Team shall be responsible for the following activities:

* Managing assigned area budgets;
* Preparing and managing all external service provider tender documentation and procurement (meter installation, civil works, rezoning, infrastructure improvements, etc)
* Coordination with Leak Detection Contractors;
* Coordination with various Civils Contractors;
* Coordination with Municipality’s various Units and Departments;
* Advising on effectiveness of NRW reduction intervention and providing alternatives or make recommendations for changes in implementation strategies;
* Establishment of baseline and regular (period to be determined by the Employer) flow and pressure information per reservoir supply zone;
* Determining cross-operational Area boundaries and ensuring that all such points are metered;
* Ensuring that all reservoir outlets are metered and working;
* Planning and carrying out reservoir integrity tests;
* Improving on existing zone integrity data of all reservoir supply zones and District Metered Areas and resolving any anomalies (mixing or uncertain boundaries etc)
* Ensuring zone integrity of all reservoir supply zones and District Metered Areas is maintained
* Designing and managing the creation of DMA’s between 2 000 and 3 500 connections;
* Designing and commissioning of new (fixed outlet) PRV supply zones for 15m to 60m in low income (roof tank service level) areas or 25m to 60m in middle to high income and non-domestic areas (full pressure service level); Liaise with external consultant where required for hydraulic modelling, detailed design and installation;
* Identifying and ensuring that all public standpipes are metered;
* Design meter installations for informal areas and supervise a contractor to install the same;
* Resolving supply zone area boundary problems (pressure problems and indistinct boundaries);
* Contract administration of all external related contracts i.e. payment certificates and approval, site meetings, etc;
* Identifying achievable targets for water balance components per reservoir supply area;
* Determining economic level of intervention per reservoir supply area;
* Field verification of all key assets (valves, hydrants, zone dividers, meter, control valves, etc) and coordination with Employer and/or external contractor where items are either missing or faulty;
* GPS capturing of all key infrastructure components/assets;
* Contract supervision of all sub-Consultants and Contracts;
* Preparing for, designing and completing step tests in either CAD or GIS format;
* Updating of all drawings to produce accurate and verified record drawings;
* Attending liaison or coordination meetings as required;
* Issuing all necessary plans and prints to internal and external service providers;
* Carry out any other NRW reduction related activities as instructed by the Employer.
	1. **Implementation Philosophy**

The following stages and key deliverables are envisaged as part of this contract. It must be noted that, apart from Stage 1, the order in which the stages are actually implemented may vary according to the work plan prepared by the Consultant.

**Table 1: Key deliverables associated with each stage of the NRW Reduction Programme**

|  |
| --- |
| **Stage** |
| **No** | **Description** | **Description of stage** |
| 1 | Preparation | **Actions:** defining the Project objectives, business need, acceptance criteria and *Employer* priorities and aspirations; establishing the detailed brief, scope, scale, form, and budget for the Project; defining project management, KPI’s, targets, economic level of intervention and performance management system**Deliverable:** *Consultant* preparation of Work Plan; *Employer* to approve the work plan. |
| 2 | Infrastructure Assessment, Upgrade and Management | **Actions**; installation, maintenance and monitoring of all reservoir outlet meters; creation of District Metered Areas; ensuring zone integrity of all supply zones; procurement of baseline and regular field measurements (flow and pressure); field verification of all key system components (valves, zone dividers, etc); updating of all drawings to produce accurate and verified record drawings**Deliverable**: verified and accurate system record drawings; fully metered systems |
| 3 | Real Loss Reduction | **Actions:** Liaise with leak detection and repair consultant; coordination with its Pressure Optimisation Team; design and manage PRV supply zones to the standard design criteria. **Deliverable**: supply zones managed to new pressure envelope requirements; identification of all advanced pressure control sites; Procure baseline and regular minimum night flow measurements and analysis |
| 4 | Apparent Loss Reduction | **Actions:** determining all billing exceptions; determining level and extent of unauthorized consumption; ensuring repair of all property keys; ensuring that GIS and PROMIS registers are completed, updated and accurate; determination of any unregistered customers; determination of any incorrectly sized metered connections; determination of abuse of sprinkler connections; design and install informal area water meters; conduct water balances on informal areas;**Deliverable:**  improvement of all relevant components of the water balance; updated and accurate GIS and PROMIS database; Install new meters to informal areas and conduct water balances in informal areas. |
| 5 | Project management | **Actions:** coordination and interaction with all other contracted entities; coordination and interaction with *Employer* as required; preparation and submission of reports as and when required; presentations to third parties as and when required; preparation and distribution of minutes; managing assigned area budgets; preparing and managing all external service provider tender documentation, procurement and progress; scope change management of work plans**Deliverable:**  weekly and monthly progress reports, quarterly reports, annual progress reports, reviews of work plan, ensuring external service provider performance. |
| 6 | Monitoring and Evaluation | **Actions:** preparation and submission of quarterly water balances per reservoir supply zone and per study area; determining progress against established targets; procurement and interpretation of field measurements; determining and advising effectiveness of NRW reduction activities and providing alternatives or make recommendations for changes in implementation strategies **Deliverable:** quarterly water balances; progress reports; ad hoc reports and presentations |

* 1. **Creation of a Data Management Platform**

The Service Provider will be expected to assist in the establishment of a live viewing platform for most if not all of municipal infrastructure’s operational processes. The minimal requirements for this management platform are that;

* It must be a responsive web-based solution suitable for computers and smart mobile devices
* It should have the ability to support APIs (application programming interfaces) to integrate in to other SCADA and management systems, preferably using RESTful services
* It should have the ability to edit remote configurations of in-field devices (manage device inputs/outputs as and when connected sensors are added or changed)
* It should be hosted in a web services platform such as Microsoft Azure, Amazon Web Services or Google Cloud Platform to allow for adding of web services such as analytics, artificial intelligence, business intelligence and machine learning services as and when required.

This online management platform will be populated by the use of primarily data loggers that by themselves as a minimum:

* The devices must have the ability to support low signal GSM solutions such as Thing stream, as well as have local RF capability to hop the data packets to an area where there is signal availability, up to 5km away
* The devices must have ability to store data in non-volatile RAM to ensure data integrity even during power failures
* The devices must have the ability for input and outputs to be defined and managed over the air ie from the web portal or management platform
* The devices must have Local Bluetooth connectivity for diagnostics
	1. **Meter Specifications**

This project will involve the installation of both conventional and smart meters. Where meters are specified for, the following specifications will be utilized.

* + 1. **General Specifications**

All equipment and systems supplied should have operating and maintenance manuals. The system must allow a minimum of hourly bi-directional communications between management software and field device and shall include:

* Water meter must be SANS + STS compliant (Standard Transfer Specification) – ensuring interoperability between vending platforms and water meters from that are STS compliant);
* Water meter adaptor must be ICASA approved. (Electronic communications act which electronic equipment needs to comply); A latching water valve must be present to control the water supply through the meter;
* Secure above ground Meter Box enclosure to house the meter as specified later in relevant sections;
* The Prepaid water meter needs to be able to communicate utilising bi-directional encrypted radio communications link, enabling remote meter integration and Automated Meter Configuration (AMC) for remote mass meter re-configuration;
* The Prepaid meter must have ability for walk-by and or drive-by data collection utilising Automatic Meter Reading (AMR);
	+ 1. **Specification for Water Meter (where required, to be Utilised with the Prepaid Add On - Specification only refers to 15/20mm domestic water meters)**

At a minimum the water meter needs to conform to the following requirements and be of the semi-positive volumetric type housed in an above ground meter box and include a prepaid water meter adaptor as well as include a latching valve as specified in latter sections:

**The water meter needs to conform to the following:**

* “Class C” piston type plastic body mechanical water meter with 0.5L pulse output;
* Split meter system for added consumer convenience;
* Body to manufactured from a composite material based on a polymer with glass fibres ensuring suitable strength against wearing and weather;
* Allow for field replacement of meters of similar length and fitment into above ground meter box enclosures;
* Volumetric type meteorological approved water meter to “CLASS C” as well as SANS 1529;
* Extra features to include a vertical configuration of its piston axis assembly which improves the ability to handle dirt without stoppage;
* Roller dial counter must be housed in case filled with a lubricant, ensuring optimum operation and protection whilst preventing the build-up of any condensation and enables perfect legibility of the counter;
* Meter must not be affected by fogging or build-up of algae as well as be read under all conditions;
* The meter must contain a pulse output for suitable data monitoring;
* Extra features to include no magnetic transmission, thereby no effects of external magnets being placed on or near the meter eliminating tampering;
* The meter must include a non-removal plastic seal achieving a tamper proof meter seal;
* All 15mm and 20mm Water meters must have testing in compliance with SANS 1529 prior to being installed as a specification;
* Certificates of SANS 1529 are kept with the supplier for all meters supplied that have been certified;
* The meter may be installed horizontally, vertically or at an any angle without loss of accuracy and be extremely resistance to water hammer.

**The meter box must conform to the following requirements:**

**Note: (Specific for 15/20mm Domestic Meters)**

* Above Ground type – Ultra-violet stabilized outer shell for long life;
* Little or no scrap value for the meter and the box – theft deterrent;
* Meter box must ensure no sand/mud covers the meter while reading;
* Simple and Easy installation;
* Fitted with 20mm internal piping, valves and fittings for low friction loss;
* Tamperproof lid;
* Very robust construction protects meter against vandalism and pedestrian damage;
* Include space for the fitment of a latching valve as well as water meter adaptor;
* Allow access to perform maintenance on the water meter adaptor without the need to remove the meter from the box.

**Prepaid Water Meter Adaptor – (Specific for 15/20mm Domestic Meters)**

The prepaid water meter adaptor is a control unit that initiates communication with a data concentrator to transmit readings and receives and actions control commands managing the position of the control valve. It supports more efficient management of water distribution, proactive response to maintenance and the ability to identify faults faster.

The prepaid water meter adaptor must conform to the following requirements:

* Split meter system for added consumer convenience;
* Unique bar-coded Prepaid number referencing the consumer’s meter;
* Multiple credit registers for specific consumer requirements
	+ Prepaid mode;
	+ Debit mode;
	+ Fixed water dispenser mode;
	+ Conventional mode;
	+ Daily water Conservation limit
* Interface to water meter supporting pulse output proportional to consumption;
* Individual consumption recording for specific credit types;
* Field commissioning and diagnostics with Field Maintenance Terminal;
* Secure encrypted data communication via radio and Infra-Red;
* Internal built in Antenna;
* Rolling data logger capable of totalizing readings over 90 days;
* Leak detection capability with a minimum flow measurement;
* Capacity to facilitate automated meter reading;
* Capacity to be reconfigured automatically via radio communication communicating with walk-by, drive-by devices;
* Vertical or horizontal mounting applications;
* IP68 with capability of operating up to temperatures of 55°C;
* Communicate using Sigfox network (Signal Dependent);
* Be linked to a domestic meter as per the included specification;
* Be housed in an above ground meter box enclosure as per included specification;
* Accurate consumption information;
* Allow for online monitoring of consumption via Sigfox communication; Credit and commissioning to take place once the meter and prepaid device has been installed and the vending system is up and running;
* Consumer Training must take place onsite during the commissioning. Once installation is complete signed off by the Consumer as a hand over of the Municipal asset;
* Latching water valve to be used to control the supply of water through the meter;
* The supplier to specify the life span of the battery. six years or more preferred;
* Allow for tamper detection on the pulse cable;
* Have a real time clock;
* Transmit once every 24 hours (Configurable), signal dependant, to be verified during implementation;
* Radio transceiver 868 MHz,
* Preference will be given to offerings which allow for migration between pre- and post-paid methodologies. Management Device – (can be set to be prepaid or volumetric control);
* Management device must be able to transmit report once a day on consumption (Signal dependant). Transmission would be dependent on signal and may have to be manually extracted by walk-by or drive-by interventions.;
* Registration of SGC (supplier group code) to be done by successful tenderer on behalf of the Municipality;
* Key pad must be able to communicate at-least 100m from the MDU (Management Device Unit);
* Key Pad to be used to key in credit token;
* Prepaid meter vouchers to be purchasable from easy pay and convenient outlets;
* In the case of poor signal, device communication must be managed by drive-by or walk-by collection as an extra add on reimbursable;
	+ 1. **Specification for the Radio Frequency (RF) Network Equipment**

The Radio Frequency (RF) transmitter is an ancillary device that is built into the customer Interface unit (CIU) supplied with the prepaid meter. The CIU is utilised to program and upload any credit purchased onto the meter. In the case where the prepaid units are not able to transmit via the SIGFOX network back to the management platform. Manual download may be required to access the data either by walk by or drive by technology as an extra add on reimbursable. Devices to be utilised to access this data have been itemised below as reference:

* The units must be portable;
* Automated Meter Configuration, (AMC) Handheld unit, must have Bi-directional encrypted radio communications link, enabling remote meter integration and AMC for remote mass meter re-configuration;
* Prepaid Water Controller (PWC) and Field Maintenance Terminal (FMT), to complete diagnostic tests and configurations on the CIU;

The devices must be able to upload and configure parameters and download information using Bi-directional encrypted radio communication from the prepaid meter, amplifies and then re-transmits the signals. The device should be able to increases the radio frequency communication range between metering devices and the unit.

The RF handheld unit must conform to the following requirements:

* Suitable for residential and commercial applications on domestic metering applications for the meter specified;
* Support selective devices making use of the support RF protocol as stipulated by the meter specifications;
* Suitable for use on specified Prepaid battery powered meters;
* Feature a built-in high-power radio transceiver;
* Tamper detection application optional;
* Customizable firmware;
* Manual registration on radio network on commissioning of the prepaid meter specified;
	+ 1. **GSM Data Logger for bulk water meters (District Metered Areas (DMA’S), Bulk Consumers or Pressure Managed Zones (PMZ’s)**

Tenders are required to provide a battery powered GSM data logger to obtain consumption data from bulk meters as well as an inclusive monthly fee to manage the sim card, resultant data charges and hosting of the data on the meter data management software provided below for the period of the current appointment:

* Secure data communication on the 2G or 3G network of your choice and supports roaming SIMs;
* Must be remotely configurable and able to obtain data and diagnostic information via the cellular network;
* Non-volatile data storage up to a year so no possibility of loss of data from power interruptions;
* Provide an onsite direct interface allowing setup, manual download of data and diagnostics information. Preference will be given to loggers employing wireless connectivity e.g. Bluetooth negating the need for cables that invariably fail during continuous use. The logger must be able to allow for over-the-air firmware upgrades so as to stay current with technological upgrades;
* The logger must have full alarm capability with individual thresholds that may be configured for flow and pressure and trigger the following actions:
* Send SMS or email containing the alarm details;
* Dial up with increased regularity;
* Be able to define a nightline period to aid in early burst detection.
* Powered by internal battery or external battery pack or DC power source and record network signal strength;
* Batteries must be field replaceable and not require the removal and transport of the data logger to perform this function;
* Battery operation must allow for the programmable upload intervals providing in excess of 5 years battery life when set to upload minimal monitoring parameters applied, recorded data to the server;
* Data resolution from 1s to 24 hours and better than +/- 0.1% FS precision, better than +/- 0.2% FS drift, therefore no need for recalibration in the logger’s lifetime;
* The logger must be IP68 and robust enough to withstand the impact from 1.2 meters drop onto concrete. Capable of working within environments with temperatures up to 50°C and 85% humidity. An advantage would be if the logger is capable to enable asset condition monitoring as well as enhanced statistics for transient detection and investigation;
* To be supplied with suitable pulsar required to fit mechanical bulk water meter;
* A protective logger enclosure must be included in the tenders offer. Installation on and as required basis, and is to be priced per logger installed. The sim card shall be provided, managed, configured and commissioned by the successful tenderer for the duration of the appointment;
* The logger supplied must be able to be installed on new or existing bulk water meters provided the water meter has a pulse output and reed switches are readily available for the type of water meter to be logged;
* It is not necessary for the GSM logging information to be accessible on the same platform as the Prepaid information;
* The GSM logging device is not recommended for monitoring the prepaid devices and has no prepaid functionality and is merely a management and or monitoring tool for District metered areas, Bulk Consumer meters and or Pressure managed zone bulk water meters.
	+ 1. **Specification for Bulk Meters**
* Bulk Water meter with MID pattern approval acc. to annex MI001;
* Pattern approved removable measuring insert (75/33/EEC);
* Unique measuring range;
* High overload capability;
* No straight inlet length necessary (acc. to OIML R49 and EN 14154);
* Unlimited fitting position;
* Meter body in short (WP) and in long (WS) overall length acc. to DIN 19625 and EN 14154 available;
* Measuring insert fits the body of a WP-Dynamic;
* Materials used are temperature resistant up to 70°C;
* Register prepared for HRI- Mei pick-up;
* Ability to use optical pulsars type OD is still possible;
* Cold bulk water applications;
* Manufactured Cast Iron Body;
* PN 16 Bar rated;
* Measuring element and rotor constructed of plastic;
	+ 1. **Specifications for Meter Data Management System**
* The service provider is to manage all new prepaid meters installed throughout the program for this appointment;
* The service provider appointed to identify third party vendors and provide supervision for contractual application on behalf of the Client and manage throughout the period of the current appointment;
* STS is a compulsory requirement to allow appointed Service Providers to be able to implement and manage installations within the system as well as ensure transparency with regards to financial reimbursement to Client is maintained;
* Annual Software licence renewal is subject to escalation and must be calculated year on year and applicable to meters installed and commissioned on the prepaid system. The amount needs to be calculated for the total number of prepaid meters installed under this appointment but does not need to include the bulk meters and or GSM loggers;
* Annual Software licence and meter management system must only be costed for the term of this current appointment;
* The process of managing a vendor platform is only valid, if one vending platform has been agreed upon supporting an STS compliant meter and a Supplier Group Code allocated to UKDM. This must be co-ordinated and managed by the successful bidder with all supporting documentation made available by Client;
* All relevant data must be consolidated into reports.
* All relevant information and letters of Authority will be supplied to the Service Provider to enter into agreements with a suitable Vendor as stipulated by the appointed Service Provider. Responsibility of managing of this vending platform must only exist throughout the terms of appointment and once complete, costs and support would need to be controlled and managed by UKDM and or on an official appointment extension to the service provider for the relevant scope of works and services.
	+ 1. **Specifications for Hosted Prepaid Vending System**
* System must be presently certified by the STS Association on STS Edition 2 and an approved water vending system;
* The system must be an on-line cloud system which complies with the Eskom XML-Vend specification for on-line vending, ensuring the security of the system and communications and enabling third parties to easily and reliably connect and vend;
* The system must be XML, entirely web-based, and able to run on GPRS data connections without compromising the user experience;
* The system must utilise a single database and once updates are performed to a customer’s record, they are immediately available for vending without having to perform any secondary tasks such as transfers or synchronisation;
* Engineering tokens are available from the management system interface and may be printed or SMSed directly to users in the field to update meter details;
* The system needs to cater for arrears collection and can exchange data with a billing system, passing receipting data back to the billing system in order to update customer account balances. Arrears may be collected on a percentage per transaction or minimum monthly payment basis. Inclining block tariffs and fixed charges are catered for in the system and require no special configuration or updates;
* System needs to be connected via real-time to Easy Pay and Blue Label Telecoms and are able to offer third party vending services at all enabled outlets. This includes all Pick n Pay, Spar, Boxer and Shoprite stores, most ATM’s and internet and mobile banking apps as well as the majority of fuel stations;
* Vending may also be performed by local staff in revenue halls where required using either a PC based POS-Lite solution, which connects with the standard XMLVend to the central server over a minimum of a GPRS connection. This system is very much signal dependant and needs to be checked for viability prior to being deployed;
* A Personal Computer must not be included in the pricing of this application as UKDM current cashier system will be set up to provide this service;
* Provide a handheld online device, point of sale (POS) if adequate signal is available and viable for cases where increased number of prepaid meters are installed, ideal for smaller offices. Costs for this device are not to be included in this scope of works as this is a future demand management device;
* Sales figures must be updated on a 24-hour basis. This means that all sales for a specific date will be reflecting on the sales report the following day under normal working conditions. This information will be handed over monthly as part of the reporting deliverables;
* SLA to be signed between suitably identified service provider for vending applications with UKDM prior to any transactions taking place;
* A monthly pay out for prepaid water sales, less the service providers fee needs to be paid through monthly to UKDM for all registered transacting prepaid meters installed under this scope of works, accompanied with the relevant sales report;
* Data costs for vending services for the PC based POS-Lite solution must only be included for the term of the successful service providers appointment;
* Token rate percentage remuneration to the service provider is subject to escalation annually as per CPI increase for the new year.
	1. **Annual Work Plan**

The scope to be covered by this Work Plan includes the following:

* Understanding of Employer’s objectives
* Study area description and operation
* Design philosophy and standards
* Baseline water balances and KPI’s (per reservoir supply zone and per study area)
* Target water balances and KPI’s (per reservoir supply zone and per study area) for end of year 1, 2 and 3 to serve as the overall framework for the contract
* Establishment of NRW targets per 12-month period, to be provided in more detail than the framework
* Identification of all NRW reduction interventions/work packages, ranked per reservoir supply zone, which covers, inter alia, infrastructure improvements, real loss reduction intervention, apparent loss reduction intervention, billed authorized consumption and system input volume
* Financial/budget management
* Team member activities and responsibilities/activity schedule
* Reporting requirements and frequency/format
* Programme and milestones
* Communication management, including interaction with Municipality’s Departments
* Risk identification and management
* Consultant performance management and KPI’s
* Integration management (both with the Municipal Departments and external service providers)

The annual Work Plan for the first 12-month period must be completed and submitted to the within Employer 20 working days after the date of appointment of the Consultant. The Employer shall respond to the Consultant, in writing, within 5 working days of receipt of the Work Plan, where after the Consultant shall submit his final Work Plan within 5 working days of receipt thereof. The Employer shall then formally approve the Work Plan within 2 working days, which shall then be adopted for implementation and management for the first 12-month period.

The Employer shall provide all available and applicable information to the Consultant in order for the Consultant to complete this Task. On instruction of the Employer, three months prior to the expiration of the first 12-month period, the same procedure shall be followed by the Consultant for the work plan for the second 12-month period.

* 1. **Preparation of 5-Year Master Plan and Business Plan for Funding**

The scope to be covered by this updated Master Plan and Business Plan includes the following:

* Understanding of Employer’s objectives
* Investigation of the study area description and operation
* NRW Reduction Framework
* NRW Reduction Philosophy
* WC/WDM Reduction Activities Integration Framework
* Reservoir and bulk metering plan and budget requirements
* Baseline water balances and KPI’s (per reservoir supply zone and per study area)
* Target water balances and KPI’s (per reservoir supply zone and per study area) for end of year 1 to 5 to serve as the overall framework for the contract
* Establishment of NRW targets per 12-month period, to be provided in more detail than the framework
* Identification of all NRW reduction interventions/work packages, ranked per reservoir supply zone, which covers, inter alia, infrastructure improvements, real loss reduction intervention, apparent loss reduction intervention, billed authorized consumption and system input volume
* Financial/budget management for all five years broken down into capital and operational budgets required
* Key Challenges
* Critical Success/Failure factors
* Procurement Framework
* Monitoring and Evaluation framework
* Resource Management framework
* Risk identification and management
* Integration management (both with the Municipal Departments and external service providers)

The Master Plan and Business Plan is intended to be one document which shall document all plans and mitigating factors that shall help the Client reduce NRW in the Client’s Area of jurisdiction. Additionally it shall be used to approach funding agencies, local and abroad, from which the Municipality would like funds to complete the initiatives as proposed in the Plan. The Plan must be completed and submitted to the within Employer 60 working days after the date of appointment of the Consultant. The Employer shall respond to the Consultant, in writing, within 5 working days of receipt of the Master and Business Plan, where after the Consultant shall submit his final Master and Business Plan within 5 working days of receipt thereof. The Employer shall then formally approve the Master and Business Plan within 2 working days.

The Employer shall provide all available and applicable information to the Consultant in order for the Consultant to complete this Task. On instruction of the Employer, three months prior to the expiration of the first 3-year period, an update of the Master Plan will need to completed, by the Consultant, for the following 5-year period.

* 1. **Interaction with other Service Providers**

The Consultant is to be aware that this contract is only one contract among many that the Employer has established to meet the overall objective of reducing the NRW. In this regard, the Consultant’s will need to work with other service providers to ensure that the overall objective of the Municipality is completed. The Consultant is to be aware of any inter-dependency, interaction, responsibility and communication lines and must take this into account in the preparation of his bid and pricing.

Likewise, the Consultant must be aware that although the Employer is represented by the Technical Services Department there are other Branches and Departments within the Employer who are indirectly involved in NRW reduction activities. In all instances, only the Technical Services Department may instruct the Consultant, and all reporting must be to the Technical Services Department.

* 1. **Team Structure**

The following team structure is proposed for the NRW Reduction services. The Consultant is required to price this team, without amendment, as it appears in the Pricing Schedule and take cognizance of working with external Contractors and Consultants:

uMkhanyakude District Municipality

Project Director

Project Engineer

Metering/ Rezoning Engineer

Domestic Meter Technician

Leak Detection Contractor

Non-Domestic Meter Technician

Rezoning Technician

Civils Technicians

Leak Detection Technicians

Civils Contractor

Domestic Meter Contractor 1

Domestic Meter Contractor 2

Domestic Meter Contractor 3

Domestic Meter Contractor 4

Domestic Meter Contractor 5

Non-Domestic Contractor

Rezoning Contractor

*Figure 1: Project Team Organogram and Interaction with Various Contractors*

The Curriculum Vitae, experience and qualifications of each of the key team members are to be included with the submission as required elsewhere in this document.

In line with the Employer’s social responsibility and social development objectives, it is a specific requirement that the project team be supplemented with two technical field assistant resources with an “S3” civil engineering technical qualification and shall be from the priority population group (which can used with any technician to supplement a resource and train them). These resources shall be seconded to the NRW Reduction Team for a 12-month period of the contract, and will be expected to benefit from skills transfer and mentorship programme, and, as such, must be assigned a mentor from the Consultant’s staff. The Consultant shall be responsible for identifying and selecting these two resources from an approved tertiary education institution and shall forward the necessary personal details and proposed monthly remuneration of each proposed resource to the Employer prior to the commencement of their involvement in the project for ratification. A Provisional Sum allowance in this regard has been made in the Pricing Schedule.

It is the intention of the Employer that these technicians will eventually join the Municipality such that when this Contract terminates there will be a continuation of the Program which shall take place in-house. The role, responsibility and involvement of these resources must be clearly identified in the Work Plan.

* 1. **Provision for Security**

The Consultant will be responsible for the provision of security guards to accompanying all field-based resources in high-risk areas only.

The minimum recommended security to be provided must meet the following requirements (it must be noted that the Employer will not be liable for any claim from the Consultant in complying with these requirements):

* The security guards must be armed with firearms and have radio contact via a two-way radio or cell phone with their control center;
* Security must be provided during usual working days, weekends and public holidays;
* The security guard must travel in the Consultant’s vehicle;
* Optimum use is made of the security resource so that there is no “fruitless” expenditure. Any unreasonable underutilization will be for the Consultant’s account.

Should the Consultant be of the opinion that the minimum-security requirements (as stated above) are insufficient to meet the requirements of the contract, the Consultant, may make provision for additional security, at his own cost. Any such additional cost is deemed to be included in the tendered staff rates.

The rates provided are for project days and it is envisaged that Consultant will need to price the number of teams that they wish to furnish, per day, for the entire Contract period.

* 1. **General Requirements**

The Consultant shall:

1. provide the services as described in this document in a manner that enables the Employer to achieve the programme objectives as set out in section 1 of this scope of work;
2. identify the health and safety requirements in terms of the Occupational Health and Safety Act, 1993, and incorporate them in any scope of work issued to a Contractor and shall act as the employer’s agent for all works issued to the contractor;
3. in the provision of the services observe all relevant statutes, by-laws and associated regulations, standards of professional conduct and “best practice”, as laid down, or recommended, by an applicable professional association, if any;
4. take all reasonable endeavors to ensure that the elements of the project are designed so that they can be constructed within the financial limits stated in the annual work plans that is jointly developed with and agreed by Employer
5. provide the service in accordance with the requirements of the contract with reasonable skill, care and diligence which is to be expected of a competent Consultant of the relevant discipline who is experienced in providing similar services in relation to projects of a similar size, scope and complexity
6. manage and provide the services in such a manner that a minimum of 95% of the budget allocated to a particular financial year is spent by the end of that financial year; and
7. endeavor to maintain continuity of staff in so far as it may be reasonable to do so.
	1. **Key Performance Indicators**

The Consultant shall timeously provide any information that the Employer may require for the purposes of reporting on Key Performance Indicators.

* 1. **Retention of Communications**

The Consultant shall retain copies of all communications in electronic format for a period of 5 years after the completion of the contract.

* 1. **Programme**

A separate programme shall be provided for the overall programme and each key focus area/work package identified in the Work Plan.

* 1. **Quality Management System**

The quality management system and quality policy statements shall be as agreed with the project team and the Employer.

* 1. **Details to be provided with Consultant’s Invoices**

The Employer shall set out the information that he will require from the Consultant with each invoice to enable the invoice to be checked for correctness. Such information shall include a list of all assets used by the Consultant. The consultant shall also provide with each monthly invoice the portion of the claim that is to be attributed to Capital and Operating expenditure respectively.

* 1. **Record Information**

All record information shall be provided in a suitable electronic format that can be opened using software that the Employer possesses.

* 1. **Facilities and Equipment to be P****rovided by the Employer**

The Employer will provide some data loggers, data logging equipment and GPS units for this contract. Additional facilities or equipment required for the use by the Consultant will be purchased through the contract. In this regard, the Employer has made a Provisional Sum allowance available for the once-off purchase of equipment.

The Consultant shall exercise due diligence and care when working with this equipment and shall be fully responsible for ensuring that all equipment is maintained and kept in good working condition. It is a specific requirement that all loggers are tagged with the responsible parties’ details and that all loggers are secured in steel boxes (provided) that are to be secured to an immovable object when deployed on site.

Ownership of all equipment purchased through this contract shall revert to the Employer at the end of the contract. Damaged or non-working equipment shall not be accepted by the Employer and the Consultant shall be responsible for any costs associated with bringing the equipment back to good working condition.

* 1. **Escalation to be applied by Employer**

Escalation on the tendered monthly rates for staff will be allowed on the following basis only:

1. The advertisement date of this tender will be the base date.
2. No escalation will be allowed for twelve (12) months from the base date.
3. Each subsequent month after the initial twelve (12) month period, described in b) above, an increase to the tendered daily rate for the staff will be allowed and provision for vehicles will be allowed.
4. This percentage increase will be applied on a monthly basis thereafter.
5. **FUNCTIONALITY EVALUATION CRITERIA**
	1. **Company Experience**

|  |  |
| --- | --- |
| **Point Allocation Criteria** | **Weighting Allocated** |
| **Company Experience** The evaluation will consider the nature of the reference projects, scope of services provided and Employer/Client references. **NOTES**:* Appointment Letters or Completion Certificates or Reference Letters for on-going project indicating annual completion of annual allocated scope are to be provided for civil infrastructure projects
* Minimum of three Water Conservation/Water Demand Management (WC/WDM) projects successfully implemented.
* Clear and contactable references are to be included

N.B. Yearly completion certification by client will be considered as project |  |
| No submission | 0 | **30** |
| Three projects | 10 |
| Four projects | 20 |
| Five or more projects | 30 |
| **Experience of Key Personnel**The evaluation will consider the experience, qualifications and professional registration**NOTES**:* All key personnel must be professionally registered with ECSA
* CVs and qualifications of key personnel to be included
* Professional registration certificates of key personnel to be included
* Project Director and Project Engineer must be a Pr Eng or Pr Tech Eng with minimum of 10 years’ experience post ECSA registration
* Project Director and Project Engineer must have proven record of Water Conservation/Water Demand Management (WC/WDM)
 |  |
| No Submission | 0 | **25** |
| One professional | 5 |
| Three professionals | 15 |
| Five professionals | 25 |
| **Specialised Resources**  |  |  |
| **WDM/WC Specialist** - A registered professional engineer (Pr. Eng) with the Engineering Council of South Africa (ECSA) with at least 20 (Twenty) years of verifiable post registration experience in water demand management interventions and/or non-revenue water reduction programmes. Initiatives such as pipe replacement programmes, pipeline design and reservoir design will not be considered. A detailed CV must be included as part of the bid submission. | 10  |  **20** |
| **Online Training –** The tender must submit proof that it has access to accredited online WDM/WC training.  | 5 |
| **Innovation and Technology –** The tenderer is to provide proof that they have completed at least one water digitalisation strategy. The strategy must have included an initiative such as intelligent infrastructure, connectivity and management of big data within a municipal environment for water. | 5 |
| **Local Office**  |  |  |
| Preference will be given to tenderer with an already established local office within the UKDM, ZDM or KCDM area. Tenderer to submit lease agreement or title deed as proof. | 10 | **10** |
| **Approach, Methodology and Work Plan Paper**This paper must include approach, methodology and work plan covering the whole project lifecycle |  |
| No Submission | 0 | **15** |
| Method statement provided limited information and is ambiguous  | 5 |
| Method statement provided 70% or more of the required technical and legal information and is unambiguous  | 10 |
| Method statement met all the technical and legal requirements and is unambiguous | 15 |
|  |  |  |

1. **DURATION OF THE CONTRACT**

The contract period will be 36 months from signing of the contract with the successful bidder.

**Attached BOQ**

**uMKHANYAKUDE DISTRICT MUNICIPALITY**

**SECTION 3: PRICE PROPOSAL**

**PRICING SCHEDULE**

**uMKHANYAKUDE DISTRICT MUNICIPALITY**

**SECTION 4: ANNEXURES**

|  |  |
| --- | --- |
| 1. **Check list for the returnable Documents**
 | **Tenderer’s tick box √ if done** |
|  | SARS Tax Compliance Status Pin |  |
|  | ID copies of all directors |  |
|  | CIPC/CK Documents (Company Registration) |  |
|  | Copy of the certificate of good standing issued in terms of the Compensation for Occupational Injuries and Diseases Act 130 of 1993 or proof of application issued by COIDA or a licensed compensation insurer |  |
|  | B-BBEE (Broad-Based Black Economic Empowerment) certificate by an accredited Verification Agency or a proof from the accountant in case there is no B-BBEE certificate or sworn affidavit in case where the bidder’s annual turnover is below 10 million |  |
|  | If two or more tenderers form a joint venture, consortium or other unincorporated grouping of two or more persons (“joint venture”), a copy of the joint venture agreement entered into between the partners.  |  |
|  | Proof of banking details  |  |
|  | Confirmation registration with national treasury central supplier database (CSD). |  |
|  | Schedule, CVs and Qualifications of Key Personnel |  |

|  |  |
| --- | --- |
| 1. **Municipal Bidding Documents (MBD) to be completed and signed by bidder**
 | **Tenderer’s tick box √ if done** |
|  | Invitation to Bid (MBD 1)  |  |
|  | Original Valid Tax Certificate (MBD 2) |  |
|  | Declaration of Interest in Tender of Persons in Service of the State (MBD 4) |  |
|  | Preference Points claim form in terms of the preffential Procurement regulations 2017 (90/10 version) and (80/20 version) (MBD 6.1) |  |
|  | Formal contracts (MBD 7.2) |  |
|  | Declaration of Tenderer’s past Supply Chain Management Practises (MBD 8) |  |
|  | Certificate of Independent Bid Determination (MBD 9) |  |

**MBD 1**

**INVITATION TO BID**

YOU ARE HEREBY INVITED TO BID FOR REQUIREMENTS OF THE uMKHANYAKUDE DISTRICT MUNICIPALITY

BID NUMBER: ……………………………….……CLOSING DATE: …………….……………….. CLOSING TIME: ………………

DESCRIPTION…………………………………………………………………………………………

**The successful bidder will be required to fill in and sign a written Contract Form (MBD 7).**

BID DOCUMENTS MAY BE POSTED TO: …………………………………………………………………………………………………….

Or

DEPOSITED IN THE BID BOX SITUATED AT *(STREET ADDRESS)*

……………………………………………………………………………………………………………………………………………………………………………………………………………………………………………………………………………………………………

**Bidders should ensure that bids are delivered timeously to the correct address. If the bid is late, it will not be accepted for consideration.**

The bid box is generally open during working hours i.e. 08:00 – 16:00 Monday to Friday.

ALL BIDS MUST BE SUBMITTED ON THE OFFICIAL FORMS - (NOT TO BE RE-TYPED)

THIS BID IS SUBJECT TO THE PREFERENTIAL PROCUREMENT POLICY FRAMEWORK ACT AND THE PREFERENTIAL PROCUREMENT REGULATIONS, 2017, THE GENERAL CONDITIONS OF CONTRACT (GCC) AND, IF APPLICABLE, ANY OTHER SPECIAL CONDITIONS OF CONTRACT

THE FOLLOWING PARTICULARS MUST BE FURNISHED (FAILURE TO DO SO MAY RESULT IN YOUR BID BEING DISQUALIFIED)

NAME OF BIDDER ………………………………………………………………………..

POSTAL ADDRESS ……………………………………………………………………...

STREET ADDRESS ……………………………………………………………………..

TELLEPHONE NUMBER CODE……………NUMBER……………………………………………………………………………….

CELLPHONE NUMBER…………………………………………………………………………………….

FACSIMILE NUMBER

CODE……NUMBER………………………………………………………………………………..…

E-MAIL ADDRESS: …………………………………………………………………………………………

VAT REGISTRATION NUMBER …………………………………………………………………………

HAS A VALID TAX CLEARANCE CERTIFICATE BEEN SUBMITTED / SARS Pin? **(MBD 2)** **YES or NO**

HAS A B-BBEE STATUS LEVEL VERIFICATION CERTIFICATE BEEN SUBMITTED? **(MBD 6.1)** YES or NO IF YES, WHO WAS THE CERTIFICATE ISSUED BY?

AN ACCOUNTING OFICER AS CONTEMPLATED IN THE CLOSE CORPORATION ACT (CCA) **YES or NO**

A VERIFICATION AGENCY ACCREDITED BY THE SOUTH AFRICAN ACCREDITATION SYSTEM (SANAS); OR **YES or NO**

A REGISTERED AUDITOR **YES or NO**

**(A B·BBEE STATUS LEVEL VERIFICATION CERTIFICATE MUST BE SUBMITTED IN ORDER TO QUALIFY FOR PREFERENCE POINTS FOR B·BBEE)**

ARE YOU THE ACCREDITED REPRESENTATIVE?

IN SOUTH AFRICA FOR THE GOODS, I SERVICES I WORKS OFFERED? **YES or NO**

[IF YES ENCLOSE PROOF]

SIGNATURE OF BIDDER………………………………………………………………………

 DATE ………………………………………………………………………………………..

CAPACITY UNDER WHICH THIS BID IS SIGNED……………………………………………………………………………………………

TOTAL BID PRICE……………………………………

**MBD 2**

**TAX CLEARANCE CERTIFICATE REQUIREMENTS**

**It is a condition of bid that the taxes of the successful bidder must be in order, or that satisfactory arrangements have been made with South African Revenue Service (SARS) to meet the bidder’s tax obligations.**

1. In order to meet this requirement bidders are required to complete in full the attached form TCC 001 “Application for a Tax Clearance Certificate” and submit it to any SARS branch office nationally. The Tax Clearance Certificate Requirements are also applicable to foreign bidders / individuals who wish to submit bids.
2. SARS will then furnish the bidder with a Tax Clearance Certificate that will be valid for a period of 1 (one) year from the date of approval.
3. The valid Tax Clearance Certificate/ SARS Pin must be submitted together with the bid. Failure to submit a valid Tax Clearance Certificate/SARS Pin may result in the invalidation of the bid. Certified copies of the Tax Clearance Certificate will not be acceptable.
4. In bids where Consortia / Joint Ventures / Sub-contractors are involved; each party must submit a separate Tax Clearance Certificate/ SARS pin.
5. Copies of the TCC 001 “Application for a Tax Clearance Certificate” form are available from any SARS branch office nationally or on the website [www.sars.gov.za.](http://www.sars.gov.za/)
6. Applications for the Tax Clearance Certificates may also be made via efiling. In order to use this provision, taxpayers will need to register with SARS as filers through the website [www.sars.gov.za.](http://www.sars.gov.za/)

**SARS Pin** ………………………………………

 **Consortia/Joint Ventures/sub-contractor**

**Company Name**………………………………. **Company Name**…………………

**SARS Pin Number ………………………………. SARS Pin Number…………………..**

**Company Name ………………………………**

**SARS Pin Number** ……………………………..

**MBD 4**

**DECLARATION OF INTEREST**

**1.** No bid will be accepted from persons in the service of the state

**2.** Any person, having a kinship with persons in the service of the state, including a blood relationship, may make an offer or offers in terms of this invitation to bid. In view of possible allegations of favouritism, should the resulting bid, or part thereof, be awarded to persons connected with or related to persons in service of the state, it is required that the bidder or their authorised representative declare their position in relation to the evaluating/adjudicating authority and/or take an oath declaring his/her interest.

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

3.1 **Full Name:** ……………………………………………………….………………………

3.2 **Identity Number**: ……………………………………………………………………….

3.3 **Company Registration Number:** ……………………………………………….………

3.4 **Tax Reference Number:** ……………………………………..………………………..

3.5 **VAT Registration Number:** ……………………………………………………….…….

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

3.6.1 If so, furnish particulars.

 ……………………………………………………………………………………………………..…

 ……………………………………………………………………………………….………………

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

 twelve months?

3.7.1 If so, furnish particulars.

…………………………………………………………………………….…………………..

……………………………………………………………………*………………………………………*

*\* MSCM Regulations: “in the service of the state” means to be –*

*(a) a member of –*

*(i) any municipal council;*

*(ii) any provincial legislature; or*

*(iii) the national Assembly or the national Council of provinces;*

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

*(c) an official of any municipality or municipal entity;*

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

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

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

|  |  |  |
| --- | --- | --- |
| **3.8.** | Do you, have any relationship (family, friend, other) with persons in the service of the state and who may be involved with the Evaluation and or adjudication of this bid? | **YES / NO** |
| 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? |

3.8.1 If so, furnish particulars.

 ………………………………………………………………………………………..…………

 ……………………………………………………………………………………..……………

|  |  |  |
| --- | --- | --- |
| **3.9** | Are you, aware of any relationship (family, friend, other) between a bidder and any persons in the service of the state who may be involved with the evaluation and or adjudication of this bid? | **YES / NO** |
| Are you, aware of any relationship (family, friend, other) between a bidder and any persons in the service of the state who may be involved with the evaluation and or Adjudication of this bid? |

**3.9.1** If so, furnish particulars

………………………………………………………………………………..…………………

……………………………………………………………………..……………………………

|  |  |  |
| --- | --- | --- |
| **3.10** | Are any of the company’s directors, managers, principal shareholders or stakeholders in service of the state? | **YES / NO** |

3.10 If so, furnish particulars.

 …………………………………………………………………………………………………

 …………………………………………………………………………………………………

|  |  |  |
| --- | --- | --- |
| **3.11** | Are any spouses, child or parent of the company’s directors, managers, principal shareholders or stakeholders in service of the state? | **YES / NO** |

3.11.1 If so, furnish particulars.

 ………………………………………………………………………..………………………..

 ………………………………………………………………….………………………………

**CERTIFICATION**

I, THE UNDERSIGNED (NAME) ……………………………………………………………………

CERTIFY THAT THE INFORMATION FURNISHED ON THIS DECLARATION FORM IS CORRECT.

I ACCEPT THAT THE STATE MAY ACT AGAINST ME SHOULD THIS DECLARATION PROVE TO BE FALSE.

|  |  |
| --- | --- |
| **Signature: ……………………………….**…………………………………………………… | **Date: ……………………………………****…………………………………………….** |

**MBD 6.1**

**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. 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. The value of this bid is estimated to not exceed R50 000 000 (all applicable taxes included) and therefore the 80/20 system shall be applicable.
	2. Preference points for this bid shall be awarded for:
1. Price; and
2. B-BBEE Status Level of Contribution.

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

 **POINTS**

**1.3.1.1 PRICE** …………..

**1.3.1.2 B-BBEE STATUS LEVEL OF CONTRIBUTION** …………...

 **Total points for Price and B-BBEE must not exceed** **100**

1.4 Failure on the part of a bidder to fill in and/or to sign this form and submit a B-BBEE Verification Certificate from a Verification Agency accredited by the South African Accreditation System (SANAS) or a Registered Auditor approved by the Independent Regulatory Board of Auditors (IRBA) or an Accounting Officer as contemplated in the Close Corporation Act (CCA) together with the bid, will be interpreted to mean that preference points for B-BBEE status level of contribution are not claimed.

1.5. 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**

2.1  **“all applicable taxes”** includes value-added tax, pay as you earn, income tax, unemployment insurance fund contributions and skills development levies;

2.2 **“B-BBEE”** means broad-based black economic empowerment as defined in section 1 of the Broad -Based Black Economic Empowerment Act;

2.3 “**B-BBEE status level of contributor”** means the B-BBEE status received by a measured entity based on its overall performance using the relevant scorecard contained in the Codes of Good Practice on Black Economic Empowerment, issued in terms of section 9(1) of the Broad-Based Black Economic Empowerment Act;

2.4 **“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 services, works or goods, through price quotations, advertised competitive bidding processes or proposals;

2.5 **“Broad-Based Black Economic Empowerment Act”** means the Broad-Based Black Economic Empowerment Act, 2003 (Act No. 53 of 2003);

2.6 **“comparative price”** means the price after the factors of a non-firm price and all unconditional discounts that can be utilized have been taken into consideration;

2.7 **“consortium or joint venture”** 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;

2.8 **“contract”** means the agreement that results from the acceptance of a bid by an organ of state;

2.9 **“EME”** means any enterprise with annual total revenue of R5 million or less

2.10 **“Firm price”** means the price that is only subject to adjustments in accordance with the actual increase or decrease resulting from the change, imposition, or abolition of customs or excise duty and any other duty, levy, or tax, which, in terms of the law or regulation, is binding on the contractor and demonstrably has an influence on the price of any supplies, or the rendering costs of any service, for the execution of the contract;

2.11 **“functionality”** means the measurement according to predetermined norms, as set out in the bid **documents**, of a service or commodity that is designed to be practical and useful, working or operating, taking into account, among other factors, the quality, reliability, viability and durability of a service and the technical capacity and ability of a bidder;

2.12 **“non-firm prices”** means all prices other than “firm” prices;

2.13 **“person”** includes a juristic person;

2.14 **“rand value”** means the total estimated value of a contract in South African currency, calculated at

 The time of bid invitations, and includes all applicable taxes and excise duties;

2.15 **“sub-contract”** means the primary contractor’s assigning, leasing, making out work to, or employing, another person to support such primary contractor in the execution of part of a project in terms of the contract;

2.16 **“total revenue”** bears the same meaning assigned to this expression in the Codes of Good Practice on Black Economic Empowerment, issued in terms of section 9(1) of the Broad-Based Black Economic Empowerment Act and promulgated in the *Government Gazette* on 9 February 2007;

2.17 **“trust”** means the arrangement through which the property of one person is made over or bequeathed to a trustee to administer such property for the benefit of another person; and

2.18 **“trustee”** means any person, including the founder of a trust, to whom property is bequeathed in order for such property to be administered for the benefit of another person.

**3.** **ADJUDICATION USING A POINT SYSTEM**

3.1 The bidder obtaining the highest number of total points will be awarded the contract.

3.2 Preference points shall be calculated after prices have been brought to a comparative basis taking into account all factors of non-firm prices and all unconditional discounts;

3.3 Points scored must be rounded off to the nearest 2 decimal places.

3.4 In the event that two or more bids have scored equal total points, the successful

 bid must be the one scoring the highest number of preference points for B-BBEE.

 3.5 However, when functionality is part of the evaluation process and two or more bids have scored equal points including equal preference points for B-BBEE, the successful bid must be the one scoring the highest score for functionality.

* 1. Should two or more bids be equal in all respects, the award shall be decided by the drawing of lots.
1. **POINTS AWARDED FOR PRICE**

**4.1 THE 80/20 PREFERENCE POINT SYSTEMS**

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

 **80/20 Preference System:**

$$Ps=80\left(1-\frac{Pt-Pmin}{Pmin}\right)$$

 Where

 Ps = Points scored for comparative price of bid under consideration

 Pt = Comparative price of bid under consideration

 Pmin = Comparative price of lowest acceptable bid

 **Points awarded for B-BBEE Status Level of Contribution**

* 1. in terms of Regulation 5 (2) and 6 (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** **(80/10 system)** |
| 1 | 20 |
| 2 | 18 |
| 3 | 14 |
| 4 | 12 |
| 5 | 8 |
| 6 | 6 |
| 7 | 4 |
| 8 | 2 |
| Non-compliant contributor | 0 |

* 1. Bidders who qualify as EMEs in terms of the B-BBEE Act must submit a certificate issued by an Accounting Officer as contemplated in the CCA or a Verification Agency accredited by SANAS or a Registered Auditor. Registered auditors do not need to meet the prerequisite for IRBA’s approval for the purpose of conducting verification and issuing EMEs with B-BBEE Status Level Certificates.
	2. Bidders other than EMEs must submit their original and valid B-BBEE status level verification certificate or a certified copy thereof, substantiating their B-BBEE rating issued by a Registered Auditor approved by IRBA or a Verification Agency accredited by SANAS.
	3. A trust, consortium or joint venture, will qualify for points for their B-BBEE status level as a legal entity, provided that the entity submits their B-BBEE status level certificate.
	4. A trust, consortium or joint venture will qualify for points for their B-BBEE status level as an unincorporated entity, provided that the entity submits their consolidated B-BBEE scorecard as if they were a group structure and that such a consolidated B-BBEE scorecard is prepared for every separate bid.
	5. Tertiary institutions and public entities will be required to submit their B-BBEE status level certificates in terms of the specialized scorecard contained in the B-BBEE Codes of Good Practice.
	6. A person will not be awarded points for B-BBEE status level if it is indicated in the bid documents that such a bidder intends sub-contracting more than 25% of the value of the contract to any other enterprise that does not qualify for at least the points that such a bidder qualifies for, unless the intended sub- contractor is an EME that has the capability and ability to execute the sub-contract.
	7. A person awarded a contract may not sub-contract more than 25% of the value of the contract to any other enterprise that does not have an equal or higher B-BBEE status level than the person concerned, unless the contract is sub-contracted to an EME that has the capability and ability to execute the sub-contract.
1. **BID DECLARATION**

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

**B-BBEE STATUS LEVEL OF CONTRIBUTION CLAIMED IN TERMS OF PARAGRAPHS 1.3.1.2 AND 5**

 B-BBEE Status Level of Contribution: …………. = ……………(maximum of 20 points)

**(Points claimed in respect of paragraph 7.1 must be in accordance with the table reflected in paragraph 5.1 and must be substantiated by means of a B-BBEE certificate issued by a Verification Agency accredited by SANAS or a Registered Auditor approved by IRBA or an Accounting Officer as contemplated in the CCA).**

1. **SUB-CONTRACTING**

6.1 Will any portion of the contract be sub-contracted? **YES / NO** (delete which is not applicable)

6.1.1 If yes, indicate:

 (i) what percentage of the contract will be subcontracted?...............….…%

 (ii) the name of the sub-contractor? …………………………....................

 (iii) the B-BBEE status level of the sub-contractor? ……………………………..

 (iv) whether the sub-contractor is an EME? **YES / NO** (delete which is not applicable)

**7** **DECLARATION WITH REGARD TO COMPANY/FIRM**

7.1 Name of firm :

7.2 VAT registration number :

7.3 Company registration number: …………………………………………………

7.4TYPE OF COMPANY/ FIRM

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

**[Tick applicable box]**

**7.5** DESCRIBE PRINCIPAL BUSINESS ACTIVITIES

…………..

………………

……………..

**7.6 COMPANY CLASSIFICATION**

* + Manufacturer
	+ Supplier
	+ Professional service provider
	+ Other service providers, e.g. transporter, etc.

 **[Tick applicable box]**

**7.7 MUNICIPAL INFORMATION**

 Municipality where business is situated ………………………………………

 Registered Account Number …………………………….

 Stand Number ……………………………………………….

7.8 TOTAL NUMBER OF YEARS THE COMPANY/FIRM HAS BEEN IN BUSINESS? ……………………………………………………………………………………

7.9 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 contribution indicated in paragraph 7 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 paragraph 7, 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 contribution 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;

1. restrict the bidder or contractor, its shareholders and directors, or only the shareholders and directors who acted on a fraudulent basis, 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
2. forward the matter for criminal prosecution

**WITNESSES:**

1. ………………………………………

 ……………………………………

**SIGNATURE(S) OF BIDDER(S)**

1. ………………………………………

 DATE:………………………….…...……..

**MBD 7.2**

**CONTRACT FORM - RENDERING OF SERVICES**

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

**PART 1 (TO BE FILLED IN BY THE SERVICE PROVIDER)**

1. I hereby undertake to render services described in the attached bidding documents to (name of the institution)……………………………………. in accordance with the requirements and task directives / proposals specifications stipulated in Bid Number………….……….. at the price/s quoted. My offer/s remains binding upon me and open for acceptance by the Purchaser during the validity period indicated and calculated from the closing date of the bid.
2. The following documents shall be deemed to form and be read and construed as part of this agreement:
3. Bidding documents, *viz*
* Invitation to bid;
* Tax clearance certificate;
* Pricing schedule(s);
* Filled in task directive/proposal;
* 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;
1. General Conditions of Contract; and
2. 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 services 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 fulfilment 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.

WITNESSES

1. …….……………………………….
2. ……….…………………………….

DATE:…………………………………..

NAME (PRINT) …………………………….

CAPACITY …………………………….

SIGNATURE …………………………….

NAME OF FIRM …………………………….

DATE …………………………….

**MBD 7.2**

**CONTRACT FORM - RENDERING OF SERVICES**

**PART 2 (TO BE FILLED IN BY THE PURCHASER)**

1. I………………………………………………………. in my capacity as……………………...……………………………….. Accept your bid under reference number ………………dated………………………for the rendering of services indicated hereunder and/or further specified in the annexure(s).
2. An official order indicating service delivery instructions is forthcoming.
3. I undertake to make payment for the services rendered in accordance with the terms and conditions of the contract, within 30 (thirty) days after receipt of an invoice.

|  |  |  |  |  |
| --- | --- | --- | --- | --- |
| **DESCRIPTION OF****SERVICE** | **PRICE (ALL APPLICABLE TAXES INCLUDED)** | **COMPLETION DATE** | **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 …………………………………….….………………………**

**WITNESSES**

1. **….………………………………**
2. **…..……………………………..**

**DATE: ……………………………**

**OFFICIAL STAMP**

**MBD 8**

**DECLARATION OF BIDDER’S PAST SUPPLY CHAIN MANAGEMENT PRACTICES**

1. This Standard Bidding Document must form part of all bids invited.
2. It serves as a declaration to be used by institutions 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 disregarded if that bidder, or any of its directors have-
	1. abused the institution’s supply chain management system;
	2. committed fraud or any other improper conduct in relation to such system; or
	3. Failed to perform on any previous contract.
4. **In order to give effect to the above, the following questionnaire must be completed and submitted with the bid.**

|  |  |  |  |
| --- | --- | --- | --- |
| **Item** | **Question** | **Yes** | **No** |
| 4.1 | Is the bidder or any of its directors listed on the National Treasury’s Database of Restricted Suppliers as companies or persons prohibited from doing business with the public sector?**(Companies or persons who are listed on this Database were informed in writing of this restriction by the Accounting Officer/Authority of the institution that imposed the restriction after the *audi alteram partem* rule was applied).**The Database of Restricted Suppliers now resides on the National Treasury’s website ([**www.treasury.gov.za**](http://www.treasury.gov.za)) and can be accessed by clicking on its link at the bottom of the home page.  | Yes[ ]  | No[ ]  |
| 4.1.1 | If so, furnish particulars: |
| 4.2 | Is the bidder or any of its directors listed on the Register for Tender Defaulters in terms of section 29 of the Prevention and Combating of Corrupt Activities Act (No 12 of 2004)? **The Register for Tender Defaulters can be accessed on the National Treasury’s website (**[**www.treasury.gov.za**](http://www.treasury.gov.za)**) by clicking on its link at the bottom of the home page.**  | Yes[ ]  | No[ ]  |
| 4.2.1 | If so, furnish particulars: |
| 4.3 | Was the bidder or any of its directors convicted by a court of law (including a court outside of the Republic of South Africa) for fraud or corruption during the past five years? | Yes[ ]  | No[ ]  |
| 4.3.1 | If so, furnish particulars: |
| 4.4 | Was any contract between the bidder and any organ of state terminated during the past five years on account of failure to perform on or comply with the contract? | Yes[ ]  | No[ ]  |
| 4.4.1 | If so, furnish particulars: |

**I, THE UNDERSIGNED (FULL NAME)**

 **…………………………………………………………………………………………**

**CERTIFY THAT THE INFORMATION FURNISHED ON THIS DECLARATION FORM IS 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**

**MBD 9**

**CERTIFICATE OF INDEPENDENT BID DETERMINATION**

1. This Standard Bidding Document (MBD) must form part of all bids¹ invite

 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).² Collusive bidding is a *pe se* prohibition meaning that it cannot be justified under any grounds.

1. Treasury Regulation 16A9 prescribes that accounting officers and accounting authorities must take all reasonable steps to prevent abuse of the supply chain management system and authorizes accounting officers and accounting authorities to:

**a.** disregards the bid of any bidder if that bidder, or any of its directors have abused the institution’s supply chain management system and or committed fraud or any other improper conduct in relation to such system.

**b.** cancels a contract awarded to a supplier of goods and services if the supplier committed any corrupt or fraudulent act during the bidding process or the execution of that contract.

 **3.** 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.

 **4.** In order to give effect to the above, the attached Certificate of Bid Determination **(MBD 9)** must be completed and submitted with the bid:

**¹ Includes price quotations, advertised competitive bids, limited bids and proposals.**

**² 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.**

**³ 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.**

**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 Institution)

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

1. 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 consortium³ will not be construed as collusive bidding.
2. In particular, without limiting the generality of paragraphs 6 above, there has been no consultation, communication, agreement or arrangement with any competitor regarding:
3. prices;
4. 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.

1. 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.
2. 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.
3. 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

|  |  |
| --- | --- |
| 1. **List of Administration Documents**
 | **Tenderer’s tick box √ if done** |
| **3.1.** | Status of Concern Submitting Tender |  |
| **3.2.** | Declaration of authority |  |
| **3.3** | Compulsory Enterprise Questionnaire |  |
| **3.4.** | Schedule of work satisfactorily carried out by the tenderer  |  |
| **3.5.** | Confirmation of Receipt of Addenda to Tender Documents |  |
| **3.6.** | Proposed Amendments |  |

|  |
| --- |
|  **3.1. STATUS OF CONCERN SUBMITTING TENDER** |

1. **General**

State whether the tenderer is a company, a closed corporation, a partnership, a sole practitioner or a joint venture:

**(Mark the appropriate option below)**

|  |  |
| --- | --- |
| Public Company |  |
| Private Company |  |
| Closed Corporation |  |
| Partnership |  |
| Sole Proprietary |  |
| Joint Venture |  |
| Co-operative |  |

1. **Information to be Provided**

| **If the Tendering Entity is a:** | **Documentation to be submitted with the tender** |
| --- | --- |
| **1** | Closed Corporation, incorporated under the Close Corporation Act, 1984, Act 69 of 1984. | CIPRO CK1 or CK2 (Copies of the founding statement) and list of members. |
| **2** | Private Company incorporated with share capital, under the companies Act, 1973, Act 61of 1973.(Including Companies incorporated under Art 53 (b)). | Copies of:1. CIPRO CM 1 - Certificate of Incorporation
2. CIPRO CM 29 – Contents of Register of Directors, Auditors and Officers
3. Shareholders Certificates of all Members of the Company.
 |
| **3** | Private Company incorporated with share capital, under the companies Act, 1973, Act 61of 1973 in which any, or all, shares are held by another Closed Corporation or company with, or without, share capital. | Copies of documents referred to in 1 and/or 2 above in respect of all such Closed Corporations and/or Companies. |
| **4** | Public Company incorporated with share capital, under the companies Act, 1973, Act 61of 1973(Including Companies incorporated under Art 21). | A signed statement of the Company’s Secretary confirming that the Company is a public Company.Copy of CM 29. |
| **5** | Sole Proprietary or a Partnership. | Copy of the Identity Document of:1. Such Sole Proprietary, or
2. Each of the Partners in the Partnership

Copy of the Partnership agreement. |
| **6** | Co-operative. | CIPRO CR2 - Copies of Company registration document. (The percentage of work to be done by each partner must clearly be indicated on Form RDB1 (or RDB2 as applicable) of the tender document: MBD6.1 Preference Points Claim Form in terms of the Preferential Procurement Regulations 2001). |
| **7** | Joint Venture. | All the documents (as described above) as applicable to each partner in the JV as well as a copy of the Joint Venture agreement. (The percentage of work to be done by each partner of the joint venture must clearly be indicated in the Joint Venture Agreement). |

**Note:**

1. If the shares are held in trust provide a copy of the Deed of Trust (only the front page and pages listing the trustees and beneficiaries are required) as well as the Letter of Authority as issued by the Master of the Supreme Court, wherein trustees have been duly appointed and authorised, must be provided.
2. Include a copy of the Certificate of Change of Name (CM9) if applicable.
3. **Registered For Vat Purposes In Terms Of The Value-Added Tax Act,** *(Act No. 89 of 1991)*

**(Make an X in the appropriate space below)**

|  |  |
| --- | --- |
| **Yes** |  |
| **No** |  |

**REGISTRATION NO:**

|  |
| --- |
|  **3.2. DECLARATION OF AUTHORITY**  |

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

|  |  |  |  |  |
| --- | --- | --- | --- | --- |
| **ACompany** | **BPartnership** | **CJoint Venture** | **DSole Proprietor** | **EClose Corporation** |
|  |  |  |  |  |
|  |  |  |  |  |
|  | **Certificate for Company** |
|  | I,………. , chairperson of the board of directors of …………………………………………………………..…., hereby confirm that by resolution of the board (copy attached) taken on 20…..…, Mr. /Ms. acting in the capacity of (Position in the Enterprise), and who will sign as follows: .................................................. be, and is hereby, authorized to sign the Bid/Tender, and any and all documents and/or correspondence in connection with this tender and any contract resulting from it on behalf of the company. |
|  | **As witnesses** : |
| 1 |  |  | Chairman : |  |
| 2 |  |  | Date : |  |
|  |  |
|  |

|  |  |  |  |
| --- | --- | --- | --- |
|  | **NAME** | **CAPACITY** | **SIGNATURE** |
| 1 |  |  |  |
| 2 |  |  |  |
| 3 |  |  |  |
| 4 |  |  |  |
| 5 |  |  |  |
| 6 |  |  |  |

 |
|  | **NOTE:**1. Delete which is not applicable
2. NB: This resolution must be signed by all the Directors/Members/Partners of the Bidding Enterprise
3. Should the number of Directors/Members/Partners exceed the space available above, additional names and signatures must be supplied on a separate page.
 |
|  |  |
|  |  |
|  | **Certificate for Partnership** |
|  | We, the undersigned, being the key partners in the business trading as ………………………………………………………… hereby authorize \*Mr./Ms., …………………………………….………………………………acting in the capacity of (Position in the Enterprise), and who will sign as follows: ..................................................be, and is hereby, authorized to sign the Bid/Tender, and any and all documents and/or correspondence in connection with this tender and any contract resulting from it on behalf of the company. |
|  | **NAME** | **ADDRESS** | **SIGNATURE** | **DATE** |
|  |  |  |  |  |
|  |  |  |  |  |
|  |  |  |  |  |
|  |  |  |  |  |
|  |  |  |  |  |
|  | NOTE:1. \*Delete which is not applicable
2. NB: This resolution must be signed by all the Directors/Members/Partners of the Bidding Enterprise
3. Should the number of Directors/Members/Partners exceed the space available above, additional names and signatures must be supplied on a separate page.
 |
|  | **Certificate for Joint Venture and Consortia** |
|  | We, the undersigned, are submitting this tender offer in a Joint Venture / Consortium and hereby authorize \*Mr. /Ms., ………………………………….acting in the capacity of lead partner, and who will sign as follows: ...................................................................be, and is hereby, authorized to sign the Bid/Tender, and any and all documents and/or correspondence in connection with this tender and any contract resulting from it on behalf of the company. |
|  | This authorization is evidenced by the attached power of attorney signed by legally authorized signatories of all the partners to the Joint Venture / Consortium. |
|  |  |
|  | **NAME OF FIRM** | **Lead Partner (X)** | **ADDRESS** | **% of Contract Value** | **AUTHORISING SIGNATURE,NAME & CAPACITY** |
|  |  |  |  |  |  |
|  |  |  |  |  |  |
|  |  |  |  |  |  |
|  |  |  |  |  |  |
|  |  |
|  | **Certificate for Sole Proprietor** |
|  | I, hereby confirm that I am the sole owner of the business trading as ……………………………………………………………….. |
|  | **As witnesses** : |
| 1 |  |  | **Signature: Sole owner\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_** |  |
| 2 |  |  |  **Date**: ……………………………………………. |  |
|  |  |  |  |  |
|  | **Certificate for Close Corporation** |
|  | We, the undersigned, being the key members in the business trading as  hereby authorize \*Mr. /Mrs. acting in the capacity of …………………….. , (Position in the Enterprise), and who will sign as follows: ..................................................be, and is hereby, authorized to sign the Bid/Tender, and any and all documents and/or correspondence in connection with this tender and any contract resulting from it on behalf of the company. |
| **NAME** | **ADDRESS** | **SIGNATURE** | **DATE** |
|  |  |  |  |
|  |  |  |  |
|  |  |  |  |
|  |  |  |  |
| **NOTE:**1. \*Delete which is not applicable
2. NB: This resolution must be signed by all the Directors/Members/Partners of the Bidding Enterprise
3. Should the number of Directors/Members/Partners exceed the space available above, additional names and signatures must be supplied on a separate page.
 |  |

|  |
| --- |
| **3.3. COMPULSORY ENTERPRISE QUESTIONNAIRE** |
| The following particulars must be furnished. In the case of a joint venture, **separate** enterprise questionnaires in respect of each partner must be completed and submitted. |
| **Section 1: Name of enterprise:**  |
| **Section 2: VAT registration number, if any:**  |
| **Section 3: CIDB registration number, if any:**  |
| **Section 4: Particulars of sole proprietors and partners in partnerships** |
|  |
|  | **Name\*** | **Identity number\*** | **Personal income tax number\*** |  |
|  |  |  |  |  |
|  |  |  |  |  |
|  |  |  |  |  |
|  | **\*** Complete only if sole proprietor or partnership and attach separate page if more than 3 partners |  |
| **Section 5: Particulars of companies and close corporations** |
| Company registration number  |
| Close corporation number  |
| Tax reference number  |
| **Section 6: Record of service of the state** |
| Indicate by marking the relevant boxes with a cross, if any sole proprietor, partner in a partnership or director, manager, principal shareholder or stakeholder in a company or close corporation is currently or has been within the last 12 months in the service of any of the following: |
|  | 1. a member of any municipal council
2. a member of any provincial legislature
3. a member of the National Assembly or the National Council of Province
 | 1. an employee of any provincial department, national or provincial public entity or constitutional institution within the meaning of the Public Finance Management Act, 1999 (Act 1 of 1999)
 |  |
|  | 1. a member of the board of directors of any municipal entity
 | 1. a member of an accounting authority of any national or provincial public entity
 |  |
|  | 1. an official of any municipality or municipal entity
 | 1. an employee of Parliament or a provincial legislature
 |  |
| ***If any of the above boxes are marked, disclose the following:*** *(insert separate page if necessary* |
|  | **Name of sole proprietor, partner, director, manager, principal shareholder or stakeholder** | **Name of institution, public office, board or organ of state and position held** | **Status of service(tick appropriate column)** |  |
|  | **current** | **Within last12 months** |  |
|  |  |  |  |  |  |
|  |  |  |  |  |  |
|  |  |  |  |  |  |
| *\* Insert separate page if necessary* |
| **Section 7: Record of spouses, children and parents in the service of the state** |
| Indicate by marking the relevant boxes with a cross, if any spouse, child or parent of a sole proprietor, partner in a partnership or director, manager, principal shareholder or stakeholder in a company or close corporation is currently or has been within the last 12 months been in the service of any of the following: |
|  | 1. a member of any municipal council
2. a member of any provincial legislature
3. a member of the National Assembly or the National Council of Province
 | 1. an employee of any provincial department, national or provincial public entity or constitutional institution within the meaning of the Public Finance Management Act, 1999 (Act 1 of 1999)
 |  |
|  | 1. a member of the board of directors of any municipal entity
 | 1. a member of an accounting authority of any national or provincial public entity
 |  |
|  | 1. an official of any municipality or municipal entity
 | 1. an employee of Parliament or a provincial legislature
 |  |
| **Name of spouse, child or parent** | **Name of institution, public office, board or organ of state and position held** | **Status of service(tick appropriate column)** |
| **current** | **Within last12 months** |
|  |  |  |  |
|  |  |  |  |
|  |  |  |  |
|  |  |  |  |  |  |
| ***\* Insert separate page if necessary*** |
| The undersigned, who warrants that he/she is duly authorised to do so on behalf of the enterprise:  |
| 1. authorizes the Employer to obtain a tax clearance certificate from the South African Revenue Services that my / our tax matters are in order;
 |
| 1. confirms that the neither the name of the enterprise or the name of any partner, manager, director or other person, who wholly or partly exercises, or may exercise, control over the enterprise appears on the Register of Tender Defaulters established in terms of the Prevention and Combating of Corrupt Activities Act of 2004;
 |
| 1. confirms that no partner, member, director or other person, who wholly or partly exercises, or may exercise, control over the enterprise appears, has within the last five years been convicted of fraud or corruption;
 |
| 1. confirms that I / we are not associated, linked or involved with any other tendering entities submitting tender offers and have no other relationship with any of the tenderers or those responsible for compiling the scope of work that could cause or be interpreted as a conflict of interest;
 |
| 1. Confirms that the contents of this questionnaire are within my personal knowledge and are to the best of my belief both true and correct.
 |

*The undersigned, who warrants that he / she is duly authorised to do so on behalf of the enterprise, confirms that the contents of this schedule are within my personal knowledge and are to the best of my belief both true and correct.*

**Signed** **Date**

**Name** **Position**

**Tenderer**

|  |
| --- |
| **3.4. SCHEDULE OF WORK SATISFACTORILY CARRIED OUT BY THE TENDERER FOR PRIVATE CLIENTS OR ORGANS OF STATE*****(Organs of State include any Local, Provincial or National Government Authority)*** |

|  |
| --- |
| The following is a statement of similar work successfully executed by myself/ourselves: |
|  | **Employer, contact personand telephone number** | **Description of Contract** | **Value of Work Inclusive of VAT(Rand)** | **DateCompleted** |  |
|  |  |  |  |  |  |
|  |  |  |  |  |  |
|  |  |  |  |  |  |
|  |  |  |  |  |  |
|  |  |  |  |  |  |
|  |  |  |  |  |  |
|  |  |  |  |  |  |
|  |  |  |  |  |  |
|  |  |  |  |  |  |
|  |  |  |  |  |  |
|  |  |  |  |  |  |
|  |  |  |  |  |  |
|  |  |  |  |  |  |
|  |  |  |  |  |  |
|  |  |  |  |  |  |
|  |  |  |  |  |  |
|  |  |  |  |  |  |
|  |  |  |  |  |  |

*The undersigned, who warrants that he / she is duly authorised to do so on behalf of the enterprise, confirms that the contents of this schedule are within my personal knowledge and are to the best of my belief both true and correct.*

**Signed Date**

**Name Position**

**Tenderer ……………………………………………………………………………………………**

|  |
| --- |
| **3.5. RECORD OF ADDENDA TO TENDER DOCUMENTS** |

|  |
| --- |
| We confirm that the following communications were received from the Employer before the submission of this tender offer, amending or amplifying the tender documents, have been taken into account in this tender offer : |
| **No.** | **Date** | **Title or Details** |
| **1.** |  |  |
| **2.** |  |  |
| **3.** |  |  |
| **4.** |  |  |
| **5.** |  |  |
| **6.** |  |  |
| **7.** |  |  |
| **8.** |  |  |
| **9.** |  |  |
| **10** |  |  |

Attach additional pages if more space is required.

*The undersigned, who warrants that he / she is duly authorised to do so on behalf of the enterprise, confirms that the contents of this schedule are within my personal knowledge and are to the best of my belief both true and correct.*

Signed Date

Name Position

Tenderer ……………………………………………………………………………………………..

|  |
| --- |
| **3.6. PROPOSED AMENDMENTS**  |

The Tenderer should record any deviations or qualifications he may wish to make to the tender documents in this Returnable Schedule. Alternatively, a tenderer may state such deviations and qualifications in **a covering letter to his tender and reference such letter in this schedule.**

The Tenderer’s attention is drawn to clause 3.8 of the Standard Conditions of Tender referenced in the Tender Data regarding the Employer’s handling of material deviations and qualifications.

|  |  |  |
| --- | --- | --- |
| **PAGE** | **CLAUSE OR ITEM** | **PROPOSAL** |
|  |  |  |

*The undersigned, who warrants that he / she is duly authorised to do so on behalf of the enterprise, confirms that the contents of this schedule are within my personal knowledge and are to the best of my belief both true and correct.*

**Signed Date**

**Name Position**

**Tenderer**

**4. GENERAL CONDITION OF CONTRACT – GOVERNMENT REQUIREMENT**

**1. 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. Such events may include, but is not restricted to, acts of the purchaser in its sovereign capacity, wars or revolutions, fires, floods, epidemics, quarantine restrictions and freight embargoes.

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

1.14. “GCC” means the General Conditions of Contract.

* 1. “Goods” means all of the equipment, machinery, and/or other materials that the supplier is required to supply to the purchaser under the contract.

1.16. “Imported content” means that portion of the bidding price represented by the cost of components, parts or materials which have been or are still to be imported (whether by the supplier or his subcontractors) and which costs are inclusive of the costs abroad, plus freight and other direct importation costs such as landing costs, dock dues, import duty, sales duty or other similar tax or duty at the South African place of entry as well as transportation and handling charges to the factory in the Republic where the supplies covered by the bid will be manufactured.

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

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

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

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

1.21. “Purchaser” means the organization purchasing the goods.

1.22. “Republic” means the Republic of South Africa.

1.23. “SCC” means the Special Conditions of Contract.

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

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

1.26. “Tort” means in breach of contract.

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

1.28. “Written” or “in writing” means 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 foray 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 in SCC.

**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 representative of the purchaser or an organization acting on behalf of the purchasing department.

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

8.8. The provisions of clauses 8.4 to 8.7 shall not prejudice the right of the purchaser to cancel the contract on account of a breach of the conditions thereof, or to act in terms of Clause 23 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 in SCC.

**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 in the SCC.

**12. Transportation**

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

**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**

14.1.1. As specified in SCC, 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:

14.1.2. 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;

14.1.3. in the event of termination of production of the spare parts:

14.1.3.1. advance notification to the purchaser of the pending termination, in sufficient time to permit the purchaser to procure needed requirements; and

14.1.3.2. 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 in SCC.

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

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

16.4. Payment will be made in Rand unless otherwise stipulated in SCC.

**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 in SCC 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.

1. **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, it's 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, wither 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 togs Clause 22, unless an extension of time is agreed upon pursuant to GCC Clause 22without 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.

1. **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 purchase 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 omits 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 of 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 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 another 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 olfaction 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 tour otherwise, shall not exceed the total contract price, provided that this limitation shallot 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 0f 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 tony 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.

*General Conditions of Contract (revised July 2010)*