



# Tender

## **TENDER FOR THE OF PROPOSAL 132/11kV ESKOM LEACHES BAY SUBSTATION 40MVA CAPACITY UPGRADE**

at the

**East London Industrial Development Zone**

**CONTRACT NO: ES/24/ELEC/LEACHESBAY/ 40MVA/01**

**VOLUME B : TENDER FOR THE PROPOSAL OF  
132/11kV ESKOM LEACHES BAY SUBSTATION  
40MVA CAPACITY UPGRADE**

East London IDZ  
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**“ENVELOPE B”**

**NOTE: DO NOT SPLIT/UN-BIND THIS DOCUMENT**

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**PART 1**  
**THE CONTRACT**

**CONTRACT NO: ES/24/ELEC/LEACHESBAY/ 40MVA/01**

**TENDER FOR THE PROPOSAL OF 132/11KV ESKOM  
LEACHES BAY SUBSTATION UPGRADE**

## **1.1 AGREEMENT AND CONTRACT DATA**

1.1.1 Form of Offer and Acceptance

1.1.2 Form of Guarantee



**1.1.1 FORM OF OFFER AND ACCEPTANCE**

<b>Project title:</b>	<b>TENDER FOR THE PROPOSAL OF 132/11kV ESKOM LEACHES BAY SUBSTATION 40MVA CAPACITY UPGRADE</b>
<b>Contract No:</b>	<b>CONTRACT NO: ES/24/ELEC/LEACHESBAY/ 40MVA/01</b>

**A. OFFER**

The Employer, identified in the acceptance signature block, has solicited offers to enter into a contract for the procurement of: **132/11kV ESKOM LEACHES BAY SUBSTATION 40MVA CAPACITY UPGRADE**

The Tenderer, identified in the offer signature block, has examined the documents listed in the tender data and addenda thereto as listed in the returnable schedules, and by submitting this offer has accepted the conditions of tender.

By the representative of the Tenderer, deemed to be duly authorized, signing this part of this form of offer and acceptance, the Tenderer offers to perform all of the obligations and liabilities of the Contractor under the contract including compliance with all its terms and conditions according to their true intent and meaning for an amount to be determined in accordance with the conditions of contract identified in the contract data.

**THE OFFERED TOTAL OF THE PRICES INCLUSIVE OF VALUE ADDED TAX IS:**

Rand (in words):	
Rand (in figures):	R

This offer may be accepted by the Employer by signing the acceptance part of this form of offer and acceptance and returning one copy of this document to the Tenderer before the end of the period of validity stated in the tender data, whereupon the Tenderer becomes the party named as the Contractor in the conditions of contract identified in the contract data.

**THIS OFFER IS MADE BY THE FOLLOWING LEGAL ENTITY:** (cross out block which is not applicable)

<p>Company or Close Corporation:</p> <p>.....</p> <p>.....</p>	<p>OR</p>	<p>Natural Person or Partnership:</p> <p>.....</p> <p>.....</p> <p>Whose Identity Number(s) is/are:</p> <p>.....</p> <p>Whose Income Tax Reference Number is/are:</p> <p>.....</p>
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**AND WHO IS** (if applicable):

Trading under the name and style of:  
.....

**AND WHO IS:**

Represented herein, and who is duly authorised  
to do so, by:

Mr/Mrs/Ms:

.....  
In his/her capacity as:  
.....

**Note:**

**A Resolution / Power of Attorney, signed by  
all the Directors / Members / Partners of the  
Legal Entity must accompany this Offer,  
authorising the Representative to make this  
offer.**

**SIGNED FOR THE TENDERER:**

Name of Representative	Signature	Date

**WITNESSED BY:**

Name of Witness	Signature	Date

The Tenderer elects as its domicilium citandi et executandi in the Republic of South Africa,  
where any and all legal notices may be served, as (physical address):

.....  
.....

.....  
.....

Other Contact Details of the Tenderer are:

Telephone No ..... Cellular Phone No.....

Fax No .....

Postal address

.....  
.....



**B. ACCEPTANCE**

By signing this part of this form of offer and acceptance, the Employer identified below accepts the Tenderer’s offer. In consideration thereof, the Employer shall pay the Contractor the amount due in accordance with the conditions of contract identified in the contract data. Acceptance of the Tenderer’s offer shall form an agreement between the Employer and the Tenderer upon the terms and conditions contained in this agreement and in the contract that is the subject of this agreement.

The terms of the contract, are contained in:

- 2.1 Agreement and contract data
- 2.2 Pricing data
- 2.3 Scope of work
- 2.4 Site information

and drawings and documents or parts thereof, which may be incorporated by reference into Parts 2.1 to 2.4 above.

Deviations from and amendments to the documents listed in the tender data and any addenda thereto as listed in the tender schedules as well as any changes to the terms of the offer agreed by the Tenderer and the Employer during this process of offer and acceptance, are contained in the schedule of deviations attached to and forming part of this agreement. No amendments to or deviations from said documents are valid unless contained in this schedule.

The Tenderer shall within two weeks after receiving a completed copy of this agreement, including the schedule of deviations (if any), contact the Employer’s agent (whose details are given in the contract data) to arrange the delivery of any bonds, guarantees, proof of insurance and any other documentation to be provided in terms of the conditions of contract identified in the contract data. Failure to fulfil any of these obligations in accordance with those terms shall constitute a repudiation of this agreement.

Notwithstanding anything contained herein, this agreement comes into effect, if delivered by hand on the day of delivery, or if delivered by courier within two working days after submission by the Employer to the courier services for a door-to-door delivery to the Tenderer, provided that the Employer notifies the Tenderer of the tracking number within 24 hours of such submission. Unless the Tenderer (now Contractor) within seven working days of the date of such submission notifies the Employer in writing of any reason why he cannot accept the contents of this agreement, this agreement shall constitute a binding contract between the parties.

**FOR THE EMPLOYER:**

Name of Signatory	Signature	Date

<b>Name of Organisation:</b>	East London Industrial Development Zone SOC Ltd
Address of Organisation	Lower Chester Road, Sunnyridge East London 5201



**WITNESSED BY:**

Name of Witness	Signature	Date

**SCHEDULE OF DEVIATIONS:**

1. Subject:
Detail:
2. Subject:
Detail:
3. Subject:
Detail:

By the duly authorised representatives signing this agreement, the Employer and the Tenderer agree to and accept the foregoing schedule of deviations as the only deviations from and amendments to the documents listed in the tender data and addenda thereto as listed in the tender schedules, as well as any confirmation, clarification or changes to the terms of the offer agreed by the Tenderer and the Employer during this process of offer and acceptance.

It is expressly agreed that no other matter whether in writing, oral communication or implied during the period between the issue of the tender documents and the receipt by the Tenderer of a completed signed copy of this Agreement shall have any meaning or effect in the contract between the parties arising from this agreement.



**1.1.2. FORM OF GAURANTEE**

Project title:	<b>TENDER FOR THE PROPOSAL OF 132/11kV ESKOM LEACHES BAY SUBSTATION 40MVA CAPACITY UPGRADE</b>
Contract No:	<b>CONTRACT NO: ES/24/ELEC/LEACHESBAY/ 40MVA/01</b>

WHEREAS

.....  
(hereinafter referred to as “the Employer”) entered into, a Contract with

.....  
(hereinafter called “the Contractor)

on the ..... Day of ..... for the construction of

.....  
at

.....  
AND WHEREAS it is provided by such Contract that the Contractor shall provide the Employer with security by way of a guarantee for the due and faithful fulfilment of such Contract by the Contractor;

AND WHEREAS .....

has/have at the request of the Contractor, agreed to give such guarantee.

NOW THEREFORE WE, .....

do hereby guarantee and bind ourselves jointly and severally as Guarantor and Co-Principal Debtors to the Employer under renunciation of the benefits of division and excussion for the due and faithful performance by the Contractor of all the terms and conditions of the said Contract, subject to the following conditions:

1. The Employer shall, without reference and/or notice to us, have complete liberty of action to act in any manner authorized and/or contemplated by the terms of the said Contract, and/or to agree to any modifications, variations, alterations, directions or extensions of the Completion Date of the Works under the said Contract, and that its rights under this guarantee shall in no way be prejudiced nor our liability hereunder be affected by reason of any steps which the Employer may take under such Contract, or of any modification, variation, alterations of the Completion Date which the Employer may make, give, concede or agree to under the said Contract.
  
2. This guarantee shall be limited to the payment of a sum of money.



3. The Employer shall be entitled, without reference to us, to release any guarantee held by it, and to give time to or compound or make any other arrangement with the Contractor.
4. This guarantee shall remain in full force and effect until the issue of the Certificate of Completion in terms of the Contract, unless we are advised in writing by the Employer before the issue of the said Certificate of his intention to institute claims, and the particulars thereof, in which event this guarantee shall remain in full force and effect until all such claims have been paid or liquidated.
5. Our total liability hereunder shall not exceed the sum of  
.....(R.....)
6. The Guarantor reserves the right to withdraw from this guarantee by depositing the Guaranteed Sum with the beneficiary, whereupon the Guarantor's liability hereunder shall cease.
7. We hereby choose our address for the serving of all notices for all purposes arising here from as  
.....

IN WITNESS WHEREOF this guarantee has been executed by us at .....

on this ..... day of .....20.....

As witnesses:

1. .... Signature.....

2. .... Duly authorized to sign on behalf of

.....

Address .....

.....

## **1.2 PRICING DATA**

### 1.2.1 Pricing Instructions

### 1.2.2 Bills of Quantities

## 1.2.1 PRICING INSTRUCTIONS

1. Measurement and payment shall be guided in accordance with the relevant provisions of clause 8 of each of the SABS 1200 Standardised Specifications for Civil Engineering Construction referred to in the Scope of Work. The Preliminary and General items shall be measured in accordance with the provisions of SABS 1200-A, General.

2. The units of measurement described in the Bills of Quantities are metric units. Abbreviations used in these Bills of Quantities are as follows:

%	=	percentage
h	=	hour
ha	=	hectare
kg	=	kilogram
kl	=	kilolitre
km	=	kilometre
km-pass	=	kilometre-pass
kPa	=	kilopascal
kW	=	kilowatt
kVA	=	Kilo Volt Ampere
l	=	litre
m	=	metre
mm	=	millimetre
m <sup>2</sup>	=	square metre
m <sup>2</sup> -pass	=	square metre-pass
m <sup>3</sup>	=	cubic metre
m <sup>3</sup> -km	=	cubic metre-kilometre
MN	=	meganewton
MN.m	=	meganewton-metre
MPa	=	megapascal
No.	=	number
Prov sum	=	Provisional sum
PC sum	=	Prime Cost sum
R/only	=	Rate only
Sum	=	lump sum
W/day	=	Work day

3. Unless otherwise stated, items are measured net in accordance with the drawings, and no allowance is made for waste and offcuts.

4. The bidder shall cover the prices and rates for all costs and expenses that may be required in and for the execution of the work described in accordance with the provisions of the Scope of Work, and the bidder shall cover the cost of all general risks, liabilities, and obligations set forth or implied in the Contract Data.

5. It will be assumed that prices included in these Bills of Quantities are based on Acts, Ordinances, Regulations, By-laws, International Standards and National Standards that were published 28 days before the closing date for tenders. (Refer to [www.sabs.co.za](http://www.sabs.co.za) or [www.iso.org](http://www.iso.org) for information on standards)

Tenderer \_\_\_\_\_ Witness 1 \_\_\_\_\_ Witness 2 \_\_\_\_\_ Employer \_\_\_\_\_ Witness 1 \_\_\_\_\_ Witness 2 \_\_\_\_\_

6. Where the Scope of Work requires detailed drawings and designs or other information to be provided, all costs associated therewith are deemed to have been provided for and included in the unit rates and sum amounts tendered for such items.
7. An item against which no price is entered will be considered to be covered by the other prices or rates in the Bills of Quantities. A single lump sum will apply should a number of items be grouped together for pricing purposes.
8. The prices and rates to be inserted in the Bill of Quantities are to be full inclusive prices for the work described under the several items. Such prices and rates shall cover all costs and expenses that may be required in and for the execution of the work described, and shall cover the cost of all general risks, liabilities, and obligations set forth or implied in the documents on which the tender is based, as well as overhead charges and profit. Reasonable prices shall be inserted as these will be used as a basis for assessment of payment for additional work that may have to be carried out.
9. The Tenderer shall fill in a rate against all items where the words “rate only” appears in the amount column. The intention is that, although no work is foreseen under such item and no quantities are consequently given in the quantity column, the tendered rate shall apply should work under this item be actually required. Not completing the “rate only” items the employer may consider the tender to be not responsive.
10. Except where rates only are required, the Tenderer shall insert all amounts to be included in his total tendered price in the “Amount” column and show the corresponding total tendered price.
11. **The quantities set out in these Bills of Quantities are approximate where not indicated as Fixed and do not necessarily represent the actual amount of work to be done. The final quantities measured with related ancillaries installed will be used in determining the actual payments due and not the quantities given in the Bills of Quantities. All Equipment or Materials priced for this contract needs to be Eskom approved equipment as aligned to the Eskom Standard.**
12. The short descriptions of the items of payment given in these Bills of Quantities are only for the purposes of identifying the items. More details regarding the extent of the work entailed under each item appear in the Scope of Work and in the relevant Standardised Specification.
13. All prices and rates entered in the Bill of Quantities must be excluding Value Added Tax (VAT). VAT will be added last on the summary page of the Bill of Quantities.

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Tenderer \_\_\_\_ Witness 1 \_\_\_\_ Witness 2 \_\_\_\_ Employer \_\_\_\_ Witness 1 \_\_\_\_ Witness 2 \_\_\_\_

## **1.2.2 BILL OF QUANTITIES**

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***Carry through Total Price offered inclusive of VAT to Form 1.1.1 above.***

## **C2.6: DECLARATION CERTIFICATE FOR LOCAL PRODUCTION AND CONTENT FOR DESIGNATED SECTORS**

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Tenderer \_\_\_\_ Witness 1 \_\_\_\_ Witness 2 \_\_\_\_ Employer \_\_\_\_ Witness 1 \_\_\_\_ Witness 2 \_\_\_\_

## **C2.6: SBD 6.2 DECLARATION CERTIFICATE FOR LOCAL PRODUCTION AND CONTENT FOR DESIGNATED SECTORS**

This Standard Bidding Document (SBD) must form part of all bids invited. It contains general information and serves as a declaration form for local content (local production and local content are used interchangeably).

Before completing this declaration, bidders must study the General Conditions, Definitions, Directives applicable in respect of Local Content as prescribed in the Preferential Procurement Regulations, 2011, the South African Bureau of Standards (SABS) approved technical specification number SATS 1286:2011 (Edition 1) and the Guidance on the Calculation of Local Content together with the Local Content Declaration Templates [Annex C (Local Content Declaration: Summary Schedule), D (Imported Content Declaration: Supporting Schedule to Annex C) and E (Local Content Declaration: Supporting Schedule to Annex C)].

### **1. General Conditions**

- 1.1. Preferential Procurement Regulations, 2011 (Regulation 9) makes provision for the promotion of local production and content.
- 1.2. Regulation 9(1) prescribes that in the case of designated sectors, where in the award of bids local production and content is of critical importance, such bids must be advertised with the specific bidding condition that only locally produced goods, services or works or locally manufactured goods, with a stipulated minimum threshold for local production and content will be considered.
- 1.3. Where necessary, for bids referred to in paragraph 1.2 above, a two-stage bidding process may be followed, where the first stage involves a minimum threshold for local production and content and the second stage price and B-BBEE.
- 1.4. A person awarded a contract in relation to a designated sector, may not sub-contract in such a manner that the local production and content of the overall value of the contract is reduced to below the stipulated minimum threshold.
- 1.5. The local content (LC) expressed as a percentage of the bid price must be calculated in accordance with the SABS approved technical specification number SATS 1286: 2011 as follows:

$$LC = [1 - x / y] * 100$$

Where

- x is the imported content in Rand
- y is the bid price in Rand excluding value added tax (VAT)

Prices referred to in the determination of x must be converted to Rand (ZAR) by using the exchange rate published by South African Reserve Bank (SARB) at 12:00 on the date of advertisement of the bid as indicated in paragraph 4.1 below.

The SABS approved technical specification number SATS 1286:2011 is accessible on [http://www.thedti.gov.za/industrial development/ip.jsp](http://www.thedti.gov.za/industrial%20development/ip.jsp) at no cost.

1.6. A bid may be disqualified if –

- (a) this Declaration Certificate and the Annex C (Local Content Declaration: Summary Schedule) are not submitted as part of the bid documentation; and
- (b) the bidder fails to declare that the Local Content Declaration Templates (Annex C, D and E) have been audited and certified as correct.

## 2. Definitions

- 2.1. **“bid”** includes written price quotations, advertised competitive bids or proposals;
  - 2.2. **“bid price”** price offered by the bidder, excluding value added tax (VAT);
  - 2.3. **“contract”** means the agreement that results from the acceptance of a bid by an organ of state;
  - 2.4. **“designated sector”** means a sector, sub-sector or industry that has been designated by the Department of Trade and Industry in line with national development and industrial policies for local production, where only locally produced services, works or goods or locally manufactured goods meet the stipulated minimum threshold for local production and content;
  - 2.5. **“duly sign”** means a Declaration Certificate for Local Content that has been signed by the Chief Financial Officer or other legally responsible person nominated in writing by the Chief Executive, or senior member / person with management responsibility (close corporation, partnership or individual).
  - 2.6. **“imported content”** means that portion of the bid price represented by the cost of components, parts or materials which have been or are still to be imported (whether by the supplier or its subcontractors) and which costs are inclusive of the costs abroad (this includes labour or intellectual property costs), plus freight and other direct importation costs, such as landing costs, dock duties, import duty, sales duty or other similar tax or duty at the South African port of entry;
  - 2.7. **“local content”** means that portion of the bid price which is not included in the imported content, provided that local manufacture does take place;
  - 2.8. **“stipulated minimum threshold”** means that portion of local production and content as determined by the Department of Trade and Industry; and
  - 2.9. **“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.
3. **The stipulated minimum threshold(s) for local production and content (refer to Annex A of SATS 1286:2011) for this bid is/are as follows:**

<u>Description of services, works or goods</u>	<u>Stipulated minimum threshold</u>
National Treasury Designated Sectors Instruction No. 15 of 2016/2017 Stipulated Minimum Threshold of Conversion Processes for Local Production and Content for Electrical Equipment	90% as set out in Table 1A and 1B



4. Does any portion of the services, works or goods offered have any imported content?

(Tick applicable box)

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

4.1 If yes, the rate(s) of exchange to be used in this bid to calculate the local content as prescribed in paragraph 1.5 of the general conditions must be the rate(s) published by SARB for the specific currency at 12:00 on the date of advertisement of the bid.

The relevant rates of exchange information is accessible on [www.reservebank.co.za](http://www.reservebank.co.za).

Indicate the rate(s) of exchange against the appropriate currency in the table below (refer to Annex A of SATS 1286:2011):

Currency	Rates of exchange
US Dollar	
Pound Sterling	
Euro	
Yen	
Other	

NB: Bidders must submit proof of the SARB rate (s) of exchange used.

5. Were the Local Content Declaration Templates (Annex C, D and E) audited and certified as correct?

(Tick applicable box)

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

5.1. If yes, provide the following particulars:

- (a) Full name of auditor: .....
- (b) Practice number: .....
- (c) Telephone and cell number: .....
- (d) Email address: .....

(Documentary proof regarding the declaration will, when required, be submitted to the satisfaction of the Accounting Officer / Accounting Authority)

6. Where, after the award of a bid, challenges are experienced in meeting the stipulated minimum threshold for local content the dti must be informed accordingly in order for the dti to verify and in consultation with the AO/AA provide directives in this regard.



**LOCAL CONTENT DECLARATION**  
**(REFER TO ANNEX B OF SATS 1286:2011)**

**LOCAL CONTENT DECLARATION BY CHIEF FINANCIAL OFFICER OR OTHER LEGALLY RESPONSIBLE PERSON NOMINATED IN WRITING BY THE CHIEF EXECUTIVE OR SENIOR MEMBER/PERSON WITH MANAGEMENT RESPONSIBILITY (CLOSE CORPORATION, PARTNERSHIP OR INDIVIDUAL)**

**IN RESPECT OF BID NO.** .....

**ISSUED BY:** (Procurement Authority / Name of Institution):

.....  
**NB**

- 1 The obligation to complete, duly sign and submit this declaration cannot be transferred to an external authorized representative, auditor or any other third party acting on behalf of the bidder.
- 2 Guidance on the Calculation of Local Content together with Local Content Declaration Templates (Annex C, D and E) is accessible on <http://www.thdti.gov.za/industrialdevelopment/ip.jsp>. Bidders should first complete Declaration D. After completing Declaration D, bidders should complete Declaration E and then consolidate the information on Declaration C. **Declaration C should be submitted with the bid documentation at the closing date and time of the bid in order to substantiate the declaration made in paragraph (c) below.** Declarations D and E should be kept by the bidders for verification purposes for a period of at least 5 years. The successful bidder is required to continuously update Declarations C, D and E with the actual values for the duration of the contract.

I, the undersigned, ..... (full names),

do hereby declare, in my capacity as .....

of .....(name of bidder entity),  
the following:

- (a) The facts contained herein are within my own personal knowledge.
- (b) I have satisfied myself that:
  - (i) the goods/services/works to be delivered in terms of the above-specified bid comply with the minimum local content requirements as specified in the bid, and as measured in terms of SATS 1286:2011; and
  - (ii) the declaration templates have been audited and certified to be correct.

(c) The local content percentage (%) indicated below has been calculated using the formula given in clause 3 of SATS 1286:2011, the rates of exchange indicated in paragraph 4.1 above and the information contained in Declaration D and E which has been consolidated in Declaration C:

Bid price, excluding VAT (y)	R
Imported content (x), as calculated in terms of SATS 1286:2011	R
Stipulated minimum threshold for local content	



(paragraph 3 above)	
Local content %, as calculated in terms of SATS 1286:2011	

**If the bid is for more than one product, the local content percentages for each product contained in Declaration C shall be used instead of the table above. The local content percentages for each product has been calculated using the formula given in clause 3 of SATS 1286:2011, the rates of exchange indicated in paragraph 4.1 above and the information contained in Declaration D and E.**

(d) I accept that the Procurement Authority / Institution has the right to request that the local content be verified in terms of the requirements of SATS 1286:2011.

(e) I understand that the awarding of the bid is dependent on the accuracy of the information furnished in this application. I also understand that the submission of incorrect data, or data that are not verifiable as described in SATS 1286:2011, may result in the Procurement Authority / Institution imposing any or all of the remedies as provided for in Regulation 13 of the Preferential Procurement Regulations, 2011 promulgated under the Preferential Policy Framework Act (PPPFA), 2000 (Act No. 5 of 2000).

**SIGNATURE:** \_\_\_\_\_

**DATE:** \_\_\_\_\_

**WITNESS No. 1** \_\_\_\_\_

**DATE:** \_\_\_\_\_

**WITNESS No. 2** \_\_\_\_\_

**DATE:** \_\_\_\_\_