



**MHLATHUZE WATER**

**CONTRACT NO: MW/73/3/2022/2023**

**REFURBISHMENT AND AUGMENTATION OF WATER SUPPLY SCHEMES IN WARD 10 (OLD DEMARCATION) WITHIN MTUBATUBA LOCAL MUNICIPALITY**

**Compulsory pre-qualification criteria set by Mhlathuze Water to be met:**

- **CIDB 6 CE OR HIGHER**

**PROPOSAL SUBMITTED BY:**

Company Name: \_\_\_\_\_

Contact Person: \_\_\_\_\_

Physical Address: \_\_\_\_\_

Postal Address: \_\_\_\_\_

\_\_\_\_\_

\_\_\_\_\_

Contact No. \_\_\_\_\_

Email: \_\_\_\_\_

**CLOSING DATE: 23 March 2023 at 12h00**

**Enquiries:** For technical enquiries contact Mr. S. Mndaweni on Tel: 035 902 1037  
[simndaweni@mhlathuze.co.za](mailto:simndaweni@mhlathuze.co.za) or [tenders@mhlathuze.co.za](mailto:tenders@mhlathuze.co.za)

## **PART 1**

### **BIDDING PROCEDURES**

#### **T1.1 Bid Notice and Invitation to Bid**

## PART A INVITATION TO BID

**YOU ARE HEREBY INVITED TO BID FOR REQUIREMENTS OF THE MHLATHUZE WATER**

BID NUMBER:	CONTRACT.NO: MW/73/3/2022/2023	CLOSIND DATE: 23 MARCH 2023	CLOSING TIME:	12:00
DESCRIPTION	REFURBISHMENT AND AUGMENTATION OF WATER SUPPLY SCHEMES IN WARD 10 (OLD DEMARCATION) WITHIN MTUBATUBA LOCAL MUNICIPALITY			
THE SUCCESSFUL BIDDER WILL BE REQUIRED TO FILL IN AND SIGN A WRITTEN CONTRACT				

BID RESPONSE DOCUMENTS MAY BE DEPOSITED IN THE BID BOX SITUATED AT *(STREET ADDRESS)*

<b>MHLATHUZE WATER</b>				
<b>SECOND SECURITY GATE (TENDER BOX)</b>				
<b>CRN BATTERY BANK AND SOUTH CENTRAL ARTERIAL</b>				
<b>ALTON, RICHARDS BAY, 3900</b>				
<b>SUPPLIER INFORMATION</b>				
<b>NAME OF BIDDER</b>				
<b>POSTAL ADDRESS</b>				
<b>STREET ADDRESS</b>				
<b>TELEPHONE NUMBER</b>	<b>CODE</b>		<b>NUMBER</b>	
<b>CELLPHONE NUMBER</b>				
<b>FACSIMILE NUMBER</b>	<b>CODE</b>		<b>NUMBER</b>	
<b>E-MAIL ADDRESS</b>				
<b>VAT REGISTRATION NUMBER</b>				
	<b>TCS PIN:</b>		<b>OR</b>	<b>CSD No:</b>
<b>B-BBEE STATUS LEVEL VERIFICATION CERTIFICATE</b>	<input type="checkbox"/> Yes		<b>B-BBEE STATUS LEVEL</b>	<input type="checkbox"/> Yes
[TICK APPLICABLE BOX]	<input type="checkbox"/> No			<input type="checkbox"/> No

TENDER

Part T2: Returnable

		<b>SWORN AFFIDAVIT</b>	
<b>IF YES, WHO WAS THE CERTIFICATE ISSUED BY?</b>			
<b>AN ACCOUNTING OFFICER AS CONTEMPLATED IN THE CLOSE CORPORATION ACT (CCA) AND NAME THE APPLICABLE IN THE TICK BOX</b>	<input type="checkbox"/>	AN ACCOUNTING OFFICER AS CONTEMPLATED IN THE CLOSE CORPORATION ACT (CCA)	
	<input type="checkbox"/>	A VERIFICATION AGENCY ACCREDITED BY THE SOUTH AFRICAN ACCREDITATION SYSTEM (SANAS)	
	<input type="checkbox"/>	A REGISTERED AUDITOR	
		NAME:	
<b>[A B-BBEE STATUS LEVEL VERIFICATION CERTIFICATE/SWORN AFFIDAVIT(FOR EMEs&amp; QSEs) MUST BE SUBMITTED IN ORDER TO QUALIFY FOR PREFERENCE POINTS FOR B-BBEE]</b>			
<b>ARE YOU THE ACCREDITED REPRESENTATIVE IN SOUTH AFRICA FOR THE GOODS /SERVICES /WORKS OFFERED?</b>	<input type="checkbox"/> Yes <input type="checkbox"/> No  [IF YES ENCLOSE PROOF]	<b>ARE YOU A FOREIGN BASED SUPPLIER FOR THE GOODS /SERVICES /WORKS OFFERED?</b>	<input type="checkbox"/> Yes <input type="checkbox"/> No  [IF YES ANSWER PART B:3 BELOW ]
<b>SIGNATURE OF BIDDER</b>	.....	DATE	
<b>CAPACITY UNDER WHICH THIS BID IS SIGNED</b> (Attach proof of authority to sign this bid; e.g. resolution of directors, etc.)			
<b>TOTAL NUMBER OF ITEMS OFFERED</b>		<b>TOTAL BID PRICE (ALL INCLUSIVE)</b>	

## PART B

### TERMS AND CONDITIONS FOR BIDDING

#### 1. BID SUBMISSION:

- 1.1. BIDS MUST BE DELIVERED BY THE STIPULATED TIME TO THE CORRECT ADDRESS. LATE BIDS WILL NOT BE ACCEPTED FOR CONSIDERATION.
- 1.2. **ALL BIDS MUST BE SUBMITTED ON THE OFFICIAL FORMS PROVIDED—(NOT TO BE RE-TYPED) OR ONLINE**
- 1.3. **BIDDERS MUST REGISTER ON THE CENTRAL SUPPLIER DATABASE (CSD) TO UPLOAD MANDATORY INFORMATION NAMELY: (BUSINESS REGISTRATION/ DIRECTORSHIP/ MEMBERSHIP/IDENTITY NUMBERS; TAX COMPLIANCE STATUS; AND BANKING INFORMATION FOR VERIFICATION PURPOSES). B-BBEE CERTIFICATE OR SWORN AFFIDAVIT FOR B-BBEE MUST BE SUBMITTED TO BIDDING INSTITUTION.**
- 1.4. **WHERE A BIDDER IS NOT REGISTERED ON THE CSD, MANDATORY INFORMATION NAMELY: (BUSINESS REGISTRATION/ DIRECTORSHIP/ MEMBERSHIP/IDENTITY NUMBERS; TAX COMPLIANCE STATUS MAY NOT BE SUBMITTED WITH THE BID DOCUMENTATION. B-BBEE CERTIFICATE OR SWORN AFFIDAVIT FOR B-BBEE MUST BE SUBMITTED TO BIDDING INSTITUTION.**
- 1.5. THIS BID IS SUBJECT TO THE PREFERENTIAL PROCUREMENT POLICY FRAMEWORK ACT 2000 AND THE PREFERENTIAL PROCUREMENT REGULATIONS, 2017, THE GENERAL CONDITIONS OF CONTRACT (GCC) AND, IF APPLICABLE, ANY OTHER LEGISLATION OR SPECIAL CONDITIONS OF CONTRACT.

#### 2. TAX COMPLIANCE REQUIREMENTS

- 2.1 BIDDERS MUST ENSURE COMPLIANCE WITH THEIR TAX OBLIGATIONS.
- 2.2 BIDDERS ARE REQUIRED TO SUBMIT THEIR UNIQUE PERSONAL IDENTIFICATION NUMBER (PIN) ISSUED BY SARS TO ENABLE THE ORGAN OF STATE TO VIEW THE TAXPAYER'S PROFILE AND TAX STATUS.
- 2.3 APPLICATION FOR TAX COMPLIANCE STATUS (TCS) OR PIN MAY ALSO BE MADE VIA E-FILING. IN ORDER TO USE THIS PROVISION, TAXPAYERS WILL NEED TO REGISTER WITH SARS AS E-FILERS THROUGH THE WEBSITE [WWW.SARS.GOV.ZA](http://WWW.SARS.GOV.ZA).
- 2.4 BIDDERS MAY ALSO SUBMIT A PRINTED TCS TOGETHER WITH THE BID.
- 2.5 IN BIDS WHERE CONSORTIA / JOINT VENTURES / SUB-CONTRACTORS ARE INVOLVED, EACH PARTY MUST SUBMIT A SEPARATE PROOF OF TCS / PIN / CSD NUMBER.
- 2.6 WHERE NO TCS IS AVAILABLE BUT THE BIDDER IS REGISTERED ON THE CENTRAL SUPPLIER DATABASE (CSD), A CSD NUMBER MUST BE PROVIDED.

#### 3. QUESTIONNAIRE TO BIDDING FOREIGN SUPPLIERS

- 3.1. IS THE BIDDER A RESIDENT OF THE REPUBLIC OF SOUTH AFRICA (RSA)?  
☐ YES ☐ NO
- 3.2. DOES THE BIDDER HAVE A BRANCH IN THE RSA?  
☐ YES ☐ NO
- 3.3. DOES THE BIDDER HAVE A PERMANENT ESTABLISHMENT IN THE RSA?  
☐ YES ☐ NO
- 3.4. DOES THE BIDDER HAVE ANY SOURCE OF INCOME IN THE RSA?

☐ YES ☐ NO

**IF THE ANSWER IS "NO" TO ALL OF THE ABOVE, THEN, IT IS NOT A REQUIREMENT TO OBTAIN A TAX COMPLIANCE STATUS / TAX COMPLIANCE SYSTEM PIN CODE FROM THE SOUTH AFRICAN REVENUE SERVICE (SARS) AND IF NOT REGISTER AS PER 2.3 ABOVE.**

**NB: FAILURE TO PROVIDE ANY OF THE ABOVE PARTICULARS MAY RENDER THE BID INVALID**

## **BID NOTICE AND INVITATION TO TENDER**

Mhlathuze Water (MW) is a water board, established in terms of the Water Services Act, 1997 (Act No. 108 of 1997). Its core operations concern the supply of bulk water and the disposal of bulk wastewater. It is a State-Owned Entity listed in Schedule 3B of the Public Finance Management Act, 1999 (PFMA) (Act No. 1 of 1999).

### **REFURBISHMENT AND AUGMENTATION OF WATER SUPPLY SCHEMES IN WARD 6 (OLD DEMARCATION) WITHIN MTUBATUBA LOCAL MUNICIPALITY**

#### **Evaluation method:**

#### **Pre-qualification criteria set by Mhlathuze Water to be met**

- **CIDB 6 CE OR HIGHER**
- **Technical Evaluation**

#### **80/20 Preference Point Scoring System in terms of PPPFA 2017.**

Submissions must be placed in the Mhlathuze Water tender box situated at the Second Security Gate before **12h00** noon, on the 23 March 2023. Submission must be in sealed envelopes clearly marked

– **CONTRACT MW/73/3/2022/2023**

**Project Description** and addressed to Mhlathuze Water–Supply Chain Management.

### **BIDDERS ARE ENCOURAGED TO REGISTER ON NATIONAL TREASURY CENTRAL SUPPLIER DATABASE.**

***Mhlathuze Water is not bound to accept the lowest bid or furnish any reason for the acceptance or part rejection of any bid and reserves the right to accept any bid or part thereof. Mhlathuze Water reserves the right to award in full or partly award this bid.***



## **PART T1**

### **BIDDING PROCEDURES**

#### **T1.2 Bid Data**

## BID DATA

The conditions of tender are the Standard Conditions of Tender as contained in of Board Notice 136 of 2015 in Government Gazette No 38960 of 10 July 2015, Construction Industry Development Board (CIDB) Standard for Uniformity in Construction Procurement (see [www.cidb.org.za](http://www.cidb.org.za)).

The Standard Conditions of Tender makes several references to the Tender Data for details that apply specifically to this bid. The Bid Data shall have precedence in the interpretation of any ambiguity or inconsistency between it and the Standard Conditions of Tender.

Each item of data given below is cross-referenced to the clause in the Standard Conditions of Tender to which it mainly applies.

Clause Number	Addition or Variations Standard Conditions of Tender
F.1.1	The Employer is <b>Mhlathuze Water</b>
F.1.2	The bid documents issued by the Employer are detailed on the contents page of this bid document.
	<b>Contract Period: 12 MONTHS</b>
F.1.4	<p>The Employer's Representative's details are as follows:</p> <p><b>Name : Sihle Mndaweni</b></p> <p><b>Address :</b> Cnr Battery Bank and South Central Arterial Alton Richards Bay 3900</p> <p>P.O. Box 1264 Richards Bay 3900</p> <p><b>Tel. No. :</b> +27 (0) 35 902 1037 <b>Fax No. :</b> +27 (0) 35 902 1111 <b>E-Mail :</b> <a href="mailto:tenders@mhlathuze.co.za">tenders@mhlathuze.co.za</a></p>
F.2.1	<p><b>Eligibility</b></p> <p>a) <b>CIDB 6 CE OR HIGHER</b></p> <p><b>Tax Compliance:</b> <b>No bid may be awarded to any person whose tax matters have not been declared by the South African Revenue Services (SARS) to be in order. Mhlathuze Water will verify with SARS whether the tax affairs of bidders are in order before making an award.</b></p>

F.2.4	All work produced, including records, documents pertaining to this bid shall remain the property of Mhlathuze Water and no part thereof may be copied, reproduced in any manner without the written consent of Mhlathuze Water.
F.2.8	Accept that <b>failure to request clarification</b> on bid documents, in at least 5 working days prior to the closing time stated in the bid data, it shall be deemed that all matters in the bid documents are clearly understood. Accept that the Employer shall not be obligated to respond to any requests for clarification of bid documents submitted in less than 5 working days prior to the closing date.
F.2.9	The Employer does not provide insurance. The Contractor is responsible for providing full insurance cover for the contract.
F.2.12	<b>Criteria for alternative bid offers</b> No alternative bid offers will be accepted.
F.2.13.3	<b>Two copies</b> of bid offers are required.
F.2.13.5	The <b>Employer's address</b> for delivery of bid offers and identification details to be shown on each bid offer package are as follows:  <b>Location of Tender Box</b> : Mhlathuze Second Security Gate Entrance <b>Physical Address</b> : Mhlathuze Water Corner of South Central Arterial & Battery Bank Alton RICHARDS BAY 3900
F.2.13.6	A two-envelope procedure will <b>NOT</b> be followed.  <b>Evaluation Process</b>  <ul style="list-style-type: none"> <li><b>CIDB 6 CE OR HIGHER</b></li> </ul> <b>1. Technical Evaluation</b>  All bidders that would have qualified in the three stage of evaluation will be further evaluated for Price and Historically disadvantaged individuals and according to the type of company/business, for this project 80/20 will be applicable.  <i><b>Mhlathuze Water reserves the right to conduct due diligence on bidder(s) before the award.</b></i>
F.2.15.1	The closing time for submission of bid offers is @ <b>12h00 on day, 23 MARCH 2023</b>  Telephonic, telegraphic, telex, or facsimile or e-mailed and late bid offers will not be accepted.
F.2.16.1	The bid offer validity period is 90 (ninety) days from the bid closing date.

F.2.16.1	If the bid validity expires on a weekend or public holiday, the bid validity period shall remain open until the closure of business on the next working day.
F.2.23	<p><b>Joint ventures</b> are eligible to submit tenders provided that:</p> <ol style="list-style-type: none"> <li>1. A joint venture agreement, signed by both partners in a joint venture is in place.</li> <li>2. Roles, responsibilities and percentage split of joint venture partners must be clearly defined.</li> <li>3. 50% or above of member firms must be a Professional Firm above EME or QSE</li> </ol>
F.3.3	Bids will be opened in public.
F.3.4	<p>Submissions must be placed in the Mhlathuze Water tender box situated at the Second Security Gate Entrance before <b>12h00 on the 23 March 2023, MW/73/3/2022/2023</b></p> <p>Submission must be in an envelope that is clearly marked – <b>REFURBISHMENT AND AUGMENTATION OF WATER SUPPLY SCHEMES IN WARD 10 (OLD DEMARCATION) WITHIN MTUBATUBA LOCAL MUNICIPALITY</b>, and addressed to Mhlathuze Water–Supply Chain Management.</p>
F.3.5	A two-envelope procedure will not be followed.
F.3.7	<p><i>Add the following to the end of <b>Clause F.3.7</b>:</i></p> <p>Accept that failure to submit certificates stated in the Bid Data and failure to complete <b>in full the bid document shall result in bid being regarded as non-responsive.</b></p>
F.3.11	The responsibility rests with the prospective bidders to provide all the information required by Mhlathuze Water to claim preferential points. Failure to submit the information shall result in preferential points not being awarded.
F.3.11.3	<p>Method 2: Financial offer and Preference</p> <p>(Financial offer will be a default 30% discount on Tariff)</p>
F.3.11.7	Formula 2 option 2 to calculate the value of A. $W_1 = 80$

F.3.11.8

B-BBEE points will be allocated as Preferential Procurement Policy Framework Act, 2000: Preferential Procurement Regulations, 2017. *(choose 80/20*

**80/20** preference point system for acquisition of goods or services with a Rand value of up to **R50 million**, inclusive of all applicable taxes:

B-BBEE Status Level of Contributor	Number of Points
1	20
2	18
3	14
4	12
5	8
6	6
7	4
8	2
Non-compliant contributor	0

Allocation of B-BBEE points for trusts, consortium or joint ventures and sub- contracting refer to Preferential Procurement Regulation, 2017, Conditions section 11 (6) to (13).

	<p>Add the following to the clause:</p> <p>Accept that bid offers will only be accepted if:</p> <ul style="list-style-type: none"> <li>(a) the tenderer has submitted an original valid Tax Clearance Certificate issued by the South African Revenue Services.</li> <li>(b) the tenderer or any of its directors is not listed on the Register of Tender Defaulters in terms of the Prevention and Combating of Corrupt Activities Act of 2004 as a person prohibited from doing business with the public sector;</li> <li>(c) the tenderer has not: <ul style="list-style-type: none"> <li>(i) abused the Employer's Supply Chain Management System; or</li> <li>(ii) failed to perform on any previous contract with the Employer and has been given a written notice to this effect.</li> </ul> </li> </ul> <p>The successful tenderer shall receive <b>one</b> copy of the signed contract.</p>
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**PART T1**

**TENDERING PROCEDURES**

**PART T1**

**BIDDING PROCEDURES**

**T1.4 Standard Conditions of Tender**



## STANDARD CONDITIONS OF TENDER

### F.1 General

#### F.1.1 Actions

**F.1.1.1** The employer and each tenderer submitting a tender offer shall comply with these conditions of tender. In their dealings with each other, they shall discharge their duties and obligations as set out in F.2 and F.3, timeously and with integrity, and behave equitably, honestly and transparently, comply with all legal obligations and not engage in anticompetitive practices.

**F.1.1.2** The employer and the tenderer and all their agents and employees involved in the tender process shall avoid conflicts of interest and where a conflict of interest is perceived or known, declare any such conflict of interest, indicating the nature of such conflict. Tenderers shall declare any potential conflict of interest in their tender submissions. Employees, agents and advisors of the employer shall declare any conflict of interest to whoever is responsible for overseeing the procurement process at the start of any deliberations relating to the procurement process or as soon as they become aware of such conflict, and abstain from any decisions where such conflict exists or recuse themselves from the procurement process, as appropriate.

Note: 1) A conflict of interest may arise due to a conflict of roles which might provide an incentive for improper acts in some circumstances. A conflict of interest can create an appearance of impropriety that can undermine confidence in the ability of that person to act properly in his or her position even if no improper acts result. 2) Conflicts of interest in respect of those engaged in the procurement process include direct, indirect or family interests in the tender or outcome of the procurement process and any personal bias, inclination, obligation, allegiance or loyalty which would in any way affect any decisions taken.

**F.1.1.3** The employer shall not seek, and a tenderer shall not submit a tender without having a firm intention and the capacity to proceed with the contract.

#### F.1.2 Tender Documents

The documents issued by the employer for the purpose of a tender offer are listed in the tender data.

#### F.1.3 Interpretation

**F.1.3.1** The tender data and additional requirements contained in the tender schedules that are included in the returnable documents are deemed to be part of these conditions of tender.

**F.1.3.2** These conditions of tender, the tender data and tender schedules which are only required for tender evaluation purposes, shall not form part of any contract arising from the invitation to tender.

**F.1.3.3** For the purposes of these conditions of tender, the following definitions apply:

(a) **conflict of interest** means any situation in which:

- (i) someone in a position of trust has competing professional or personal interests which make it difficult to fulfill his or her duties impartially;
  - (ii) an individual or organization is in a position to exploit a professional or official capacity in some way for their personal or corporate benefit; or
  - (iii) incompatibility or contradictory interests exist between an employee and the organisation which employs that employee.
- (b) **comparative offer** means the tenderer's financial offer after all tendered parameters that will affect the value of the financial offer have been taken into consideration in order to enable comparisons to be made between offers on a comparative basis.
- (c) **corrupt practice** means the offering, giving, receiving or soliciting of anything of value to influence the action of the employer or his staff or agents in the tender process; and CIDB Standard Conditions of Tender 30 January 2009.
- (d) **fraudulent practice** means the misrepresentation of the facts in order to influence the tender process or the award of a contract arising from a tender offer to the detriment of the employer, including collusive practices intended to establish prices at artificial levels.
- (e) **organization** means a company, firm, enterprise, association or other legal entity, whether incorporated or not, or a public body.
- (f) **quality (functionality)** means the totality of features and characteristics of a product or service that bear on its ability to satisfy stated or implied needs.

#### **F.1.4 Communication and employer's agent**

Each communication between the employer and a tenderer shall be to or from the employer's agent only, and in a form that can be readily read, copied and recorded. Communications shall be in the English language. The employer shall not take any responsibility for non-receipt of communications from or by a tenderer. The name and contact details of the employer's agent are stated in the tender data.

#### **F.1.5 The employer's right to accept or reject any tender offer**

##### **F.1.5.1**

The employer may accept or reject any variation, deviation, tender offer, or alternative tender offer, and may cancel the tender process and reject all tender offers at any time before the formation of a contract. The employer shall not accept or incur any liability to a tenderer for such cancellation and rejection but will give written reasons for such action upon written request to do so.

##### **F.1.5.2**

The employer may not subsequent to the cancellation or abandonment of a tender process or the rejection of all responsive tender offers re-issue a tender covering substantially the same scope of work within a period of six months unless only one tender was received and such tender was returned unopened to the tenderer.

## **F.1.6 Procurement procedures**

### **F.1.6.1 General**

Unless otherwise stated in the tender data, a contract will, subject to F.3.13, be concluded with the tenderer who in terms of F.3.11 is the highest ranked or the tenderer scoring the highest number of tender evaluation points, as relevant, based on the tender submissions that are received at the closing time for tenders.

### **F.1.6.2 Competitive negotiation procedure**

**F.1.6.2.1** Where the tender data require that the competitive negotiation procedure is to be followed, tenderers shall submit tender offers in response to the proposed contract in the first round of submissions. Notwithstanding the requirements of F.3.4, the employer shall announce only the names of the tenderers who make a submission. The requirements of F.3.8 relating to the material deviations or qualifications which affect the competitive position of tenderers shall not apply.

**F.1.6.2.2** All responsive tenderers, or not less than three responsive tenderers that are highest ranked in terms of the evaluation method and evaluation criteria stated in the tender data, shall be invited in each round to enter into competitive negotiations, based on the principle of equal treatment and keeping confidential the proposed solutions and associated information. Notwithstanding the provisions of F.2.17, the employer may request that tenders be clarified, specified and fine-tuned in order to improve a tenderer's competitive position provided that such clarification, specification, fine-tuning or additional information does not alter any fundamental aspects of the offers or impose substantial new requirements which restrict or distort competition or have a discriminatory effect.

**F.1.6.2.3** At the conclusion of each round of negotiations, tenderers shall be invited by the employer to make a fresh tender offer, based on the same evaluation criteria, with or without adjusted weightings. Tenderers shall be advised when they are to submit their best and final offer.

**F.1.6.2.4** The contract shall be awarded in accordance with the provisions of F.3.11 and F.3.13 after tenderers have been requested to submit their best and final offer.

### **F.1.6.3 Proposal procedure using the two stage-system**

#### **F.1.6.3.1 Option 1**

Tenderers shall in the first stage submit technical proposals and, if required, cost parameters around which a contract may be negotiated. The employer shall evaluate each responsive submission in terms of the method of CIDB evaluation stated in the tender data, and in the second stage negotiate a contract with the tenderer scoring the highest number of evaluation points and award the contract in terms of these conditions of tender.

### **F.1.6.3.2 Option 2**

**F.1.6.3.2.1** Tenderers shall submit in the first stage only technical proposals. The employer shall invite all responsive tenderers to submit tender offers in the second stage, following the issuing of procurement documents.

**F.1.6.3.2.2** The employer shall evaluate tenders received during the second stage in terms of the method of evaluation stated in the tender data and award the contract in terms of these conditions of tender.

## **F.2 Tenderer's obligations**

### **F.2.1 Eligibility**

**F.2.1.1** Submit a tender offer only if the tenderer satisfies the criteria stated in the tender data and the tenderer, or any of his principals, is not under any restriction to do business with the employer.

**F.2.1.2** Notify the employer of any proposed material change in the capabilities or formation of the tendering entity (or both) or any other criteria which formed part of the qualifying requirements used by the employer as the basis in a prior process to invite the tenderer to submit a tender offer and obtain the employer's written approval to do so prior to the closing time for tenders.

### **F.2.2 Cost of tendering**

Accept that, unless otherwise stated in the tender data, the employer will not compensate the tenderer for any costs incurred in the preparation and submission of a tender offer, including the costs of any testing necessary to demonstrate that aspects of the offer comply with requirements.

### **F.2.3 Check documents**

Check the tender documents on receipt for completeness and notify the employer of any discrepancy or omission.

### **F.2.4 Confidentiality and copyright of documents**

Treat as confidential all matters arising in connection with the tender. Use and copy the documents issued by the employer only for the purpose of preparing and submitting a tender offer in response to the invitation.

### **F.2.5 Reference documents**

Obtain, as necessary for submitting a tender offer, copies of the latest versions of standards, specifications, conditions of contract and other publications, which are not attached but which are incorporated into the tender documents by reference.

## **F.2.6 Acknowledge addenda**

Acknowledge receipt of addenda to the tender documents, which the employer may issue, and if necessary, apply for an extension to the closing time stated in the tender data, in order to take the addenda into account.

## **F.2.7 Clarification meeting**

Attend, where required, a clarification meeting at which tenderers may familiarize themselves with aspects of the proposed work, services or supply and raise questions. Details of the meeting(s) are stated in the tender data.

## **F.2.8 Seek clarification**

Request clarification of the tender documents, if necessary, by notifying the employer at least seven working days before the closing time stated in the tender data.

## **F.2.9 Insurance**

Be aware that the extent of insurance to be provided by the employer (if any) might not be for the full cover required in terms of the conditions of contract identified in the contract data. The tenderer is advised to seek qualified advice regarding insurance.

## **F.2.10 Pricing the tender offer**

**F.2.10.1** Include in the rates, prices, and the tendered total of the prices (if any) all duties, taxes (except Value Added Tax (VAT), and other levies payable by the successful tenderer, such duties, taxes and levies being those applicable 14 days before the closing time stated in the tender data.

**F.2.10.2** Show VAT payable by the employer separately as an addition to the tendered total of the prices.

**F.2.10.3** Provide rates and prices that are fixed for the duration of the contract and not subject to adjustment except as provided for in the conditions of contract identified in the contract data.

**F.2.10.4** State the rates and prices in Rand unless instructed otherwise in the tender data. The conditions of contract identified in the contract data may provide for part payment in other currencies.

## **F.2.11 Alterations to documents**

Do not make any alterations or additions to the tender documents, except to comply with instructions issued by the employer, or necessary to correct errors made by the tenderer. All signatories to the tender offer shall initial all such alterations. Erasures and the use of masking fluid are prohibited.

**F.2.12            Alternative tender offers**

**F.2.12.1**        Unless otherwise stated in the tender data, submit alternative tender offers only if a main tender offer, strictly in accordance with all the requirements of the tender documents, is also submitted as well as a schedule that compares the requirements of the tender documents with the alternative requirements that are proposed.

**F.2.12.2**        Accept that an alternative tender offer may be based only on the criteria stated in the tender data or criteria otherwise acceptable to the employer.

**F.2.13            Submitting a tender offer**

**F.2.13.1**        Submit one tender offer only, either as a single tendering entity or as a member in a joint venture to provide the whole of the works, services or supply identified in the contract data and described in the scope of works, unless stated otherwise in the tender data.

**F.2.13.2**        Return all returnable documents to the employer after completing them in their entirety, either electronically (if they were issued in electronic format) or by writing legibly in non-erasable ink.

**F.2.13.3**        Submit the parts of the tender offer communicated on paper as an original plus the number of copies stated in the tender data, with an English translation of any documentation in a language other than English, and the parts communicated electronically in the same format as they were issued by the employer.

**F.2.13.4**        Sign the original and all copies of the tender offer where required in terms of the tender data. The employer will hold all authorized signatories liable on behalf of the tenderer. Signatories for tenderers proposing to contract as joint ventures shall state which of the signatories is the lead partner whom the employer shall hold liable for the purpose of the tender offer.

**F.2.13.5**        Seal the original and each copy of the tender offer as separate packages marking the packages as "ORIGINAL" and "COPY". Each package shall state on the outside the employer's address and identification details stated in the tender data, as well as the tenderer's name and contact address.

**F.2.13.6**        Where a two-envelope system is required in terms of the tender data, place and seal the returnable documents listed in the tender data in an envelope marked "financial proposal" and place the remaining returnable documents in an envelope marked "technical proposal". Each envelope shall state on the outside the employer's address and identification details stated in the tender data, as well as the tenderer's name and contact address.

**F.2.13.7**        Seal the original tender offer and copy packages together in an outer package that states on the outside only the employer's address and identification details as stated in the tender data.

**F.2.13.8**        Accept that the employer will not assume any responsibility for the misplacement or premature opening of the tender offer if the outer package is not sealed and marked as stated.

- F.2.13.9** Accept that tender offers submitted by facsimile or e-mail will be rejected by the employer, unless stated otherwise in the tender data.
- F.2.14** **Information and data to be completed in all respects**
- Accept that tender offers, which do not provide all the data or information requested completely and, in the form, required, may be regarded by the employer as non-responsive.
- F.2.15** **Closing time**
- F.2.15.1** Ensure that the employer receives the tender offer at the address specified in the tender data not later than the closing time stated in the tender data. Accept that proof of posting shall not be accepted as proof of delivery.
- F.2.15.2** Accept that, if the employer extends the closing time stated in the tender data for any reason, the requirements of these conditions of tender apply equally to the extended deadline.
- F.2.16** **Tender offer validity**
- F.2.16.1** Hold the tender offer(s) valid for acceptance by the employer at any time during the validity period stated in the tender data after the closing time stated in the tender data.
- F.2.16.2** If requested by the employer, consider extending the validity period stated in the tender data for an agreed additional period with or without any conditions attached to such extension.
- F.2.16.3** Accept that a tender submission that has been submitted to the employer may only be withdrawn or substituted by giving the employer's agent written notice before the closing time for tenders that a tender is to be withdrawn or substituted.
- F.2.16.4** Where a tender submission is to be substituted, submit a substitute tender in accordance with the requirements of F.2.13 with the packages clearly marked as "SUBSTITUTE".
- F.2.17** **Clarification of tender offer after submission**
- Provide clarification of a tender offer in response to a request to do so from the employer during the evaluation of tender offers. This may include providing a breakdown of rates or prices and correction of arithmetical errors by the adjustment of certain rates or item prices (or both). No change in the competitive position of tenderers or substance of the tender offer is sought, offered, or permitted.
- Note:** Sub-clause F.2.17 does not preclude the negotiation of the final terms of the contract with a preferred tenderer following a competitive selection process, should the Employer elect to do so.
- F.2.18** **Provide other material**
- F.2.18.1** Provide, on request by the employer, any other material that has a bearing on the tender offer, the tenderer's commercial position (including notarized joint venture

agreements), preferencing arrangements, or samples of materials, considered necessary by the employer for the purpose of a full and fair risk assessment. Should the tenderer not provide the material, or a satisfactory reason as to why it cannot be provided, by the time for submission stated in the employer's request, the employer may regard the tender offer as non-responsive.

**F.2.18.2** Dispose of samples of materials provided for evaluation by the employer, where required.

**F.2.19      Inspections, tests and analysis**

Provide access during working hours to premises for inspections, tests and analysis as provided for in the tender data.

**F.2.20      Submit securities, bonds, policies, etc.**

If requested, submit for the employer's acceptance before formation of the contract, all securities, bonds, guarantees, policies and certificates of insurance required in terms of the conditions of contract identified in the contract data.

**F.2.21      Check final draft**

Check the final draft of the contract provided by the employer within the time available for the employer to issue the contract.

**F.2.22      Return of other tender documents**

If so, instructed by the employer, return all retained tender documents within 28 days after the expiry of the validity period stated in the tender data.

**F.2.23      Certificates**

Include in the tender submission or provide the employer with any certificates as stated in the tender data.

**F.3          The employer's undertakings**

**F.3.1      Respond to requests from the tenderer**

**F.3.1.1** Unless otherwise stated in the tender Data, respond to a request for clarification received up to five working days before the tender closing time stated in the Tender Data and notify all tenderers who drew procurement documents.



**F.3.1.2** Consider any request to make a material change in the capabilities or formation of the tendering entity (or both) or any other criteria which formed part of the qualifying requirements used to prequalify a tenderer to submit a tender offer in terms of a previous procurement process and deny any such request if as a consequence:

- (a) an individual firm, or a joint venture as a whole, or any individual member of the joint venture fails to meet any of the collective or individual qualifying requirements;
- (b) the new partners to a joint venture were not prequalified in the first instance, either as individual firms or as another joint venture; or
- (c) in the opinion of the Employer, acceptance of the material change would compromise the outcome of the prequalification process.

### **F.3.2 Issue Addenda**

If necessary, issue addenda that may amend or amplify the tender documents to each tenderer during the period from the date that tender documents are available until three days before the tender closing time stated in the Tender Data. If, as a result a tenderer applies for an extension to the closing time stated in the Tender Data, the Employer may grant such extension and, shall then notify all tenderers who drew documents.

### **F.3.3 Return late tender offers**

Return tender offers received after the closing time stated in the Tender Data, unopened, (unless it is necessary to open a tender submission to obtain a forwarding address), to the tenderer concerned.

### **F.3.4 Opening of tender submissions**

**F.3.4.1** Unless the two-envelope system is to be followed, open valid tender submissions in the presence of tenderers' agents who choose to attend at the time and place stated in the tender data. Tender submissions for which acceptable reasons for withdrawal have been submitted will not be opened.

**F.3.4.2** Announce at the meeting held immediately after the opening of tender submissions, at a venue indicated in the tender data, the name of each tenderer whose tender offer is opened and, where applicable, the total of his prices, preferences claimed and time for completion for the main tender offer only.

**F.3.4.3** Make available the record outlined in F.3.4.2 to all interested persons upon request.

### **F.3.5 Two-envelope system**

**F.3.5.1** Where stated in the tender data that a two-envelope system is to be followed, open only the technical proposal of valid tenders in the presence of tenderers' agents who choose to attend at the time and place stated in the tender data and announce the name of each tenderer whose technical proposal is opened.

**F.3.5.2** Evaluate the quality of the technical proposals offered by tenderers, then advise tenderers who remain in contention for the award of the contract of the time and place when the financial proposals will be opened. Open only the financial proposals of tenderers, who score in the quality evaluation more than the minimum number of points for quality stated in the tender data, and announce the score obtained for the technical proposals and the total price and any preferences claimed. Return unopened financial proposals to tenderers whose technical proposals failed to achieve the minimum number of points for quality.

**F.3.6 Non-disclosure**

Not disclose to tenderers, or to any other person not officially concerned with such processes, information relating to the evaluation and comparison of tender offers, the final evaluation price and recommendations for the award of a contract, until after the award of the contract to the successful tenderer.

**F.3.7 Grounds for rejection and disqualification**

Determine whether there has been any effort by a tenderer to influence the processing of tender offers and instantly disqualify a tenderer (and his tender offer) if it is established that he engaged in corrupt or fraudulent practices.

**F.3.8 Test for responsiveness**

**F.3.8.1** Determine, after opening and before detailed evaluation, whether each tender offer properly received:

- (a) complies with the requirements of these Conditions of Tender,
- (b) has been properly and fully completed and signed, and
- (c) is responsive to the other requirements of the tender documents.

**F.3.8.2** A responsive tender is one that conforms to all the terms, conditions, and specifications of the tender documents without material deviation or qualification. A material deviation or qualification is one which, in the Employer's opinion, would:

- (a) detrimentally affect the scope, quality, or performance of the works, services or supply identified in the Scope of Work,
- (b) significantly change the Employer's or the tenderer's risks and responsibilities under the contract, or
- (c) affect the competitive position of other tenderers presenting responsive tenders, if it were to be rectified.

Reject a non-responsive tender offer, and not allow it to be subsequently made responsive by correction or withdrawal of the non-conforming deviation or reservation.

**F.3.9 Arithmetic errors, omissions and discrepancies**

**F.3.9.1** Check the highest ranked tender or tenderer with the highest number of tender evaluation points after the evaluation of tender offers in accordance with F.3.11 for:

- (a) the gross misplacement of the decimal point in any unit rate;
- (b) omissions made in completing the pricing schedule or bills of quantities; or
- (c) arithmetic errors in:

- (i) line item totals resulting from the product of a unit rate and quantity in bills of quantities or schedules of prices;
- (ii) the summation of the prices.

**F.3.9.2** The employer must correct the arithmetical errors in the following manner:

- (a) where there is a discrepancy between the amounts in words and amounts in figures, the amount in words shall govern.
- (b) if bills of quantities or pricing schedules apply and there is an error in the line item total resulting from the product of the unit rate and the quantity, the line item total shall govern and the rate shall be corrected. Where there is an obviously gross misplacement of the decimal point in the unit rate, the line item total as quoted shall govern, and the unit rate shall be corrected.
- (c) where there is an error in the total of the prices either as a result of other corrections required by this checking process or in the tenderer's addition of prices, the total of the prices shall govern and the tenderer will be asked to revise selected item prices (and their rates if bills of quantities apply) to achieve the tendered total of the prices.

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

### **F.3.10 Clarification of a tender offer**

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

### **F.3.11 Evaluation of tender offers**

#### **F.3.11.1 General**

Appoint an evaluation panel of not less than three persons. Reduce each responsive tender offer to a comparative offer and evaluate them using the tender evaluation methods and associated evaluation criteria and weightings that are specified in the tender data.

#### **F.3.11.2 Method 1: Financial offer**

In the case of a financial offer:

- (a) Rank tender offers from the most favorable to the least favorable comparative offer.
- (b) Recommend the highest ranked tenderer for the award of the contract, unless there are compelling and justifiable reasons not to do so.
- (c) Re-rank all tenderers should there be compelling and justifiable reasons not to recommend the highest ranked tenderer and recommend the highest ranked tenderer, unless there are compelling and justifiable reasons not to do so and the process set out in this sub clause is repeated.

### **F.3.11.3 Methods 2: Financial offer and preference**

In the case of a financial offer and preferences:

- (a) Score each tender in respect of the financial offer made and preferences claimed, if any, in accordance with the provisions of F.3.11.7 and F.3.11.8.
- (b) Calculate the total number of tender evaluation points (*TEV*) in accordance with the following formula:

$$TEV = NFO + NP$$

where: *NFO* is the number of tender evaluation points awarded for the financial offer made in accordance with F.3.11.7;

*NP* is the number of tender evaluation points awarded for preferences claimed in accordance with F.3.11.8.

- (c) Rank tender offers from the highest number of tender evaluation points to the lowest.
- (d) Recommend the tenderer with the highest number of tender evaluation points for the award of the contract, unless there are compelling and justifiable reasons not to do so.
- (e) Rescore and re-rank all tenderers should there be compelling and justifiable reasons not to recommend the tenderer with the highest number of tender evaluation points, and recommend the tenderer with the highest number of tender evaluation points, unless there are compelling and justifiable reasons not to do so and the process set out in this sub clause is repeated.

### **F.3.11.4 Method 3: Financial offer and quality**

In the case of a financial offer and quality:

- (a) Score each tender in respect of the financial offer made and the quality offered in accordance with the provisions of F.3.11.7 and F.3.11.9, rejecting all tender offers that fail to score the minimum number of points for quality stated in the tender data, if any.
- (b) Calculate the total number of tender evaluation points (*TEV*) in accordance with the following formula:

$$TEV = NFO + NQ$$

where: *NFO* is the number of tender evaluation points awarded for the financial offer made in accordance with F.3.11.7;

*NQ* is the number of tender evaluation points awarded for quality offered in accordance with F.3.11.9.

- (c) Rank tender offers from the highest number of tender evaluation points to the lowest.

- (d) Recommend tenderer with the highest number of tender evaluation points for the award of the contract, unless there are compelling and justifiable reasons not to do so.
- (e) Rescore and re-rank all tenderers should there be compelling and justifiable reasons not to recommend the tenderer with the highest number of tender evaluation points and recommend the tenderer with the highest number of tender evaluation points, unless there are compelling and justifiable reasons not to do so and the process set out in this sub clause is repeated.

### F.3.11.6 Decimal places

Score financial offers, preferences and quality, as relevant, to two decimal places.

### F.3.11.7 Scoring Financial Offers

Score the financial offers of remaining responsive tender offers using the following formula:

$$NFO = W1 \times A$$

where: NFO is the number of tender evaluation points awarded for the financial offer.

W1 is the maximum possible number of tender evaluation points awarded for the financial offer as stated in the Tender Data.

A is a number calculated using the formula and option described in Table F.1 as stated in the Tender Data.

**Table F.1: Formulae for calculating the value of A**

Formula	Comparison aimed at achieving	Option 1 <sup>3</sup>	Option 2 <sup>3</sup>
1	Highest price or discount	$A = \left( 1 + \frac{(P \cdot Pm)}{Pm} \right)$	$A = P \div Pm$
2	Lowest price or percentage commission/fee	$A = \left( 1 \cdot \frac{(P \cdot Pm)}{Pm} \right)$	$A = Pm \div P$
<sup>3</sup>	<p><math>Pm</math> is the comparative offer of the most favourable comparative offer.</p> <p><math>P</math> is the comparative offer of the tender offer under consideration.</p>		

### **F.3.11.8 Scoring preferences**

Confirm that tenderers are eligible for the preferences claimed in accordance with the provisions of the tender data and reject all claims for preferences where tenderers are not eligible for such preferences. Calculate the total number of tender evaluation points for preferences claimed in accordance with the provisions of the tender data.

### **F.3.11.9 Scoring quality**

Score each of the criteria and sub criteria for quality in accordance with the provisions of the Tender Data. Calculate the total number of tender evaluation points for quality using the following formula:

$$NQ = W2 \times SO / MS$$

where: *SO* is the score for quality allocated to the submission under consideration;

*MS* is the maximum possible score for quality in respect of a submission;  
and

*W2* is the maximum possible number of tender evaluation points awarded for the quality as stated in the tender data

### **F.3.12 Insurance provided by the employer**

If requested by the proposed successful tenderer, submit for the tenderer's information the policies and / or certificates of insurance which the conditions of contract identified in the contract data, require the employer to provide.

### **F.3.13 Acceptance of tender offer**

Accept the tender offer, if in the opinion of the employer, it does not present any unacceptable commercial risk and only if the tenderer:

- (a) is not under restrictions, or has principals who are under restrictions, preventing participating in the employer's procurement,
- (b) can, as necessary and in relation to the proposed contract, demonstrate that he or she possesses the professional and technical qualifications, professional and technical competence, financial resources, equipment and other physical facilities, managerial capability, reliability, experience and reputation, expertise and the personnel, to perform the contract,
- (c) has the legal capacity to enter into the contract,
- (d) is not insolvent, in receivership, bankrupt or being wound up, has his affairs administered by a court or a judicial officer, has suspended his business activities, or is subject to legal proceedings in respect of any of the foregoing,
- (e) complies with the legal requirements, if any, stated in the tender data, and
- (f) is able, in the opinion of the employer, to perform the contract free of conflicts of interest.

**F.3.14 Prepare contract documents**

**F.3.14.1** If necessary, revise documents that shall form part of the contract and that were issued by the employer as part of the tender documents to take account of:

- (a) addenda issued during the tender period,
- (b) inclusion of some of the returnable documents, and
- (c) other revisions agreed between the employer and the successful tenderer.

**F.3.14.2** Complete the schedule of deviations attached to the form of offer and acceptance, if any.

**F.3.15 Complete adjudicator's contract**

Unless alternative arrangements have been agreed or otherwise provided for in the contract, arrange for both parties to complete formalities for appointing the selected adjudicator at the same time as the main contract is signed.

**F.3.16 Notice to unsuccessful tenderers**

**F.3.16.1** Notify the successful tenderer of the employer's acceptance of his tender offer by completing and returning one copy of the form of offer and acceptance before the expiry of the validity period stated in the tender data or agreed additional period.

**F.3.16.2** After the successful tenderer has been notified of the employer's acceptance of the tender, notify other tenderers that their tender offers have not been accepted.

**F.3.17 Provide copies of the contracts**

Provide to the successful tenderer the number of copies stated in the Tender Data of the signed copy of the contract as soon as possible after completion and signing of the form of offer and acceptance.

**F.3.18 Provide written reasons for actions taken**

Provide upon request written reasons to tenderers for any action that is taken in applying these conditions of tender, but withhold information which is not in the public interest to be divulged, which is considered to prejudice the legitimate commercial interests of tenderers or might prejudice fair competition between tenderers.

**- END OF SECTION -**

## **PART T2**

### **RETURNABLE DOCUMENTS**

#### **List of Returnable Documents**



## T2.1 LIST OF RETURNABLE DOCUMENTS

Bidders are required to submit the following with their bids:

No.	Description	Submitted YES / NO
T2.1.1	Proof of Company Registration	
T2.1.3	In the case of a Joint Venture/Consortium submitting a tender, submit a JV agreement as well as a resolution of the Joint Venture together with a resolution by its member authorizing a member of the Joint Venture to sign the documents on behalf of the Joint Venture.	
T2.1.4	Proof of Registration with National Treasury Central Supplier Database (CSD)	
T2.1.5	Proof of Registration with SARS (Valid PIN from SARS confirming compliance status) / Tax Clearance Certificate	
T2.1.6	Certified and valid copy of BBBEE Certificate or a Sworn affidavit.	

<b>Functionality Criteria</b>	<b>SUB CRITERIA</b>	<b>Max No. of points</b>
<b>Experience in the industry (based on schedule of work experience)</b>	<b>Tenderer's experience in similar projects in last 10 years.</b> <ul style="list-style-type: none"> <li>i. One (1) project completed (7)</li> <li>ii. Two (2) projects completed (10)</li> <li>iii. Three (3) projects completed (12)</li> <li>iv. Four (4) projects completed (16)</li> <li>v. Five (5) projects and above (20)</li> </ul> <b>Signed completion certificates or a positive written reference from the client for every project or full completed</b>	<b>20</b>
<b>Qualifications and Key Personnel</b>	<b>Site Agent/Contracts Manager</b> with Engineering/Project Management/ or General Building/ Construction degree or Diploma with relevant experience in Project Management <ul style="list-style-type: none"> <li>i. 1 – 2 years relevant experience (3)</li> <li>ii. Greater than 2 up to 5 years (7)</li> <li>iii. Greater than 5 Years relevant experience (10)</li> </ul> <b>CV or Organogram with certified copies of qualifications must be submitted for points to be awarded</b>	<b>10</b>
<b>Locality</b>	<b>1. Geographic location of tenderer</b> Location of Business (Please provide proof of physical address) <ul style="list-style-type: none"> <li>▪ UMkhanyakude District Municipality 30</li> <li>▪ King Cetshwayo and Zululand District Municipality 15</li> <li>▪ Within KwaZulu-Natal. 5</li> </ul> <b>(Utility bill, lease agreement, letter from a councillor or traditional authority IN THE NAME OF THE BUSINESS/ COMPANY)</b>	<b>30</b>
	<b>Total Points</b>	<b>60</b>
F.3.17	The successful tenderer shall receive <b>one</b> copy of the signed contract	

The Tenderer needs to score a minimum of 70% to be considered responsive

### **STAGE ONE: TEST FOR ADMINISTRATIVE RESPONSIVENESS**

The test for administrative responsiveness will include the following:

<b>STAGE ONE: Test for Administrative Responsiveness</b>	<b>RFP Reference</b>
<ul style="list-style-type: none"><li>Whether the Bid has been lodged on time</li></ul>	
<ul style="list-style-type: none"><li>Whether all Returnable Documents and/or schedules (where applicable) were completed and returned by the closing date and time</li></ul>	
<ul style="list-style-type: none"><li>Verify the validity of all returnable documents</li></ul>	

*The test for administrative responsiveness [Stage One] must be passed for a Respondent's Proposal to progress to Stage Two for further pre-qualification*

### **STAGE TWO: TEST FOR SUBSTANTIVE RESPONSIVENESS TO RFP**

The test for substantive responsiveness to this RFP will include the following:

<b>Pre-Qualification Criteria</b>	<b>RFP Reference</b>
<ul style="list-style-type: none"><li>Whether any pre-qualification criteria set by Mhlathuze Water, have been met</li><li><b>CIDB 6 CE OR HIGHER</b></li></ul>	
<ul style="list-style-type: none"><li>Whether the Bid materially complies with the scope and/or specification given</li></ul>	

*The test for administrative responsiveness [Stage Two] must be passed for a Respondent's Proposal to progress to Stage Three for further pre-qualification*

## **T2.2-1: Authority to submit a Tender**

TENDER

**Essential Returnable**

Indicate the status of the tenderer by ticking the appropriate box hereunder. The tenderer must complete the certificate set out below for his category of organisation or alternatively attach a certified copy of a company / organisation document which provides the same information for the relevant category as requested here.

<b>A – COMPANY</b>	<b>B – PARTNERSHIP</b>	<b>C - JOINT VENTURE</b>	<b>D - SOLE PROPRIETOR</b>

### A. Certificate for Company

I, \_\_\_\_\_ chairperson of the board of directors of \_\_\_\_\_ hereby confirm that by resolution of the board taken on \_\_\_\_\_ (date), Mr/Ms \_\_\_\_\_, acting in the capacity of \_\_\_\_\_, was authorised to sign all documents in connection with this tender offer and any contract resulting from it on behalf of the company.

Signed \_\_\_\_\_ Date \_\_\_\_\_

Name \_\_\_\_\_ Position Chairman of the Board of Directors \_\_\_\_\_

### B. Certificate for Partnership

We, the undersigned, being the **key partners** in the business trading as \_\_\_\_\_  
 \_\_\_\_\_ hereby authorise Mr/Ms,  
 \_\_\_\_\_  
 acting in the capacity of \_\_\_\_\_, to sign all documents in connection with the tender offer for Contract \_\_\_\_\_ and any contract resulting from it on our behalf.

Name	Address	Signature	Date

NOTE: This certificate is to be completed and signed by the full number of Partners necessary to commit the Partnership. Attach additional pages if more space is required.

## C. Certificate for Joint Venture

We, the undersigned, are submitting this tender offer in Joint Venture and hereby authorise Mr/Ms \_\_\_\_\_, an authorised signatory of the company \_\_\_\_\_ acting in the capacity of lead partner, to sign all documents in connection with the tender offer for Contract: \_\_\_\_\_ and any contract resulting from it on our behalf.

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

Furthermore we attach to this Schedule a copy of the joint venture agreement which incorporates a statement that all partners are liable jointly and severally for the execution of the contract and that the lead partner is authorised to incur liabilities, receive instructions and payments and be responsible for the entire execution of the contract for and on behalf of any and all the partners.

Name of firm	Address	Authorising signature, name (in caps) and capacity

## D. Certificate for Sole Proprietor

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

Signed	_____	Date	_____
Name	_____	Position	Sole Proprietor

## T2.2-2: Certificate of Attendance at Tender Clarification Meeting

Compulsory Returnable

This is to certify that

(Tenderer)

of

(address)

was represented by the person(s) named below at the **compulsory** tender clarification meeting

Held at:	Existing new 1Ml Reservoir and Pump Station: 27° 2'45.59"S, 32°19'31.72"E – Mtikini Area.	
On (date)	16 March 2023	Starting time: 11h00

As the tenderer we undertake that by said persons attending the clarification meeting we have made it our business to familiarise ourselves with all aspects of the works / service / supply specified in the tender documents in order for us to take account of everything necessary to provide a responsive tender offer and to compile our rates and prices included in the tender offer.

We further understand that in addition to any queries raised on behalf of us at the meeting we may still approach the *Employer / Purchaser's* Representative to request clarification of the tender documents until no later than five working days before the tender closing time stated in the Tender Data.

### Particulars of person(s) attending the meeting: Mhlathuze Water Representative

Name

Signature

Capacity

Name

Signature

Capacity

## T2.2-3: B-BBEE Preference Points Claim Form

Essential Returnable

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

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

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

#### 1. GENERAL CONDITIONS

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

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

Points for this bid shall be awarded for:

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

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

	POINTS
PRICE	80
B-BBEE STATUS LEVEL OF CONTRIBUTOR	20
Total points for Price and B-BBEE must not exceed	100

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

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

#### 2. DEFINITIONS

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

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

### 3. POINTS AWARDED FOR PRICE

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

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

80/20	or	90/10
$P_s = 80 \left( 1 - \frac{P_t - P_{\min}}{P_{\min}} \right)$	or	$P_s = 90 \left( 1 - \frac{P_t - P_{\min}}{P_{\min}} \right)$

Where

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

$P_t$  = Price of bid under consideration

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

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

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



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

## 5. BID DECLARATION

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

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

6.1 B-BBEE Status Level of Contributor: . = .....(maximum of 10 or 20 points)

(Points claimed in respect of paragraph 7.1 must be in accordance with the table reflected in paragraph 4.1 and must be substantiated by relevant proof of B-BBEE status level of contributor.

## 7. SUB-CONTRACTING

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

(**Tick applicable box**)

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

7.1.1 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 or QSE

(**Tick applicable box**)

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

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

Designated Group: An EME or QSE which is at last 51% owned by:	EME	QSE
	√	√

Black people		
Black people who are youth		
Black people who are women		
Black people with disabilities		
Black people living in rural or underdeveloped areas or townships		
Cooperative owned by black people		
Black people who are military veterans		
<b>OR</b>		
Any EME		
Any QSE		

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

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

**8.2** VAT registration number:.....

**8.3** Company registration number:.....

### **8.4 TYPE OF COMPANY/ FIRM**

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

[TICK APPLICABLE BOX]

### **8.5 DESCRIBE PRINCIPAL BUSINESS ACTIVITIES**

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

### **8.6 COMPANY CLASSIFICATION**

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

[TICK APPLICABLE BOX]

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

**8.8**

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

- i) The information furnished is true and correct;
- ii) The preference points claimed are in accordance with the General Conditions as indicated in paragraph 1 of this form;
- iii) In the event of a contract being awarded as a result of points claimed as shown in paragraphs 1.4 and 6.1, the contractor may be required to furnish documentary proof to the satisfaction of the purchaser that the claims are correct;
- iv) If the B-BBEE status level of contributor has been claimed or obtained on a fraudulent basis or any of the conditions of contract have not been fulfilled, the purchaser may, in addition to any other remedy it may have –
  - (a) disqualify the person from the bidding process;
  - (b) recover costs, losses or damages it has incurred or suffered as a result of that person's conduct;
  - (c) cancel the contract and claim any damages which it has suffered as a result of having to make less favourable arrangements due to such cancellation;
  - (d) recommend that the bidder or contractor, its shareholders and directors, or only the shareholders and directors who acted on a fraudulent basis, be restricted by the National Treasury from obtaining business from any organ of state for a period not exceeding 10 years, after the *audi alteram partem* (hear the other side) rule has been applied; and

forward the matter for criminal prosecution

**WITNESSES**

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

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

DATE: .....

ADDRESS .....

**T2.2-3: Certificate of Acquaintance with  
Tender Documents**

**Essential Returnable**

NAME OF ENTITY:

1. I/we

do hereby certify that I/we acquainted myself/ourselves with all the documentation comprising this Tender and all conditions contained therein, as laid down by Mhlathuze Water for the carrying out of the proposed supply/service/works for which I/we submitted my/our Proposal.

2. I/we furthermore agree that Mhlathuze Water shall recognise no claim from me/us for relief based on an allegation that I/we overlooked any RFP/contract condition or failed to take it into account for the purpose of calculating my/our offered prices or otherwise.
3. I/we understand that the accompanying Bid will be disqualified if this Certificate is found not to be true and complete in every respect.
4. For the purposes of this Certificate and the accompanying Bid, I/we understand that the word "competitor" shall include any individual or organisation, 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 Services as the Bidder and/or is in the same line of business as the Bidder
5. The Bidder has arrived at the accompanying Bid independently from, and without consultation, communication, agreement or arrangement with any competitor. However communication between partners in a joint venture or consortium will not be construed as collusive bidding.
6. In particular, without limiting the generality of paragraph 5 above, there has been no consultation, communication, agreement or arrangement with any competitor regarding:
  - a) prices;
  - b) geographical area where Services 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 RFP; or
  - f) bidding with the intention of not winning the Bid.

7. 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 Services to which this RFP relates.
8. 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.
9. I/We am/are 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 10 [ten] years in terms of the Prevention and Combating of Corrupt Activities Act No 12 of 2004 or any other applicable legislation.

Signed

Date

\_\_\_\_\_

\_\_\_\_\_

Name

Position

\_\_\_\_\_

\_\_\_\_\_

Tenderer

\_\_\_\_\_

**T2.2-4: Record of Addenda to Tender Documents**

Essential Returnable

We confirm that the following communications received from the *Employer* before the submission of this tender offer, amending the tender documents, have been taken into account in this tender offer:

	Date	Title or Details
1		
2		
3		
4		
5		
6		
7		

Attach additional pages if more space is required.

Signed

Date

Name

Position

Tenderer

**T2.2-5: Mutual Non-Disclosure Agreement**

**Note to tenderers: This Non-Disclosure Agreement is to be completed and signed by an authorised signatory:**

**THIS AGREEMENT** is made effective as of \_\_\_\_\_ day of \_\_\_\_\_ 20\_\_\_\_ by and between:

**Mhlathuze Water** a company incorporated and existing under the laws of South Africa, having its principal place of business at Cnr South Central Arterial & Battery Bank, Alton Richards Bay 3900

and \_\_\_\_\_

(Registration No. \_\_\_\_\_), a private company incorporated and existing under the laws of South Africa having its principal place of business at \_\_\_\_\_

**1. Purpose**

The parties to this Agreement have a business relationship under which each party may disclose its Confidential Information to the other for the purpose of planning, developing and/or constructing services associated with **REFURBISHMENT AND AUGMENTATION OF WATER SUPPLY SCHEMES IN WARD 6 (OLD DEMARCATION) WITHIN MTUBATUBA LOCAL MUNICIPALITY**

(“the Purpose”). Each party (“the receiving party”) shall treat as confidential all information and know-how which it may receive from the other party (“the disclosing party”) in terms of this Agreement (hereinafter referred to as “confidential information”), and shall not divulge to any other party in any circumstances any such confidential information, and, in particular, any such confidential information as is covered by the Infrastructure legislation , whether during the currency of this Agreement or at any time thereafter, without the prior written consent of the disclosing party.

**2. Definition**

“**Confidential Information**” means any information, technical data, or know-how, including, but not limited to that which relates to research, product plans, products, services, customers, markets, software, developments, inventions, processes, designs, drawings, engineering, hardware configuration information, marketing or finances.

**3. Exclusions**

Confidential Information does not include information, technical data or know-how which:

- a. is in the possession of the receiving party at the time of disclosure as shown by the receiving party’s files and records immediately prior to the time of disclosure;
- b. prior or after the time of disclosure becomes part of the public knowledge or literature, not as a result of any inaction or action of the receiving party;

- c. is developed by the receiving party through its independent resources without reference to the disclosing party's Confidential Information;
- d. is disclosed to the receiving party by a third party without restriction and, to the knowledge of the receiving party, without violation of any obligation of confidentiality; or
- e. is approved for release by the disclosing party in writing.

#### **4. Non-Disclosure of Confidential Information**

- a. The parties to this Agreement agree not to use the Confidential Information disclosed to it by the other party for its own use or for any purpose except to carry out the Purpose as contained in this Agreement. Neither party will disclose any Confidential Information of the other party to third parties except those directors, officers, employees, consultants and agents who are required to have the information in order to carry out the discussions of the contemplated Purpose. Each party will notify those directors, officers, employees, consultants and agents to whom Confidential Information of the other party is disclosed or who have access to Confidential Information of the other party that they are bound by the obligations of this Non-Disclosure Agreement.
- b. Each party agrees that it will take all reasonable measures to protect the secrecy of and avoid disclosure or use of Confidential Information of the other party in order to prevent it from falling into the public domain or the possession of persons other than those persons authorised hereunder to have any such information, which measures shall include the highest degree of care that either party utilises to protect its own Confidential Information of a similar nature. Each party agrees to notify the other party in writing of any misuse or misappropriation of such Confidential Information of the other party which may come to its attention.

#### **5. Promotion of Access to Information Act, No.2 of 2000**

- a. All information relating to the disclosing party and which the disclosing party has indicated to the receiving party in writing to be confidential information, shall be deemed to be confidential information.
- b. No provision of this Agreement shall be construed in such a way that the disclosing party is deemed to have granted its consent to the receiving party to disclose the whole or any part of the confidential information in the event that the receiving party receives a request for the whole or any part of the confidential information in terms of the provisions of the Promotion of Access to Information Act, No.2 of 2000, as may be amended from time to time ("the Act").
- c. Subject to the provisions below, the disclosure of confidential information by the receiving party otherwise than in accordance with the provisions of this Agreement will entitle the disclosing party to institute action for breach of confidence against the receiving party, as envisaged by Section 65 of Act No.2 of 2000.
- d. The receiving party acknowledges that the above provisions shall not be construed in such a manner as to exclude the applicability of any other grounds of refusal contained in Act No.2 of 2000 which may be applicable in the event that the receiving party receives a request for the whole or any part of the confidential information in terms of Act No.2 of 2000.



## **6. Non-Solicitation**

During the two-year period following the execution of this Agreement, neither party will solicit for employment, on its own behalf or that of any other person, any officer, director or employee of the other party at the level of director, vice-president or higher with whom the soliciting party became acquainted during the course of the discussions contemplated by this Agreement; provided, that the foregoing shall not be deemed to prohibit either party or a subsidiary of such party from making a general, public solicitation of employment in the ordinary course of such party or subsidiary's business, provided that such solicitation is not directed specifically to employees of the other party.

## **7. Mandatory Disclosure**

In the event that either party or their respective directors, officers, employees, consultants or agents are requested or required by legal process to disclose any of the Confidential Information of the other party, the party required to make such disclosure shall give prompt notice so that the other party may seek a protective order or other appropriate relief. In the event that such protective order is not obtained, the party required to make such disclosure shall disclose only that portion of the Confidential Information, which its counsel advises that it is legally required to disclose.

## **8. Variation, Addition or Cancellation**

No variation of, addition to, cancellation or novation of this Agreement in its entirety or of any term or condition thereof shall be of any force or effect unless such amendment or cancellation is reduced to writing and signed by both parties.

## **9. No License Granted**

Nothing in this Agreement is intended to grant any rights to either party under any patent, copyright, trade secret or other intellectual property right nor shall this Agreement grant either party any rights in or to the other party's Confidential Information, except the limited right to review such Confidential Information solely for the purposes of the contemplated business relationship between the parties.

## **10. No Representations**

No party makes any representation or warranty as to the accurateness or completeness of any Confidential Information provided hereunder. Neither party shall have any liability to the other arising from, or related to, the other party's use of Confidential Information provided hereunder.

## **11. Term**

The foregoing commitments of either party in this Agreement shall survive any termination of the business relationship under the contemplated Purpose between the parties, and shall continue relative to any Confidential Information disclosed hereunder for a period of 10 (ten) years following the disclosure of such Confidential Information.

## **12. Miscellaneous**

This Agreement shall be binding upon and for the benefit of the undersigned parties, their successors and assigns, provided that Confidential Information of either party may not be assigned without the prior written consent of the disclosing party. Failure to enforce any provision of this Agreement shall not constitute a waiver of any term hereof.

### 13. Governing Law and Jurisdiction

This Agreement shall be governed by and construed and enforced in accordance with the laws of the Republic of South Africa, and shall be binding upon the parties hereto in South Africa and worldwide.

### 14. Disputes

Any dispute or difference arising out of or relating to this Non-disclosure Agreement shall be referred to arbitration and settled by arbitration according to the rules then in effect of the Arbitration Foundation of Southern Africa. Such arbitration shall be held in Johannesburg, and conducted in the English language before 1 (one) arbitrator appointed in accordance with the said rules. The arbitrator shall apply the law chosen by the parties elsewhere in this Agreement to the merits of the dispute. This Agreement to arbitrate shall be enforceable in, and judgment upon any award may be entered in any court of any country having appropriate jurisdiction.

### 15. Remedies

Each party agrees that its obligations hereunder are necessary and reasonable in order to protect the other party and the other party's business, and expressly agrees that monetary damages may be inadequate to compensate the other party for any breach by either party of any covenants and agreements set forth herein.

Accordingly, each party agrees and acknowledges that any such violation or threatened violation may cause irreparable injury to the other party and that, in addition to any other remedies that may be available, in law, in equity or otherwise, the other party shall be entitled to obtain injunctive relief against the threatened breach of this Agreement or the continuation of any such breach, without the necessity of proving actual damages.

Signed	_____	Date	_____
Name	_____	Position	_____
Tenderer	_____		

**T2.2-4: Tender Clarification Request Form**

Essential Returnable

**Tender No: MW/73/3/2022/2023**

RFP deadline for questions / RFP Clarifications: **12h00 on the 20 March 2023**

TO: Mhlathuze Water

ATTENTION: Administrator

EMAIL [tenders@mhlathuze.co.za](mailto:tenders@mhlathuze.co.za)

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

FROM: \_\_\_\_\_

\_\_\_\_\_

REQUEST FOR RFP CLARIFICATION

\_\_\_\_\_

\_\_\_\_\_

\_\_\_\_\_

\_\_\_\_\_

\_\_\_\_\_

\_\_\_\_\_

\_\_\_\_\_

\_\_\_\_\_

\_\_\_\_\_

\_\_\_\_\_

## MHLATHUZE WATER

:

### T2.2-5: Credit Check

**Essential Returnable**

I consent to you making enquiries about my credit record with credit reference agencies when assessing this tender or quotation or updating my information in future.

Yes		No	
-----	--	----	--

Mhlathuze Water shall ensure that all necessary precautions are taken to ensure that all Information received or collected is:

- i. Properly and accurately recorded, maintained, collated, synthesised and/or processed;
- ii. Protected against loss;
- iii. Protected against unauthorised access, use, modification or disclosure;

Signed \_\_\_\_\_ Date \_\_\_\_\_

Name \_\_\_\_\_ Position \_\_\_\_\_

Tenderer \_\_\_\_\_

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**MHLATHUZE WATER**  
**CONTRACT NO MW/73/3/2022/2023**

**REFURBISHMENT AND AUGMENTATION OF WATER SUPPLY SCHEMES IN WARD 10 (OLD DEMARCATION) WITHIN MTUBATUBA LOCAL MUNICIPALITY**

Schedule of tender references

**Compulsory Returnable**

**SCHEDULE OF TENDERER'S REFERENCE CHECKS FOR PURPOSES OF TENDER EVALUATION**

**TENDERER** to complete A, B & E before sending to referee:

**A : DETAILS OF TENDERER WHO IS ASKING FOR THE REFERENCE**

\_\_\_\_\_  
Full tenderer's name as it will appear on the Form of Offer

**B : CONTACT DETAILS OF ORGANISATION / PERSON WHO IS PROVIDING THE REFERENCE (REFEREE)**

\_\_\_\_\_  
Full details of the organisation / person providing the reference

**C : DETAILS OF THE TENDER WHICH IS CURRENTLY BEING PREPARED :**

Contract Number : \_\_\_\_\_ **MW/73/3/2022/2023**

**Description :** REFURBISHMENT AND AUGMENTATION OF WATER SUPPLY SCHEMES IN WARD 6 (OLD DEMARCATION) WITHIN MTUBATUBA LOCAL MUNICIPALITY

**Estimated Performance Period** \_\_\_\_\_ **12 months**

**D : DETAILS OF THE CONTRACT WHICH WAS COMPLETED FOR THE ORGANISATION PROVIDING THE REFERENCE**

Description : \_\_\_\_\_

Commencement Date:

Date completed : \_\_\_\_\_ /

Value on completion : R

Incl. VAT

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**MHLATHUZE WATER**  
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**REFURBISHMENT AND AUGMENTATION OF WATER SUPPLY SCHEMES IN WARD 10 (OLD  
DEMARCATIION) WITHIN MTUBATUBA LOCAL MUNICIPALITY**

<b>F : Ratings on aspects below on the performance of the tenderer (A above) on the contract / project (E above)</b>	<b>UNACCEPT- ABLE</b>	<b>ACCEPTABLE</b>
Tenderer completed the work successfully and timeously		

Signature : \_\_\_\_\_

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

<b>DESCRIPTION</b>	<b>CONTRACT No.</b>	<b>DATE</b>	<b>PAGE No.</b>
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**MHLATHUZE WATER**  
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**REFURBISHMENT AND AUGMENTATION OF WATER SUPPLY SCHEMES IN WARD 10 (OLD DEMARCATION) WITHIN MTUBATUBA LOCAL MUNICIPALITY**

**Section – Generic Scope of Works**

**1. BACKGROUND**

Mhlathuze Water is a Water Board established under Chapter 6 of the Water Service Act and classified as a Schedule B3 Government Business Enterprise in terms of the Public Finance Management Act.

On 3 February 2022, the Minister of Water and Sanitation issued a Section 41 directive (of the Water Services Act) to Mhlathuze Water to initiate programmes to support of Umkhanyakude District in executing their water services authority function.

Mhlathuze Water invites bidders to submit bids for the **REFURBISHMENT AND AUGMENTATION OF WATER SUPPLY SCHEMES IN WARD 10 (OLD DEMARCATION) WITHIN MTUBATUBA LOCAL MUNICIPALITY**

**2. OBJECTIVE**

The objective is to appoint as suitable experienced company for the implementation or construction of **REFURBISHMENT AND AUGMENTATION OF WATER SUPPLY SCHEMES IN WARD 10 (OLD DEMARCATION) WITHIN MTUBATUBA LOCAL MUNICIPALITY** within the Umkhanyakude District Municipality. The tender will comprise of CIDB registered companies operating within the district or within the Province of KwaZulu-Natal.

**3. CONTRACT DURATION**

The contract is for the period of 12 months subject to a performance agreement to be entered into between the service provider and the employer.

The Panel shall be reviewed on an annual basis to allow for new entrance and changes to CIDB.

**4. EXTENT OF THE WORKS**

The bidder must demonstrate practical knowledge and experience of Water Infrastructure Construction Works in line with the key areas as defined below:

**4.1 CIVIL ENGINEERING WORKS**

Particularly related to the construction, upgrades and additions of the following types of works but not limited to below list:

- Construction of 100 kl Reservoirs
- Rehabilitation of the existing reservoir

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**REFURBISHMENT AND AUGMENTATION OF WATER SUPPLY SCHEMES IN WARD 10 (OLD  
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- Scope will verified on site as they will be investigative and rehabilitation work. the engineer will be working with the contractor on site.

#### **4.2 ELECTRICAL ENGINEERING WORKS (EP/EB)**

Particularly related to the construction, upgrades and additions of the works mentioned above under sections 4.1 which is applicable to the **electrical engineering works**

The scope of work entails the following, including but not limited to:

- Equipping of booster pump station with pumps, panels, electrical cables and fittings, including connection to Eskom power supply when necessary

#### **5. LOCATION OF THE WORKS**

The project site is situated within the uMkhanyakude District Municipality, KZN and located within Ward 10 of Mtubatuba Local Municipality. The areas covered are Part of Machibini, Esiyembeni and Nkolokotho.

- THE END -

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**T2.1.1: PROOF OF COMPANY REGISTRATION**

[Insert here]

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**T2.1.3: A CERTIFIED COPY OF PARTNERSHIP AGREEMENT (IF THE BID  
IS A PARTNERSHIP OR JV)**

[Insert here]

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**T2.1.4: PROOF OF REGISTRATION WITH NATIONAL TREASURY  
CENTRAL SUPPLIER DATABASE (CSD)**

[Insert here]

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**T2.1.5: PROOF OF REGISTRATION WITH SARS, (VALID PIN FROM  
SARS CONFIRMING COMPLIANCE STATUS)**

[Insert here]

DESCRIPTION	CONTRACT No.	DATE	PAGE No.
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**T2.1.6: PROOF CERTIFIED AND VALID COPY OF BBBEE CERTIFICATE  
OR A SWORN AFFIDAVIT**

[Attach here]

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**T2.1.7: CERTIFIED COPIES OF IDENTITY DOCUMENTS OF  
SHAREHOLDERS / MEMBERS / DIRECTORS OF THE BUSINESS**

[Attach here]

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**T2.1.8: PROOF OF PROFESSIONAL INDEMNITY**

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**T2.2 RETURNABLE SCHEDULES**  
**(TOGETHER WITH LIST OF RETURNABLE DOCUMENTS)**

<b>No.</b>	<b>Description</b>	<b>Page No.</b>
T2.2.1	Compulsory Enterprise Questionnaire	
T2.2.2	Authority of Signatory	
T2.2.3	Compulsory clarification/site briefing certificate	
T2.2.4	Schedule of Work Experience	
T2.2.5	Tenderer Bank Details	
T2.2.6	Addenda/Notice(s) issued to Tenderers (IF ANY)	
T2.2.7	Alterations/Amendments by Tenderer (IF ANY)	
T2.2.8	Declaration with regards to Sub-consulting	
T2.2.9	Bidder's Disclosure	
T2.2.10	Preferential Points Claim Form	
T2.2.11	Certificate of Independent Bid Determination	
T2.2.12	Schedule of Tenderer's Reference Checks	

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**T2.2.1: 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: CSD number**

**Section 5: Particulars of sole proprietors and partners in a partnership**

Name	Identity Number	Personal Income Tax Number*

\* Complete only if sole proprietor or partnership and attached separate page if more than 3 partners

**Section 6: Particulars of companies and close corporations**

Company registration number: \_\_\_\_\_

Close corporation number: \_\_\_\_\_

Tax reference number: \_\_\_\_\_

The undersigned, who warrants that he/she is duly authorised to do so on behalf of the enterprise:

- i) authorizes the employer to verify the tenderers tax clearance status from the South African Revenue Services that it is in order;
- ii) 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;
- iii) 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;
- iv) 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

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responsible for compiling the scope of work that could cause or be interpreted as a conflict of interest; and

- v) confirms that the contents of this questionnaire are within my personal knowledge and are to the best of my belief both true and correct.

**Signed on behalf of Bidder:** \_\_\_\_\_ **Date:** \_\_\_\_\_

**Name:** \_\_\_\_\_ **Position:** \_\_\_\_\_

**Enterprise Name:** \_\_\_\_\_

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**T2.2.2: AUTHORITY OF SIGNATORY**

Tenderers shall submit with their tenders the following information:

- 1 The full First Names and Surnames of their partners and/or directors:  
.....  
.....  
.....
  
- 2 The names and addresses of the local agents, firms, or representatives who are involved in any manner whatsoever in the Tender  
.....  
.....  
.....
  
- 3 In the case of a tender being submitted on behalf of a Company, Close Corporation or Partnership; assurance shall be given at the time of submission of the tender that the tender has been signed by someone properly authorised thereto by resolution of the Directors, Members or Partners. Signatories for companies shall confirm their authority by attaching to this form a copy of the relevant resolution of the board of directors, duly signed and dated.  
  
By resolution of the board of directors taken on (*Date*) .....  
  
Mr/Ms (*Print Name*).....  
  
has been duly authorized to sign all documents in connection with this tender / contract on behalf of : .....  
  
(*Print Company Name*) .....  
.....  
.....

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Signed on behalf of Company: .....

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

Date: .....

**SIGNED ON BEHALF OF BIDDER:** .....

**SIGNATURE OF SIGNATORY:** .....

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**T2.2.4: SCHEDULE OF WORK EXPERIENCE**

<b>Company (Client) Name and Contact Details</b>	<b>Experience of the Company in the <i>(specify the experience)</i> in the past 10 years.</b>	<b>Contract Value</b>	<b>Contract Duration Start and End Dates</b>

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**T2.2.5: BIDDER BANK DETAILS**

The Bidder shall append hereto his/her banking details accompanied by a BANK CANCELLED CHEQUE or a SIGNED LETTER FROM THE BANK ON THE BANK'S LETTERHEAD.

The letter should also reflect bank rating.

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**T2.2.6: ADDENDA / NOTICE(S) ISSUED TO BIDDERS**

I/We confirm that the following communication / Information / Notice(s), issued to Bidders, was received from the Employer before the submission of this bid offer and has been taken into consideration in this bid:

(NB: Addendum/Addenda shall only be made available to Bidders who attended the Site Clarification Meeting.)

Addendum / Notice Reference Number	Date of Issue	Subject Matter of Addendum / Notice

**NB:** Evidence of such addenda must be attached to this Schedule.

Specify number of sheets appended to this schedule \_\_\_\_\_ (if none, enter NONE)

**SIGNATURE:** \_\_\_\_\_  
(On behalf of the Bidder)

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

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**T2.2.7: ALTERATIONS / AMENDMENTS BY BIDDER**

The Bidder shall record and attach to this page any deviation or alteration he/she may wish to make to the bid document. The Bidder shall pay attention to Clause F.3.8 of the CIDB Standard Conditions of Tender with regards to how the deviations shall be dealt with by the Employer.

Page No.	Clause / Description

Specify the number of sheets appended to this schedule \_\_\_\_\_ (if none, enter NONE)

**SIGNATURE:** \_\_\_\_\_  
(On behalf of the Bidder)

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

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## **T2.2.9: BIDDER'S DISCLOSURE**

### **1. PURPOSE OF THE FORM**

Any person (natural or juristic) may make an offer or offers in terms of this invitation to bid. In line with the principles of transparency, accountability, impartiality, and ethics as enshrined in the Constitution of the Republic of South Africa and further expressed in various pieces of legislation, it is required for the bidder to make this declaration in respect of the details required hereunder.

Where a person/s are listed in the Register for Tender Defaulters and / or the List of Restricted Suppliers, that person will automatically be disqualified from the bid process.

### **2. BIDDER'S DECLARATION**

- 2.1 Is the bidder, or any of its directors / trustees / shareholders / members / partners or any person having a controlling interest<sup>1</sup> in the enterprise,

employed by the state?

**YES/NO**

- 2.1.1 If so, furnish particulars of the names, individual identity numbers, and, if applicable, state employee numbers of sole proprietor/ directors / trustees / shareholders / members/ partners or any person having a controlling interest in the enterprise, in table below.

<b>Full Name</b>	<b>Identity Number</b>	<b>Name of State institution</b>

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<sup>1</sup> the power, by one person or a group of persons holding the majority of the equity of an enterprise, alternatively, the person/s having the deciding vote or power to influence or to direct the course and decisions of the enterprise.

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- 2.2 Do you, or any person connected with the bidder, have a relationship with any person who is employed by the procuring institution? **YES/NO**

- 2.2.1 If so, furnish particulars:

.....  
.....

- 2.3 Does the bidder or any of its directors / trustees / shareholders / members / partners or any person having a controlling interest in the enterprise have any interest in any other related enterprise whether or not they are bidding for this contract? **YES/NO**

- 2.3.1 If so, furnish particulars:

.....  
.....

**3. DECLARATION**

I, the undersigned, (name)..... in submitting the accompanying bid, do hereby make the following statements that I certify to be true and complete in every respect:

- 3.1 I have read and I understand the contents of this disclosure;
- 3.2 I understand that the accompanying bid will be disqualified if this disclosure is found not to be true and complete in every respect;

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- 3.3 The bidder has arrived at the accompanying bid independently from, and without consultation, communication, agreement or arrangement with any competitor. However, communication between partners in a joint venture or consortium<sup>2</sup> will not be construed as collusive bidding.
- 3.4 In addition, there have been no consultations, communications, agreements or arrangements with any competitor regarding the quality, quantity, specifications, prices, including methods, factors or formulas used to calculate prices, market allocation, the intention or decision to submit or not to submit the bid, bidding with the intention not to win the bid and conditions or delivery particulars of the products or services to which this bid invitation relates.
- 3.4 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.
- 3.5 There have been no consultations, communications, agreements or arrangements made by the bidder with any official of the procuring institution in relation to this procurement process prior to and during the bidding process except to provide clarification on the bid submitted where so required by the institution; and the bidder was not involved in the drafting of the specifications or terms of reference for this bid.
- 3.6 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.

I CERTIFY THAT THE INFORMATION FURNISHED IN PARAGRAPHS 1, 2 and 3 ABOVE IS CORRECT.

I ACCEPT THAT THE STATE MAY REJECT THE BID OR ACT AGAINST ME IN TERMS OF PARAGRAPH 6 OF PFMA SCM INSTRUCTION 03 OF 2021/22 ON PREVENTING AND

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<sup>2</sup> Joint venture or Consortium means an association of persons for the purpose of combining their expertise, property, capital, efforts, skill and knowledge in an activity for the execution of a contract.

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COMBATING ABUSE IN THE SUPPLY CHAIN MANAGEMENT SYSTEM SHOULD THIS  
DECLARATION PROVE TO BE FALSE.

.....  
**SIGNATURE**

.....  
**DATE**

.....  
**POSITION**

.....  
**NAME OF BIDDER**

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## **T2.2.10: PREFERENCE POINTS CLAIM FORM**

### **SBD 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.**

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#### **9. GENERAL CONDITIONS**

**9.1** 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).

The value of this bid is estimated to ***not exceed*** R50 000 000 (all applicable taxes included) and therefore the **80/20** preference point system shall be applicable.

**9.2** Points for this bid shall be awarded for:

- (c) Price; and
- (d) B-BBEE Status Level of Contributor.

**9.3** The maximum points for this bid are allocated as follows:

	<b>POINTS</b>
<b>PRICE</b>	<b>80</b>
<b>B-BBEE STATUS LEVEL OF CONTRIBUTOR</b>	<b>20</b>
<b>Total points for Price and B-BBEE must not exceed</b>	<b>100</b>

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

**9.5** The purchaser reserves the right to require of a bidder, either before a bid is adjudicated or

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at any time subsequently, to substantiate any claim in regard to preferences, in any manner required by the purchaser.

**10. DEFINITIONS**

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

**11. POINTS AWARDED FOR PRICE**

**11.1 THE 80/20 OR 90/10 PREFERENCE POINT SYSTEMS**

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

$$\begin{array}{ccc}
 \mathbf{80/20} & \mathbf{or} & \mathbf{90/10} \\
 P_s = 80 \left( 1 - \frac{P_t - P_{\min}}{P_{\min}} \right) & \mathbf{or} & P_s = 90 \left( 1 - \frac{P_t - P_{\min}}{P_{\min}} \right)
 \end{array}$$

Where

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Ps = Points scored for price of bid under consideration

Pt = Price of bid under consideration

Pmin = Price of lowest acceptable bid

**12. POINTS AWARDED FOR B-BBEE STATUS LEVEL OF CONTRIBUTOR**

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

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

**13. BID DECLARATION**

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

**14. B-BBEE STATUS LEVEL OF CONTRIBUTOR CLAIMED IN TERMS OF PARAGRAPHS 1.4 AND 4.1**

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

**15. SUB-CONTRACTING**

- 15.1** Will any portion of the contract be sub-contracted?  
( *Tick applicable box*)

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**MHLATHUZE WATER**  
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**REFURBISHMENT AND AUGMENTATION OF WATER SUPPLY SCHEMES IN WARD 10 (OLD DEMARCATION) WITHIN MTUBATUBA LOCAL MUNICIPALITY**

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

15.1.1 If yes, indicate:

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

**(Tick applicable box)**

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

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

<b>Designated Group: An EME or QSE which is at least 51% owned by:</b>	<b>EME</b> ✓	<b>QSE</b> ✓
Black people		
Black people who are youth		
Black people who are women		
Black people with disabilities		
Black people living in rural or underdeveloped areas or townships		
Cooperative owned by black people		
Black people who are military veterans		
<b>OR</b>		
Any EME		
Any QSE		

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

**16.1** Name of company/firm:.....

**16.2** VAT registration number:.....

**16.3** Company registration number:.....

**16.4** TYPE OF COMPANY/ FIRM

- ☐ Partnership/Joint Venture / Consortium
- ☐ One person business/sole propriety
- ☐ Close corporation

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- ☐ Company
- ☐ (Pty) Limited

[TICK APPLICABLE BOX]

**16.5** DESCRIBE PRINCIPAL BUSINESS ACTIVITIES

.....

.....

.....

.....

**16.6** COMPANY CLASSIFICATION

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

[TICK APPLICABLE BOX]

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

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

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

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

<p>WITNESSES</p>  <p>3. ....</p> <p>4. ....</p>	<p style="text-align: center;">..... SIGNATURE(S) OF BIDDERS(S)</p> <p>DATE .....</p> <p>ADDRESS .....</p> <p>.....</p> <p>.....</p>
--	---

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**PART C1**

**AGREEMENTS AND CONTRACT DATA**

**C1.1 Form of Offer and Acceptance**

DESCRIPTION	CONTRACT No.	DATE	PAGE No.
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**FORM OF OFFER AND ACCEPTANCE**

**OFFER**

The Employer, identified in the Acceptance signature block, has solicited offers to enter into a contract for the procurement of:

**PROJECT DESCRIPTION**

The tenderer, identified in the Offer signature block below, has examined the TOR document 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 authorised, signing this part of this Form of Offer and Acceptance, the tenderer offers to perform all of the obligations and liabilities of the Service Provider 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**

.....

..... (in words); R..... (in figures) and

**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 Service Provider in the conditions of contract identified in the Contract Data.**

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**Signatures** \_\_\_\_\_

**Name(s)** \_\_\_\_\_

**Capacity** \_\_\_\_\_

**for the Tenderer** \_\_\_\_\_  
(Name and address of organisation)

**Date** \_\_\_\_\_

**Name & signature of witness**

**Signature** \_\_\_\_\_

**Name** \_\_\_\_\_

**Date** \_\_\_\_\_

DESCRIPTION	CONTRACT No.	DATE	PAGE No.
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**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 Service Provider 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

- Part C1        Agreements and Contract Data, (which includes this Agreement)
- Part C2        Pricing Data
- Part C3        Scope of Work
- Part C4        Site information and drawings and documents or parts thereof, which may be incorporated by reference into the above listed Parts. *(delete if not applicable)*

Deviations from and amendments to the TOR document and any addenda thereto listed in the returnable 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.

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 at, or just after, the date of this Agreement comes into effect. 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 on the date when the tenderer receives one fully completed original copy of this document, including the schedule of deviations (if any). Unless the tenderer (now Service Provider) within five working days of the date of such receipt notifies the Employer in writing of any reason why he cannot accept the contents of this agreement, this agreement shall constitute a binding contract between the parties.

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**Signatures** \_\_\_\_\_

**Name(s)** \_\_\_\_\_

**Capacity** \_\_\_\_\_

**for the Employer** \_\_\_\_\_  
(Name and address of organisation)

**Date** \_\_\_\_\_

**Name & signature of witness**

**Signature** \_\_\_\_\_

**Name** \_\_\_\_\_

**Date** \_\_\_\_\_

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**SCHEDULE OF DEVIATIONS**

Notes:

1. The extent of deviations from the TOR document issued by the Employer prior to the TOR closing date is limited to those permitted in terms of the conditions of tender;
2. A Tenderer's covering letter shall not be included in the final contract document. Should any matter in such letter, which constitutes a deviation as aforesaid become the subject of agreements reached during the process of, offer and acceptance, the outcome of such agreement shall be recorded here;
3. Any other matter arising from the process of offer and acceptance either as a confirmation, clarification or change to the tender documents and which it is agreed by the Parties becomes an obligation of the contract shall also be recorded here;
4. Any change or addition to the tender documents arising from the above agreements and recorded here, shall also be incorporated into the final draft of the Contract.

**1. Subject:** .....

Details: .....

.....

**2. Subject:** .....

Details: .....

.....

**3. Subject:** .....

Details: .....

.....

**4. Subject:** .....

Details: .....

.....

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**5. Subject:** .....

Details: .....

.....

**6. Subject:** .....

Details: .....

.....

By the duly authorised representatives signing this Schedule of Deviations, the Employer and the tenderer agree to and accept the foregoing Schedule of Deviations as the only deviations from the amendments to the TOR document and addenda thereto as listed in the Returnable Schedules, as well as any confirmation, clarification or change 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.

**FOR THE TENDERER:**

**Signatures** \_\_\_\_\_

**Name(s)** \_\_\_\_\_

**Capacity** \_\_\_\_\_

**For the Tenderer** \_\_\_\_\_

\_\_\_\_\_ (Name and address of organisation)

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**Date** \_\_\_\_\_

**Name & signature of witness**

**Signatures** \_\_\_\_\_

**Name(s)** \_\_\_\_\_

**Date** \_\_\_\_\_

**FOR THE EMPLOYER:**

**Signatures** \_\_\_\_\_

**Name(s)** \_\_\_\_\_

**Capacity** \_\_\_\_\_

**for the Employer** \_\_\_\_\_

\_\_\_\_\_ (Name and address of organisation)

**Name & signature of witness**

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**Signature** \_\_\_\_\_

**Name** \_\_\_\_\_

**Date** \_\_\_\_\_

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**Names & signatures of witnesses**

**Signatures** \_\_\_\_\_

**Name(s)** \_\_\_\_\_

**Date** \_\_\_\_\_

**FOR THE EMPLOYER:**

**Signatures** \_\_\_\_\_

**Name(s)** \_\_\_\_\_

**Capacity** \_\_\_\_\_

**for the Purchaser** \_\_\_\_\_

\_\_\_\_\_ (Name and address of organisation)

**Names & signatures of witnesses**

**Signatures** \_\_\_\_\_

**Name(s)** \_\_\_\_\_

**Date** \_\_\_\_\_

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**- END OF SECTION -**

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**PART C1**

**AGREEMENTS AND CONTRACT DATA**

**C1.2 Contract Data**

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The following standardised General Conditions of Contract:

General Conditions of Contract for Construction Works (Third Edition) 2015

Prepared by the South African Institution of Civil Engineering (SAICE) shall apply to and form the General Conditions of Contract for this contract. Copies of these Conditions of Contract are obtainable from the South African Institution of Civil Engineering (SAICE), Private Bag X200, Halfway House 1685, Tel: (011) 805 5947, Fax: (011) 805 5971, e-mail: [civilinfo@saice.org.za](mailto:civilinfo@saice.org.za).

Copies of the General Conditions of Contract are available for inspection and scrutiny at the offices of the Engineer.

The General Conditions of Contract make several references to the Contract Data for specific data, which together with these conditions collectively describe the risks, liabilities and obligations of the contracting parties and the procedures for the administration of the Contract. The Contract Data shall have precedence in the interpretation of any ambiguity or inconsistency between it and the general conditions of contract.

The General Conditions of Contract shall be read in conjunction with the variations, amendments and additions set out in the Contract Specific Data below. Each item of data given below is cross-referenced to the clause in the General Conditions of Contract to which it mainly applies.

The Contract Data and General Conditions of Contract shall have precedence over the Drawings, Scope of Work and Standardised Specifications in the interpretation of any ambiguity or inconsistency between these documents.

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**REFURBISHMENT AND AUGMENTATION OF WATER SUPPLY SCHEMES IN WARD 10 (OLD DEMARCATION) WITHIN MTUBATUBA LOCAL MUNICIPALITY**

**Part 1: Data Provided by the Employer**

**CONTRACT SPECIFIC DATA**

The following contract specific data, referring to the General Conditions of Contract for Construction Works, Second Edition, 2015, are applicable to this Contract:

*Compulsory Data*

1.1	1.1	The terms Client, Principal Contractor and Designer as used in the Occupational Health and Safety Act – Construction Regulations are synonymous with the terms Employer, Contractor, Sub-Contractor and Engineer as defined in Clause 1.1 of the GCC.
The Commencement Date is	1.1.1.5	Clause 1.1.1.5 of the GCC is replaced by the following: The "Commencement Date" shall be the date the site is handed over to the Contractor.
The Defects Liability Period is	1.1.1.13	6 Months for the Buildings and 12 months for all Civil works
The time for achieving Practical completion is	1.1.1.14	24 Weeks, exclusive of the 21-day period referred to in Clause 5.3.2 below, and exclusive of non-working days referred to in Clause 5.8.1 below and exclusive of special non-working days (Clause 5.8.1).
The name of the Employer is	1.1.1.15	uMhlathuze Water
The Name of the Employer's Agent	1.1.1.16	The Engineer representing Sanoqwabe Consultants CC Engineers is <b>Mr Sandile Mbuthuma</b> .
The Pricing Strategy is	1.1.1.26	Re-measurement contract

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The address of the Employer is	1.2.1.2	Attention: T JELE Mhlathuze Water Civic Offices, Private Bag X1047 RICHARDS BAY 3900 Tel: (035) 902 1000 Fax: (035) 907 5444
The name of the Engineer is	1.1.1.16	Sanoqwabe Consultants CC
The address of the Engineer is	1.2.1.2	Physical Address: No.65 8 <sup>th</sup> Avenue, Morningside Durban , 4001  Tel No: 031 942 1349 Fax No: 086 684 6571 E-mail: <a href="mailto:admin@sanoqwabe.com">admin@sanoqwabe.com</a>
The documentation required before commencement with Works execution are:	5.3.1	Health and Safety Plan (Refer to Clause 4.3)  <ul style="list-style-type: none"> <li>• Initial programme (Refer to Clause 5.6)</li> <li>• Security (Refer to Clause 6.2)</li> <li>• Insurance (Refer to Clause 8.6)</li> </ul> Agreement of Indemnity in Terms of Occupational Health and Safety Act 1993
The time to submit the documentation required before commencement with Works execution is	5.3.2	7 days.
The non-working days are	5.8.1	Saturdays and Sundays
The special non-working days are:	5.8.1	All promulgated South African Public Holidays  1) All gazetted public holidays falling outside the year end break.  (2) The year end breaks as per the Civil Engineering Industry Annual Shut-down published by SAFCEC ( <a href="http://www.safcec.org.za">www.safcec.org.za</a> ).

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Abnormal Climate Conditions (Rain Delays)	5.12.2	<p>No extension of time will be granted in respect of any delays attributed to normal climatic conditions. Normal climatic conditions shall be deemed to include normal rainfall and associated wet conditions and materials, strong winds and extremes of temperature. However, in the event that delays to critical activities exceed the number of working days listed below for each month, then abnormal climatic conditions shall be deemed to exist, and an extension of time may be claimed in accordance with the provisions of Clause 5.12.</p> <p>The number of days quoted below shall be regarded as a fair estimate of the delays to be anticipated and allowed for under normal climatic conditions where inclement weather prevents or disrupts critical work.</p> <p>It shall be further noted that where the critical path is not affected, no extension of time for abnormal climatic conditions or for any other reason will be entertained.</p> <table><tr><td>January</td><td>4 days</td></tr><tr><td>February</td><td>4 days</td></tr><tr><td>March</td><td>4 days</td></tr><tr><td>April</td><td>4 days</td></tr><tr><td>May</td><td>4 days</td></tr><tr><td>June</td><td>2 days</td></tr></table>			January	4 days	February	4 days	March	4 days	April	4 days	May	4 days	June	2 days
January	4 days															
February	4 days															
March	4 days															
April	4 days															
May	4 days															
June	2 days															
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		<p>July 2 days</p> <p>August 2 days</p> <p>September 2 days</p> <p>October 4 days</p> <p>November 4 days</p> <p>December 4 days</p>
The penalty for failing to complete Works is	5.13.1	R 2500 (per Day) per calendar day or part thereof up to a limit of 30 normal working day, upon which automatic termination will be effected by the Employer.
The latent defect period is	5.16.3	10 years
Security (Performance Guarantee)	6.2.1	The guarantee should contain the same wording as indicated in the document included as C1.3 under returnable documents. The amount of the Guarantee should be 5% Surety of the contract Sum.
The percentage allowance to cover overhead charges is	6.5.1.2.3	12.5%
The percentage advance on materials not yet built into the Permanent Works is	6.10.1.5	80%
The limit of retention money is	6.10.3	10% of the certified work done (including VAT). <b>Retention Money :</b> Delete the word "selected". The percentage retention on the amounts due to the Contractor is 10%. The limit of "retention money" is 5% of the Contract Sum. Should the Contract Price exceed the

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		Contract Sum then the limit of "retention money" is 5% of the Contract Price. Interest will not be paid on retention withheld by the Employer.
Insurance sum is	8.6.1.1.2	Works insurance to be provided by the contractor before the commencement of the works. The insurance should incorporate all the materials on site against damage or physical loss arising from whatever cause (except the causes set out in clause 8.3.1) for the period of construction.
The amount to cover professional fees for repairing damage and loss to be included in the insurance sum is	8.6.1.1.3	Nil
The limit of indemnity for liability insurance is	8.6.1.3	R 2.5 million per claim, number of claim unlimited
The number of Adjudication Board Members to be appointed is	10.5.3	One
<i>Optional data</i>		
The access and possession of the site shall not be exclusive to the Contractor but as set out in the Site Information.	5.4.2	<i>Shall include all activities for the <b>Refurbishment and Augmentation of Water Supply Schemes in Ward 10 Old Demarcation within Mtubatuba Local Municipality</b></i>
Contract Price Adjustment	6.8.2	None
Price adjustments for variations in the costs of special materials are allowed	6.8.3	None
Dispute resolution shall be by	10.5.1	<i>Decide if standing or ad-hoc adjudication</i>
The determination of dispute shall be by	10.7.1	Arbitration

SIGNATURE: .....

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Part 2: Data provided by the Contractor

<b>1.0</b>	<b>CONTRACTING PARTY</b>		
1.1	Name of <b>contractor</b>		
	Address of contractor		
		Tel: Fax: e-mail:	
	Tax/Vat Registration Number:		
<b>2.0</b>	<b>SECURITIES</b>		
2.1	The security provisions selected are:	Variable	Fixed
	No Advanced Payments will be made		
<b>3.0</b>	<b>PAYMENT AND ADJUSTMENT OF PRELIMINARIES</b>		
3.2.4	The contract value shall <b><u>NOT</u></b> be adjusted according to <b>CPAP</b>		
3.2.5	Payment of preliminaries	Option A	Option B
3.2.6	Adjustment of preliminaries	Option A	Option B
<b>4.0</b>	<b>EMPLOYER CHANGES TO GCC 2015 3<sup>rd</sup> EDITION STANDARD DOCUMENTS</b>		
4.1	Changes in terms of the employer's Contract Data are accepted	Yes	No

END OF SECTION

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**C1.3.2 SPECIAL CONDITIONS OF CONTRACT**

**PREAMBLE**

The Special Conditions of Contract contains clauses hereinafter defined and forms an integral part of the Conditions of Contract. In the case of any discrepancy or conflict with any part of the General Conditions of Contract, the Special Conditions of Contract shall take precedence and shall govern.

**SUB-CONTRACTORS**

**Add New Clause 4.4.7**

The contractor shall not sub-contract more than 25% of the value of the contract to any other enterprises 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 capacity and ability to execute the sub-contract. The contractor should engage the local sub-contractor for the minimum value of 15% of the contract amount.

This clause is not applicable to specialist sub-contractor for the grassing and fencing enterprises.

**CONTRACTOR'S RESPONSIBILITY FOR SETTING OUT**

**Add New Clause 5.9.8**

The Contractor shall take special precautions to protect all permanent survey beacons, bench-marks, stand boundary pens and trigonometrical beacons regardless whether such pegs or beacons were placed before or during the execution of the contract. If any such beacons or pegs, which would not otherwise have been affected by construction of the works, have been disturbed by the Contractor or his employees, the Contractor shall have them replaced by a registered land surveyor at his own cost.

**SECURITY**

**Replace Clause 6.2 as follows:**

Security will be 10% retention of the value of the works with a limit as selected in the Contract Data.

**NATURAL VEGETATION (ADDITIONAL SUB CLAUSE)**

**Add new Clause 8.1.6**

"The Contractor shall confine his operation to as small an area of the site as may be practical for the purpose of executing the works.

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Only those trees and shrubs directly affected by the works and such others as the Engineer/Employer may direct in writing shall be cut down and stumped. The natural vegetation, grassing and other plants shall not be disturbed other than in areas where it is essential for the execution of the work or where directed by the Engineer”.

**Add new Clause 8.1.7**

“The Contractor shall be responsible for the protection of any existing services associated infrastructure along the length of the Site. In the event of damage to the existing services and associated infrastructure along this length the damage shall be repaired by the Contractor at the expense of the Contractor as set out below.

**8.1.7.1 Classification**

Any damage resulting in an interruption in the supply of services shall be deemed an emergency repair, and the timing of the works is then of an urgent nature. Such classification shall be at the discretion of the Engineer and communicated as such to the Contractor.

**8.1.7.2 Availability of Contractor for emergency repairs**

During the defects liability, the Contractor shall ensure that a member of his staff shall at all times of day or night is contactable through a cell phone in the event of having to affect an emergency repair.

The Contractor shall as a minimum comply with the following requirements:

- i) A minimum of 1 artisan and 1 skilled labourer shall be available to attend to an emergency repair at all times during normal hours and after hours.
- ii) Suitable tools, plant, transport, test equipment, spares and repair kits shall be available at all times to do the necessary emergency repairs.
- iii) Above labour and resources shall be available at all times, including Saturdays, Sundays and public holidays, during normal hours and after hours, and the names, addresses and contact information shall be made available to the Employer and Engineer for this purpose.

**8.1.7.3 Procedure for commencement and execution of repairs**

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Upon discovery of damage, the Engineer or his representative shall instruct the Contractor to attend to the said emergency repair, which instruction shall be verbal, and thereafter confirmed in writing.

The Contractor shall within 3 hours from such notification arrive on site to define the extent of the repair required and shall immediately make arrangements to have such a repair rectified, which repair shall be affected within 9 hours thereafter,

**8.1.7.4 Communication in the event of emergency repairs**

The Contractor shall immediately upon arrival inform the Engineer of the extent of the problem and also of the anticipated timeframe required to effect the repairs thereto.

Immediately upon completion of the repairs, the Contractor shall provide a verbal notification to the Engineer to the fact that the works have been completed and confirm it within 12 hours in writing.

**8.1.7.6 Failure to effect emergency repairs**

In the event that the Contractor should fail to attend to the emergency repairs as described above and within the response times noted, the Employer shall be entitled to carry out such work by his own workman or by other persons without further notification to the Contractor and to recover the cost thereof from the Contractor.

**ENGAGEMENT OF EMPLOYEES**

**DELAY THROUGH OPPORTUNITIES AFFORDED TO OTHER PERSONS**

**Add-new clause 4.8.1.4**

"Whenever the Contractor considers that he is suffering a delay in the smooth running of his work as the result of the execution of any work on the Site by other persons he shall report to the Engineer/Employer in writing within twenty-four (24) hours of the occurrence thereof the circumstances and extent of such delay. The Engineer/Employer shall take such steps to resolve the problem, as he considers necessary. Failure on the part of the Contractor to report to the Engineer/Employer such delay at the time of its occurrence shall invalidate any claim to any extension of time in terms of Clause 5.12".

**Add new clause 4.11.3**

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"The Contractor shall at all-time exercise strict control over his employees to prevent, as far as possible, any unruly or unlawful behaviour by or amongst the labourers, local community members or leadership thereof and other employed by him.

The Contractor shall not engage or otherwise employ on the Works any person who, at the time of signing the contract, was employed by the Employer upon the Works, unless the Contractor obtains the written consent of the Employer or Employer's Representative in respect of the employment of such person".

**EXTENSION OF TIME DUE TO INCLEMENT WEATHER**

**Add the following to sub-clause 5.12.2.2**

(b) Abnormal climatic conditions.

No extensions of the time for completion shall be granted on the grounds of normal rainfall conditions, but extension of time in terms of clause 45(2) of the General Conditions of contract on the grounds of abnormal rainfall or wet conditions shall be calculated separately for each calendar month or part thereof, according to the following formula. It shall be calculated as follows for the time for completion, including any extension thereof:

$$V = (Nw - Nn) + \frac{(Rw - Rn)}{X}$$

V = Extension of time for calendar days of the calendar month concerned. If the value of V is negative and the absolute value thereof is greater than Nn, V is taken as negative Nn.

Nw = Actual number of days during calendar month on which a rainfall of Y mm or more is recorded.

Nn = Average number of days in the calendar month concerned on which a rainfall of Y mm or more is recorded in terms of existing rainfall data

Rw = Actual rainfall for the calendar month concerned in mm

Rn = Average rainfall for the calendar month in mm deduced from existing rainfall data.

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For the purposes of the contract Nn, Rn, X and Y shall have the values as stipulated below.

The total extension of time is the algebraic sum of the monthly totals for the period concerned; extension of time for parts of a month shall be calculated by using pro rata values of Nn and Rn. If the algebraic sum of the monthly totals is negative, no reduction of the time for completion as a result of rainfall shall be applicable.

This formula does not take any delays as a result of flood damage, which may cause further or simultaneous delays, into consideration and flood damage shall be treated separately for purposes of extension of time for completion.

The factor  $(Nw - Nn)$  is considered as a fair allowance for deviation from the normal for the number of days on which the rainfall exceeds Y mm. The factor  $(Rw - Rn)/X$  is considered as a fair allowance for deviation from the normal for the number of days on which the rainfall does not exceed Y mm, but on which wet conditions will hamper or disrupt work.

The Contractor shall keep daily rainfall records and submit it to the Employer's Representative at every site meeting. No additional payment shall be made for the supply and installation of the rain gauge or for the keeping of the rainfall records and all costs must be included in the scheduled items:

**EXTENSION OF TIME DUE TO DISRUPTION OF LABOUR**

**Add the following to Sub Clause 5.12.2.4**

"Labour disruptions on a regional or national level due to political unrest, organised mass action or related incidents will be considered to be beyond the Contractor's control.

Any strike within the confines of the Contractor's company and/or this project only, will be deemed to be within the Contractor's control".

**CESSION FOR CASH ADVANCEMENTS**

No cessions for cash advancements will be entertained by the employer for whatever reason. Cessions will only be accepted for payment of material and nominated sub-contractors, and payment will only be effected on delivery and fixing of material in the required position.

**OCCUPATIONAL HEALTH AND SAFETY ACT**

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The Contractor shall comply with all the requirements of the Occupational Health and Safety Act (Act No. 85 of 1993) and the Regulations framed there under.

The Contractor shall also ensure that any Sub Contractor employed by him shall also comply with the Act and the Regulations.

The contractor shall submit an approved Health and Safety plan prior to commencement with this contract.

**BID ACCEPTANCE**

The Employer does not bind itself to accept the lowest bid or any bid or furnish any reasons for the acceptance or rejection of any bid.

**C1.3.3 LABOUR INTENSIVE CONSTRUCTION REQUIREMENTS**

**PAYMENT FOR THE LABOUR-INTENSIVE COMPONENT OF THE WORKS**

Payment for works identified in the scope of work as being labour-intensive shall only be made in accordance with the provisions of the Contract if the works are constructed strictly in accordance with the provisions of the scope of work. Any non-payment for such works shall not relieve the contractor in any way from his obligations either in contract or in delict.

**APPLICABLE LABOUR LAWS**

The Ministerial Determination, Special Public Works Programmes, issued in terms of the Basic Conditions of Employment Act of 1997 by the Minister of Labour in Government Notice N° R63 of 25 January 2002, as reproduced below, shall apply to works described in the scope of work as being labour intensive and which are undertaken by unskilled or semi-skilled workers.

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**1 Introduction**

- 1.1 This document contains the standard terms and conditions for workers employed in elementary occupations on a Special Public Works Programme (SPWP). These terms and conditions do NOT apply to persons employed in the supervision and management of a SPWP.
- 1.2 In this document –
- (a) “department” means any department of the State, implementing agent or contractor;
  - (b) “employer” means any department, implementing agency or contractor that hires workers to work in elementary occupations on a SPWP;
  - (c) “worker” means any person working in an elementary occupation on a SPWP;
  - (d) “elementary occupation” means any occupation involving unskilled or semi-skilled work;
  - (e) “management” means any person employed by a department or implementing agency to administer or execute an SPWP;
  - (f) “task” means a fixed quantity of work;
  - (g) “task-based work” means work in which a worker is paid a fixed rate for performing a task;
  - (h) “task-rated worker” means a worker paid on the basis of the number of tasks completed;
  - (i) “time-rated worker” means a worker paid on the basis of the length of time worked.

**2 Terms of Work**

- 2.1 Workers on a SPWP are employed on a temporary basis.
- 2.2 A worker may NOT be employed for longer than 24 months in any five-year cycle on a SPWP.
- 2.3 Employment on a SPWP does not qualify as employment as a contributor for the purposes of the Unemployment Insurance Act 30 of 1966.

**3 Normal Hours of Work**

- 3.1 An employer may not set tasks or hours of work that require a worker to work–
- (a) More than forty hours in any week
  - (b) On more than five days in any week; and
  - (c) For more than eight hours on any day.
- 3.2 An employer and worker may agree that a worker will work four days per week. The worker may then work up to ten hours per day.
- 3.3 A task-rated worker may not work more than a total of 55 hours in any week to complete the tasks allocated (based on a 40-hour week) to that worker.

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**4 Meal Breaks**

- 4.1 A worker may not work for more than five hours without taking a meal break of at least thirty minutes duration.
- 4.2 An employer and worker may agree on longer meal breaks.
- 4.3 A worker may not work during a meal break. However, an employer may require a worker to perform duties during a meal break if those duties cannot be left unattended and cannot be performed by another worker. An employer must take reasonable steps to ensure that a worker is relieved of his or her duties during the meal break.
- 4.4 A worker is not entitled to payment for the period of a meal break. However, a worker who is paid on the basis of time worked must be paid if the worker is required to work or to be available for work during the meal break.

**5 Special Conditions for Security Guards**

- 5.1 A security guard may work up to 55 hours per week and up to eleven hours per day.
- 5.2 A security guard who works more than ten hours per day must have a meal break of at least one hour or two breaks of at least 30 minutes each.

**6 Daily Rest Period**

Every worker is entitled to a daily rest period of at least eight consecutive hours. The daily rest period is measured from the time the worker ends work on one day until the time the worker starts work on the next day.

**7 Weekly Rest Period**

Every worker must have two days off every week. A worker may only work on their day off to perform work, which must be done without delay and cannot be performed by workers during their ordinary hours of work "emergency work").

**8 Work on Sundays and Public Holidays**

- 8.1 A worker may only work on a Sunday or public holiday to perform emergency or security work.
- 8.2 Work on Sundays is paid at the ordinary rate of pay.
- 8.3 A task-rated worker who works on a public holiday must be paid –
- (a) The worker's daily task rate, if the worker works for less than four hours;
  - (b) Double the worker's daily task rate, if the worker works for more than four hours.

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- 8.4 A time-rated worker who works on a public holiday must be paid –
- (a) The worker's daily rate of pay, if the worker works for less than four hours on the public holiday;
  - (b) Double the worker's daily rate of pay, if the worker works for more than four hours on the public holiday.

**9 Sick Leave**

- 9.1 Only workers who work four or more days per week have the right to claim sick-pay in terms of this clause.
- 9.2 A worker who is unable to work on account of illness or injury is entitled to claim one day's paid sick leave for every full month that the worker has worked in terms of a contract.
- 9.3 A worker may accumulate a maximum of twelve days' sick leave in a year.
- 9.4 Accumulated sick-leave may not be transferred from one contract to another contract.
- 9.5 An employer must pay a task-rated worker the worker's daily task rate for a day's sick leave.
- 9.6 An employer must pay a time-rated worker the worker's daily rate of pay for a day's sick leave.
- 9.7 An employer must pay a worker sick pay on the worker's usual payday
- 9.8 Before paying sick-pay, an employer may require a worker to produce a certificate stating that the worker was unable to work on account of sickness or injury if the worker is –
- (a) Absent from work for more than two consecutive days; or
  - (b) Absent from work on more than two occasions in any eight-week period.
- 9.9 A medical certificate must be issued and signed by a medical practitioner, a qualified nurse or a clinic staff member authorized to issue medical certificates indicating the duration and reason for incapacity.
- 9.10 A worker is not entitled to paid sick-leave for a work-related injury or occupational disease for which the worker can claim compensation under the Compensation for Occupational Injuries and Diseases Act.

**10 Maternity Leave**

- 10.1 A worker may take up to four consecutive months' unpaid maternity leave.
- 10.2 A worker is not entitled to any payment or employment-related benefits during maternity leave.
- 10.3 A worker must give her employer reasonable notice of when she will start maternity leave and when she will return to work.
- 10.4 A worker is not required to take the full period of maternity leave. However, a worker may not work for four weeks before the expected date of birth of her child or for six weeks after the birth of her child, unless a medical practitioner, midwife or qualified nurse certifies that she is fit to do so.
- 10.5 A worker may begin maternity leave –

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- (a) four weeks before the expected date of birth; or
  - (b) on an earlier date –
    - (i) if a medical practitioner, midwife or certified nurse certifies that it is necessary for the health of the worker or that of her unborn child; or
    - (ii) if agreed to between employer and worker; or
  - (c) on a later date, if a medical practitioner, midwife or certified nurse has certified that the worker is able to continue to work without endangering her health.
- 10.6 A worker who has a miscarriage during the third trimester of pregnancy or bears a stillborn child may take maternity leave for up to six weeks after the miscarriage or stillbirth.
- 10.7 A worker who returns to work after maternity leave has the right to start a new cycle of twenty-four months employment, unless the SPWP on which she was employed has ended.

**11 Family responsibility leave**

- 11.1 Workers, who work for at least four days per week, are entitled to three days paid family responsibility leave each year in the following circumstances –
- (a) when the employee's child is born;
  - (b) when the employee's child is sick;
  - (c) in the event of a death of –
    - (i) the employee's spouse or life partner;
    - (ii) the employee's parent, adoptive parent, grandparent, child, adopted child, grandchild or sibling.

**12 Statement of Conditions**

- 12.1 An employer must give a worker a statement containing the following details at the start of employment –
- (a) The employer's name and address and the name of the SPWP;
  - (b) The tasks or job that the worker is to perform; and
  - (c) The period for which the worker is hired or, if this is not certain, the expected duration of the contract;
  - (d) The worker's rate of pay and how this is to be calculated;
  - (e) The training that the worker will receive during the SPWP.
- 12.2 An employer must ensure that these terms are explained in a suitable language to any employee who is unable to read the statement.

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12.3 An employer must supply each worker with a copy of these conditions of employment.

**13 Keeping Records**

13.1 Every employer must keep a written record of at least the following –

- (a) The worker's name and position;
- (b) In the case of a task-rated worker, the number of tasks completed by the worker;
- (c) In the case of a time-rated worker, the time worked by the worker;
- (d) Payments made to each worker.

13.2 The employer must keep this record for a period of at least three years after the completion of the SPWP.

**14 Payment**

14.1 An employer must pay all wages at least monthly in cash or by cheque or into a bank account.

14.2 A task-rated worker will only be paid for tasks that have been completed.

14.3 An employer must pay a task-rated worker within five weeks of the work being completed and the work having been approved by the manager or the contractor having submitted an invoice to the employer.

14.4 A time-rated worker will be paid at the end of each month.

14.5 Payment must be made in cash, by cheque or by direct deposit into a bank account designated by the worker.

14.6 Payment in cash or by cheque must take place –

- (a) at the workplace or at a place agreed to by the worker;
- (b) during the worker's working hours or within fifteen minutes of the start or finish of work;
- (c) in a sealed envelope which becomes the property of the worker.

14.7 An employer must give a worker the following information in writing –

- (a) the period for which payment is made;
- (b) the numbers of tasks completed or hours worked;
- (c) the worker's earnings;

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- (d) any money deducted from the payment;
- (e) the actual amount paid to the worker.

- 14.8 If the worker is paid in cash or by cheque, this information must be recorded on the envelope and the worker must acknowledge receipt of payment by signing for it.
- 14.9 If a worker's employment is terminated, the employer must pay all monies owing to that worker within one month of the termination of employment.

## **15 Deductions**

- 15.1 An employer may not deduct money from a worker's payment unless the deduction is required in terms of a law.
- 15.2 An employer must deduct and pay to the SA Revenue Services any income tax that the worker is required to pay.
- 15.3 An employer who deducts money from a worker's pay for payment to another person must pay the money to that person within the time period and other requirements specified in the agreement law, court order or arbitration award concerned.
- 15.4 An employer may not require or allow a worker to –
- (a) repay any payment except an overpayment previously made by the employer by mistake;
  - (b) state that the worker received a greater amount of money than the employer actually paid to the worker; or
  - (f) pay the employer or any other person for having been employed.

## **16 Health and Safety**

- 16.1 Employers must take all reasonable steps to ensure that the working environment is healthy and safe.
- 16.2 A worker must –
- (a) work in a way that does not endanger his/her health and safety or that of any other person;
  - (b) obey any health and safety instruction;
  - (c) obey all health and safety rules of the SPWP;
  - (d) use any personal protective equipment or clothing issued by the employer;
  - (e) report any accident, near-miss incident or dangerous behavior by another person to their employer or manager.

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**17 Compensation for Injuries and Diseases**

- 17.1 It is the responsibility of the employers (other than a contractor) to arrange for all persons employed on a SPWP to be covered in terms of the Compensation for Occupational Injuries and Diseases Act, 130 of 1993.
- 17.2 A worker must report any work-related injury or occupational disease to their employer or manager.
- 17.3 The employer must report the accident or disease to the Compensation Commissioner.
- 17.4 An employer must pay a worker who is unable to work because of an injury caused by an accident at work 75% of their earnings for up to three months. The employer will be refunded this amount by the Compensation Commissioner. This does NOT apply to injuries caused by accidents outside the workplace such as road accidents or accidents at home.

**18 Termination**

- 18.1 The employer may terminate the employment of a worker for good cause after following a fair procedure.
- 18.2 A worker will not receive severance pay on termination.
- 18.3 A worker is not required to give notice to terminate employment. However, a worker who wishes to resign should advise the employer in advance to allow the employer to find a replacement.
- 18.4 A worker who is absent for more than three consecutive days without informing the employer of an intention to return to work will have terminated the contract. However, the worker may be re-engaged if a position becomes available for the balance of the 24-month period.
- 18.5 A worker who does not attend required training events, without good reason, will have terminated the contract. However, the worker may be re-engaged if a position becomes available for the balance of the 24-month period.

**19 Certificate of Service**

- 19.1 On termination of employment, a worker is entitled to a certificate stating –

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- (a) the worker's full name;
- (b) the name and address of the employer;
- (c) the SPWP on which the worker worked;
- (d) the work performed by the worker;
- (e) any training received by the worker as part of the SPWP;
- (f) the period for which the worker worked on the SPWP;
- (g) any other information agreed on by the employer and worker.

**20 MINIMUM LABOUR BASED TARGETS**

The following minimum labour based targets are required to be met:

**20.1 LABOUR BUDGETS AS PERCENTAGE OF PROJECT BUDGET**

A minimum of 30% of the Project Budget is required to be spent on local community labour.

**20.2 EMPLOYMENT OF LOCAL LABOUR**

The Contractor is required to make maximum possible use of the local labour force from the community, which is at present underemployed or unemployed.

To this end, the Contractor is required to give preference to the use of local labour and limit the use of non-local labour to key personnel only.

Local labour is defined as "people who reside in the community who have preferably been identified by the Project Steering Committee to be employed"

Key Personnel – are defined as foremen and skilled labourers without whom the particular job could not be accomplished. As far as possible, these people should impart their management and building skills to individuals within the community workforce who show a keen interest and display a willingness to learn.

**20.3 EMPLOYMENT OF WOMEN**

A minimum of 50% of the clerical, semi-skilled and unskilled local labourers employed are required to be women.

**20.4 EMPLOYMENT OF YOUTH**

A minimum of 15% of the local labourers employed is required to be youth (35 years and under and out of school)

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**20.5 EMPLOYMENT OF DISABLED PERSONS**

A minimum of 1,5% of the local labourers employed is required to be disabled persons.

**21 MINIMUM REPORTING**

**21.1 CONTRACTORS REPORT**

The Contractor is required to complete a contractors report, which is to be submitted together with the contractors Payment Claims all as per the "Reporting schedule 1 and 2 (overall)" attached hereto. Payment of the contractor is conditional on the information being accurately and timeously provided.

**21.2 WORKER CONTRACTS**

All worker contracts for workers employed during the month must accompany the Reporting Schedule 2 - 5 (Labour) attached hereto.

**22 ATTACHMENTS**

Reporting Schedule 1 (Training Data)  
Reporting Schedule 2 (Labour Monthly Summary Sheet)  
Reporting Schedule 3 (Daily Site Attendance Register)  
Reporting Schedule 4 (Payment Register)  
Reporting Schedule 5 (Beneficiary List)

**C1.3.4 POLICY FOR THE USE OF CLO AND LOCAL LABOUR**

**C1.4.1: POLICY FOR THE USE OF CLO'S AND LOCAL LABOUR (Policy shown in bold text)**

The Primary role of the CLO's shall be liaison and facilitation of communication.

This could include inter alia

- Assisting in all aspects related to the recruitment of local labour, and advise them of their rights
- Acting as a source of information for the community and councillors on issues related to the contract.
- Keeping the contractor advised on community issues

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- Keeping the contractor advised on any issues pertaining to local security assisting in setting up any meetings / negotiations with affected parties
- Keeping a site diary and recording details of any labour / community issues that may arise monitoring and reporting on general Health & Safety issues on site
- Assisting in HIV/AIDS awareness programme
- It must be noted that the CLO has no authority to issue any instructions to the Contractor

The CLO need to be seen as neutral by all parties, and therefore should endeavour not take sides should conflict arise

**Should the CLO function not involve a full day's work, the CLO will be expected to undertake other work allocated by the Contractor for the balance of each day.**

**The minimum skills for a CLO shall include:-**

**An ability to work with others**

**An ability to communicate in writing**

**Sound interpersonal skills**

Previous experience in community facilitation, and knowledge of construction work and relevant labour legislation would be an advantage.

**The Ward Councillor shall be responsible for the selection of the CLO. The selected CLO shall be accountable to the Contractor.**

**The Ward Councillor (s) will provide a CLO within 2 days of receiving a request.**

**The current LOCAL RATE for payment of a CLO within Mhlathuze Water is 200% of the gazetted or accepted labour rate per day. Accepted Labour rate cannot be less than gazetted rate.**

The CLO shall be employed on a full day basis, for the duration of the contract. When not undertaking specific CLO duties, the CLO will be expected to undertake any other work allocated by the Contractor.

Use of local labour.

Responsibility for the identification of a pool of suitable labour shall rest with the CLO, although the contractor shall have the right to choose from that pool.

The contractor shall have the right to determine the total number of labourers required at any time, and this will vary through the duration of the contract

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The contractor shall have the right to replace labour that is not performing adequately.

The contractor should ensure that the replacement of any labour due to inadequate performance is done so in conjunction with the CLO.

**Local labour shall be in accordance with the civil Engineering Industry minimum wage rate per hour in hour in KwaZulu Natal), and all statutory conditions of employment shall be met.**

The preferred ratio of local labour to contract labour is 75% to 25%

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**7 SURVEY BEACONS** *(Read with SANS 1921 - 1: 2004 clause 4.15)*

The Contractor shall take special precautions to protect all permanent survey beacons or pegs such as benchmarks, stand boundary pegs and trigonometrical beacons, regardless whether such beacons or pegs were placed before or during the execution of the Contract. If the Contractor or his employees have disturbed any such beacons or pegs, the Contractor shall have them replaced by a registered land surveyor at his own cost.

**PS.8 SECURITY**

A provisional sum has been allowed for in the bill of quantities for payment of security during working hours only for the contract duration. The Contractor shall provide in his rates as he deems necessary for security during non-working hours for the duration of the project. The Contractor must ensure that all his employees as well as the employees of his subcontractors are able to identify themselves as members of the construction team.

**PS. 9 FEATURES REQUIRING SPECIAL ATTENTION**

**PS 9.1 SITE TO BE KEPT CLEAN**

During progress of the work and upon completion thereof, the Site of the Works shall be kept and left in a clean and orderly condition. The Contractor shall store materials and equipment for which he is responsible in an orderly manner, and shall keep the Site free from debris and obstructions.

All redundant materials, rubbish and waste arising from the work must be removed from the Site at the Contractor's cost and the site and buildings left clean and tidy.

**PS 9.2 FACILITIES TO OTHER CONTRACTORS**

In addition to the requirements of Clause 4.8 of the General Conditions of Contract, the Contractor must make allowances for other Contractors on the Site. This may involve adapting his programme to accommodate the work of other contractors and ensuring access to their sites along prescribed routes over the Site of this Contract.

**PS 9.3 SUBCONTRACTORS**

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In addition to the requirements of Clause 6 of the General Conditions of Contract as amended in Part 1 of the Contract Data, the Contractor shall be responsible for work carried out by subcontractors on his behalf. The Engineer will not liaise directly with such subcontractors. Problems related to payments, programming, workmanship, etc, shall be the responsibility of the Contractor and the subcontractor, and the Engineer will not become involved.

**PS 9.4    SANS SPECIFICATIONS AND CODES OF PRACTICE**

All reference in this document to South African National Standards specifications and codes of practice, or any other standard specifications or codes of practice, including National Building Regulations, shall be deemed to be references to the latest issues of such specifications and codes.

**PS 9.5    MATERIALS**

The monthly payment for materials brought onto the Site will only be applicable for repair work and not for maintenance work.

Unless otherwise instructed in writing by the Engineer, all proprietary materials are to be used, mixed, applied, fixed, etc., strictly in accordance with the manufacturer's recommendations.

**PS 9.6    BORROW PITS**

Possible borrow pit is estimated at approximately 35km from the site

**PS 9.7    TESTING AND QUALITY CONTROL**

The Contractor shall engage the services of an approved independent laboratory or other institution as applicable for quality testing, to ensure that his work complies with the Specifications.

**No separate payment will be made for such testing, the cost of which will be deemed to be included in the Contractor's rates bid for the items of work that require testing in accordance with the Specifications.**

The onus to produce work that conforms in quality and accuracy of detail to the requirements of the Specifications and Drawings rests with the Contractor, and the Contractor shall, at his own expense, institute a quality-control system and provide experienced engineers, foremen,

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surveyors, materials technicians, other technicians and technical staff, together with all transport, instruments and equipment to ensure adequate supervision and positive control of the Works at all times.

The cost of supervision and process control, including testing carried out by the Contractor, will be deemed to be included in the rates bid for the related items of work.

The Contractor's attention is drawn to the provisions of the various Specifications regarding the minimum frequency of testing required. The Contractor shall, at his own discretion, increase this frequency where necessary to ensure adequate control.

On completion and submission of every part of the work to the Engineer for examination, the Contractor shall furnish the Engineer with the results of the relevant tests to indicate compliance with the Specifications.

**PS 9.8     PIPE TRENCHES**

The Contractor shall perform density tests on pipe and culvert trenches at 500mm backfill intervals with at least 3 tests per lift per 80m length of pipe.

**PS.9.9     BARRICADING OF EXCAVATIONS**

All excavations in road reserves and in any other areas in close proximity to pedestrian and vehicular traffic are to be barricaded to the satisfaction of the Engineer. All costs arising from these requirements are to be included in the tendered rates.

**PS.9.10     LENGTH OF TRENCHES**

No trenches may be left open over the Builder's Holidays. The cost of backfilling any trenches before the shut down and re-opening thereof after the shutdown period shall be for the Contractor's account. Unless otherwise permitted in writing by the Engineer, no more than 100m of trench shall be opened in advance of pipe laying operations.

**NOTICE BOARDS**

A construction notice board complying with the SAIA specifications must be provided and erected at a position to be agreed with the Principal Agent and ACSA. The cost of the

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supply and erection of this notice board must be included in the establishment cost of the Contractor.

**PS 13.1      GENERAL**

The Contractor shall provide on the Site, for the duration of the contract period and for the exclusive use of the Engineer and/or his Representative (as applicable), the various facilities described hereunder. The duration of the works is stated in Part 1 of the Contract Data. All such facilities shall be provided promptly on the commencement of the Contract and failure on the part of the Contractor to provide any facility required in terms of this specification shall constitute grounds for the Engineer to withhold payment of the Contractor's Preliminary and General items until the facility has been provided or restored, as the case may be.

**PS 13.2      SITE MEETING VENUE**

The Contractor shall provide within its own site establishment facilities, a suitably furnished office or other venue capable of comfortably accommodating a minimum of six (6) persons at site meetings. The Engineer shall be allowed free use of such venue for conducting any other meetings concerning the Contract at all reasonable times.

**PS 14      CERTIFICATES OF PAYMENT**

The statement to be submitted by the Contractor in terms of Clause 6.10 of the General Conditions of Contract shall be prepared in accordance with the standard payment certificate prescribed by the Engineer and shall comprise at least two sets of A4-size paper copies.

All costs for the preparation and submission of the statements shall be borne by the Contractor.

**PS 15      DRAWINGS**

The Contractor will, in terms of Clause 5.9.1 of the General Condition of Contract, be provided free of charge with three paper prints of each drawing issued to him.

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All information in the possession of the Contractor that is required by the Engineer's representative to complete the as-built drawings must be submitted to the Engineer's representative before a Certificate of Completion will be issued.

Only figured dimensions shall be used and drawings shall not be scaled unless required by the Engineer. The Engineer will provide the dimensions that may have been omitted from the Drawings.

**PS.16      WORKING HOURS**

The Contractor is referred to the requirements of Clause 5.8 of the General Conditions of Contract. Work shall only be carried out within the normal working hours as defined in that clause (i.e. 07h00 to 17h00 on Monday to Fridays). No work shall be permitted to be carried out on any weekends or public holidays, which shall include public holidays not considered as paid holidays for the Civil Engineering Industry unless authorised by the Engineer.

**PS.17      ADVERSE WEATHER CONDITIONS**

**Rain delays**

The numbers of days per month, on which work is expected not to be possible as a result of rainfall,

for which the Contractor shall make provision, is given in Table A-11.1. The Contractor shall allow for the number of days lost due to rainfall as indicated in Table A.11.1 in his tender.

During the execution of the Works, the Engineer's Representative will certify a day lost due to rainfall only if at least 75% of the work force and plant on site could not work during that specific working day.

Extension of time as a result of rainfall shall be calculated monthly being equal to the number days certified by the Engineer's Representative as lost due to rainfall, less the number of days allowed for as in Table A.11.1, which could result in a negative figure for certain months. The total extension of time for which the Contractor may apply, shall be the cumulative algebraic sum of the monthly extensions. Should the sum thus obtained be negative, the extension of time shall be taken as nil.

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TABLE A.11.1: EXPECTED NUMBER OF WORKING DAYS LOST PER MONTH DUE TO RAINFALL

Month	Expected Number of Working Days Lost due to Normal Rainfall	Month	Expected Number of Working Days Lost due to Normal Rainfall
January	*4	July	1
February	3	August	2
March	3	September	2
April	2	October	3
May	2	November	3
June	1	December	*1

*\*The number of working days lost allows for the annual statutory Construction holiday in December and January of each year.*

**PS.18 CONNECTION TO EXISTING MANHOLES**

The existing walls, pipework, channel and benching are to be broken out. The new sewer pipe shall be built in at the correct line and level, the channel and benching re-constructed in accordance with the standard drawing and the manhole walls repaired, all as directed by the Engineer.

The rate is to include for the supply of labour, equipment and materials required for the breaking of the manhole wall and pipework, any modification to the benching of the existing manhole, setting the new pipe to the correct level, making good the manhole wall and the disposal of all unsuitable or surplus material

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**C2.2.2 PROCUREMENT**

**C2.2.2.1 PREFERENTIAL PROCUREMENT PROCEDURES**

**C2.2.2.1.1 Resources standards**

Refer to the Tender Data in Part T1

**C2.2.2.1.2 Requirements**

Refer to the Returnable Documents in Part T2

**C2.2.2.3 General**

Contractors are encouraged to promote LIC methods where and when possible by utilising temporary local labour from the surrounding local communities.

The chief aim of utilising LIC construction methods on this project is to afford an opportunity to the greatest possible number of members of the local community (and possibly surrounding communities if the circumstances warrant it and approval is granted by the Employer) to obtain temporary employment and where applicable to obtain certified and accredited in-service training, to increase their level of experience and enhance their ability to secure future employment.

There are specific requirements regarding labour intensive construction (LIC) and the use of affirmative business enterprises (ABE's) and historically disadvantaged individuals (HDI's) and with regard to training.

Contractors are encouraged to maximise labour based construction activities and the Works and activities shall be so programmed and executed that those operations and activities that can reasonably be done by means of hand labour are so performed.

**C2.2.2.2 The Community**

The Community in terms of Sub-clauses 1.(1)(cc) and 23.(4) of the Special Conditions of Contract shall for the purpose of this Contract be held to include all residents residing within a five kilometre radius of the site.

**C2.2.2.3 Recruitment of Local Labour**

Upon receipt of the Letter of Tender Acceptance the Contractor shall expeditiously proceed to arrange for the recruitment of local labour.

Most of the labour employed on the Contract shall, insofar as such labour is available, be recruited from the local Community stated above, unless it shall be agreed between the

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Employer, the Engineer and the Contractor that labour residing in neighbouring communities may be recruited and employed.

**Labour intensive competencies of supervisory and management staff**

Contractors having a CIDB contractor grading designation of 6CE and higher shall only engage supervisory and management staff in labour intensive works who have either completed, or for the period 1 April 2004 to 30 June 2006, are registered for training towards, the skills programme outlined in Table 1.

**Table 1: Skills programme for supervisory and management staff**

<b>Personnel</b>	<b>NQF level</b>	<b>Unit standard titles</b>	<b>Skills programme description</b>
Team leader / supervisor	2	Apply Labour Intensive Construction Systems and	This unit standard must be
		Use Labour Intensive Construction Methods to Construct	any one of these 3 unit standards
		Use Labour Intensive Construction Methods to Construct and Maintain Water and Sanitation Services	
		Use Labour Intensive Construction Methods to Construct, Repair and Maintain Structures	
Foreman/ supervisor	4	Implement labour Intensive Construction Systems and	This unit standard must be
		Use Labour Intensive Construction Methods to Construct	any one of these 3 unit standards
		Use Labour Intensive Construction Methods to Construct and Maintain Water and Sanitation Services	
		Use Labour Intensive Construction Methods to Construct, Repair and Maintain Structures	

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Site Agent / Manager (i.e the contractor's most senior representative that is	5	Manage Labour Intensive Construction Processes	Skills Programme against this single unit standard
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**Employment of unskilled and semi-skilled workers in labour-intensive works**  
**Requirements for the sourcing and engagement of labour.**

Unskilled and semi-skilled labour required for the execution of all labour- intensive works shall be engaged strictly in accordance with prevailing legislation and SANS 1914-5, Participation of Targeted Labour.

The contractor shall employ a minimum of 15 temporary labourers for the duration of the project. The rate of pay set for unskilled labour is R160 per day and skilled is R240 per day. Tasks established by the contractor must be such that:

- the average worker completes 5 tasks per week in 40 hours or less; and
- the weakest worker completes 5 tasks per week in 55 hours or less.

The contractor must revise the time taken to complete a task whenever it is established that the time taken to complete a weekly task is not within the requirements of 4...2.1.3.

The Contractor shall, through all available community structures, inform the local community of the labour - intensive works and the employment opportunities presented thereby. Preference must be given to people with previous practical experience in construction and / or who come from households:

where the head of the household has less than a primary school education;  
that have less than one full time person earning an income;  
where subsistence agriculture is the source of income.  
those who are not in receipt of any social security pension income

The Contractor shall endeavour to ensure that the expenditure on the employment of temporary workers is in the following proportions:

- 40 % women;
  - 60 % men Of which;
- 60% youth who are between the ages of 18 and 35; and  
2% on persons with disabilities.

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**Specific provisions pertaining to SANS 1914-5 Definitions**

**Contract participation goals**

There is no specified contract participation goal for the contract. The contract participation goal shall be measured in the performance of the contract to enable the employment provided to targeted labour to be quantified.

The wages and allowances used to calculate the contract participation goal shall, with respect to both time- rated and task rated workers, comprise all wages paid and any training allowance paid in respect of agreed training programmes.

**Terms and conditions for the engagement of targeted labour Variations to SANS 1914-5**

2.2.2.4.1 The definition for net amount shall be amended as follows:

**Financial value of the contract upon completion, exclusive of any value added tax or sales tax which the law requires the employer to pay the contractor.**

The schedule referred to in 5.2 shall in addition reflect the status of targeted labour as women, youth and persons with disabilities and the number of days of formal training provided to targeted labour.

**Training of targeted labour**

The contractor shall provide all the necessary on-the-job training to targeted labour to enable such labour to master the basic work techniques required to undertake the work in accordance with the requirements of the contract in a manner that does not compromise worker health and safety.

The cost of the formal training of targeted labour, will be funded within the contract sum. This training should take place as close to the project site as practically possible. The contractor, must access this training by informing the relevant provincial office of the Department of Labour in writing, within 14 days of being awarded the contract, of the likely number of persons that will undergo training and when such training is required. The employer must be furnished with a copy of this request.

The contractor shall be responsible for scheduling the training of workers and shall take all reasonable steps to ensure that each beneficiary is provided with a minimum of six (6) days of formal training if he/she is employed for 5 months or less and a

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minimum of ten (10) days if he she is employed for 6 months or more. The contractor shall do nothing to dissuade targeted labour from participating in training programmes.

An allowance equal to 100% of the task rate or daily rate shall be paid by the contractor to workers who attend formal training, in terms of the above.

Proof of compliance with the requirements for the above must be provided by the Contractor to the Employer prior to submission of the final payment certificate.

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**PRICING INSTRUCTIONS**

## **1. Bill of Quantities**

### **2. GENERAL**

These pricing instructions provide the Tenderer with guidelines and requirements with regard to the completion of the bill of quantities. These pricing instructions also describe the criteria and assumptions which will be assumed in the Contract to have been taken into account by the Tenderer when developing his prices.

The bill of quantities shall be read with all the documents which form part of this Contract.

The following words have the meaning hereby assigned to them:

- Unit : The Unit of measurement for each item of work in terms of the Scope of Work.
- Quantity : The number of units for each item.
- Rate : The payment per unit of work at which the tenderer tenders to do the work.
- Amount : The product of the quantity and the rate tendered for an item.
- Lump sum : An amount tendered for an item, the extend of which is described in the Pricing  
(L.Sum) Instructions, Bill of Quantities or the Scope of Work but the quantity of work  
of which is not measured in any units.

### **3. PAY ITEMS**

The method of measurement published by the South African Bureau of Standards in Clause 8 of the Standardised Specifications for Civil Engineering Construction (SANS 1200) is applicable, subject to the variations and amendments contained in section C3.4.2.

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Descriptions in the Bill of Quantities are abbreviated and comply generally with those in the Standard Specifications. The measurement and payment clause of each Standard Specification, read together with the relevant clauses of the Scope of Work, set out what ancillary or associated activities are included in the rates for the operations specified. Should any requirements of the measurement and payment clause of the applicable Standard Specification, or the Scope of Work, conflict with the terms of the Bill of Quantities, the requirements of the Standard Specification or Scope of Work, as applicable, shall prevail.

The item numbers appearing in the Bill of Quantities refer to the corresponding item number in the standard specifications or as amended in the Scope of Work. In the letter case, the item number is prefixed with the letter "B". The same applies to new clauses added to the standard specification.

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

mm	=	millimetre	h	=	hour
m	=	metre	kg	=	kilogram
km	=	kilometre	t	=	ton (1000kg)
m <sup>2</sup>	=	square metre	No.	=	number
m <sup>2</sup> .pass	=	square metre pass	sum	=	lump sum
ha	=	hectare	MN	=	meganewton
m <sup>3</sup>	=	cubic metre	MN.m	=	meganewton-metre
m <sup>3</sup> .km	=	cubic metre-kilometre	PC sum	=	Prime Cost Sum
l	=	litre	Prov sum	=	Provisional sum
kl	=	kilolitre	%	=	per cent
MPa	=	megapascal	kW	=	kilowatt

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**3. QUANTITIES**

- 3.1 Unless otherwise stated, items are measured net in accordance with the drawings, and no allowance is made for waste.
- 3.2 The quantities set out in the Bill of Quantities are the estimated quantities of the Works, and do not necessarily represent the actual amount of work to be done. The quantities certified for payment, and not the quantities given in the Bill of Quantities, shall be used for determining payments to the Contractor. The Contract Price for the completed contract shall be computed from the actual quantities of work done, valued at the relevant unit rates and prices.

**4. RATES**

- 4.1 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.
- 4.2 A price or rate is to be entered against each item in the Bill of Quantities, whether the quantities are stated or not. An item against which no price is entered or where a word or phrase such as "included" or "provided elsewhere" will be accepted as a rate of nil (R0,00) having been entered against such items and covered by the other prices or rates in the schedule.  
Any work executed to which such a pay item applies, shall be measured under the appropriate items in the Bill of Quantities and valued at a rate of nil (R0,00). The rate of nil shall be valid irrespective of any change in the quantities during the execution of the Contract.
- 4.3 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.
- 4.4 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.
- 4.5 The Tenderer shall not group together a number of items and tender one rate for such group of items.
- 4.6 All rates and sums of money quoted in the Bill of Quantities shall be in rands and whole cents. Fractions of a cent shall be discarded.
- 4.7 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.
- 4.8 Should excessively high unit prices be tendered, such prices may be of sufficient importance to warrant rejection of a tender by the Employer.

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- 4.9 Where the Contractor is required to furnish detailed drawings and designs or other information in terms of the Contract Documents, all costs thereof shall be deemed to have been provided for and included in the unit rates and sum amounts tendered for the items scheduled in the Bill of Quantities, and separate additional payments will not be made.

**END OF SECTION**

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## Bill of Quantities

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