

**PORT ST JOHN'S LOCAL MUNICIPALITY**  
**PSJLM – MIG-2020/21-61**  
**CONSTRUCTION OF NGQWALENI ACCESS ROAD**

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**Part T1: Tendering Procedure**

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T1.1	Tender Notice and Invitation to Tender	<b>Pages</b> 2-5
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**INVITATION TO BID FOR CONSTRUCTION OF THREE DIFFERENT ACCESS ROAD**

BID NO.	Project name	PLACE & TIME	CIDB	BID CLOSING DATE	BRIEFING AND SITE INSPECTION DATE
PSJLM – MIG-2020/21-59	Construction of Bukhwezini access road	Port St. Johns Municipal Offices <b>Reception Area</b> <b>Closing@11H00 AM</b>	5CE or higher	30-07-2021	08/07/2021 Time 10:00 AM from the Municipal Sport Ground and will move to various site at 10:15.AM <b>NB: Covid Protocols Must Be Observed.</b>
PSJLM – MIG-2020/21-60	Construction of Ngqwaleni access road	Port St. Johns Municipal Offices <b>Reception Area</b> <b>Closing@11H00 AM</b>	4CE or higher	30-07-2021	08/07/2021
PSJLM – MIG-2020/21-61	Construction of Ngqwaleni access road	Port St. Johns Municipal Offices <b>Reception Area</b> <b>Closing@11H00 AM</b>	4CE or higher	30-07-2021	08/07/2021

Bid Document containing details and requirements of these projects will be available from 07/07/2021 for Construction of access road and on the 06/07/2021 for HIGH Mast electrification at **Port St Johns Municipal Finance Offices**, upon payment of a non- refundable fee of 549.67 per document (either in cash or by means of EFT made payable to Port St Johns Municipality). Municipal banking details are obtainable at revenue office. If etender website is working tender document will be also uploaded on etenders website [www.etenders.gov.za](http://www.etenders.gov.za).

**when downloaded from etenders documents are uncontrolled and the responsibility lies with the bidder to ensure that the print out is in line with the authorized version on the system.**

Completed proposal and supporting documentation must be placed in a **sealed envelope** clearly marked on the outside of the envelope with bid details of project it is meant for, e.g.: **PSJLM-MIG 2020/21-60 Construction of Bhukwezini Access Road.**

The envelope must be dropped in the marked bid box placed at the Reception at Port St. Johns Municipal offices, Erf 257 Main Street, no later than **11:00 AM** on the date as mentioned above. All the received bids will be opened in public at the same time and date.

All SCM related enquiries shall be directed to N.Baleni within normal office hours at **(047) 564 1207/8** or [nbaleni83@gmail.com](mailto:nbaleni83@gmail.com), Technical Enquiries shall be directed to Mr. Kwape on 082 798 5785 or [thabokwape@yahoo.com](mailto:thabokwape@yahoo.com).

**Price & Preferential Policy**

Price	:	80	Points	
B-BBEE Status Level of Contribution*	:	20	Points	(Ref: Regulation 5 (2) and 6
		(2) of the		Preferential Procurement Regulations)
<b>TOTAL</b>	:	<b>100</b>	<b>Points</b>	

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**BIDDERS MUST SUBMIT THE FOLLOWING:**

- Service provider must be registered on CSD and submit a detailed CSD report or CSD supplier Number.
- Must attach CIDB CRS Number.
- Valid rates clearance statement which is not older than 90 days obtained from your respective municipality or a lease agreement signed by both parties. if exempted please attach letter of exemption from your respective municipality's revenue office as proof that the bidder as per the municipality's valuation roll does not own any property which is not later than 90 days.
- Compliance Tax pin for verification on SARS
- A certified copy B-BBEE certificate for joint ventures B-BBEE Must be combined and certified, B-BBEE Certificate must be SANAS approved or a signed sown aviddavit with original stamp from commission of oath not older than 3 months.
- Attach Latest full financial statements prepare by Accredited Accountants which is registered with relevant accounting body and must be signed by accountant and service provider
- Any other information to support the project must be provided
- All other information is contained on the tender document
- In the case of a joint venture, each company must attach each document for each company a detailed CIDB compliant joint venture agreement must be submitted indicating the level of involvement and responsibilities of each joint venture partner must be submitted. individual partners are to comply and submit all relevant documents
- Failure to comply / complete the tender document and all the supplementary information will result in bidder being deemed non-responsive.
- Late, telegraphic, facsimile, incomplete or unsigned bods will not be considered.
- Bidders will be assessed on functionality and price in accordance with the municipality Supply Chain Management Policy and in terms of Preferential Policy Framework Act 2000(Act No.5 of 2000) as explained above.
- Proposal are to hold good for a period of 90 days (validity of bid) from the date of bids closing.
- If communication is not received from Port St Johns Municipality within 90 days of the bid, consider your bid as non- responsive.
- For electrification Projects Bidders must attach and Sign **MBD6.2 and ANNEXURE C**

Port St. Johns Local Municipality does not bind itself to accept the lowest or any bid and reserves the right to accept the whole or any part of the bid or cancel the Bid.

**ISSUED BY:**

\_\_\_\_\_  
**MR H.T HLAZO**  
**MUNICIPAL MANAGER**

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

**MBD 1**



## INVITATION TO BID

YOU ARE HEREBY INVITED TO BID FOR REQUIREMENTS OF THE (NAME OF MUNICIPALITY/ENTITY)

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

DESCRIPTION.....  
.....

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

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BID DOCUMENTS MAY BE POSTED TO:

.....  
.....

I. OR

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

.....  
.....

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

The bid box is generally open 24 hours a day, 7 days a week.

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

THIS BID IS SUBJECT TO THE PREFERENTIAL PROCUREMENT POLICY FRAMEWORK ACT AND THE PREFERENTIAL PROCUREMENT REGULATIONS, 2011, THE GENERAL CONDITIONS OF CONTRACT (GCC) AND, IF APPLICABLE, ANY OTHER SPECIAL CONDITIONS OF CONTRACT

**NB: NO BIDS WILL BE CONSIDERED FROM PERSONS IN THE SERVICE OF THE STATE (as defined in Regulation 1 of the Local Government: Municipal Supply Chain Management Regulations)**

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

NAME OF BIDDER

.....

POSTAL ADDRESS

.....

STREET ADDRESS

.....

TELEPHONE NUMBER

CODE.....NUMBER.....

CELLPHONE NUMBER

.....

FACSIMILE NUMBER

CODE

.NUMBER.....

E-MAIL ADDRESS

.....

VAT REGISTRATION NUMBER

.....

HAS AN ORIGINAL AND VALID TAX CLEARANCE CERTIFICATE BEEN ATTACHED? (MBD 2)

YES/NO

HAS A B-BBEE STATUS LEVEL VERIFICATION CERTIFICATE BEEN SUBMITTED? (MBD 6.1)

YES/NO

IF YES, WHO WAS THE CERTIFICATE ISSUED BY?

AN ACCOUNTING OFFICER AS CONTEMPLATED IN THE CLOSE CORPORATION ACT (CCA)

A VERIFICATION AGENCY ACCREDITED BY THE SOUTH AFRICAN NATIONAL ACCREDITATION SYSTEM (SANAS)

A REGISTERED AUDITOR

(Tick applicable box)

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

II. ARE YOU THE ACCREDITED REPRESENTATIVE  
IN SOUTH AFRICA FOR THE GOODS/SERVICES/WORKS OFFERED

YES/NO

(IF YES ENCLOSE PROOF)

SIGNATURE OF BIDDER

.....

DATE

.....

CAPACITY UNDER WHICH THIS BID IS SIGNED

.....

TOTAL BID PRICE.....

TOTAL NUMBER OF ITEMS OFFERED .....

ANY ENQUIRIES REGARDING THE BIDDING PROCEDURE MAY BE DIRECTED TO:



Municipality / Municipal Entity: .....

Department: .....

Contact Person: .....

Tel: .....

Fax: .....

**ANY ENQUIRIES REGARDING TECHNICAL INFORMATION MAY BE DIRECTED TO:**

Contact Person: .....

Tel: .....

Fax: .....



# PORT ST JOHNS LOCAL MUNICIPALITY

CONTRACT NO. : PSJLM – MIG-2020/21-61

## CONSTRUCTION OF NGQWALENI ACCESS ROAD

### T1.2 Tender Data

#### T1.2.1 Standard Conditions of Tender

The conditions of tender are the Standard Conditions of Tender as contained in Annex F of the CIDB Standard for Uniformity in Construction Procurement. The Standard Conditions of Tender make several references to the Tender Data for details that apply specifically to this tender. The Tender Data shall have precedence in the interpretation of any ambiguity or inconsistency between it and the Standard Conditions of Tender.

**The following variations, amendments and additions to be the Standard Conditions of Tender as set out in the tender Data below shall apply to this tender:**

#### Clause No. Tender Data

### F.1 General

#### F.1.1 Actions

*Add the following*

The Employer is the PORT ST JOHNS LOCAL MUNICIPALITY, represented by the Municipal Manager.

#### F.1.2 Tender Documents

*Add the following*

"The following documents form part of this tender:

**Volume 1:** The General Conditions of Contract for Construction Works (3<sup>RD</sup> Edition) 2015 as published by the South African Institution of Civil Engineering.

**Volume 2:** The COLTO Standard Specifications for Road and Bridge Works 1998, prepared by the Committee of Land Transport Officials

Volumes 1 and 2 may also be inspected, by appointment, at the offices of the Employer's Agent during normal office hours.

The tender documents issued by the Employer comprise:

**Volume 3:** The Tender Document (**this document**), in which is bound:

#### The Tender

#### Part T1: Tendering Procedures

T1.1 Tender notice and invitation to tender

T1.2 Tender Data

#### Part T2: Returnable Documents

T2.1 List of returnable documents

T2.2 Returnable schedules

#### Part C1: Agreements and Contract Data

C1.1 Form of offer and acceptance

C1.2 Contract Data

C1.3 Form of Guarantee

C1.4 Occupation Health and Safety Agreement

C1.5 Contract of Temporary Employment as Community Liaison Officer

- Part C2: Pricing data**  
C2.1 Pricing instructions  
C2.2 Activity schedules / Bills of Quantities

- Part C3: Scope of work**  
C3.1 Scope of work  
C3.2 Engineering  
C3.3 Procurement  
C3.4 Construction  
C3.5 Project Specifications  
C3.6 Annexes

- Part C4: Site information**  
C4.1 Site information  
C4.2 Reduced Contract Drawings (listed in C3.2, Engineering)

Volume 3 is deemed the “**Returnable Document**” which must be returned to the Employer in terms of submitting a tender offer.

F.1.4 **Communication and Employer’s Agent**

*Add the following*

Attention is drawn to the fact that verbal information, given by the Employer’s Agent during site visits/clarification meetings or at any other time prior to the award of the Contract, will not be regarded as binding on the Employer. Only information issued formally by the Employer in writing to tenderers will be regarded as amending the Tender Documents.

The Employer’s Agent is:

Name: Mr C. O’Bose  
Address: 257 Main Road  
Port St Johns  
5120  
Tel No: (047) 564 1208  
Fax No: (047) 564 1206  
E-Mail:

**F.2 Tenderer’s obligations**

F.2.1 **Eligibility**

*Add the following*

Only those tenderers who satisfy the following criteria are eligible to submit tenders

F2.1.1 **Construction Industry Development Board (CIDB) Registration**

Only those tenderers who are registered with the CIDB, or are capable of being so prior to the evaluation of submissions, in a contractor grading designation equal to or higher than a contractor grading designation determined in accordance with the sum tendered, or a value determined in accordance with Regulation 25 (1B) or 25 (7A) of the Construction Industry Development Regulations, for a CE class of construction work, are eligible to have their tenders evaluated.

Joint Ventures are eligible to submit tenders provided that:

1. every member of the joint venture is registered with the CIDB;
2. the lead partner has a contractor grading designation in the CE class of construction work the combined contractor grading designation calculated in accordance with the Construction Industry Development Regulations is equal to or higher than a contractor grading designation determined in accordance with the sum tendered for a CE class of construction work or a value determined in accordance with Regulation 25 (1B) or 25 (7A) of the Construction Industry Development Regulations; and
3. for alpha-numeric associated with the contractor Grading Designations see Annex G attached.

## F.2.7 **Clarification meeting**

*Add the following:*

Representatives of the Municipality and the Employer will meet prospective Tenderers at the locality, date and time as stated in the Tender Notice and invitation to Tender to conduct them on an inspection of the site. The representatives will not be available at any other time for such an inspection.

The site inspection will form an integral part of the tender.

A person who is suitably qualified and experienced to comprehend the implications of the work involved must represent the Tenderer at the site inspection. Attendance at the site inspection is compulsory. If the Tenderer or his representative fails to attend the site inspection, the municipality reserves the right to disqualify the tender.

If his tender is nevertheless accepted, it will be on the assumption that, unless otherwise agreed in writing, the Tenderer has fully informed himself by other means of all the information given at the site inspection.

No comments or representations made by the Municipality or the Employer or the Employer's representative at the compulsory site inspection shall be binding on the tender or the contract unless they are contained in the minutes of the site inspection.

The onus will be on the Tenderer to have the applicable form bound in this document, which certifies the Tenderer's presence at the site inspection, completed and duly signed.

## F.2.12 **Alternative tender offers**

*Add the following to F.2.12.1*

F.2.12.1 If tenderer wishes to submit an alternative tender offer he shall do so as a separate complete offer on a separate complete set of tender documents clearly marked as an "Alternative Tender" in order to distinguish it from the unqualified tender. The only criterion permitted for such alternative tender offer is that it demonstrably satisfies the Employer's standards and requirements, the details of which may be obtained from the Employer's Agent.

Calculations, drawings and all other pertinent technical information and characteristics as well as modified or proposed Pricing Data must be submitted with the alternative tender offer to enable the Employer to evaluate the efficacy of the alternative and its principal elements, to take a view on the degree to which the alternative complies with the Employer's standards and requirements and to evaluate the acceptability of the pricing proposals. Calculations must be set out in a clear and logical sequence and must clearly reflect all design assumptions. Pricing Data must reflect all assumptions in the development of the pricing proposal.

Acceptance of an alternative tender offer will mean acceptance in principle of the offer. It will be an obligation of the contract for the tenderer, in the event that the alternative is accepted, to accept full responsibility and liability that the alternative offer complies in all respects with the Employer's standards and requirements.

The modified Pricing Data must include an amount equal to 5% of the amount tendered for the alternative offer (after adding contingencies and VAT) to cover the Employer's costs of confirming the acceptability of the detailed design before it is constructed. Tenderers are required to indicate alternative tender offers in **Schedule 18: Alterations/Amendments** by Tenderer in T2.2:

Returnable Schedules.

## F.2.13 **Submitting a tender offer**

*Replace subclause F.2.13.2 with the following*

F2.13.2 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 in **non-erasable ink**.

*Add the following to F.2.13.3*

F.2.13.3 Parts of each tender offer communicated on paper shall be submitted as an original, plus 0

(nought) copies.

*Add the following after the first sentence of F.2.13.4:*

- F.2.13.4 The tender shall be signed by a person duly authorised to do so. Tenders submitted by joint ventures of two or more firms shall be accompanied by the document of formation of the joint venture, authenticated by a notary public or other official deputed to witness sworn statements, in which is defined precisely the conditions under which the joint venture will function, its period of duration, the persons authorised to represent and obligate it, the participation of the several firms forming the joint venture, and any other information necessary to permit a full appraisal of its functioning.

*Add the following to F.2.13.5:*

- F.2.13.5 The Employer's address for delivery of tender offers and identification details to be shown on each tender offer package are:

**Location of tender box:** Tender Box.

**Physical address:** PORT ST JOHNS LOCAL MUNICIPALITY,  
257 Main Road, Port St JOHNS, 5120

**Identification details:** **PSJLM – MIG-2020/21-61**

**Title of tender:** CONSTRUCTION OF NGQWALENI ACCESS ROAD

Sealed tenders with the Tenderer's name and address and the endorsement "**CONTRACT NO.: PSJLM – MIG-2020/21-61: THE CONSTRUCTION OF NGQWALENI ACCESS ROAD**" on the envelope, must be placed in the official tender box at the abovementioned address.

*Add the following to F.2.13.6:*

- F.2.13.6 A two-envelope procedure will **not** be followed (F.3.5).

F.2.15 **Closing time**

*Add the following to F.2.15.1:*

- F.2.15.1 The closing time for submission of tender offers is as stated in the Tender Notice and Invitation to Tender.  
Telephonic, telegraphic, telex, facsimile or e-mailed tender offers will not be accepted.

F.2.16 **Tender offer validity**

*Add the following to F.2.16.1:*

- F.2.16.1 The tender offer validity period is **90 days**.

F.2.17 **Clarification of tender offer after submission**

*Add the following to F.2.17:*

A tender may be rejected as non-responsive if the tenderer fails to provide any clarification requested by the employer, or with the CIDB, within the time for submission stated in the employer's written request for such clarification or confirmation. A tender may be rejected if the unit rates or lump sums for some of the items in the bills/schedules of quantities are, in the opinion of the Employer, unreasonable or out of proportion, and the tenderer fails, within the time stated in writing by the Employer to justify any specific rates or lump sums (i.e. to provide a financial breakdown of how such rates or sums were obtained) or to adjust the unit rates or lump sums for such items while retaining the total of the prices unchanged.

F.2.23 **Certificates**

*Add the following:*

The tenderer is required to submit the following:

F.2.23.1 **Tax Clearance Certificate**

Tenderers shall be registered and in good standing with the South African Revenue Service (SARS) and shall submit documentary evidence in the form of an **original** valid Tax Clearance Certificate issued by SARS or proof that he or she has made arrangements with SARS to meet his or her outstanding tax obligations.

Each party to a Consortium/Joint Venture shall submit a separate Tax Clearance Certificate, or proof that he or she has made the necessary arrangements with SARS.

**F.2.23.2 Bargaining Council Certificates**

Where applicable, a Certificate of Compliance issued by the relevant Bargaining Council.

Each party to a Consortium/Joint Venture shall submit separate certificates in the above regard.

**F.2.23.3 Tenders from grade 3 upwards**

- i) audited annual financial statement for 3 years, or for the period since establishment if established during the last 3 years, if required by law to prepare annual financial statements for auditing;
- ii) a certificate certifying that the tenderer has no undisputed commitments for municipal services towards a municipality or other service provider in respect of which payment is overdue for more than 30 days;
- iii) particulars of any contracts awarded to the tenderer by an organ of state during the past five years, including particulars of any material non-compliance or dispute concerning the execution of such contract;
- iv) a statement indicating whether any portion of the goods or services are expected to be sourced from outside the Republic, and, if so, what portion and whether any portion of payment from the municipality or municipal entity is expected to be transferred out of the Republic.

Each party to a Consortium/Joint Venture shall submit separate certificates/statements in the above regard.

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

**F.3.4 Opening of tender submissions**

*Add the following to F.3.4.1:*

**F.3.4.1** The time and location for opening of the tender offers is:

**Time 11h00 PM**

5120 Location: PORT ST JOHNS LOCAL MUNICIPALITY offices, 257 Main Road, Port St Johns,

Tenders will be opened immediately after the closing time for tenders.

Conditions of the bid

**Appointed service provider will be required to sub-contract works to CIDB registered local PSJ Contractors, in line with promoting PSJ Local Contractors.**

**F.3.8 Test for functionality**

*Add the following:*

**Functionality (Max = 85 points) Bidders must score a minimum of 60 points (70%) in order to be evaluated further for Price**

<b>TENDER CRITERIA</b>	<b>Max points available</b>
<p><b><u>Plant and Equipment</u></b></p> <p>Attach certified copy of proof from Enatis Ownership (<b>Log book</b>) and Valid Licencing Registration Discs talking to same as logbook OR letter of intent from the owner and proof of E-natis of the Owner must be accompanied by Owners Logbook and valid proof of registration licence Discs of the owner) to attain points. Points will duly be attained for logbook and Enatis combined</p> <p><b>(attach certified copies with original stamp of not older than 3 months)</b> (Attach Invoice stating the name of the Company as the Purchaser For the plant that is not E-Natis compliant) Invoice must be stamped and signed on a letter head of the Company that one (Service Provider) has purchased from.</p> <p>The letter of intent must signed by the owner and commissioned of oath that is not older than three months.</p> <p>TLB</p> <p>Tipper Truck (Must be 2)</p> <p>Roller</p> <p>Excavator</p> <p>Grader (Must be 2)</p> <p>Water cart (Must be 2)</p>	<p><b>(30 Max)</b></p> <p>5</p> <p>2,5 (5)</p> <p>5</p> <p>5</p> <p>2.5 x 2 (5)</p> <p>2.5 x 2 (5)</p>
<p><b><u>Technical Expertise</u></b></p> <p><b>Contracts Manager</b> has between 10 years or more on the road construction experience and Qualification on B-tech Civil Engineering and be a registered with Approved Engineering Bodies and LIC NQF Level 7 or more (attach cv illustrating level of experience and Qualification to get point) Allocation of points:(1)10 and more – 12 points (2) 05 -10 Years - 06 points (3) 02- 05 years - 03 points</p> <p><b>Site Agent</b> has between 7 or more years on the road construction experience B-Tech Civil Engineering and LIC NQF Level 5 or more (attach CV and Qualification to get point) Allocation of points :(1) 07 and more – 09 points (2) 04 – 07 Years – 05 points (3) 02 – 04 years – 03 points</p> <p><b>Site Forman</b> has between 5 years and more on the road construction experience ND Civil Engineering and NQF L-5 or more (attach CV and Qualification) Allocation of points :(1) 05 and more – 07 points (2) 02 – 05 Years – 03 points</p> <p><b>Health and Safety Officer</b> has between 4 or more years' experience in a role</p>	<p><b>(35 Max)</b></p> <p><b>12</b></p> <p><b>09</b></p> <p><b>07</b></p> <p><b>07</b></p>

TENDER CRITERIA	Max points available
<p>as safety officer on Construction of Roads Projects with SAMTRAC Qualification or Equivalent approved by Health and Safety Body. Allocation of points : (1) 04 and more – 07 points (2) 02 – 05 Years – 03 points</p> <p><b>(certified copies of qualifications must have original stamp not older than 3 months)</b></p> <p><b>NB – Bidder must have all the required documentation in order to score the points</b></p> <p><b>NB – Team must be employed by the Bidder and cannot be seen as working for two companies bidding for the same project. Companies involved will all loose points and be disqualified.</b></p>	
<p><b><u>Paved Roads Maintenance/Construction Experience</u></b></p> <ul style="list-style-type: none"> <li>• Attach Completion letters must state the Project description, Duration of the Project and the Bid Number which must be the same as the one showing on the Appointment letter and it must be certified with stamp not older than 3 months date of certification. Appointment letters stating the same description , Amount and Bid number as per the Recommendation letter.( In order to attain points )</li> <li>• Attach at least Four Projects of value greater than R 3 million for Construction of Access Roads.</li> </ul> <p><b>Note:</b> The certificate of completion must be on a letterhead of the client, must be addressed to the contractor who was awarded the contract and must include the tender/service order number and contract amount and the Duration of the Contract. The Letter of Completion must be signed and dated by an official from the client.</p> <p><b>NB: Only kindly letter of appointment and recommendation for Ngqwaleni Access Road R4 MILLION on the experience.</b></p> <p><b>NB – Kindly note that completion letters will be verified from the clients.</b></p> <p><b>Awarded contingent upon the assessed level of risk involved.</b></p>	<p><b>(20 Max)</b></p> <p><b>5 per project</b></p>
<p><b>Total points scored</b></p>	<p><b>85 Max</b></p>

#### 1.PERFORMANCE MANAGEMENT CRITERIA

- Duration of the Projects is 6 months

#### 2. VALIDITY PERIOD REQUIREMENT

- 90 days validity

#### 3. SPECIAL CONDITIONS OF CONTRACT

- N/A

#### 4. PROJECT MANAGEMENT

- The Service Provider will work very closely with the Port St Johns Local Engineering Services Staff

#### 5. PROJECT TIME-FRAME

- Duration of the Project is 6 Months

## 6. PREFERENTIAL EVALUATION FOR CRITERIA

### PRICE

80

BBBEE Contribution Status level

20

Total points for PRICE and B-BBEE must not exceed

100

## 7. INSTRUCTIONS TO BIDDERS

In submitting their bid, bidders must respect all instructions, forms, Terms of reference, contract provisions and specifications contained in this bid dossier. Failure to submit a bid containing all the required information and documentation within the deadline specified will lead to the rejection of the bid.

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## 8. SUBMISSION REQUIREMENTS AND SELECTION CRITERIA

9. Bidders are required to submit the following documents (copies must be certified):

- **Attach Valid SARS Pin**
- **Attach Original BBBEE Certificate or attach copy of the certified BBBEE or Original Certified DTI Sworn Affidavit (Bidders will attain zero points for BBBEE who failed to submit)**
- **Bidders must attach their CIDB CRS NO.**
- **Bidders to attach VALID latest full Financial Statements signed by both parties**

### 10. Invalid or non-submission of the documents listed above will lead to the disqualification

All bidders must be registered on the Central Supplier Data Base and it is the bidders responsibility to ensure that the document does exist and verification of such registration will be done by the municipality and where the bidder is found to be not registered or have submitted incorrect registration details will be regarded as non-responsive and be disqualified from the bid.

### 11. SERVICES TO BE PROVIDED

The services required by the Contracting Authority` are described in these Terms of Reference.

### 12. PARTICIPATING

- 12.1 Participation in this bid is open to everyone.
- 12.2 Bids should be submitted by the same service provider, consortium or Joint Venture, which has submitted the proposal on the basis of the above. **No change whatsoever in the identity or composition of the bidder is permitted;** allowed to form alliances with any other firms or to sub-contract to each other for the purpose of this contract;

### 13 VARIANT SOLUTIONS

- 13.1 Any variant solutions will not be taken into consideration.

Bids will be valid for a period of 90 days, an extension of Bid Period can be requested by the Municipality to the Service for a further 60 days from the date of notification that the bid expires.

## **14. ADDITIONAL INFORMATION BEFORE THE DEADLINE FOR SUBMISSION OF BIDDERS**

14.1 The bid dossier should be clear enough to avoid the Contracting Authority from having request additional information during the procedure. If the Contracting Authority, either on own initiative or in response to the request of a short-listed candidate, provides additional information on the bid dossier, such information will be sent in writing to all other bidders at the same time.

14.2 Bidders may submit questions in writing to the following address For Technical Enquires Mr obose or Mr Kwape to [cebo.obose@gmail.com](mailto:cebo.obose@gmail.com) or [thabokwape@yahoo.com](mailto:thabokwape@yahoo.com) and SCM Enquires be directed to Ms N Baleni at [nbaleni83@gmail.com](mailto:nbaleni83@gmail.com) up to 7 days before the deadlines for submission of bids, specifying the **publication reference** and the **bid title**.

14.3 Any clarification of the bid dossier will be communicated simultaneously in writing to all bidders at the latest 7 calendar days before the deadline for submission of bids. No further clarifications will be given after this date.

14.4 Visit by individual prospective bidder during the bids period are not permitted other than the site visit for good reasons.

## **15. SUBMISSION OF BID**

15.1 Bids must be submitted in English such that they are received before the deadline specified by in the letter of invitation to bid.

15.2 Any infringement of these rules (e.g. unsealed envelopes) is to be considered a breach of the rules, and will lead to rejection of the bid.

The envelope should carry the following information:

- a) The address for submission of bid indicated above;

## **16. ALTERATIONS OR WITHDRAWAL OF BIDS**

19.1 Bidders may alter or withdraw bids by written notification prior to the deadline for submission of bids. No bid may be altered after this deadline.

## **17. COSTS FOR PREPARING BIDS**

17.1 No costs incurred by the bidder in preparing and submitting the bid shall be reimbursable. All such costs shall be borne by the bidder.

## **18. OWNERSHIP OF BIDS**

18.1 The Contracting Authority retains ownership in all bid received (this excludes intellectual property for all but the successful bidder) under this tendering procedure. Consequently, bidders have no right to have their bids returned to them.

## **19 CONFIDENTIALITY**

19.1 The entire evaluation procedure, from the drawing up of the shortlist to the signature of the contract, is confidential. The Evaluation / Adjudication Committee's decisions are collective and its deliberations are held in closed session. The members of the Evaluation / Adjudication Committee are bound to secrecy.

19.2 The evaluation reports and written records, in particular, are for official use only and may not be communicated to neither the bidders nor to any party other than the Contracting Authority.

## **20. ETHICS CLAUSES**

20.1 Any attempt by a bidder to obtain confidential information, enter into unlawful agreements with competitors or influence the Evaluation / Adjudication Committee or the Contracting Authority during the process of examining, clarifying, evaluating, comparing and adjudication bid will lead to the rejection of its bid and may result in administrative penalties.

20.2 The bidder must not be affected by any potential conflict of interest.

20.3 The Port St Johns Local Municipality reserves the right to suspend or cancel funding to this project if corrupt practices of any kind are discovered at any stage of the award process or during the implementation of a contract, if the Contracting Authority fails to take all appropriate measures to remedy the situation. For the purposes of this provision, “corrupt practices” are the offer of a bribe, gift, gratuity or commission to any person as an inducement or reward for performing or refraining from any act relating to the award of a contract or implementation of a contract already concluded with the Contracting Authority.

20.4 Bids will be rejected or contracts terminated if it emerges that the award or execution of a contract has given rise to unusual commercial expenses. Such unusual commercial expenses are commissions not mentioned in the main contract or not stemming from a properly concluded contract referring to the main contract, commissions not paid in return for any actual and legitimate service, commissions paid to a payee who is not clearly identified or commissions paid to a company which has every appearance of being a front company.

20.5 Failure to comply with one or more of the ethics clauses may result in the exclusion of the bidder or contractor from other Community contracts and in penalties.

## **21. DOCUMENTARY EVIDENCE REQUIRED FROM THE SUCCESSFUL BIDDER**

21.1 The successful bidder will be informed in writing that its bid has been accepted (notification of award).

## **22 SIGNATURE OF CONTRACT (S)**

22.1 Within 7 days of receipt of the contract already signed by the Contracting Authority, the selected bidder shall sign and date the contract and return it to the Contracting Authority.

22.2 Failure of the selected bidder to comply with this requirement may constitute grounds for the annulment of the decision to award the contract. In such a case, the Contracting Authority may award the bid to another bidder or cancel the bid procedure.

22.3 The other candidates will be informed that their bids were not accepted, by means of a standard letter.

## **23. CANCELLATION OF THE BIDS PROCEDURE**

23.1 In the event of cancellation of the bid procedure, bidders will be notified of the cancellation by the Contracting Authority. If the bid procedure is cancelled before the envelopes of any bid has been opened, the unopened and sealed envelopes will be returned to the bidders unless there is no other means but to open the envelop to get the address.

#### **24. CANCELATION MAY OCCUR WHEN:**

24.1 The bid procedure has been unsuccessful, i.e., no qualitatively or financially worthwhile bid has been received or there is no response at all;

24.2 The economic or technical data of the project have been fundamentally altered.

24.3 In no event shall the Contracting Authority be liable for any damages whatsoever including, without limitation, damages for loss of profits, in any way connected with the cancellation of a bid even if the Contracting Authority has been advised of the possibility of damages.

#### **Bidders must take note of the following bid conditions:**

1. Attach Compliant Pin to be verified on SARS website.
2. Failure to submit comprehensive JV agreement (where applicable) will result in a tender deemed non-responsive.
3. Failure to completely fill in the tender forms e.g. Form of Offer, declaration of interest will result in a tender deemed non-responsive.
4. An approved formal surety/guarantee will be required.(failure to attach will lead to disqualification)
5. Failure to submit and complete or supplementary information will result in the tender being null, void and non-responsive.
6. Failure to attach the requirements as per the Specification will invalidate your offer
7. Failure to submit a certified copy of SANAS approved BBBEE Certificate OR a signed sworn affidavit with original stamp from Commission of Oath, will result in a bidder losing points allocated for BBBEE.
8. Rates clearance statement which is not older than 90 days obtained from your respective Municipality or lease agreement. If exempted please attach letter of exemption from your respective Municipality's revenue office as proof that the bidder as per the Municipality's valuation roll does not own any property.
9. The Port St Johns Local Municipality does not bind itself to accept the lowest or any bid and reserves the right to accept the whole or part of the bid or to withdraw the bid.
10. All alterations in prices/quotes must be signed for and failure to sign will result in tender deemed non-responsive.

#### **Bidders must further note that:**

1. Bidders not registered on Central Supplier Database will not be considered.
2. The Council reserves the right to disqualify any service provider whose members and or shareholders owe the municipal rates & taxes and levies.

3. Misrepresentation of address of the business with the aim of earning points may lead to disqualification
4. Non-disclosure by service providers who are in the employ of the state may lead to disqualification
5. Bids submitted will hold good for a period of **90** days and if your company has not heard within this period take that your company was unsuccessful.

The tender will be adjudicated on the basis of the Preferential Procurement Policy Framework Act (Act No.5, 2000), and the regulations pertaining thereto (2017), as well as the **Port St Johns Local Municipality's** Supply Chain Management policy. **80/20** preference point system will be used as per the Port St Johns LM SCM policy.

**PREFERENTIAL PROCUREMENT POLICY FRAMEWORK ACT (PPPFA) POINTS WILL BE AWARDED AS FOLLOWS**

- Price 80  
Points
- B-BBEE Points Status Level Contributor 20 Points

**NB: Calculation of Points for Price (Ps)**

*The points scored for Price will be calculated using the following formula:*

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

Where  $P_s$  = points scored for price by tender under consideration

$P_{min}$  = price of lowest acceptable tender

$P_t$  = price of tender under consideration

Fractions will be rounded off to two places after the decimal comma.

**NB:** Lowest acceptable tender should be within -10% of the Budget

B-BBEE Points will allocate as follows

B-BBEE Status Level contributor	Number of Points
1	20
2	18
3	14
4	12
5	08
6	06
7	04
8	02
Non-Compliant	0

**2. BID DECLARATION**

- a. Bidders who claim points in respect of BBBEE Status Level of Contribution must complete the following:

**3 BBBEE STATUS LEVEL OF CONTRIBUTION CLAIMED IN TERMS OF PARAGRAPHS 2.1.**

a. BBBEE Status Level of Contribution: \_\_\_\_\_ = \_\_\_\_\_ (maximum of 20 points).

**4 SUB-CONTRACTING**

a. Clause 4.4 of GCC 2010 2<sup>nd</sup> Edition whereby the contractor is prohibited to sub-contract the whole project will be applicable in this case. Will any portion of the contract be sub-contracted?  YES/  NO (delete which is not applicable)

b. If yes, indicate:

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

(ii) the name of the sub-contractor? \_\_\_\_\_ .

(iii) the BBBEE status level of the sub-contractor? \_\_\_\_\_ .

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

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

a. Name of company/firm: \_\_\_\_\_

b. VAT registration number: \_\_\_\_\_

c. Company registration number \_\_\_\_\_

d. TYPE OF COMPANY/ FIRM

Partnership/Joint Venture / Consortium

One person business/sole propriety

Close corporation

Company

(Pty) Limited

(TICK APPLICABLE BOX)

e. DESCRIBE PRINCIPAL BUSINESS ACTIVITIES

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f. COMPANY CLASSIFICATION

Manufacturer

Supplier

Other service providers, e.g. transporter, etc.

(TICK APPLICABLE BOX)

g. TOTAL NUMBER OF YEARS THE COMPANY HAS BEEN IN BUSINESS? \_\_\_\_\_

h. I/we, the undersigned, who is/are duly authorized to do so on behalf of the company/firm, certify that the points claimed, based on the BBBEE status level of contribution indicated in paragraph 7 of the foregoing certificate, qualifies the company/ firm for the preference(s) shown and I/we acknowledge that:

(i) The information furnished is true and correct;

- (ii) The preference points claimed are in accordance with the General Conditions as indicated in paragraph 1 of this form.
- (iii) In the event of a contract being awarded as a result of points claimed as shown in paragraph 7, the contractor may be required to furnish documentary proof to the satisfaction of the purchaser that the claims are correct;
- (iv) If the BBBEE status level of contribution has been claimed or obtained on a fraudulent basis or any of the conditions of contract have not been fulfilled, the purchaser, being the PORT ST JOHNS LOCAL MUNICIPALITY, 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 favorable arrangements due to such cancellation;
  - (d) restrict the bidder or contractor, its shareholders and directors, or only the shareholders and directors who acted on a fraudulent basis, from obtaining business from any organ of state for a period not exceeding 10 years, after the audialterampartem (hear the other side) rule has been applied; and
  - (e) forward the matter for criminal prosecution.

**WITNESSES:**

1. \_\_\_\_\_  
 2. \_\_\_\_\_

\_\_\_\_\_

**SIGNATURE(S) OF BIDDER**

**DATE:** \_\_\_\_/\_\_\_\_/20\_\_\_\_

**ADDRESS:** \_\_\_\_\_

F3.13 **Acceptance of tender offer**

*Add the following to F.3.13.1:*

F.3.13.1 Tender offers will only be accepted if:

- a) the tenderer is registered and in good standing with the South African Revenue Service (SARS) and has submitted evidence in the form of an **original** valid Tax Clearance Certificate issued by SARS or proof that he or she has made arrangements with SARS to meet his or her outstanding tax obligations;
- b) the tenderer is registered and verified on the CIDB with an appropriate category of Registration;
- c) 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;
- d) the tenderer has not:
  - (i) abused the Employer's Supply Chain Management System; or
  - (ii) failed to pay municipal rates and taxes or service charges and such rates, taxes and charges are in arrears for more than three months;
  - (iii) failed to perform on any previous contract and has been given a written notice to this effect;
- e) the tenderer has completed the Compulsory Enterprise Questionnaire and there are no conflicts of interest which may impact on the tenderer's ability to perform the contract in the best interests of the employer or potentially compromise the tender process.

F.3.18 **Provide copies of the contract**

*Add the following:*

The number of paper copies of the signed contract to be provided by the Employer is one.

**F.4 Additional Conditions of Tender**

The additional conditions of tender are:

F.4.1 **Compliance with Occupational Health and Safety Act 1993**

Tenderers are to note the requirements of the Occupational Health and Safety Act No. 85 of 1993 and the Construction Regulations 2003 issued in terms of Section 43 of the Act. The tenderer shall be deemed to have read and fully understood the requirements of the above Act and Regulations and to have allowed for all costs in compliance therewith.

In this regard the Tenderer shall submit with his tender, appended to Schedule 14: Health and Safety Plan in T2.2: Returnable Schedules, a detailed Health and Safety Plan in respect of the Works in order to demonstrate the necessary competencies and resources to perform the construction work all in accordance with the Act and Regulations. Such Health and Safety Plan shall cover inter-alia the following details:

- (1) Management Structure, Site Supervision and Responsible Persons including a succession plan.
- (2) Contractor's induction training programme for employees, sub-contractors and visitors to the Site.
- (3) Health and safety precautions and procedures to be adhered to in order to ensure compliance with the Act, Regulations and Safety Specifications.
- (4) Regular monitoring procedures to be performed.
- (5) Regular liaison, consultation and review meetings with all parties.
- (6) Site security, welfare facilities and first aid.
- (7) Site rules and fire and emergency procedures.

Tenderers are to note that the Contractor is required to ensure that all sub-contractors or others engaged in the performance of the contract also comply with the above requirements.

The Contractor shall prepare and maintain a Health and Safety File in respect of the project, which shall be available for inspection on Site at all times and handed over to the Employer on Final Completion of the project.

The Contractor is required to submit to the Employer the Occupational Health and Safety Agreement (included in C1.4 of the Contract Document) and a letter of good standing from

the Compensation Commissioner, or a licensed compensation insurer, within 14 days after the Commencement Date of the Contract.

#### F.4.2 **Eligibility with respect to expanded public works programme**

This Contract does qualify for consideration as an Expanded Public Works Programme project.

#### F.4.3 **Claims arising after submission of tender**

No claim for any extras arising out of any doubt or obscurity as to the true intent and meaning of anything shown on the Contract Drawings or contained in the Conditions of Contract, Scope of Work and Pricing Data, will be admitted by the Employer/Employer's Agent after the submission of any tender and the Tenderer shall be deemed to have:

- (1) inspected the Contract Drawings and read and fully understood the Conditions of Contract.
- (2) read and fully understood the whole text of the Scope of Work and Pricing Data and thoroughly acquainted himself with the nature of the works proposed and generally of all matters which may influence the Contract.
- (3) visited the site of the proposed works, carefully examined existing conditions, the means of access to the site, the conditions under which the work is to be done, and acquainted himself with any limitations or restrictions that may be imposed by the Municipal or other Authorities in regard to access and transport of materials and plant to and from the site and made the necessary provisions for any additional costs involved thereby.
- (4) requested the Employer or his duly authorised agent to make clear the actual requirements of anything shown on the Contract Drawings or anything contained in the Scope of Work and Pricing Data, the exact meaning or interpretation of which is not clearly intelligible to the Tenderer.

Before submission of any tender, the Tenderer should check the number of pages, and if any are found to be missing or duplicated, or the figures or writing indistinct, or if the Pricing Data contain any obvious errors, the tenderer must apply to the Employer/Employer's Agent at once to have the same rectified, as no liability will be admitted by the Employer/Employer's Agent in respect of errors in any tender due to the foregoing.

#### F.4.4 **Imbalance in tendered rates**

In the event of tendered rates or lump sums being declared by the Employer to be unacceptable to it because they are either excessively low or high or not in proper balance with other rates or lump sums, the Tenderer may be required to produce evidence and advance arguments in support of the tendered rates or lump sums objected to. If, after submission of such evidence and any further evidence requested, the Employer is still not satisfied with the tendered rates or lump sums objected to, it may request the tenderer to amend these rates and lump sums along the lines indicated by it.

The Tenderer will then have the option to alter and/or amend the rates and lump sums objected to and such other related amounts as are agreed on by the Employer, but this shall be done without altering the Contract Price.

Should the Tenderer fail to amend his Tender in a manner acceptable to the Employer, the Employer may reject the Tender.

#### F.4.5 **Community liaison officer**

A CLO will be used in this contract and will be paid a monthly salary as reflected on the Schedule of quantities.

#### F.4.6 **Labour intensive construction methods/use of local labour**

It is important for the Tender to note that they are to make use of Labour intensive construction and local labour. Refer paragraph C3.3.2.

#### F.4.7 **Invalid tenders**

Tenders shall be considered invalid and shall be endorsed and recorded as such in the tender opening record, by the responsible official who opened the tender, in the following circumstances:

- a) if the tender offer is not submitted on the Form of Offer and Acceptance bound into this tender document (form C1.1, Part C1: Agreements and Contract Data);
- b) if the tender is not completed in non-erasable ink;
- c) All the pages of the tender documents are filled in except the surety and acceptance page.
- d) All the pages are initialled at the bottom.
- e) All the MBD Forms have been filled in.
- f) All the errors are signed for.
- g) if the Form of Offer and Acceptance has not been signed; and
- h) if the Form of Offer and Acceptance is signed, but the name of the tenderer is not stated or is in decipherable.

#### F.4.8 **Negotiations with preferred tenderers**

The Employer may negotiate the final terms of a contract with tenderers identified through a competitive tendering process as preferred tenderers provided that such negotiation:

- a) does not allow any preferred tenderer a second or unfair opportunity;
- b) is not to the detriment of any other tenderer; and
- c) does not lead to a higher price than the tender as submitted.

Minutes of any such negotiations shall be kept for record purposes.

#### F.4.9 **General supply chain management conditions applicable to tenders**

In terms of its Supply Chain Management Policy the Municipality may not consider a tender unless the provider who submitted the tender:

- a) has furnished the Municipality with that provider's:
  - full name;
  - identification number or company or other registration number; and
  - tax reference number and VAT registration number, if any;
- b) has indicated whether:
  - the provider is in the service of the state, or has been in the service of the state in the previous twelve months;
  - the provider is not a natural person, whether any of the directors, managers, principal shareholders or stakeholders is in the service of the state, or has been in the service of the state in the previous twelve months; or
  - whether a spouse, child or parent of the provider or of a director, manager, shareholder or stakeholder referred to above is in the service of the state, or has been in the service of the state in the previous twelve months.

Irrespective of the procurement process followed, the Municipality is prohibited from making an award to a person:

- who is in the service of the state;
- if the person is not a natural person, a juristic entity of which any director, manager, principal shareholder or stakeholder is in the service of the state; or
- who is an advisor or consultant contracted with the Municipality.

In this regard, tenderers shall complete Schedule 1, Part T2.2: Returnable Schedules: Compulsory Enterprise Questionnaire. Failure to complete this schedule may result in the tender not being considered.

#### F.4.10 **Combating abuse of the Supply Chain Management Policy**

In terms of the Municipality's Supply Chain Management Policy, the Employer may reject the tender of any tenderer if that tenderer or any of its directors has:

- a) failed to pay municipal rates and taxes or municipal service charges and such rates, taxes and charges are in arrears for more than three months;
- b) failed, during the last five years, to perform satisfactorily on a previous contract with the Municipality or another organ of state after written notice was given to that tenderer that performance was unsatisfactory;
- c) abused the supply chain management system of the Municipality or has committed any improper conduct in relation to this system;
- d) been convicted of fraud or corruption during the past five years;
- e) wilfully neglected, reneged on or failed to comply with any government, municipal or other public-sector contract during the past five years; or
- f) been listed with the Register of Tender Defaulters in terms of section 29 of the Prevention and Combating of Corrupt Activities Act (No 12 of 2004) or has been listed on National Treasury's database as a person or juristic entity prohibited from doing business with the public sector.

In this regard, tenderers shall complete Schedule 16, Part T2.2: Returnable Schedules: Declaration in terms of the Municipal Finance Management Act. Failure to complete this schedule may result in the tender not being considered.

#### F.4.11 **UIF payments**

The Tenderer shall submit to Council a letter from the Industrial Council indicating his good standing with regard to UIF payments upon being requested to do so.

#### F.4.12 **Registration with Bargaining Council**

Tenderers must be registered with a relevant Bargaining Council (if such be in place) and provide the applicable Certificate of Compliance in terms of the relevant Government Gazette.

#### F.4.13 **Price variations**

The Contract Price shall not be subject to any contract price adjustment, the rates and prices tendered in the bills of quantities shall be final and binding throughout the period of the contract. However, price adjustments for variations in the costs of special materials may be applicable where the Employer/Employer's Agent specifies such materials and the relevant information in the Contract Data.

Notwithstanding the above, if, as a result of any extension of time granted, the duration of the contract period exceeds one year, the contract will automatically be subject to contract price adjustment for that period by which the extended contract period exceeds such one year.

#### F.4.14 **Scope of Tender**

The Tenderer must make provision in his tender for all labour, materials, construction equipment, temporary works, supervision, office overheads, profit, all statutory taxes and duties and everything else which is required to execute the works in accordance with the tender document and applicable legislation.

#### F.4.15 **Withdrawal of Tenders**

A Tenderer may withdraw his tender (in writing) at any time before the closing date and time for the submission of the tender if a notice to this effect reaches the procurement section before the closing date and time. In the event of the Tenderer withdrawing his tender after the closing date and time, or failing to provide an acceptable guarantee, or failing to take up the Contract when called upon by the Municipality to do so, the Municipality reserves the right to insist that the Tenderer shall pay to the Municipality the cost incurred by the Municipality in having to award the tender to another Contractor.

#### F.4.16 **Repudiation of Tender or Invalidation of Contract**

If the Municipality is satisfied in its sole discretion that the Tenderer or any person being an employee, partner, director or shareholder of the Tenderer or a person acting on behalf of or with the knowledge of the Tenderer-

- a) has offered, promised or given a bribe or other gift or remuneration to any person in connection with the obtaining or execution of a Contract;
- b) has acted in a fraudulent or corrupt manner in obtaining or executing a Contract;
- c) has approached an officer or employee of the Municipality with the object of influencing the award of a Contract in the Tenderer's favour;
- d) has entered into any agreement or arrangement, whether legally binding or not, with any other person, firm or company –
  - i) to refrain from tendering for this Contract;
  - ii) as to the amount of the tender to be submitted by either party;
- e) has disclosed to any other person, firm or company other than the Municipality, the exact or approximate amount of his proposed tender, except where the disclosure, in confidence, was necessary in order to obtain insurance premium quotations required for the preparation of the tender;

the Municipality may in addition to using any other legal remedy, repudiate the tender or declare the Contract invalid should it already have been concluded.

# Annex F

(normative)

## Standard Conditions of Tender

Note: 1. These Standard Conditions of Tender are identical to that contained in Annex F of SANS 294: 2004, *Construction Procurement Processes, Procedures and Methods*.

2. Annex E of SANS 294, *Construction procurement processes, Procedures and Methods*, and SAICE's Practice Manual #1. *The use of South African national Standards in Construction Procurement*, provide guidance on referencing these Standard Conditions of Tender in procurement documents.

### F.1 General

#### F.1.1 Actions

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.

#### 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 for the calling for expressions of interest, the following definitions apply:

- a) **comparative offer** means the tenderer's financial offer after the factors of non-firm prices, all unconditional discounts and any other tendered parameters that will affect the value of the financial offer have been taken into consideration
- b) **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
- c) **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
- d) **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 read, copied and recorded. Writing 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.2 Tenderer's obligations**

### **F.2.1 Eligibility**

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 employer.

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

Accept that 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 satisfy 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 notice.

### **F.2.8 Seek clarification**

Request clarification of the tender documents, if necessary, by notifying the employer at least five 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**

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. All the errors are signed for

## **F.2.12 Alternative tender offers**

**F.2.12.1** Submit alternative tender offers only if a main tender offer, strictly in accordance with all the requirements of the tender documents, is also submitted. The alternative tender offer is to be submitted with the main tender offer together with a schedule that compares the requirements of the tender documents with the alternative requirements the tenderer proposes.

**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 a tender offer 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 in black 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 shall 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.2.14** **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 notice. Proof of posting shall not be accepted as proof of delivery. The employer shall not accept tender offers submitted by telegraph, telex, facsimile or e-mail, unless stated otherwise in the tender data.
- 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.
- 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 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.
- 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), referencing 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 clarification**

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.3.2 Issue Addenda**

If necessary, issue addenda that may amend or amplify the tender documents to each tenderer during the period from the date of the tenderer documents are available until seven 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 receipt of tender submissions, at a venue indicated in the tender data, the name of each tenderer whose tender offer is opened, the total of his prices, preferences claimed and time for completion, if any, 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** Two-envelope system will not be followed.

### **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) Detrimentially affect the scope, quality, or performance of the works, services or supply identified in the Scope of Work,
- b) 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 Arithmetical errors**

**F.3.9.1** Check responsive tender offers for arithmetical errors, correcting them in the following manner:

- a) Where there is a discrepancy between the amounts in figures and in words, the amount in words shall govern.
- b) If bills of quantities (or schedule of quantities or schedule of rates) 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 a bills of quantities applies) to achieve the tendered total of the prices.
- d)

**F.3.9.2** Consider the rejection of a tender offer if the tenderer does not correct or accept the correction of his arithmetical errors in the manner described in F.3.9.1.

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

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

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

#### **F3.11.1 General**

Appoint an evaluation panel of not less than three persons. Reduce each responsive tender offer to a comparative offer and evaluate it using the tender evaluation method that is indicated in the Tender Data and described below:

Method 1 Financial offer	1) Rank tender offers from the most favourable to the least favourable Method 1: comparative offer. Financial offer 2) Recommend highest ranked tenderer for the award of the contract, unless there are compelling and justifiable reasons not to do so.
Method 2: Financial offer and preferences	1) Score tender evaluation points for financial offer. 2) Confirm that tenderers are eligible for the preferences claimed and if so, score tender evaluation points for preferencing. 3) Calculate total tender evaluation points. 4) Rank tender offers from the highest number of tender evaluation points to the lowest. 5) 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.
Method 3: Financial offer And equality	1) Score quality, rejecting all tender offers that fail to score the minimum number of points for quality stated in the Tender data. 2) Score tender evaluation points for financial offer. 3) Calculate total tender evaluation points. 4) Rank tender offers from the highest number of tender evaluation points to the lowest. 5) 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.
Method 4: Financial offer, quality and preferences	1) Score quality, rejecting all tender offers that fail to score the minimum number of points for quality stated in the Tender data. 2) Score tender evaluation points for financial offer. 3) Confirm that tenderers are eligible for the preferences claimed, and if so, score tender evaluation points for preferencing. 4) Calculate total tender evaluation points. 5) Rank tender offers from the highest number of tender evaluation points to the lowest. 6) 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.

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

### F.3.11.2 Scoring Financial Offers

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

NFO =  $W1 \times A$  where:

NFO = the number of tender evaluation points awarded for the financial offer.

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

A = a number calculated using either formulas 1 or 2 below as stated in the Tender Data.

Formula	Basis for comparison	Option 1	Option 2
1	Highest price or discount	$(1 + \frac{P - P_m}{P_m})$	$P/P_m$
2	Lowest price or percentage commission/fee	$(1 - \frac{P - P_m}{P_m})$	$P_m/P$

where:

$P_m$  = the comparative offer of the most favourable tender offer.

$P$  = the comparative offer of tender offer under consideration.

### F.3.11.3 Scoring quality (functionality)

Score quality in each of the categories in accordance with the Tender Data and calculate total score for quality.

### **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**

**F.3.13.1** Accept tender offer only if the tenderer complies with the legal requirements stated in the Tender Data.

**F.3.13.2** 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. Providing the form of offer and acceptance does not contain any qualifying statements, it will constitute the formation of a contract between the employer and the successful tenderer as described in the form of offer and acceptance.

### **F.3.14 Notice to unsuccessful tenderers**

After the successful tenderer has acknowledged the employer's notice of acceptance, notify other tenderers that their tender offers have not been accepted.

### **F.3.15. Prepare contract documents**

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,
- c) Other revisions agreed between the employer and the successful tenderer, and
- d) The schedule of deviations attached to the form of offer and acceptance, if any.

### **F.3.16 Issue final contract**

Prepare and issue the final draft of contract documents to the successful tenderer for acceptance as soon as possible after the date of the employer's signing of the form of offer and acceptance (including the schedule of deviations, if any). Only those documents that the conditions of tender require the tenderer to submit, after acceptance by the employer, shall be included.

### **F.3.17 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 assigned.

### **F.3.18 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.

**Annex G**  
(Normative)

**Alpha-numeric's associated with the Contractor Grading Designations**

**Table G1: Contractor grading designations and associated parameters**

**Table G2: Classes of construction work**

<b>Description</b>	<b>Designation</b>	<b>Definition</b>
<b>Civil engineering works</b>	<b>CE</b>	Construction works that are primarily concerned with the materials such as steel, concrete, earth and rock and their application in the construction, operation, maintenance and management of hydraulic, structural, environmental and systems aspects of infrastructure works and services.
<b>Electrical engineering works</b>	<b>EE</b>	Construction works that are primarily concerned with installation, testing, operation and maintenance of equipment, plant and systems within the electrical, electronic, communication and electrical systems areas.
<b>General building works</b>	<b>GB</b>	Construction works that: a) are primarily concerned with the provision of permanent shelter for its occupants or contents; or b) cannot be categorised in terms of the definitions provided for civil engineering works, electrical engineering works, mechanical engineering works, or specialist works.
<b>Mechanical engineering works</b>	<b>ME</b>	Construction works that are primarily concerned with the installation, testing, operation and maintenance of machines, machine and thermodynamic processes and manufacturing, materials handling plants and systems.
<b>Specialist works</b>		<b>SA</b> Alarms, security and access control systems <b>SB</b> Asphalt works (supply and lay) <b>SC</b> Building excavations, shaft sinking and lateral earth support <b>SD</b> Corrosion protection (cathodic, anodic and electrolytic) <b>SE</b> Demolition and blasting <b>SF</b> Fire prevention and protection systems <b>SG</b> Glazing, curtain walls and shop fronts <b>SH</b> Landscaping, irrigation and horticultural works <b>SI</b> Lifts, escalators and travellers (installation, commissioning and maintenance) <b>SJ</b> Piling and specialized foundations for buildings and structures <b>SK</b> Road markings and signage <b>SL</b> Structural steelwork fabrication and erection <b>SM</b> Timber buildings and structures <b>SN</b> Waterproofing of basements, roofs and walls using specialist systems. <b>SO</b> Water supply and drainage for buildings (wet services, plumbing) <b>SP</b> Building of Homes as contemplated in the Housing Consumer Protection Measures Act (Act No 95 of 1998)