



CD 38/2024

**APPOINTMENT OF AN AUCTIONEER TO
DISPOSE OF IDENTIFIED ASSETS FOR
CENTLEC (SOC) LTD**

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1 STATEMENT OF INVITATION

CENTLEC (SOC) Ltd (hereafter referred to as CENTLEC), a Mangaung Metro Municipal entity, distributing electricity in the Mangaung Metro area and other municipalities, requests bids for an auctioneer to dispose of identified assets for CENTLEC for a period of thirty six (36) months.

2 MINIMUM REQUIREMENTS

- 2.1 Supply unique security personal identification number (PIN) and/or original Tax Clearance Certificate for Tax compliant status.
- 2.2 Supply municipal services (water, sanitation, rates and electricity) clearance certificate or Lease Agreement with a current Bill and rates clearances, or Current Bill of Account not owing more than 90 days. In a case where the services are paid by the Landlord, the signed lease agreement and statement of account must be submitted by the bidder.
- 2.3 Submit proof of registration on the National Treasury Centralized Supplier's Database.
- 2.4 A valid letter of good standing from the Compensation Commissioner with the Department of Labour or other recognised authorities.
- 2.5 Please note that the minimum requirements listed on the call for bids must be adhered to.

3 SCOPE OF WORK

The scope of work for the service provider will be to supply an auction service as mentioned in the statement of invitation above. The successful bidder will also be expected to provide an after sale service to CENTLEC for the duration of the contract.

4 TECHNICAL SPECIFICATION

4.1 CENTLEC currently has assets that need to be auctioned off as follows:

- 4.1.1 Infrastructure scrapped assets including damaged transformers.
- 4.1.2 Large amount of damaged wire and copper.
- 4.1.3 Damaged vehicles.
- 4.1.4 Wide variety of movables assets.

4.2 The auctioneer must be able to perform the required task (auction) on the premises of CENTLEC's as well as online.

4.3 The auctioneer must be able to perform all the required advertising regarding the auction to be held.

4.4 The auctioneer must have experience with asset disposal and general auctions.

4.5 All sales are the responsibility of the auctioneer, any damages or losses caused due to auction process will be at the cost of the auctioneer.

4.6 The auctioneer's conditions of sale of property will be subject to approval by CENTLEC.

4.7 The purchaser must pay value-added tax on all goods/property sold by means of public auction. The auctioneer will be held liable to ensure that VAT is paid over to CENTLEC, within Ten (10) working days from the date of conclusion of the auction.

4.8 The auctioneer must ensure that all goods/property sold at the auction are removed from the CENTLEC premises within Ten(10) working days of payment. CENTLEC will not be held responsible for any loss or damage to property or goods not removed upon conclusion of the sale.

4.9 The auctioneer will be required to clean the auction grounds on conclusion of the auction.

5 SPECIAL CONDITIONS OF THE CONTRACT

5.1 The appointment will be for a period of thirty six (36) months from the date of appointment.

5.2 The successful bidder will be expected to enter a Service Level Agreement with CENTLEC.

5.3 Please note that CENTLEC reserves the right to appoint more than one bidder where applicable.

5.4 All documentary evidence and any aspect of the items associated with the auction shall at all times remain the property of CENTLEC and the firm handling the auction on behalf of CENTLEC waives its entitlement in the regard.

5.5 The service provider shall ensure that no property (CENTLEC's or private) is damaged or misused in the execution of the auction.

6 EVALUATION CRITERIA

6.1 Technical Evaluation

All proposals submitted will be evaluated in accordance with the criteria set out in the policy of Supply Chain Management of the Entity.

The most suitable candidate will then be selected. Please take note that CENTLEC is not bound to select any of the firms submitting proposals. CENTLEC furthermore reserves the right to select more than one bidder.

Furthermore, technical competence is the principal selection criteria, CENTLEC will evaluate the technical criteria first and will only look at the price and Specific Goals requirements if it is satisfied with the technical evaluation. As a result of this, CENTLEC does not bind itself in any way to select the firm offering the lowest price.

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The relative technical weighting of the criteria is as follows:

Table 1: Evaluation Criteria

No.	Criteria	Description	Points
6.1.1	Track record and experience	A minimum of two (2) signed reference letters on company's letterhead signed by the duly authorized person confirming track record and experience related to the scope of work. Two (2) letters = 15 points ; Three (3) letters = 20 points and Four (4) letters or more = 25 points .	25
6.1.2	Local (Mangaung) operational capability and economic investment	Does the bidder have a local office with operational capability? Existing and established local office (CENTLEC distribution area) = 30 points If not (Within South Africa) = 10 points	30

No.	Criteria	Description	Points
6.1.3	Registration with the South African Institute of Auctioneers	Submit proof of registration = 45 points	45
	TOTAL		100

A bidder who gets a minimum of 70 points and above will qualify to the next stage. Individual tenders would have to be evaluated according to the preferential point system. The bidder must score minimum points as follows:

Item 6.1.1 – 15 points

Item 6.1.2 – 10 points

Item 6.1.3 – 45 points

6.2 Price and preferential points scoring – Stage 2 (Price and Specific Goals requirement)

All Bidders that have passed the technical evaluation threshold of 70 points would also be scored based the 80/20 principle where 80 Points is for the Price and 20 points for specific goals as per the detail given below.

6.3 Points awarded for price.

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

$$\text{Where } P_s = 80 \left[1 - \frac{P_t - P_{\min}}{P_{\min}} \right]$$

P_s = Points Scored for comparative price of bid under consideration

P_t = Comparative Price of bid under consideration

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

6.4 Points awarded for Specific Goals Requirement

In terms of Regulation 3.(1) An organ of state must, in the tender documents, stipulate— (a) the applicable preference point system as envisaged in regulations 4, 5, 6 or 7; (b) the specific goal in the invitation to submit the tender for which a point may be awarded, and the number of points that will be awarded to each goal, and proof of the claim for such goals in accordance with the table below;

Table 2: Specified Goals for Preferential Point System

Specified Goals	Points Allocation
50% Black owned	10
50% Women owned	5
50% Youth owned <35 years	5
Total Points	20

7 PRICING SCHEDULES

Table 3: Pricing Schedule

	<u>DESCRIPTION</u>	<u>TOTAL TENDER PRICE</u> <u>(EXCLUDING VAT)</u>
1.	Sale of assets on auction	_____ Commission percentage per items sold

8 CONTACT DETAILS

8.1 For any further technical information regarding the document contents please contact Me. Doreen Mathe and Mr. Phillip Makhele, e-mail

Doreen.Mathe@centlec.co.za and Phillip.Makhele@centlec.co.za

Such queries must be done in writing, the email address provided serves for this purpose. The answer to one question will be sent to all the other prospective bidders that have bought the bid documents.

8.2 For Supply Chain Related questions, please contact Ms. Palesa Makhele at 051 412 2753 or at Palesa.Makhele@centlec.co.za.

