

## SPECIFICATIONS

### **1. Introduction**

The Lejweleputswa District Municipality would like to appoint a registered professional service providers to provide auctioneering services to dispose of municipal movable assets.

### **2. Background**

Lejweleputswa District Municipality disposal of movable assets is conducted by means of public auctions.

### **3. Scope**

Lejweleputswa District Municipality requires the services of a capable and experienced auctioneering service provider(s) to conduct a ONCE-OFF auction(s) of:

3.1. Municipal Movable assets which include;

3.1.1. Redundant vehicles

### **4. General**

4.1. The successful service provider(s) will be required to enter into a contract with Lejweleputswa District Municipality for a period starting from signing of the contract and ending at the conclusion of the sale of assets.

4.2. Bids must remain valid for a period of 30 Days after closing date;

4.3. No auctioneer's commission or fees will be payable by Lejweleputswa District Municipality;

4.4. The buyer at the auction will be responsible for the payment of the buyer's commission which may be payable to the Auctioneer;

4.5. The auction (s) will take place on a date(s) set by the Municipality and the Auctioneer;

4.6. Auction(s) of movable assets will be conducted at the designated Municipal premises identified in WELKOM on periodical dates to be negotiated and agreed upon with the appointed service provider;

4.7. The Municipality will, before each auction, make available a preliminary list of movable assets to be auctioned;

4.8. No offer may be accepted by the auctioneer before or after the bid has been allocated at the auction;

4.9. The municipality is VAT registered and VAT must be paid on all sales of municipal movable assets, except passenger vehicles, irrespective of whether or not the buyer is VAT registered;

4.10. The Auctioneer must as part of the sales conditions, announce that the bid price on items will be exclusive of VAT and commission payable;

## 5. Technical Requirements

5.1 Minimum Requirements		Reference (Supporting documents attached)
5.1.1	The appointed service provider(s) must be a registered Member of SAIA (South African Institute of Auctioneers). IMPORTANT-As a requirement, please attach a certified copy of your registration in this regard.	
5.1.2	The appointed service provider(s) will be responsible for:	
a.	All administrative and logistical arrangements for the auction of municipal movable asset, which includes advertisements and the inclusion of conditions in the draft deed(s) of sale, the latter in consultation with the Municipality.	
b.	Draft auction procedures which shall be placed at the bidding site and all relevant procedures.	
c.	Determine the fair value of assets in consultation with the Asset Management of the municipality	
d.	The erection of proper "For Sale" signboards on the site of movable asset to be auctioned, at least 3 weeks before the auction takes place.	
e.	The Cost and the placement of advertisements for the auction in the official in at least, but not limited to: -A Local Newspaper (e.g., Vista or Free State Sun) -Official notice boards At least two rounds of advertisements per auction.	
f.	The marking and arranging of the items to be sold at the site of the auction.	
g.	Registering of potential bidders and the collection of the Total Amount Payable by bidders, with regard to items sold.	
h.	Paying the proceeds of the auction to the Municipal within 7 (seven) working days after the auction date.	
i.	Submitting the final detailed statement for items sold, to the Municipality within 7 (seven) working days after the auction date.	
j.	Further terms, conditions and deliverables will be discussed with the successful bidder for inclusion in the service level agreement.	

## 6. PRICING SCHEDULE

6.1. This bid should be commission based. The Service provider will be expected to put an offer to the municipality in a percentage format based on the Turnover (Revenue) collected during Auction: Percentage per Auction: %.....

