

# KHÂI-MA MUNICIPALITY



## TENDER DOCUMENT - KH35/23/24

**CLOSING DATE: 1 MARCH 2024    CLOSING TIME: 12H00**

<b>TENDER NO</b>		<b>KH35/23/24</b>	
<b>TENDER DESCRIPTION /TENDERS ARE INVITED FOR:</b>		<b>THE PROCUREMENT/APPOINTMENT OF A SERVICE          PROVIDER: FOR AN AUTOMATED COMPLIANT PERFORMANCE MANAGEMENT SYSTEM, SDBIP AND STATUTORY (COMPLIANCE) REPORTING FOR A PERIOD OF THREE YEARS FROM DATE OF APPOINTMENT</b>	
<b>CLOSING TIME:</b>	<b>12H00</b>	<b>CLOSING DATE:</b>	<b>1 MARCH 2024</b>
		<b>ADVERTISING DATE</b>	<b>29 JANUARY 2024</b>
<b>TENDER BOX:</b> Khâi-Ma Municipality, Municipal Offices Building 21 Nuwe Street Pofadder 8890 <i>Please ensure to complete the <b>Tender Submission Register</b> which will be at the tender box and must be completed on behalf of the tendering company and not the details of the courier companies.</i>		<b>NB:</b> 1 All bids must be submitted on the official forms (not to be re-typed) 2 Bids must be completed in black ink in writing 3 No bids will be considered from persons in the service of the state 4 Tenders will be opened on the same day in the Municipal Council Chambers at 12:05. Late or unmarked tenders will not be considered. 5 Hand-delivered or posted bids are acceptable on your own risk, but tenders received per fax or e-mail will <u>NOT</u> be accepted.	
<b>NAME OF BIDDING COMPANY:</b>			
<b>ADDRESS:</b>			
<b>CONTACT PERSON (FULL NAMES) (RESPONSIBLE FOR TENDER):</b>			
<b>CELL:</b>			
<b>EMAIL:</b>			
<b>CENTRAL SUPPLIER DATABASE NO:</b>			
<b>TOTAL BID PRICE: (REFER TO PRICING SCHEDULE)(TENDER AMOUNT, INCL VAT)</b>			
<b>B-BBEE STATUS LEVEL OF CONTRIBUTOR:</b>			
<b>PREFERENCE POINTS CLAIMED:</b>			
<b>B-BBEE certificates submitted with the bid document MUST be VALID ORIGINAL BBEE CERTIFICATES or VALID CERTIFIED COPIES OF THE B-BBEE CERTIFICATES</b>			
<b>FOR ENQUIRIES, contact :</b> Mr Petrus Baker & Ms Melissa Cloete // 21 Nuwe street, Pofadder, 8890 // 054 933 0040/44 boet@khaima.gov.za or intern1@khaima.gov.za			

SIGNATURE OF TENDERER/BIDDER: .....

**KHÂI-MA MUNICIPALITY  
TENDER DOCUMENT : KH35/23/24**

**THE PROCUREMENT/APPOINTMENT OF A SERVICE  
PROVIDER: FOR AN AUTOMATED COMPLIANT  
PERFORMANCE MANAGEMENT SYSTEM,  
SDBIP AND STATUTORY (COMPLIANCE) REPORTING FOR A  
PERIOD OF THREE YEARS FROM DATE OF  
APPOINTMENT**

<b>GENERAL TENDER INFORMATION</b>
-----------------------------------

**TENDER ADVERTISED : 29 JANUARY 2024**

**CLOSING DATE : FRIDAY, 1 MARCH 2024**

**CLOSING TIME : 12:00**

**CLOSING VENUE : MUNICIPAL TENDER BOX, MUNICIPAL OFFICES  
21 NUWE STREET, POFADDER, 8890**

# INDEX

<b>INDEX OF BID DOCUMENT STRUCTURE</b>		<b>PAGE</b>
<b>SECTION 1 – INTRODUCTION AND GENERAL ARRANGEMENTS</b>		
1.1	INVITATION TO TENDER	4
1.2	TENDER CONDITIONS AND INFORMATION	5
1.3	GENERAL CONDITIONS OF CONTRACT	8
<b>SECTION 2 – SCOPE OF WORK, BID EVALUATION AND PRICING ARRANGEMENTS</b>		
	<b>SPECIFICATIONS (SCOPE OF WORKS)</b>	18
	<b>PRE-QUALIFICATION</b>	18
	<b>SPECIFIC CONDITIONS OF CONTRACT (SCOPE OF WORKS AND SERVICE)</b>	19
	<b>EVALUATION OF BIDS BASED ON FUNCTIONALITY</b>	22
	<b>I. PRE-EVALUATION CRITERIA</b>	22
	<b>II. FUNCTIONALITY</b>	33
	EVALUATION OF BIDS ON 80/20	35
<b>SECTION 3 – GENERAL BID INFORMATION REQUIRED</b>		
	SCHEDULE 1 - MBD1: BID FOR REQUIREMENTS OF KHÂI-MA MUNICIPALITY	36
	SCHEDULE 2 - MBD2: TAX STATUS REQUIREMENTS	37
	SCHEDULE 3 – PRICING SCHEDULE	38
	SCHEDULE 4 - MBD4: DECLARATION OF INTEREST	41
	SCHEDULE 5 - B-BBEE CERTIFICATE ISSUED	42
	SCHEDULE 6 – COMPANY PROFILE	43
	SCHEDULE 7 - MUNICIPAL RATES AND TAXES	44
	SCHEDULE 8 - MBD8: DECLARATION OF BIDDER'S PAST SUPPLY CHAIN MANAGEMENT PRACTICES	46
	SCHEDULE 9 - MBD9: CERTIFICATE OF INDEPENDENT BID DETERMINATION	48
	TENDER OFFER	51
	ACCEPTANCE	53



## KHÂI-MA MUNICIPALITY

### INVITATION TO BID

#### TENDER NO. KH35/23/24

Khâi-Ma Municipality hereby invites suitable service providers to submit BIDS on:

Notice/ Bid Number	Description	Contact Person	Closing Date & Time	Evaluation Criteria
<b>KH35/23/24</b>	<b>FOR THE PROCUREMENT/APPOINTMENT OF A SERVICE PROVIDER FOR AN AUTOMATED COMPLIANT PERFORMANCE MANAGEMENT SYSTEM, SDBIP AND STATUTORY (COMPLIANCE) REPORTING FOR A PERIOD OF THREE YEARS FROM DATE OF APPOINTMENT</b>	Technical enquiries: Mr Petrus Baker boet@khaima.gov.za  Procurement enquiries: Ms Melissa-Ann Cloete intern1@khaima.gov.za	<b>1 March 2024  Friday  12:00</b>	80/20  <i>Please also note that there are Pre-Qualification and Functionality Criteria's also to which a Bidder must first be responsive</i>

Completed tenders in a sealed envelope, clearly marked:

Tender No. KH35/23/24 – THE PROCUREMENT OF A SERVICE PROVIDER: AUTOMATED COMPLIANT PERFORMANCE MANAGEMENT SYSTEM, SDBIP AND STATUTORY REPORTING

Tender documents must be placed in the tender box at the Khâi-Ma Municipal Offices at the Reception Area in the MUNICIPAL TENDER BOX, MUNICIPAL OFFICE – 21 NUWE STREET, POFADDER, 8890 by no later than **12:00 on 1 MARCH 2024**. Tenders will be opened on the same day in the Municipal Council Chambers at 12:05. Late or unmarked tenders will not be considered. **Hand-delivered or posted bids are acceptable but tenders received per fax or e-mail will NOT be accepted.**

Tenders will be evaluated on 80:20 basis and adjudicated in terms of the Preferential Procurement Policy Framework Act (Act 5 of 2000) Regulations 2022, where 80 points will be scored for price and 10 points for BBBEE status and 10 points for location (specific goals) as well as in terms of the Khâi-Ma Municipality's Supply Chain Management Policy.

Bidders will be required to have a specified level of experience to be eligible to tender. All bidders to ensure to complete the pre-qualification (with proof of evidence attached) as well as the functionality evaluations to be able to score the minimum points to be eligible for further consideration for the 80 : 20 basis evaluation. The tender document containing the detailed information, conditions and requirements of the bid as well as all the evaluation criteria can be emailed on request and can also be downloaded on the e-Tender Publication Portal ([www.etender.gov.za](http://www.etender.gov.za)) as well as on the municipal website ([www.khaima.gov.za](http://www.khaima.gov.za)) from 29 January 2024.

- Khâi-Ma Municipality is not bound to accept the lowest or any bid and reserves the right to accept any part of a Bid. Bids must remain valid for a period of ninety (90) days after the closing date of the submission thereof.
- Tenderers who are not yet registered are required to register on the National Central Suppliers Database (CSD). Application forms are obtainable from the website <https://secure.csd.gov.za>.

For more information, contact Mr Petrus Baker at 054 933 0040/44 or boet@khaima.gov.za.

**Mrs Samantha Tatas-Titus**  
**Municipal Manager, Khâi-Ma Municipality, Nuwe Street, Pofadder, 8890**

Tender No KH35/23/24

## **SECTION 1.2: TENDER CONDITIONS AND INFORMATION**

### **1.2.1. GENERAL AND SPECIAL CONDITIONS OF CONTRACT**

The General Conditions of Contract (GCC) as well as Special Conditions of Contract (SCC) forming part of this set of tender documents will be applicable to this tender in addition to the conditions of tender. Where the GCC and SCC are in conflict with one another, the stipulations of the SCC will prevail.

### **1.2.2. ACCEPTANCE OR REJECTION OF A TENDER**

The Municipality reserves the right to withdraw any invitation to tender and/or to readvertise or to reject any tender or to accept a part of it. The Municipality does not bind itself to accepting the lowest tender or the tender scoring the highest points.

### **1.2.3. VALIDITY PERIOD**

Warrants that the tender offer(s) remains valid, irrevocable and open for acceptance by the Municipality at any time for a period of 90 days after the closing date stated on the front page of the tender document.

Notwithstanding the period stated above, the tender shall be deemed to remain valid, irrevocable and open for acceptance until formal acceptance by the Municipality at any time after the expiry of the original validity period, unless the Municipality is notified in writing of anything to the contrary (including any further conditions) by the tenderer. Any further conditions introduced by the supplier will be considered at the sole discretion of the Municipality.

### **1.2.4. REGISTRATION ON ACCREDITED SUPPLIER DATABASE**

It is expected of all prospective service providers who are not yet registered on the CSD to register without delay. The Municipality reserves the right not to award tenders to prospective suppliers who are not registered on the CSD.

### **1.2.5. COMPLETION OF TENDER DOCUMENTS**

The original tender document must be completed fully in black pen ink and signed by the authorized signatory to validate the tender. All the pages must be initialed by the authorized signatory and returned. Failure to do so may result in the disqualification of the tender.

### **1.2.6. COMPULSORY DOCUMENTATION**

#### **1.2.6.1 INCOME TAX CLEARANCE CERTIFICATE**

- a) A valid original Income Tax Clearance Certificate and/or SARS unique PIN must accompany the bid documents unless the bidder is registered on the Accredited Supplier Database of the Municipality and the Municipality has a valid original Income Tax Clearance Certificate for the bidder on record. The onus is on the bidder to ensure that the Municipality has an original Income Tax Clearance Certificate on record and obtain written confirmation from the Supply Chain Management Unit of the Municipality. The letter of confirmation must be included in the tender documents. If the South African Revenue Services (SARS) cannot provide a valid original Income Tax Clearance Certificate, the bidder must submit a letter from SARS on an original SARS letterhead that their tax matters are in order.
- b) Bids not supported by a valid original Income Tax Clearance Certificate, either as an attachment to the bid documents or on record in the case of suppliers registered on the Supplier Database of the Municipality, will be disqualified.

---

### **1.2.6.2 MUNICIPAL RATES, TAXES AND CHARGES**

- a) A certified copy of the bidder's municipal account for the month preceding the tender closure date must accompany the tender documents.
- b) Any bidder which is or whose directors are in arrears with their municipal rates and taxes or municipal charges due to any Municipality or any of its entities for more than three months will be disqualified.

### **1.2.7. AUTHORISED SIGNATORY**

- a) A copy of the recorded Resolution taken by the Board of Directors, members, partners or trustees authorising the representative to submit this bid on the bidder's behalf must be attached to the Bid Document on submission of same.
- b) A bid shall be eligible for consideration only if it bears the signature of the bidder or of some person duly and lawfully authorised to sign it for and on behalf of the bidder.

### **1.2.8. QUANTITIES OF SPECIFIC ITEMS**

If tenders are called for a specific number of items, Council reserves the right to change the number of such items to be higher or lower. The successful bidder will then be given an opportunity to evaluate the new scenario and inform the Municipality if it is acceptable. If the successful bidder does not accept the new scenario, it will be offered to the second-placed bidder. The process will be continued to the Municipality's satisfaction.

### **1.2.9. SUBMISSION OF TENDER**

- a) The tender must be placed in a sealed envelope, clearly marked with the tender number, title as well as closing date and time and be placed in the tender box at the Khâi-Ma Municipality – 21 Nuwe Street, Pofadder, 8890 by not later than 12:00 on Friday, 1 MARCH 2024.
- b) Faxed, e-mailed and late tenders will not be accepted. Tenders may be delivered by hand, by courier, or posted at the bidder's own risk and must be received by the deadline specified above, irrespective of how they are sent or delivered.

### **1.2.10. CONTACT WITH MUNICIPALITY AFTER TENDER CLOSURE DATE**

Bidders shall not contact the Khâi-Ma Municipality on any matter relating to their bid from the time of the opening of the bid to the time the contract is awarded. If a bidder wishes to bring additional information to the notice of the Khâi-Ma Municipality, it should do so in writing to the Khâi-Ma Municipality. Any effort by the firm to influence the Khâi-Ma Municipality in the bid evaluation, bid comparison or contract award decisions may result in the rejection of the bid.

### **1.2.11. OPENING, RECORDING AND PUBLICATIONS OF TENDERS RECEIVED**

- a) Tenders will be opened on the closing date immediately after the closing time specified in the tender documents. If requested by any bidder present, the names of the bidders, and if practical, the total amount of each bid and of any alternative bids will be read out aloud.
- b) Details of tenders received in time will be published on the Municipality's website as well as recorded in a register which is open to public inspection.

### **1.2.12. EVALUATION OF TENDERS**

Tenders will be evaluated in terms of their responsiveness to the tender specifications and requirements as well as such additional criteria as set out in this set of tender documents.

---

**1.2.13. PROCUREMENT POLICY**

Bids will be awarded in accordance with the Preferential Procurement Policy Framework Act, No 5 of 2000, the Preferential Procurement Regulations, 2022 as well as the Municipality's Supply Chain Management Policy.

**1.2.14. LANGUAGE OF CONTRACT**

The contract documents will be compiled in English and the English versions of all referred documents will be taken as applicable.

**1.2.15. WRONG INFORMATION FURNISHED**

Where a contract has been awarded on the strength of the information furnished by the bidder which, after the conclusion of the relevant agreement, is proved to have been incorrect, the Municipality may, in addition to any other legal remedy it may have, recover from the contractor all costs, losses or damages incurred or sustained by the Municipality as a result of the award of the contract.

**1.2.16. ENQUIRIES**

Enquiries in connection with this tender may be addressed to Mr Petrus Baker at telephone (054) 933 0040/44 and specifications prior to the tender closure date, or e-mail [boet@khaima.gov.za](mailto:boet@khaima.gov.za)

---

## 1.3 GENERAL CONDITIONS OF CONTRACT

### 1. Definitions

The following terms shall be interpreted as indicated:

“Closing time” means the date and hour specified in the bidding documents for the receipt of bids.

“Contract” means the written agreement entered into between the purchaser and the supplier, as recorded in the contract form signed by the parties, including all attachments and appendices thereto and all documents incorporated by reference therein.

“Contract price” means the price payable to the supplier under the contract for the full and proper performance of his contractual obligations.

“Corrupt practice” means the offering, giving, receiving, or soliciting of anything of value to influence the action of a public official in the procurement process or in contract execution.

“Countervailing duties” are imposed in cases where an enterprise abroad is subsidized by its government and encouraged to market its products internationally.

“Country of origin” means the place where the goods were mined, grown or produced or from which the services are supplied. Goods are produced when, through manufacturing, processing or substantial and major assembly of components, a commercially recognized new product results that is substantially different in basic characteristics or in purpose or utility from its components.

“Day” means calendar day.

“Delivery” means delivery in compliance of the conditions of the contract or order.

“Delivery ex stock” means immediate delivery directly from stock actually on hand.

“Delivery into consignees store or to his site” means delivered and unloaded in the specified store or depot or on the specified site in compliance with the conditions of the contract or order, the supplier bearing all risks and charges involved until the goods are so delivered and a valid receipt is obtained.

“Dumping” occurs when a private enterprise abroad market its goods on own initiative in the RSA at lower prices than that of the country of origin and which have the potential to harm the local industries in the RSA.

”Force majeure” means an event beyond the control of the supplier and not involving the supplier’s fault or negligence and not foreseeable. Such events may include, but is not restricted to, acts of the purchaser in its sovereign capacity, wars or revolutions, fires, floods, epidemics, quarantine restrictions and freight embargoes.

“Fraudulent practice” means a misrepresentation of facts in order to influence a procurement process or the execution of a contract to the detriment of any bidder, and includes collusive practice among bidders (prior to or after bid submission) designed to establish bid prices at artificial non-competitive levels and to deprive the bidder of the benefits of free and open competition.

“GCC” means the General Conditions of Contract.

“Goods” means all of the equipment, machinery, and/or other materials that the supplier is required to supply to the purchaser under the contract.

“Imported content” means that portion of the bidding price represented by the cost of components, parts or materials which have been or are still to be imported (whether by the supplier or his subcontractors) and which costs are inclusive of the costs abroad, plus freight and other direct importation costs such as landing costs, dock dues, import duty, sales duty or other similar tax or duty at the South African place of entry as well as transportation and handling charges to the factory in the Republic where the goods covered by the bid will be manufactured.

---

“Local content” means that portion of the bidding price, which is not included in the imported content provided that local manufacture does take place.

“Manufacture” means the production of products in a factory using labour, materials, components and machinery and includes other related value-adding activities.

“Order” means an official written order issued for the supply of goods or works or the rendering of a service.

“Project site,” where applicable, means the place indicated in bidding documents.

“Purchaser” means the organization purchasing the goods.

“Republic” means the Republic of South Africa.

“SCC” means the Special Conditions of Contract.

“Services” means those functional services ancillary to the supply of the goods, such as transportation and any other incidental services, such as installation, commissioning, provision of technical assistance, training, catering, gardening, security, maintenance and other such obligations of the supplier covered under the contract.

“Supplier” means the successful bidder who is awarded the contract to maintain and administer the required and specified service(s) to the State.

“Tort” means in breach of contract.

“Turnkey” means a procurement process where one service provider assumes total responsibility for all aspects of the project and delivers the full end product / service required by the contract.

“Written” or “in writing” means hand-written in ink or any form of electronic or mechanical writing.

## **2. Application**

- 2.1 These general conditions are applicable to all bids, contracts and orders including bids for functional and professional services (excluding professional services related to the building and construction industry), sales, hiring, letting and the granting or acquiring of rights, but excluding immovable property, unless otherwise indicated in the bidding documents.
- 2.2 Where applicable, special conditions of contract are also laid down to cover specific goods, services or works.
- 2.3 Where such special conditions of contract are in conflict with these general conditions, the special conditions shall apply.

## **3. General**

- 3.1 Unless otherwise indicated in the bidding documents, the purchaser shall not be liable for any expense incurred in the preparation and submission of a bid. Where applicable a non-refundable fee for documents may be charged.
- 3.2 Invitations to bid are usually published in locally distributed news media and on the municipality/municipal entity website.

## **4. Standards**

- 4.1 The goods supplied shall conform to the standards mentioned in the bidding documents and specifications.

## **5. Use of contract documents and information inspection**

- 5.1 The supplier shall not, without the purchaser’s prior written consent, disclose the contract, or any provision thereof, or any specification, plan, drawing, pattern, sample, or information furnished by or on behalf of the purchaser in connection therewith, to any person other than a person employed by the supplier in the performance of the contract. Disclosure to any such employed

---

person shall be made in confidence and shall extend only so far as may be necessary for purposes of such performance.

- 5.2 The supplier shall not, without the purchaser's prior written consent, make use of any document or information mentioned in GCC clause 5.1 except for purposes of performing the contract.
- 5.3 Any document, other than the contract itself mentioned in GCC clause 5.1 shall remain the property of the purchaser and shall be returned (all copies) to the purchaser on completion of the supplier's performance under the contract if so required by the purchaser.
- 5.4 The supplier shall permit the purchaser to inspect the supplier's records relating to the performance of the supplier and to have them audited by auditors appointed by the purchaser, if so required by the purchaser.

## **6. Patent Rights**

- 6.1 The supplier shall indemnify the purchaser against all third-party claims of infringement of patent, trademark, or industrial design rights arising from use of the goods or any part thereof by the purchaser.
- 6.2 When a supplier developed documentation / projects for the municipality / municipal entity, the intellectual, copy and patent rights or ownership of such documents or projects will vest in the municipality / municipal entity.

## **7. Performance security**

- 7.1 Within thirty (30) days of receipt of the notification of contract award, the successful bidder shall furnish to the purchaser the performance security of the amount specified in SCC.
- 7.2 The proceeds of the performance security shall be payable to the purchaser as compensation for any loss resulting from the supplier's failure to complete his obligations under the contract.
- 7.3 The performance security shall be denominated in the currency of the contract, or in a freely convertible currency acceptable to the purchaser and shall be in one of the following forms: (a) a bank guarantee or an irrevocable letter of credit issued by a reputable bank located in the purchaser's country or abroad, acceptable to the purchaser, in the form provided in the bidding documents or another form acceptable to the purchaser; or (b) a cashier's or certified cheque.
- 7.4 The performance security will be discharged by the purchaser and returned to the supplier not later than thirty  
(30) days following the date of completion of the supplier's performance obligations under the contract, including any warranty obligations, unless otherwise specified.

## **8. Inspections, tests and analyses**

- 8.1 All pre-bidding testing will be for the account of the bidder.
- 8.2 If it is a bid condition that goods to be produced or services to be rendered should at any stage be subject  
to inspections, tests and analyses, the bidder or contractor's premises shall be open, at all reasonable hours, for inspection by a representative of the purchaser or organization acting on behalf of the purchaser.
- 8.3 If there are no inspection requirements indicated in the bidding documents and no mention is made in the contract, but during the contract period it is decided that inspections shall be carried out, the purchaser shall itself make the necessary arrangements, including payment arrangements with the testing authority concerned.
- 8.4 If the inspections, tests and analyses referred to in clauses 8.2 and 8.3 show the goods to be in accordance with the contract requirements, the cost of the inspections, tests and analyses shall be defrayed by the purchaser.

- 
- 8.5 Where the goods or services referred to in clauses 8.2 and 8.3 do not comply with the contract requirements, irrespective of whether such goods or services are accepted or not, the cost in connection with these inspections, tests or analyses shall be defrayed by the supplier.
- 8.6 Goods and services which are referred to in clauses 8.2 and 8.3 and which do not comply with the contract requirements may be rejected.
- 8.7 Any contract goods may on or after delivery be inspected, tested or analysed and may be rejected if found not to comply with the requirements of the contract. Such rejected goods shall be held at the cost and risk of the supplier who shall, when called upon, remove them immediately at his own cost and forthwith substitute them with goods, which do comply with the requirements of the contract. Failing such removal, the rejected goods shall be returned at the suppliers cost and risk. Should the supplier fail to provide the substitute goods forth with, the purchaser may, without giving the supplier further opportunity to substitute the rejected goods, purchase such goods as may be necessary at the expense of the supplier.
- 8.8 The provisions of clauses 8.4 to 8.7 shall not prejudice the right of the purchaser to cancel the contract on account of a breach of the conditions thereof, or to act in terms of Clause 22 of GCC.

## **9. Packing**

- 9.1 The supplier shall provide such packing of the goods as is required to prevent their damage or deterioration during transit to their final destination, as indicated in the contract. The packing shall be sufficient to withstand, without limitation, rough handling during transit and exposure to extreme temperatures, salt and precipitation during transit, and open storage. Packing, case size weights shall take into consideration, where appropriate, the remoteness of the goods' final destination and the absence of heavy handling facilities at all points in transit.
- 9.2 The packing, marking, and documentation within and outside the packages shall comply strictly with such special requirements as shall be expressly provided for in the contract, including additional requirements, if any, and in any subsequent instructions ordered by the purchaser.

## **10. Delivery and documents**

- 10.1 Delivery of the goods and arrangements for shipping and clearance obligations, shall be made by the supplier in accordance with the terms specified in the contract.

## **11. Insurance**

- 11.1 The goods supplied under the contract shall be fully insured in a freely convertible currency against loss or damage incidental to manufacture or acquisition, transportation, storage and delivery in the manner specified.

## **12. Transportation**

- 12.1 Should a price other than an all-inclusive delivered price be required, this shall be specified.

## **13. Incidental Services**

- 13.1 The supplier may be required to provide any or all of the following services, including additional services, if any:
- (a) performance or supervision of on-site assembly and/or commissioning of the supplied goods;
  - (b) furnishing of tools required for assembly and/or maintenance of the supplied goods;
  - (c) furnishing of a detailed operations and maintenance manual for each appropriate unit of the supplied goods;

- 
- (d) performance or supervision or maintenance and/or repair of the supplied goods, for a period of time agreed by the parties, provided that this service shall not relieve the supplier of any warranty obligations under this contract; and
  - (e) training of the purchaser's personnel, at the supplier's plant and/or on-site, in assembly, start-up, operation, maintenance, and/or repair of the supplied goods.

13.2 Prices charged by the supplier for incidental services, if not included in the contract price for the goods, shall be agreed upon in advance by the parties and shall not exceed the prevailing rates charged to other parties by the supplier for similar services.

## **14. Spare parts**

- 14.1 As specified, the supplier may be required to provide any or all of the following materials, notifications, and information pertaining to spare parts manufactured or distributed by the supplier:
- (a) such spare parts as the purchaser may elect to purchase from the supplier, provided that this election shall not relieve the supplier of any warranty obligations under the contract; and;
  - (b) in the event of termination of production of the spare parts:
    - (i) advance notification to the purchaser of the pending termination, in sufficient time to permit the purchaser to procure needed requirements; and
    - (ii) following such termination, furnishing at no cost to the purchaser, the blueprints, drawings, and specifications of the spare parts, if requested.

## **15. Warranty**

- 15.1 The supplier warrants that the goods supplied under the contract are new, unused, of the most recent or current models, and that they incorporate all recent improvements in design and materials unless provided otherwise in the contract. The supplier further warrants that all goods supplied under this contract shall have no defect, arising from design, materials, or workmanship (except when the design and/or material is required by the purchaser's specifications) or from any act or omission of the supplier, that may develop under normal use of the supplied goods in the conditions prevailing in the country of final destination.
- 15.2 This warranty shall remain valid for twelve (12) months after the goods, or any portion thereof as the case may be, have been delivered to and accepted at the final destination indicated in the contract, or for eighteen (18) months after the date of shipment from the port or place of loading in the source country, whichever period concludes earlier, unless specified otherwise.
- 15.3 The purchaser shall promptly notify the supplier in writing of any claims arising under this warranty.
- 15.4 Upon receipt of such notice, the supplier shall, within the period specified and with all reasonable speed, repair or replace the defective goods or parts thereof, without costs to the purchaser.
- 15.5 If the supplier, having been notified, fails to remedy the defect(s) within the period specified, the purchaser may proceed to take such remedial action as may be necessary, at the supplier's risk and expense and without prejudice to any other rights which the purchaser may have against the supplier under the contract.

## **16. Payment**

- 16.1 The method and conditions of payment to be made to the supplier under this contract shall be specified.
- 16.2 The supplier shall furnish the purchaser with an invoice accompanied by a copy of the delivery note and upon fulfilment of other obligations stipulated in the contract.

- 
- 16.3 Payments shall be made promptly by the purchaser, but in no case later than thirty (30) days after submission of an invoice or claim by the supplier.
- 16.4 Payment will be made in Rand unless otherwise stipulated.

## **17. Prices**

- 17.1 Prices charged by the supplier for goods delivered and services performed under the contract shall not vary from the prices quoted by the supplier in his bid, with the exception of any price adjustments authorized or in the purchaser's request for bid validity extension, as the case may be.

## **18. Variation orders**

- 18.1 In cases where the estimated value of the envisaged changes in purchase does not vary more than 20% of the total value of the original contract, the contractor may be instructed to deliver the goods or render the services as such. In cases of measurable quantities, the contractor may be approached to reduce the unit price, and such offers may be accepted provided that there is no escalation in price.

## **19. Assignment**

- 19.1 The supplier shall not assign, in whole or in part, its obligations to perform under the contract, except with the purchaser's prior written consent.

## **20. Subcontracts**

- 20.1 The supplier shall notify the purchaser in writing of all subcontracts awarded under this contract if not already specified in the bid. Such notification, in the original bid or later, shall not relieve the supplier from any liability or obligation under the contract.

## **21. Delays in the supplier's performance**

- 21.1 Delivery of the goods and performance of services shall be made by the supplier in accordance with the time schedule prescribed by the purchaser in the contract.
- 21.2 If at any time during performance of the contract, the supplier or its subcontractor(s) should encounter conditions impeding timely delivery of the goods and performance of services, the supplier shall promptly notify the purchaser in writing of the fact of the delay, its likely duration and its cause(s). As soon as practicable after receipt of the supplier's notice, the purchaser shall evaluate the situation and may at his discretion extend the supplier's time for performance, with or without the imposition of penalties, in which case the extension shall be ratified by the parties by amendment of contract.
- 21.3 The right is reserved to procure outside of the contract small quantities or to have minor essential services executed if an emergency arises, the supplier's point of supply is not situated at or near the place where the goods are required, or the supplier's services are not readily available.
- 21.4 Except as provided under GCC Clause 25, a delay by the supplier in the performance of its delivery obligations shall render the supplier liable to the imposition of penalties, pursuant to GCC Clause 22, unless an extension of time is agreed upon pursuant to GCC Clause 22.2 without the application of penalties.
- 21.5 Upon any delay beyond the delivery period in the case of a goods contract, the purchaser shall, without cancelling the contract, be entitled to purchase goods of a similar quality and up to the same quantity in substitution of the goods not supplied in conformity with the contract and to return any goods delivered later at the supplier's expense and risk, or to cancel the contract and buy such goods as may be required to complete the contract and without prejudice to his other rights, be entitled to claim damages from the supplier.

---

## 22. Penalties

- 22.1 Subject to GCC Clause 25, if the supplier fails to deliver any or all of the goods or to perform the services within the period(s) specified in the contract, the purchaser shall, without prejudice to its other remedies under the contract, deduct from the contract price, as a penalty, a sum calculated on the delivered price of the delayed goods or unperformed services using the current prime interest rate calculated for each day of the delay until actual delivery or performance. The purchaser may also consider termination of the contract pursuant to GCC Clause 23.

## 23. Termination for default

- 23.1 The purchaser, without prejudice to any other remedy for breach of contract, by written notice of default sent to the supplier, may terminate this contract in whole or in part:
- (a) if the supplier fails to deliver any or all of the goods within the period(s) specified in the contract, or within any extension thereof granted by the purchaser pursuant to GCC Clause 21.2;
  - (b) if the supplier fails to perform any other obligation(s) under the contract; or
  - (c) if the supplier, in the judgement of the purchaser, has engaged in corrupt or fraudulent practices in competing for or in executing the contract.
- 23.2 In the event the purchaser terminates the contract in whole or in part, the purchaser may procure, upon such terms and in such manner, as it deems appropriate, goods, works or services similar to those undelivered, and the supplier shall be liable to the purchaser for any excess costs for such similar goods, works or services. However, the supplier shall continue performance of the contract to the extent not terminated.
- 23.3 Where the purchaser terminates the contract in whole or in part, the purchaser may decide to impose a restriction penalty on the supplier by prohibiting such supplier from doing business with the public sector for a period not exceeding 10 years.
- 23.4 If a purchaser intends imposing a restriction on a supplier or any person associated with the supplier, the supplier will be allowed a time period of not more than fourteen (14) days to provide reasons why the envisaged restriction should not be imposed. Should the supplier fail to respond within the stipulated fourteen (14) days the purchaser may regard the supplier as having no objection and proceed with the restriction.
- 23.5 Any restriction imposed on any person by the purchaser will, at the discretion of the purchaser, also be applicable to any other enterprise or any partner, manager, director or other person who wholly or partly exercises or exercised or may exercise control over the enterprise of the first-mentioned person, and with which enterprise or person the first-mentioned person, is or was in the opinion of the purchaser actively associated.
- 23.6 If a restriction is imposed, the purchaser must, within five (5) working days of such imposition, furnish the National Treasury, with the following information:
- (i) the name and address of the supplier and / or person restricted by the purchaser;
  - (ii) the date of commencement of the restriction
  - (iii) the period of restriction; and
  - (iv) the reasons for the restriction. These details will be loaded in the National Treasury's central database of suppliers or persons prohibited from doing business with the public sector.
- 23.7 If a court of law convicts a person of an offence as contemplated in sections 12 or 13 of the Prevention and Combating of Corrupt Activities Act, No. 12 of 2004, the court may also rule that such person's name be endorsed on the Register for Tender Defaulters. When a person's name has been endorsed on the Register, the person will be prohibited from doing business with the public sector for a period not less than five years and not more than 10 years. The National

---

Treasury is empowered to determine the period of restriction and each case will be dealt with on its own merits.

According to section 32 of the Act the Register must be open to the public. The Register can be perused on the National Treasury website

## **24. Antidumping and countervailing duties and rights**

- 24.1 When, after the date of bid, provisional payments are required, or anti-dumping or countervailing duties are imposed, or the amount of a provisional payment or anti-dumping or countervailing right is increased in respect of any dumped or subsidized import, the State is not liable for any amount so required or imposed, or for the amount of any such increase. When, after the said date, such a provisional payment is no longer required or any such antidumping or countervailing right is abolished, or where the amount of such provisional payment or any such right is reduced, any such favourable difference shall on demand be paid forthwith by the supplier to the purchaser or the purchaser may deduct such amounts from moneys (if any) which may otherwise be due to the supplier in regard to goods or services which he delivered or rendered, or is to deliver or render in terms of the contract or any other contract or any other amount which may be due to him.

## **25. Force Majeure**

- 25.1 Notwithstanding the provisions of GCC Clauses 22 and 23, the supplier shall not be liable for forfeiture of its performance security, damages, or termination for default if and to the extent that his delay in performance or other failure to perform his obligations under the contract is the result of an event of force majeure. 25.2 If a force majeure situation arises, the supplier shall promptly notify the purchaser in writing of such condition and the cause thereof. Unless otherwise directed by the purchaser in writing, the supplier shall continue to perform its obligations under the contract as far as is reasonably practical and shall seek all reasonable alternative means for performance not prevented by the force majeure event.

## **26. Termination for insolvency**

- 26.1 The purchaser may at any time terminate the contract by giving written notice to the supplier if the supplier becomes bankrupt or otherwise insolvent. In this event, termination will be without compensation to the supplier, provided that such termination will not prejudice or affect any right of action or remedy, which has accrued or will accrue thereafter to the purchaser.

## **27. Settlement of Disputes**

- 27.1 If any dispute or difference of any kind whatsoever arises between the purchaser and the supplier in connection with or arising out of the contract, the parties shall make every effort to resolve amicably such dispute or difference by mutual consultation.
- 27.2 If, after thirty (30) days, the parties have failed to resolve their dispute or difference by such mutual consultation, then either the purchaser or the supplier may give notice to the other party of his intention to commence with mediation. No mediation in respect of this matter may be commenced unless such notice is given to the other party.
- 27.3 Should it not be possible to settle a dispute by means of mediation; it may be settled in a South African court of law.
- 27.4 Notwithstanding any reference to mediation and/or court proceedings herein, (a) the parties shall continue to perform their respective obligations under the contract unless they otherwise agree; and (b) the purchaser shall pay the supplier any monies due the supplier for goods delivered and / or services rendered according to the prescripts of the contract.

---

## **28. Limitation of Liability**

- 28.1 Except in cases of criminal negligence or will full misconduct, and in the case of infringement pursuant to Clause 6;
- (a) the supplier shall not be liable to the purchaser, whether in contract, tort, or otherwise, for any indirect or consequential loss or damage, loss of use, loss of production, or loss of profits or interest costs, provided that this exclusion shall not apply to any obligation of the supplier to pay penalties and/or damages to the purchaser; and
  - (b) the aggregate liability of the supplier to the purchaser, whether under the contract, in tort or otherwise, shall not exceed the total contract price, provided that this limitation shall not apply to the cost of repairing or replacing defective equipment.

## **29. Governing language**

- 29.1 The contract shall be written in English. All correspondence and other documents pertaining to the contract that is exchanged by the parties shall also be written in English.

## **30. Applicable law**

- 30.1 The contract shall be interpreted in accordance with South African laws, unless otherwise specified.

## **31. Notices**

- 31.1 Every written acceptance of a bid shall be posted to the supplier concerned by registered or certified mail and any other notice to him shall be posted by ordinary mail to the address furnished in his bid or to the address notified later by him in writing and such posting shall be deemed to be proper service of such notice.
- 31.2 The time mentioned in the contract documents for performing any act after such aforesaid notice has been given, shall be reckoned from the date of posting of such notice.

## **32. Taxes and duties**

- 32.1 A foreign supplier shall be entirely responsible for all taxes, stamp duties, license fees, and other such levies imposed outside the purchaser's country.
- 32.2 A local supplier shall be entirely responsible for all taxes, duties, license fees, etc., incurred until delivery of the contracted goods to the purchaser.
- 32.3 No contract shall be concluded with any bidder whose tax matters are not in order. Prior to the award of a bid SARS must have certified that the tax matters of the preferred bidder are in order.
- 32.4 No contract shall be concluded with any bidder whose municipal rates and taxes and municipal services charges are in arrears.

## **33. Transfer of contracts**

- 33.1 The contractor shall not abandon, transfer, cede assign or sublet a contract or part thereof without the written permission of the purchaser

## **34. Amendment of contracts**

- 34.1 No agreement to amend or vary a contract or order or the conditions, stipulations or provisions thereof shall be valid and of any force unless such agreement to amend or vary is entered into in writing and signed by the contracting parties. Any waiver of the requirement that the agreement to amend or vary shall be in writing, shall also be in writing.

---

## 35. Prohibition of restrictive practices

- 35.1 In terms of section 4 (1) (b) (iii) of the Competition Act No. 89 of 1998, as amended, an agreement between, or concerted practice by, firms, or a decision by an association of firms, is prohibited if it is between parties in a horizontal relationship and if a bidder(s) is / are or a contractor(s) was / were involved in collusive bidding.
- 35.2 If a bidder(s) or contractor(s) based on reasonable grounds or evidence obtained by the purchaser has / have engaged in the restrictive practice referred to above, the purchaser may refer the matter to the Competition Commission for investigation and possible imposition of administrative penalties as contemplated in section 59 of the Competition Act No 89 Of 1998. 35.3 If a bidder(s) or contractor(s) has / have been found guilty by the Competition Commission of the restrictive practice referred to above, the purchaser may, in addition and without prejudice to any other remedy provided for, invalidate the bid(s) for such item(s) offered, and / or terminate the contract in whole or part, and / or restrict the bidder(s) or contractor(s) from conducting business with the public sector for a period not exceeding ten (10) years and / or claim damages from the bidder(s) or contractor(s) concerned.

## SECTION 2.1: SPECIFICATIONS (SCOPE OF WORKS)

### A. PRE-QUALIFICATION (must comply with ALL)

PRE-QUALIFICATION	
<b>1. GENERAL CONDITIONS</b>	
An initial Pre-Qualification review will be performed, where bidders will be evaluated on specific tasks and outcomes which they must be able to perform or comply with. Failure to comply with <b>ALL</b> of the Pre-Qualification criteria or the provision of a similar proposal, will result in bidders being found <b>non-responsive</b> and <b>will not be evaluated further</b> under the Functionality phase.	
Conditions/Criteria	Yes / No
Does the bidder own and maintain a web-based program/system that captures, store, export, import data and reports, with regards to the Performance Management System process already implemented at municipalities?	
Is the program/system able to provide the performance lists per relevant measuring tools for performance management custodians to review and sign off?	
Does the program/system make provision for performance assessments and related updates?	
Is the program able to import and export data from and to the system in the relevant reporting formats	
Is the electronic web-based system compliant to the stipulations as per Regulation 890 in terms of individual performance management	
Will the system be able to integrate data from the Municipality's Financial System	
Will the bidder be able to have support personnel for technical assistance within the provided system when and where required	
Does the program make provision for internal audit assurance and comments?	
<b><i>Bidders must submit documentary proof of the above requirements</i></b>	

---

## B. SPECIFIC CONDITIONS OF CONTRACT

### SCOPE OF WORK AND SERVICES

- a) The municipality want to implement performance management in terms of the applicable regulations and express the need for an automated performance management system as well as training and system support services to assist in streamlining the administrative processes of managing organizational and departmental performance.
- b) It is the intention of the municipality that the automated system will be implemented in the first year and that the municipality will be capacitated to manage the software independently should the subscription to the automated performance management system be extended to subsequent years.
- c) We require the services of a service provider to be in line with the PMS policy and framework of the municipality (and adjust the policy where not in line with legislation) and latest relevant legislation to implement performance management including an electronic automated system to facilitate the management and reporting of the SDBIP and all its aspects which will now be described.
- d) The requirements of this tender are as follows:
  - a. Implementation of an automated organizational performance management system to manage the monitoring, reporting and evaluation of the Service Delivery Budget and Implementation Plan (SDBIP). The system must facilitate:
    - i. The easy update of performance objectives;
    - ii. The upload of portfolio of evidence;
    - iii. Compilation of monthly, quarterly, mid-year and annual performance reports; and
    - iv. The auditing thereof.
  - b. Detailed audit logs should be available for audit trail and assurance purposes.
  - c. Training the Performance Management team and other identified officials in the use and maintenance of the system as system administrators;
  - d. Training identified officials as “Train-the-Trainers” for the various modules included in the automated performance management system;
  - e. Training the Assurance (including Internal Auditors) to use the system to conduct performance auditing and to generate the required audit / assurance reports.
  - f. Training the Municipal Manager, Directors, Managers and data capturers in the use of the system;
  - g. Providing ongoing system support that is managed through a Helpdesk;
  - h. A Web-based system that is supported with the appropriate levels of security and data protection;
  - i. User-friendly and secure access by all users as per the access levels defined by the Khâi-Ma Municipality;
  - j. On-line capturing of performance data (including Key Performance Indicators (KPIs) and projects);
  - k. E-mail functionality for notification and reminder purposes;
  - l. The SDBIP module must allow for the opening and closing of time periods;
  - m. The system must allow for the pulling of municipal Standard Chart of Accounts (mSCOA)compliant financial data for performance reporting purposes;
  - n. Uploading of electronic supporting documentation as attachments;
  - o. Ability to capture and report on achievements, challenges, corrective action and method of calculation as well as system descriptions;

- 
- q. Functionality for Internal Auditors to review performance on the system and make comments(system screenshots and workflow to be attached);
  - r. Functionality of Performance Management Unit to make comments;
  - s. Allow the extraction of reports in various formats – user defined variables;
  - t. Dashboards and colour coded scoring for monitoring and reporting purposes;
  - u. Audit trail reports of activities by all users;
  - v. Functionality to export and import data from and to the Desktop;
  - w. Functionality of employee assessments to be conducted directly in the system;
  - x. Functionality for self-assessors and assessors to view all captured data, inclusive of targets, actual performance, comments, supporting documentation as well as Internal Audit comments;
  - y. Functionality for automated calculation of assessment results and extraction of detailed and summary reports on the outcomes of assessments;
  - z. Data back-ups to be made on daily basis, by the service provider;
  - aa. Data captured in the system remains the property of the municipality and may not be made available to any other entity without written consent;
  - bb. Web based system (screenshots of actual system clearly demonstrating Organisational Performance Management System ((OPMS)
  - cc. The system must make a provision for daily back up information
  - dd. The system must accommodate the following:
    - i. Portfolio of Evidence (POE) uploading and viewing.
    - ii. Audit Trails.
    - iii. Ability to upload performance agreements.
    - iv. Performance assessment calculator (screenshots of actual system functionality to be attached).
    - v. Performance system must be linked to a Mobile App solution on iOS or Android for Mobile Capability.
    - vi. Ability to link the automated PMS system with the existing Khâi-Ma Municipal financial system for the purpose of reporting expenditure on the quarterly SDBIP reports.
  - ee. Reporting:
    - i. System must be able to generate monthly, quarterly, mid-year and annual performance dashboard reports
    - ii. System must be able to generate monthly, quarterly, mid-year and annual performance reports.
  - ff. Ability to provide support throughout the duration of the contract as and when it is required.
  - gg. Khâi-Ma Municipality must be able to retrieve/ access PMS information on the system even after the contract has ended.
  - hh. PMS system ability to conduct performance assessment on the system, the system must be able to calculate the scores during assessment and come up with an assessment report thereof.

- e) The **electronic legislative compliance system** must be a web-based (cloud hosted) system and include the following summarized features:
  - i. The software should be web-based hosted in a secure environment;
  - ii. Developed using tested methodologies and the system should be tailored to address the municipality's needs;

- 
- iii. System should be accessible from anywhere (web-based);
  - iv. Real-time-online system (7 days per week 365 days a year) can be used by multiple users at same time, which is available for more than 98% of the time. Downtime will be on weekends for periods less than 12 hours for upgrades and important maintenance;
  - v. Strict security management and user control that can be set based on the municipal ICT policies, ICT security framework and international standards;
  - vi. The Administrator will be fully capacitated to implement the municipal policies;
  - vii. Reasonable means taken to ensure the security of the data and conduct continuous maintenance and updates to ensure compliance with legislative requirements;
  - viii. Full user activity audit logs are available in screen view and MS Excel to the Administrator;
  - ix. Closes on specific dates to create reporting culture and accurate reporting;
  - x. Data fields that can be added/ deleted/ changed;
  - xi. Regular updates and the municipality to benefit from these updates;
  - xii. System fully compliant with applicable standards, specifications, regulations and current legislative requirements and adjustable with future possible legislative changes in requirements ;
  - xiii. Provide a Support desk to assist users during office hours with extremely short turnaround times. The SLA turnaround times should be set at 48 hours.
  - xiv. ICT audit information requirements data available online to the performance administrator;
  - xv. Provide the software solution but the municipality is the owner of the data and ensure confidentiality at all times;
  - xvi. In the instance where the municipality end the services, all the data is available in (Excel) format, so that it can be used by the municipality or imported on other software solutions;
  - xvii. Administrators will be identified and capacitated to support the municipal users;
  - xviii. Be able to integrate with the financial system and address the MSCOA requirements and capability to link indicators to the Strategic Objectives of Local, Provincial and National Government.

**ALL BIDDERS TO TAKE NOTE THAT THE FOLLOWING WILL BE APPLICABLE TO THE SUCCESSFUL BIDDER :**

**KEY PERFORMANCE INDICATORS**

The following key performance indicators will be applicable to the successful bidder and will be measured at least on an annual basis to assess the performance:

Availability of system at least 98% of the time per month.

**Standard:** System availability at least 98% of the time per month.

**Target:** 98% achievement.

**Proof of evidence:** System logs.

Attend to all requests timeously.

**Standard:** Support provided on e-mail related queries attended to within 48 hours.

**Target:** 48 Hours.

**Proof of evidence:** Email response to enquiry.

## C. EVALUATION OF BIDS BASED ON FUNCTIONALITY

- I. PRE-EVALUATION CRITERIA
- II. FUNCTIONALITY

### I. PRE-EVALUATION CRITERIA

Bids will be pre-evaluated on following criteria and bids that score **less than 80 out of 100 points will be considered as not responsive:**

**Pre-evaluation criteria and weight:**

1. Existence of company or legacy companies carrying a maximum weight of 10 points.
  2. Relevant experience of company or legacy companies carrying a maximum weight of 10 points.
  3. Previous municipal client list/references carrying a maximum weight of 5 points.
  4. Municipal clients obtaining clean audit status on the Audit of Pre-Determined Objectives whilst using the system carrying a maximum weight of 7 points.
  5. Qualifications and level of experience of Project team leader carrying a maximum weight of 8 points.
  6. System Functionality carrying a maximum weight of 60 points.
- (a) Bidders that score less than **80 out of 100 points** for these pre-evaluation criteria will be regarded as non-responsive and will not be evaluated for functionality and on price and preference. Unclear, vague, fragmented or incomplete information provided will result in no points being allocated.
- (b) Bidders must ensure that only relevant information is submitted.
- (c) The following criteria will be used to calculate points for the pre-evaluation of tenders and bidders should ensure that they submit all information to be pre-evaluated on the criteria mentioned below:

	Criteria	Maximum Score	For proof of compliance provide reference page number
1.	<b><u>Existence of company or legacy companies (10)</u></b>		
	=>3 - 5 years	4	
	=>6 - 10 years	7	
	10+ years	10	
2.	<b><u>Relevant experience of company or legacy companies (10)</u></b>		
	Municipal (Local Government) experience	4	
	=> 3 - 5 years	7	
	=> 6 - 10 years	10	
	10+ years		

3.	<u>Previous municipal client list/references (5)</u> 2 - 3 clients 3 - 6 clients 7+ clients	  1 3 5	
4.	<u>Municipal clients obtaining clean audit status on the Audit of Pre-Determined Objectives whilst using the system (7)</u>  1 Client 2-4 clients 5+ clients	  2 5 7	
5.	<u>Qualifications and level of experience of Project team leader (8) a) Relevant qualifications and experience of project team leader</u> <i>i) Qualifications of Project Leader:</i> B Degree (NQF 7) Honours Degree (NQF 8) Masters (NQF 9)  <i>ii) Experience:</i> => 3 - 5 years => 6 - 10 years 10 + years	  1 2 4  1 2 4	
6.	<u>System Functionality (60)</u> The compliance of the system functionality will be evaluated based on the response of comply or do not comply. The municipality reserves the right to perform practical tests at a site listed by service provider as proof in criteria 6). Each question in sections 2.1.4 will count 1 point(total of 81) , when calculating functionality, the count will be expressed as % compliance. Points will be allocated based on the % compliance as follow: Above 90%  80% to 89.99% 70% to 79.99% 60% to 69.99%	  60 50 40 30	

If the column in the above table with the heading “For proof of compliance provide reference page number” is not completed or the information on the pages referred to in the column is insufficient to substantiate the experience **NO POINTS WILL BE AWARDED.**

**CRITERION 1: EXISTENCE OF COMPANY OR LEGACY COMPANIES**

To claim points for this criterion, bidders must submit sufficient information as well as documentary proof of:

information on how long the business has been in existence (operating as a going concern) supported by Company or Business registrations documents.

---

## **CRITERION 2: RELEVANT EXPERIENCE OF COMPANY OR LEGACY COMPANIES**

To claim points for this criterion, bidders must submit a company profile indicating Municipal (Local Government) Experience. To support the local government experience bidders required to provide details of the experience gained by providing clearly indicating the specific experience and the time period relating to that experience.

## **CRITERION 3: PREVIOUS MUNICIPAL CLIENT LIST/REFERENCES**

To claim points for this criterion, bidders must submit a list of all municipal clients, where this kind of service has been delivered within the last five (5) years. Bidders must provide either dated appointed or reference letters from a municipality.

## **CRITERION 4: MUNICIPAL CLIENTS OBTAINING CLEAN AUDIT STATUS ON THE AUDIT OF PRE- DETERMINED OBJECTIVES WHILST USING THE SYSTEM**

To claim points for this criterion, bidders must submit the names of the Municipalities and the dates of appointment at the municipality as well as proof that the municipality obtained a clean audit status during the time that the system was operational.

## **CRITERION 5: QUALIFICATIONS AND LEVEL OF EXPERIENCE OF PROJECT TEAM LEADER**

To claim points for this criterion, bidders must submit a complete Curriculum Vitae (CV) stating clearly stating qualifications and experience of project team leader as well as copies of qualifications.

## **CRITERION 6: SYSTEM FUNCTIONALITY**

The major requirements, main features and functional specifications of the envisaged System are detailed below for the Tenderer's response.

To claim points for this criterion, bidders must respond by indicating, "COMPLY", "DO NOT COMPLY". The term "DO NOT COMPLY" must be applied if the solution does not 100% fit the description.

If Tenderers would like to provide comments or qualify "DO NOT COMPLY" answers, please use a separate annexure to the bid document and PLEASE CLEARLY indicate the point for comment or qualification as referenced in your point by point response.

## 2.1.4. ORGANISATIONAL AND INDIVIDUAL PERFORMANCE MANAGEMENT SYSTEM AND SPECIFICATIONS

### 2.1.4.1 ORGANISATIONAL PERFORMANCE MANAGEMENT SYSTEM

No	Description	Comply	Do not comply	For proof of compliance provide reference page number
2.1.4.1.1	<p>Clear alignment to the comments of MFMA circular 13 on SDBIP:</p> <ul style="list-style-type: none"> <li><input type="checkbox"/> Monthly projections of revenue to be collected for each source.</li> <li><input type="checkbox"/> Monthly projections of expenditure (operating and capital) and revenue for each vote.</li> <li><input type="checkbox"/> Quarterly projections of service delivery targets and performance indicators for each vote.</li> <li><input type="checkbox"/> Ward information for expenditure and service delivery.</li> <li><input type="checkbox"/> Detailed capital works plan broken down by ward over three years.</li> </ul> <p><b>(Only get 1 point if comply with all bullets above)</b></p>			

No	Description	Comply	Do not comply	For proof of compliance provide reference page number
2.1.4.1.2	Clear segregation of Top Level and Departmental SDBIP.			
2.1.4.1.3	Capability to link indicators to the Strategic Objectives of Local, Provincial and National Government.			
2.1.4.1.4	Capability to link indicators to the Risks, Turnaround plans or other strategic plans.			

2.1.4.1.5	Capability to link indicators to the segments of mSCOA (Funding, Function, Item, Regional Indicator, Municipal Standard Classification, Project and Costing).			
2.1.4.1.6	Ability to incorporate organizational structure in the updating and reporting processes as well as the segregation of these processes to designated users.			
2.1.4.1.7	Fields to report on Performance Comments and Corrective Measures (in cases of underperformance) per KPI.			
2.1.4.1.8	Ability to set deadlines for reporting on indications on a monthly basis.			
2.1.4.1.9	Automated Reminder E-mails to inform users of deadlines for reporting.			
2.1.4.1.10	Ability to report actual performance on KPIs in number, percentage or Rand value.			
2.1.4.1.11	Visual color codes to indicate performance in relation to target.			
2.1.4.1.12	Customizable calculation types to calculate performance (eg. <i>Losses of less than 10%</i> ).			
	<b>Total score out of 12 for Section 2.1.4.1 :</b>			

#### 2.1.4.2 ORGANISATIONAL PERFORMANCE MANAGEMENT REPORTING

No	Description	Comply	Do not comply	For proof of compliance provide reference page number
2.1.4.2.1	System must allow for the viewing to performance in line with the structure of the organisation ( <i>Municipal Manager must be able to see all reported performance, while Director Corporate Services must be able to view the</i>			

	<i>performance of all department within the directorate).</i>			
2.1.4.2.2	Functionality to report via graphs per department and specified time period ( <i>both bar and pie graphs</i> ).			
2.1.4.2.3	Functionality to broadly customize reports and select various filter by fields.			
2.1.4.2.4	Option to generate reports Onscreen or in Microsoft Excel format.			
2.1.4.2.5	Must be able to generate reports suitable quarterly, mid- year and annual performance reports - MFMA Section 52, Section 72 and Section 46 of MSA			
	<b>Total score out of 5 for Section 2.1.4.2 :</b>			

**2.1.4.3 INDIVIDUAL PERFORMANCE MANAGEMENT SYSTEM**

No	Description	Comply	Do not comply	For proof of compliance provide reference page number
2.1.4.3.1	Set the dates of the key events of the evaluation periods for the financial year.			
2.1.4.3.2	Confirm the evaluation periods.			
2.1.4.3.3	Default settings for the performance plan.			
2.1.4.3.4	Uploading of new plans: <input type="checkbox"/> Import from SDBIP.  <input type="checkbox"/> Import from Non-SDBIP.			

2.1.4.3.5	Performance Plans that include both KPIs and Core Competencies.			
2.1.4.3.6	Ability to select from predetermined Core Competencies.			
2.1.4.3.7	Function to assign weights to KPIs.			
2.1.4.3.8	Library of indicators.			
2.1.4.3.9	Adding indicators and core competencies from previous year.			
2.1.4.3.10	Adding new indicators.			
2.1.4.3.11	Adding new core competencies.			
2.1.4.3.12	Listing of individual performance plans and plan status in line with organisational structure.			
2.1.4.3.13	Option for self-evaluation by system & Non-system users.			
2.1.4.3.14	Option for evaluation by Manager.			
2.1.4.3.15	Evaluation template for non-system users.			
2.1.4.3.16	Possible to maintain a list of quick entry tables which users can easily access.			
2.1.4.3.17	Users may have more than one role (e.g. Module administrator, admin, manager).			
2.1.4.3.18	Different user names may be assigned to the same role.			
2.1.4.3.19	Designations may be an attribute of role (e.g. Chief Information Officer).			
2.1.4.3.20	Provides for time restrictions, which escalate the work to another user or sends a message to a specified user should the work not be performed within the specified time limit.			

2.1.4.3.21	Alerts must be able to trigger the execution of actions (e.g. collecting information from a database, performing calculations, etc.).			
2.1.4.3.22	System must allow for the viewing to performance in line with the structure of the organisation ( <i>Municipal Manager must be able to see all reported performance, while Director Corporate Services must be able to view the performance of all department within the directorate</i> ).			
2.1.4.3.23	Allow for the upload of Performance Development Plans (PDP'S) in line with the guidelines/ format of COGTA.			
2.1.4.3.24	System capacity to accommodate 2500 users			
	<b>Total score out of 24 for Section 2.1.4.3 :</b>			

#### 2.1.4.4 PERFORMANCE MODERATION

No	Description	Comply	Do not comply	For proof of compliance provide reference page number
2.1.4.4.1	Moderation at 3 levels.			
2.1.4.4.2	Allowing changes to scoring and performance comment.			
2.1.4.4.3	Printable moderation summary (PDF).			
	<b>Total score out of 3 for Section 2.1.4.4 :</b>			

#### 2.1.4.5 REPORTING (EXCEL & PDF)

No	Description	Comply	Do not comply	For proof of compliance provide reference page number
2.1.4.5.1	Export of performance evaluation document for non- system users.			

2.1.4.5.2	Export of Performance Plans.			
2.1.4.5.3	Performance Status Report.			
2.1.4.5.4	Evaluation Status Report.			
2.1.4.5.5	Evaluation Score Report.			
2.1.4.5.6	Personal Development Plan Report.			
2.1.4.5.7	Functionality to report via graphs per department and specified time period (both bar and pie graphs).			
2.1.4.5.8	Functionality to broadly customize reports and select various filter by fields.			
2.1.4.5.9	Option to generate reports Onscreen, PDF and in Microsoft Excel format.			
	<b>Total score out of 9 for Section 2.1.4.5 :</b>			

#### 2.1.4.6 PORTFOLIO OF EVIDENCE

No	Description	Comply	Do not comply	For proof of compliance provide reference page number
2.1.4.6.1	Saving of PDF, Word and Excel as attachments (max size 50mb).			
2.1.4.6.2	Saving of e-mails and attachments with metadata as a record.			
2.1.4.6.3	Drawing of Reports in PDF and Excel.			
	<b>Total score out of 3 for Section 2.1.4.6 :</b>			

#### 2.1.4.7 SECURITY/ARCHIVING/USER MANAGEMENT

No	Description	Comply	Do not comply	For proof of compliance provide reference page number
2.1.4.7.1	Access control can be determined at Module Administrator Level.			
2.1.4.7.2	Provides a log of every activity performed on a document and system.			
2.1.4.7.3	Profile history.			
2.1.4.7.4	Controls access rights to data for: <ul style="list-style-type: none"> <li>▪ Read only</li> <li>▪ Create</li> <li>▪ Update</li> <li>▪ Delete</li> </ul>			
2.1.4.7.5	Access control may be specified at: <ul style="list-style-type: none"> <li>▪ User level</li> <li>▪ Group Level</li> <li>▪ Role Level</li> </ul>			
2.1.4.7.6	A process may be designed and changed by one or more specified owners of a process.			
2.1.4.7.7	An owner of a group may be able to view and perform the tasks of all members of the group.			
2.1.4.7.8	Login Attempt Report.			
2.1.4.7.9	User Activity Report.			
2.1.4.7.10	Disaster Recovery – Plan in place to roll-back data to specific point in time.			
2.1.4.7.11	Data to be backed up on a weekly basis.			
2.1.4.7.12	Testing of backup on regular intervals – at least monthly			
2.1.4.7.13	System availability reports			
2.1.4.7.14	System Updates and Maintenance reports			
	<b>Total score out of 14 for Section 2.1.4.7 :</b>			

**2.1.4.8 SUPPORT AND RELATED MATTERS**

No	Description	Comply	Do not comply	For proof of compliance provide reference page number
2.1.4.8.1	Ongoing support via a helpdesk and e-mail. Email responses within a 48-hour period			
2.1.4.8.2	Maintenance of updating modules to comply with legislative requirements.			
2.1.4.8.3	Hands-on support to implement performance management on senior management and individual staff as and when required.			
2.1.4.8.4	Training sessions to staff to effectively use the system.			
2.1.4.8.5	Ensuring adequate skills transfer to relevant municipal officials			
	<b>Total score out of 5 for Section 2.1.4.8 :</b>			

**2.1.4.9 PROFESSIONAL SERVICES**

No	Description	Comply	Do not comply	For proof of compliance provide reference page number
2.1.4.9.1	Facilitation of performance reviews of the senior management teams.			
2.1.4.9.2	Upload of data.			
2.1.4.9.3	Ad-hoc Training.			
2.1.4.9.4	Drafting of SDBIP.			
2.1.4.9.5	Drafting of Integrated Development Plan.			
2.1.4.9.6	Drafting Annual Report.			
	<b>Total score out of 6 for Section 2.1.4.9 :</b>			

The Municipality reserve the right to visit Municipalities listed to confirm compliance as claimed on the above Sections numbered 2.1.4.1, 2.1.4.2, 2.1.4.3, 2.1.4.4, 2.1.4.5, 2.1.4.6, 2.1.4.7, 2.1.4.8 and 2.1.4.9.

---

## II. FUNCTIONALITY

---

### FUNCTIONALITY EVALUATION

The tender will be evaluated in terms of functionality of tender submissions.

- No tender will be regarded as an acceptable tender/responsive if it fails to achieve the **minimum qualifying score for functionality of 75%.**
- Tenderers shall ensure that all relevant information has been submitted with the tender submission to ensure optimal scoring of functionality points.
- Tenders that have achieved the minimum qualifying score for functionality shall be evaluated further in terms of the preference point system.
- The evaluation of tenders will be done in terms of compliance to the below- mentioned criteria for the following:
  - a) Company's Experience of Enterprise in the municipal environment and of Key Personnel
  - b) PMS System as a whole including cascading capabilities to comply with Staff Regulations / Performed PM at a municipality without any major findings affecting the audit report to PM processes(see table for scoring)
  - c) SDBIP mSCOA Integration
  - d) Transfer of Skills

**FUNCTIONALITY POINTS CLAIM FORM**

**1. GENERAL CONDITIONS**

- 1.1. This form is to be used to claim the functionality points used to assess the technical capacity of the bidder to execute the project.
- 1.2. A prerequisite of 75% must be obtained for functionality, in order to be evaluated on price and preference.
- 1.3. Where Evidence is required, it should be included as part of the Functionality Points Claims Form, otherwise points claimed will be deducted.
- 1.4. The functionality points for this bid are allocated as indicated in table below:

Evaluation Criteria			Points Claimed
Description	Measurement (RSA Municipality)	Scoring	Scoring
Company's number of Years of Experience of the Key Personnel with comparable projects  (Companies profile and CV's of Strategic Personnel)	<ul style="list-style-type: none"> <li>○ 1-3 years 5 points</li> <li>○ 3-5 years 8 points</li> <li>○ 6-8 years 10 points</li> <li>○ More 9 years 20 points</li> </ul> <p><b>Proof of work experience of various appoints must be attached</b></p>	20	
<p>Performed Performance Management at the municipalities without any major findings affecting the audit report in terms of the Performance Management processes</p> <p>Evidence to be provided in the form of confirmation from respective clients</p> <p>Does the program/system make provision for SDBIP and mSCOA integration</p>	<p><b>Unqualified PMS opinion</b></p> <ul style="list-style-type: none"> <li>○ 1 appointment 10 points</li> <li>○ 2 appointment 20 points</li> <li>○ 3 appointment 30 points</li> <li>○ 4 appointment 40 points</li> <li>○ 5 appointment 50 points</li> </ul> <p><b>Proof of extracts of audit reports must be provided. Indicate if matters are POE related or not, if applicable.</b></p> <p>Letter from a municipality where SDBIP is effective and mSCOA processes can be or have already been assessed and which confirms that the program/system complies with mSCOA.</p> <ul style="list-style-type: none"> <li><input type="checkbox"/> 1 SDBIP 5 points</li> <li><input type="checkbox"/> 2 SDBIP 7 points</li> <li><input type="checkbox"/> 3 SDBIP 10 points</li> <li><input type="checkbox"/> 1 SDBIP with mScoa 8 points</li> <li><input type="checkbox"/> 2 SDBIP with mScoa 12 points</li> <li><input type="checkbox"/> 3 SDBIP with mScoa 15 points</li> </ul>	50	
Transfer of Skill to Municipal Official	Provide details on how transfer of skills will be transfer	15	
<b>Total Points</b>		<b>100</b>	

---

## **D. EVALUATION OF BIDS RECEIVED**

**Tenders which are responsive and functional, will be evaluated on an 80/20 basis**

The maximum points for this bid are allocated as follows:

	POINTS
<b>PRICE</b>	<b>80</b>
<b>B-BBEE STATUS LEVEL (10) and LOCATION (10)</b>	<b>20</b>
<b>TOTAL POINTS FOR PRICE AND SPECIFIC GOALS</b>	<b>100</b>

---

# **SCHEDULE 1**

## **SPECIFICATION OF PRODUCTS/GOODS OFFERED**

---

## **SCHEDULE 2**

**PROOF OF REGISTRATION ON NATIONAL TREASURY'S  
CENTRAL SUPPLIER'S DATABASE(CSD)  
&  
TAX STATUS PIN NUMBER (MBD 2)**

## SCHEDULE 3

### DETERMINATION AND OUTLINING OF FEES/ PRICING SCHEDULE

*Bidders are requested to specify in detail all costs as mentioned above in the tender document.*

#### SECTION A OF PRICING SCHEDULE

##### PROJECT COSTS AND PAYMENT MILESTONES

PRODUCT DESCRIPTIONS	QTY	UNIT PRICE	YEAR 1	YEAR 2	YEAR 3
Supply and installation of Automated Performance Management System	1				
Support and capacity building interventions	120				
<b>Sub-Total</b>					
<b>VAT @ 15%</b>					
<b>Total Cost</b>					

#### SECTION B OF PRICING SCHEDULE *(must be fully completed, however price will be evaluated on Section A only)*

**ONE Financial year (1 July 2024 – 30 June 2025) (to enable fair evaluation in terms of price, if needed)**

##### Organisational Performance:

Item no	Description	Rate per item (Inclusive of VAT)	Estimated Quantity	Amount (Inclusive of VAT) (Rate x Estimated Quantity) (C x D = E)
A	B	C	D	E

1.	Implementation cost (Import of data)  (Once off implementation cost, payable on sign-off)		Once off (1)	
2.	Annual license fee		1	
3.	SDBIP User description fee		40	
4.	Hosting fee for data (per mb)		2000	

**Individual Performance Management:**

Item no	Description	Rate per item (Inclusive of VAT)	Estimated Quantity	Amount (Inclusive of VAT) (Rate x Estimated Quantity) (C x D = E)
A	B	C	D	E
	Implementation cost (import of data)  (Once off implementation cost, payable on sign-off)		Once off (1)	
1.	Individual Performance Management Fee: Rate for unlimited licenses		N/A	

**Professional Services:**

Item no	Description	Rate per item (Inclusive of VAT)	Estimated Quantity	Amount (Inclusive of VAT) (Rate x Estimated Quantity) (C x D = E)
A	B	C	D	E
1.	Loading of SDBIP		1	
2.	Loading Amendments to the SDBIP		1	

3.	Review Performance Agreements of Senior Management		3	
4.	Assisting with the performance evaluations of Senior Management		3	
5.	Review of Top Layer SDBIP KPI systems descriptions		1	
6	Additional development for improvements and compliance (rate per hour)		40	
7.	Review of SDBIP		1	
8.	Review of Annual Performance Report		1	
9.	Training on system (per day)		10	
10.	Support Service to users via Helpdesk		1	

**Note to successful bidder - All Travel fees per km and Accommodation fees will be disbursed in terms of Khâi-Ma Municipality's policies and tariff rates.**

---

**SCHEDULE 4**

**DECLARATION OF INTEREST (MBD4)**

---

**SCHEDULE 5**

**B-BBEE CERTIFICATE ISSUED**

---

**SCHEDULE 6**

**COMPANY PROFILE**

---

## SCHEDULE 7

### CERTIFICATE FOR MUNICIPAL SERVICES

Information required in terms of the Khâi-Ma Municipality's Supply Chain Management Policy.

**Tender Number: KH35/23/24**

**Name of the Tenderer:** \_\_\_\_\_

#### **FURTHER DETAILS OF THE BIDDER/S: Proprietor / Director(s) / Partners, etc:**

Physical Business address of the Bidder	Municipal Account Number(s)

If there is not enough space for all the names, please attach the additional details to the Tender document.

Name of Director / Member / Partner	Identity Number	Physical <b>residential</b> address of Director / Member / Partner	Municipal Account number(s)

---

I, \_\_\_\_\_, the undersigned,  
(full name in block letters)

**certify that the information furnished on this declaration form is correct and that I/we have 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.**

\_\_\_\_\_  
Signature

THUS DONE AND SIGNED for and on behalf of the Bidder / Contractor

at \_\_\_\_\_ on the \_\_\_\_\_ day of \_\_\_\_\_ 20\_\_

## DECLARATION OF BIDDER'S PAST SUPPLY CHAIN MANAGEMENT PRACTICES

- 1 This Municipal Bidding Document must form part of all bids invited.
- 2 It serves as a declaration to be used by municipalities and municipal entities in ensuring that when goods and services are being procured, all reasonable steps are taken to combat the abuse of the supply chain management system.
- 3 The bid of any bidder may be rejected if that bidder, or any of its directors have:
  - a. abused the municipality's / municipal entity's supply chain management system or committed any improper conduct in relation to such system;
  - b. been convicted for fraud or corruption during the past five years;
  - c. willfully neglected, reneged on or failed to comply with any government, municipal or other public sector contract during the past five years; or
  - d. been listed in the Register for Tender Defaulters in terms of section 29 of the Prevention and Combating of Corrupt Activities Act (No 12 of 2004).
- 4 **In order to give effect to the above, the following questionnaire must be completed and submitted with the bid.**

Item	Question	Yes	No
4.1	Is the bidder or any of its directors listed on the National Treasury's database as a company or person prohibited from doing business with the public sector? <b>(Companies or persons who are listed on this database were informed in writing of this restriction by the National Treasury after the <i>audi alteram partem</i> rule was applied).</b>	<input checked="" type="checkbox"/> Yes	<input type="checkbox"/> No
4.1.1	If so, furnish particulars:		
4.2	Is the bidder or any of its directors listed on the Register for Tender Defaulters in terms of section 29 of the Prevention and Combating of Corrupt Activities Act (No 12 of 2004)? <b>(To access this Register enter the National Treasury's website, <a href="http://www.treasury.gov.za">www.treasury.gov.za</a>, click on the icon "Register for Tender Defaulters" or submit your written request for a hard copy of the Register to facsimile number (012) 3265445).</b>	<input type="checkbox"/> Yes	<input type="checkbox"/> No

4.2.1	If so, furnish particulars:

4.3	Was the bidder or any of its directors convicted by a court of law (including a court of law outside the Republic of South Africa) for fraud or corruption during the past five years?	Yes <input type="checkbox"/>	No <input type="checkbox"/>
4.3.1	If so, furnish particulars:	<input type="checkbox"/>	

Item	Question	Yes	No
4.4	Does the bidder or any of its directors owe any municipal rates and taxes or municipal charges to the municipality / municipal entity, or to any other municipality / municipal entity, that is in arrears for more than three months?	Yes <input type="checkbox"/>	No <input type="checkbox"/>
4.4.1	If so, furnish particulars:		
4.5	Was any contract between the bidder and the municipality / municipal entity or any other organ of state terminated during the past five years on account of failure to perform on or comply with the contract?	Yes <input type="checkbox"/>	No <input type="checkbox"/>
4.5.1	If so, furnish particulars:		

**CERTIFICATION**

**I, THE UNDERSIGNED (FULL NAME) .....  
CERTIFY THAT THE INFORMATION FURNISHED ON THIS DECLARATION  
FORM IS TRUE AND CORRECT.**

**I ACCEPT THAT, IN ADDITION TO CANCELLATION OF A  
CONTRACT, ACTION MAY BE TAKEN AGAINST ME  
SHOULD THIS DECLARATION PROVE TO BE FALSE.**

.....  
**Signature**

.....  
**Date**

.....  
**Position**

.....  
**Name of Bidder**

## CERTIFICATE OF INDEPENDENT BID DETERMINATION

- 1 This Municipal Bidding Document (MBD) must form part of all bids<sup>1</sup> invited.
- 2 Section 4 (1) (b) (iii) of the Competition Act No. 89 of 1998, as amended, prohibits an agreement between, or concerted practice by, firms, or a decision by an association of firms, if it is between parties in a horizontal relationship and if it involves collusive bidding (or bid rigging).<sup>2</sup> Collusive bidding is a *pe se* prohibition meaning that it cannot be justified under any grounds.
- 3 Municipal Supply Regulation 38(1) prescribes that a supply chain management policy must provide measures for the combating of abuse of the supply chain management system, and must enable the accounting officer, among others, to:
  - a. take all reasonable steps to prevent such abuse;
  - b. reject the bid of any bidder if that bidder or any of its directors has abused the supply chain management system of the municipality or municipal entity or has committed any improper conduct in relation to such system; and
  - c. cancel a contract awarded to a person if the person committed any corrupt or fraudulent act during the bidding process or the execution of the contract.
- 4 This MBD serves as a certificate of declaration that would be used by institutions to ensure that, when bids are considered, reasonable steps are taken to prevent any form of bid-rigging.
- 5 In order to give effect to the above, the attached Certificate of Bid Determination (MBD9) must be completed and submitted with the bid:

<sup>1</sup> Includes price quotations, advertised competitive bids, limited bids and proposals. <sup>2</sup> Bid rigging (or collusive bidding) occurs when businesses, that would otherwise be expected to compete, secretly conspire to raise prices or lower the quality of goods and / or services for purchasers who wish to acquire goods and / or services through a bidding process. Bid rigging is, therefore, an agreement between competitors not to compete.

**CERTIFICATE OF INDEPENDENT BID  
DETERMINATION**

I, the undersigned, in submitting the accompanying bid:

---

(Bid Number and Description)

in response to the invitation for the bid made by:

**KHÂI-MA MUNICIPALITY**

do hereby make the following statements that I certify to be true and complete in every respect:

I certify, on behalf of: \_\_\_\_\_ that:  
(Name of Bidder)

1. I have read and I understand the contents of this Certificate;
2. I understand that the accompanying bid will be disqualified if this Certificate is found not to be true and complete in every respect;
3. I am authorized by the bidder to sign this Certificate, and to submit the accompanying bid, on behalf of the bidder;
4. Each person whose signature appears on the accompanying bid has been authorized by the bidder to determine the terms of, and to sign, the bid, on behalf of the bidder;
5. For the purposes of this Certificate and the accompanying bid, I understand that the word "competitor" shall include any individual or organization, other than the bidder, whether or not affiliated with the bidder, who:
  - (a) has been requested to submit a bid in response to this bid invitation;
  - (b) could potentially submit a bid in response to this bid invitation, based on their qualifications, abilities or experience; and
  - (c) provides the same goods and services as the bidder and/or is in the same line of business as the bidder.

6. The bidder has arrived at the accompanying bid independently from, and without consultation, communication, agreement or arrangement with any competitor. However communication between partners in a joint venture or consortium<sup>3</sup> will not be construed as collusive bidding.
7. In particular, without limiting the generality of paragraphs 6 above, there has been no consultation, communication, agreement or arrangement with any competitor regarding:
  - (a) prices;
  - (b) geographical area where product or service will be rendered (market allocation)
  - (c) methods, factors or formulas used to calculate prices;
  - (d) the intention or decision to submit or not to submit, a bid;
  - (e) the submission of a bid which does not meet the specifications and conditions of the bid; or
  - (f) bidding with the intention not to win the bid.
8. In addition, there have been no consultations, communications, agreements or arrangements with any competitor regarding the quality, quantity, specifications and conditions or delivery particulars of the products or services to which this bid invitation relates.
9. The terms of the accompanying bid have not been, and will not be, disclosed by the bidder, directly or indirectly, to any competitor, prior to the date and time of the official bid opening or of the awarding of the contract.
10. I am aware that, in addition and without prejudice to any other remedy provided to combat any restrictive practices related to bids and contracts, bids that are suspicious will be reported to the Competition Commission for investigation and possible imposition of administrative penalties in terms of section 59 of the Competition Act No. 89 of 1998 and or may be reported to the National Prosecuting Authority (NPA) for criminal investigation and or may be restricted from conducting business with the public sector for a period not exceeding ten (10) years in terms of the Prevention and Combating of Corrupt Activities Act No. 12 of 2004 or any other applicable legislation.

.....  
Signature

.....  
Date

.....  
Position

.....  
Name of Bidder

<sup>3</sup>Joint venture or Consortium means an association of persons for the purpose of combining their expertise, property, capital, efforts, skill and knowledge in an activity for the execution of a contract

# THE TENDER OFFER

I/We

Mr/Mrs/Messrs

\_\_\_\_\_duly  
assigned to represent the service provider for the purpose of this tender, hereby tender to supply all or any of the goods and/or render all or any of the services described in the attached documents to the Khâi-Ma Municipality on terms and conditions stipulated in this tender and in accordance with the specifications stipulated in the tender documents (which shall be taken as part of, and incorporated into this tender)

I/we agree that this offer shall remain valid for a period of 90 days commencing from the closing date and time of this tender.

I/we further agree that:

This tender and its acceptance shall be subject to the terms and conditions contained in the Khâi-Ma Municipality's Supply Chain Management Policy;

If I/we withdraw my/our tender within the period for which I/we have agreed that the tender shall remain open for acceptance, or fail to fulfill the contract when called upon to do so, the Khâi-Ma Municipality may, without prejudice to its other rights, agree to the withdrawal of my/our tender or cancel the contract that may have been entered into between me/us and the Khâi-Ma Municipality and I/we will then pay to the Khâi-Ma Municipality any additional expense incurred by the Khâi-Ma Municipality having either to accept any less favorable tender or, if fresh tenders have to be invited, the additional expenditure incurred by the invitation by the invitation of fresh tenders and by the subsequent acceptance of any less favorable tender; the Khâi-Ma Municipality shall also have the right to recover such additional expenditure by set-off against moneys which may be due or become due to me/us under this or any other tender or contract or against any guarantee or deposit that may have been furnished by me/us or on my/our behalf for the due fulfillment of this or any other tender or contract and pending the ascertainment of the amount of such additional expenditure or retain such moneys, guarantee or deposit as security for any loss the Khâi-Ma Municipality may sustain by reason of my/our default;

If my/our tender is accepted the acceptance may be communicated to me/us by letter or order by certified mail or registered mail. Such posting shall be deemed to be proper service of such notice with effect from the date of posting/dispatch of such notice;

The law of the Republic of South Africa shall govern the contract created by the acceptance of my/our tender and that I/we choose domicilium citandi et executandi in the Republic of South Africa, where any and all legal notices may be served at (full street address on this place):

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

I/we furthermore confirm that I/we have satisfied myself/ourselves as to the correctness and validity of my/our tender; that the price(s) and rate(s) tendered cover all the work/item(s) specified in the tender documents and that the price(s) and rate(s) cover all my/our obligations under a resulting contract and that I/we accept that any mistakes regarding price(s) and calculations will be at my/our own risk.

I/we hereby accept full responsibility for the proper execution and fulfillment of all obligations and conditions devolving on me/us under this agreement as the Principal(s) liable for the due fulfillment of this contract.

I/we agree that any action arising from this contract may in all respects be instituted against me/us and I/we hereby undertake to satisfy fully any sentence or judgement which may be pronounced against me/us as a result of such action.

I/we declare that I/we have participation / no participation in the submission of any other offer for the supplies/services described in the attached documents. If in the affirmative, state name(s) of tenders involved.

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

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

Date: \_\_\_\_\_

**This form must be completed and signed to be considered provisionally responsive.**

## ACCEPTANCE

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

Notwithstanding anything contained herein, this agreement comes into effect on the date when the supplier receives one fully completed original copy of this document, including the schedule of deviations (if any). Unless the supplier within five working days of the date of such receipt notifies the employer in writing of any reason why he cannot accept the contents of this agreement, this agreement shall constitute a binding contract between the parties.

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

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

Capacity: \_\_\_\_\_

Date: \_\_\_\_\_

For the Employer:

**KHÂI-MA MUNICIPALITY  
21 NUWE STREET  
POFADDER  
8890**