LEKWA LOCAL MUNICIPALITY

TENDER DOCUMENT:

Provision of METER READING SERVICE FOR A PERIOD OF 36 MONTHS

CONTRACT NUMBER: BTO 03 2022 – 2023

CLOSING DATE: 31 October 2022; 12:00pm

EMPLOYER:	FOR ENQUIRES:
Lekwa Local Municipality P O Box 66 Standerton 2430 **Represented by:** Mrs GPN Ntshangase Municipal Manager **Tel:** 017 712 9628 **Fax:** 017 712 6808 **Email:** MM@lekwalm.gov.za	**Enquiries:** **Revenue Management** Mr. S Koto Accountant Revenue **Tel:** 017 712 9692 **Email: Skoto@lekwalm.gov.za** **Administrative Enquiries:** **Supply Chain Management** Mr L Joubert Senior Manager **Tel:** 017 712 9647 **Email:** ljoubert@lekwalm.gov.za

Name of Tenderer : ....

Amount Tendered (Incl.Vat): ....

Amount in Words (Incl.Vat) :..

CSD Registration Number :..

SUMMARY FOR TENDERER DETAILS

NAME OF TENDERER : ____

ADDRESS : ____

____

____

CELLPHONE NUMBER: ____

TELEPHONE NUMBER : ____

FAX NUMBER : ____

E-MAIL ADDRESS : ____

CLOSING DATE : ____

Signed by authorised representative of the TENDERER: ____________________________

DATE: ____________________________

CONTENTS

PART T1: TENDERING PROCEDURES

1. GENERAL

1.1 TENDER NOTICE

T1.1 TENDER NOTICE AND INVITATION TO TENDER

MBD 1 INVITATION TO BID

Lekwa Local Municipality

Provision of Meter Reading Service For A Period of 36 Months

Lekwa Local Municipality invites suitable qualified and CSD registered service providers to submit Tenders or Bid proposals sealed duly endorsed as per the description below::

Bid No.	Description	Non-Refundable Bid Document Price	Compulsory Briefing Session	Preferential Procurement Point System	CIDB Grading	Tender Closing Date
BTO 03 2022 – 2023	Provision of Meter Reading Service For a period of 36 Months	R 500.00	Not Applicable	80/20	Not Applicable	31 October 2022, 12h00

All the returnable documents will be listed in all the tender documents. The tender documents must be sealed in an envelope clearly marked with the relevant Tender No. and description as stated above. All tender documents must be deposited in the tender box situated at Records section at the Main Building, Cnr. Dr Beyers Naude & Mbonani Mayisela Streets, Standerton 2430. **Tender box is accessible Monday to Friday from 08h00 to 16h00.**

Documents will be available from **12 October 2022** on the eTenders portal for FREE or can be purchased at the Municipal Cashiers for a non refundable amount of **R 500** per tender document. No email or facsimile transmission will be considered. All enquiries relating to this advert must be addressed to Mr. L Joubert (SCM) at 082 565 8494 or by email, ljoubert@lekwalm.gov.za

Lekwa Local Municipality subscribes to the PPPFA of 2000 and the 80/20-point system as applicable. Functionality will be a prequalification criterion to these bids where applicable. All bids submitted shall be valid for 90 days after the closing date. Lekwa Local Municipality reserves the right not to appoint for this bid. That it BE NOTED that all protocols on COVID-19 will be adhered to on the day of the site briefing.

…………………………………………
M LAMOLA
MUNICIPAL MANAGER

NOTICE NO.

Tender Data

Clause	Wording (Data)
	The employer is the LEKWA LOCAL MUNICIPALITY.
	The tender documents issued by the employer comprise: **PART T1 : TENDERING PROCEDURES** T1.1: Tender Notice and Invitation to Tender T1.2: Tender Data **PART T2 : RETURNABLE DOCUMENTS** T2.1: List of Returnable Documents **PART C1: AGREEMENTS AND CONTRACT DATA** C1.1: Form of Offer and Acceptance **PART C2 : PRICING DATA** C2.2: Price Proposal / Fee Schedule **PART C3 : SCOPE OF WORKS** C3 Terms of Reference **APPENDICES** **C3.5 Annexes**
	The Employer's agent is: The Municipal Manager Mrs GPN Ntshangase Lekwa Local Municipality P.O Box 66, Standerton, 2380
	Only those tenderers who satisfy the following eligibility criteria are eligible to submit tenders : a) Dealer Accreditation. b) Previous experience on contracts of a similar value and nature.
	The arrangements for a compulsory clarification meeting are: Not Applicable
	The Employer's address for delivery of tender offers and identification details to be shown on each tender offer package are: Location of tender box: Lekwa Local Municipality, Main Municipal Administrative Building, Standerton, Physical address: Cnr Beyers Naude & Mbonani Mayisela Street, Standerton 2430
	Postal address: Lekwa Local Municipality PO Box 66, Standerton, 2380

Clause	Wording (Data)
	A two-envelope procedure will not be followed.
	The closing time for submission of tender offers is 12H00 hours on Friday, 23rd October 2020
	Telephonic, telegraphic, telex, facsimile or e-mailed tender offers will NOT be accepted.
	The tender offer validity period is 90 days.
	The tender shall, when requested by the Employer to do so, submit the names of all management and supervisory staff that will be employed to supervise the labour-intensive portion of the works together with satisfactory evidence that such staff members satisfy the eligibility requirements
	The tenderer is required to submit the following certificates with his tender: 1) A Full Comprehensive and latest CSD Registration proof / report 2) *A* valid SARS PIN issued by the South African Revenue Services. 3) Particulars of any contracts awarded by an organ of state during the last five years including particulars of any material non-compliance or dispute concerning their execution
	The time and location for opening of the tender offers are in accordance with regulation 23 of the MFMA
	Functionality / Quality Scorecard: Offers that score less than 50% will be disqualified from further evaluation.
	1) the BBBEE balanced scorecard - Bidders are required to submit original and valid B-BBEE Status Level Verification Certificates or certified copies thereof together with their bids, to substantiate their B-BBEE rating claims as stipulated in the Preferential Procurement Policy Framework Act, Act No.5 of 2000 and Preferential Procurement Regulation 2017
	Preference points will be allocated as follows: W1 = 80 BBBEE Score: 20 (max) Tender offers will only be accepted on condition that : a) the tenderer has in his or her possession an original Tax Clearance Certificate issued by the South African Revenue Services;
	b) the tenderer is registered with the Central Supplier Database of National Treasury; c) the tenderer or any of its directors is not listed in the Register of Tender Defaulters in terms of the Prevention and Combating of Corrupt Activities Act of 2004 as a person prohibited from doing business with the public sector; and

Clause	Wording (Data)
	d) the tenderer has not: i) abused the Employer's Supply Chain Management System; or ii) failed to perform on any previous contract and has been given a written notice to this effect; and e) has completed the Compulsory Enterprise Questionnaire and there are no conflicts of interest which may impact on the tenderer's ability to perform the contract in the best interests of the employer or potentially comprise the tender process.
	The number of paper copies of the signed contract to be provided by the Employer is ONE (1).
	The council reserves the right to appoint more than one service providers. The Council reserves the right to cancel or withdraw the tender, or not to award

Part T2.1 LISTS OF COMPULSORY RETURNABLE DOCUMENTS

- Form of offer must be completed and signed by the authorised signatory
- Bid to be in the closing register
- Proof of CSD Registration and compliance
- Certified copies of CIPC (Company Registration Certificates)
- Valid SARS Tax Compliance Status PIN
- Proof of Authority to Sign (Company resolution letter "on company letter head" by directors to be attached confirming the Authority to sign) and Completion of Authority of Signatory
- Pricing Schedule – Firm Prices MBD 3.1
- Declaration by Bidder MBD 4 (Declaration of Interest)
- Current Municipal Account (not more than 60 days and not in arrears)/ lease agreement / proof of Residence for bidders residing in a non-billed municipal area or jurisdiction
- Valid Letter of Good Standing (COIDA) from Department of Labour
- Valid signed joint venture/consortium agreement (if applicable)

Additional required information and actions to be noted

- BBB - EE status level of contribution certificate
- Contract Form – Purchase of Services – MBD 7.1
- Company profile, including management structure
- Record of addenda (if any)
- Declaration by Bidder MBD 6.1 (Preference Claim Points)
- Declaration by Bidder MBD 8 (Bidder's Past Supply Chain Management Practices)
- Declaration by Bidder MBD 9 (Certificate of Independent Bid Determination)
- Compulsory Enterprise Questionnaire
- When downloading the bid document please ensure that when you compile for submission all pages are included.
- Scratching out without initialling next to the amended rates or information, writing over or painting out rates affecting the evaluation of the bid.
- The use of correction fluid (i.e. tippex) or any erasable ink, eg. Pencil.
- The bid has been submitted either in the wrong bid box or after the relevant closing date and time

PROOF / CERTIFICATE OF ATTENDANCE AT SITE MEETING (Not Applicable)

This is to certify that (*tenderer)*…………………………………………………………………….
of *(address)*………………………………………………………………………………………………
……………………………………………………………..…….was represented by the person(s) named below at the compulsory meeting held for all tenderers at
(location)
…….……………………………………………………..on *(date)*………………………..starting at *(time)*

I / We acknowledge that the purpose of the meeting was to acquaint myself / ourselves with the site of the works and / or matters incidental to doing the work specified in the tender documents in order for me / us to take account of everything necessary when compiling our rates and prices included in the tender.

Particulars of person(s) attending the meeting:

Name:…………………………………………..Signature: ……………………………………………
Capacity: ………………………………………………………………………………………………..

Name:…………………………………………..Signature: ……………………………………………..
Capacity: ………………………………………………………………………………………………

Attendance of the above person(s) at the meeting is confirmed by the Employer's representative, namely:

Name: …………………………………………..Signature: …………………………………………….

Capacity: …………………………………..Date and Time: ………………………………………..

RECORD OF ADDENDA TO TENDER DOCUMENTS

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

	Date	Title or Details
1.		
2.		
3.		
4.		
5.		
6.		
7.		
8.		

Attach additional pages if more space is required.

Signed .... Date ....

Name .... Position ....

Tenderer ....

CERTIFICATE OF AUTHORITY FOR SIGNATORY

Indicate the status of the tenderer by ticking the appropriate box hereunder. The tenderer must complete the certificate set out below for the relevant category, **and attach their Registration Certificates for Companies, Close Corporations and Partnerships, or Agreements and Powers of Attorney for Joint Ventures, or ID documents.**

(I) COMPANY	**(II) CLOSE CORPORATION**	**(III) PARTNERSHIP**	**(IV) JOINT VENTURE**	**(V) SOLE PROPRIETOR**

(I) <u>CERTIFICATE FOR COMPANY</u>

I, …………………………………………………...………chairperson of the Board of Directors of

………………………………………………………..hereby confirm that by resolution of the Board (copy attached) taken

on…………………..….20………….Mr/Ms ..………………acting in the capacity of

……………………………………………………………… was authorized to sign all documents in connection with the

tender for Contract No …………………and any contract resulting from it, on behalf of the company.

Chairman : ………………………………………………………………..

As Witnesses :1. ………………………………………………………………..

2. ………………………………………………………………..

Date : …………………………………………………………………

(ii) CERTIFICATE FOR CLOSE CORPORATION

We, the undersigned, being the key members in the business trading as

……

…………………………………………….hereby authorise Mr/Ms……………………..………. acting in the capacity of

………..…………………..……………………….……………...to sign all documents in connection with the tender for

Contract No ………………..……….and any contract resulting from it, on our behalf.

NAME	ADDRESS	SIGNATURE	DATE

Note: ***This certificate is to be completed and signed by all of the key members upon whom rests the direction of the affairs of the Close Corporation as a whole.***

(III). CERTIFICATE FOR PARTNERSHIP

We, the undersigned, being the key partners in the business trading as,…………………………

………..………………………..….hereby authorize Mr/Ms …………………………………………….

.acting in the capacity of…………….. ………………………………………to sign all documents in connection with the

tender for Contract No …………………………………...and any contract resulting from it, on our behalf.

NAME	ADDRESS	SIGNATURE	DATE

Note: ***This certificate is to be completed and signed by all of the key partners upon whom rests the direction of the affairs of the Partnership as a whole.***

(IV) CERTIFICATE FOR JOINT VENTURE

We, the undersigned, are submitting this tender offer in Joint Venture and hereby authorize

Mr/Ms…………………………….…authorized signatory of the company,………………………………………………

acting in the capacity of lead partner, to sign all documents in connection with the tender offer for Contract No

………………………and any contract resulting from it, on our behalf.

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

NAME OF FIRM	ADDRESS	AUTHORIZING SIGNATURE NAME AND CAPACITY
Lead Partner		

Note: ***This certificate is to be completed and signed by all of the key partners upon whom rests the direction of the affairs of the Partnership as a whole.***

(V) CERTIFICATE FOR SOLE PROPRIETOR

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

……………………………………….…………………………………

Signature of Sole owner ………………………………………

As Witnesses:

1. ………………………………………………

2. ……………………………………………… Date …………………………………………..

REGISTRATION CERTIFICATE / AGREEMENT/ ID DOCUMENT

(Important note to Tenderer:
Certified Copies of Registration Certificates for Companies, Close Corporations and Partnerships, or Agreements and Powers of Attorney for Joint Ventures, or ID documents for Sole Proprietors, all as referred to in the foregoing forms and must be inserted here)

TAX CLEARANCE CERTFICATE REQUIREMENTS

1. The taxes of the successful bidder must be in order, or that satisfactory arrangements have been made with the Receiver of Revenue to meet his / her tax obligations.

2. Bidder must attach a valid SARS TCS Tax Compliance Status Pin Failure to submit the valid Tax Compliance Status (TCS) PIN from SARS will invalidate the bid.

3. In bids where Consortia / Joint Ventures / Sub-contractors are involved each party must submit a separate SARS Tax Compliance Status Pin.

PRICING SCHEDULE – FIRM PRICES (PURCHASES)

NOTE: **ONLY FIRM PRICES WILL BE ACCEPTED. NON-FIRM PRICES (INCLUDING PRICES SUBJECT TO RATES OF EXCHANGE VARIATIONS) WILL NOT BE CONSIDERED**

IN CASES WHERE DIFFERENT DELIVERY POINTS INFLUENCE THE PRICING, A SEPARATE PRICING SCHEDULE MUST BE SUBMITTED FOR EACH DELIVERY POINT

Name of Bidder……………………………………	Bid Number…………………..
Closing Time ……………. …..	Closing Date ………………………..

OFFER TO BE VALID FOR………DAYS FROM THE CLOSING DATE OF BID.

ITEM NO.	QUANTITY	DESCRIPTION	BID PRICE IN RSA CURRENCY **(ALL APPLICABLE TAXES INCLUDED)

- Required by: ………………………………….
- At: ………………………………….
  …………………………………
- Brand and Model ………………………………….
- Country of Origin
  ………………………………….
- Does the offer comply with the specification(s)? *YES/NO
- If not to specification, indicate deviation(s) ………………………………….
- Period required for delivery ………………………………….
  *Delivery: Firm/Not firm
- Delivery basis …………………………………….

Note: All delivery costs must be included in the bid price, for delivery at the prescribed destination.

** "all applicable taxes" includes value- added tax, pay as you earn, income tax, unemployment insurance fund contributions and skills development levies.

*Delete if not applicable

DECLARATION OF BIDDERS - MBD4

1. No bid will be accepted from persons in the service of the state. *

2. Any person, having a kinship with persons in the service of the state, including a blood relationship, may make an offer or offers in terms of this invitation to bid. In view of possible allegations of favoritism, should the resulting bid, or part thereof, be awarded to persons connected with or related to persons in service of the state, it is required that the bidder or their authorized representative declare their position in relation to the evaluating/adjudicating authority and/or take oath declaring his/her interest.

3. In order to give effect to the above, the following questionnaire must be completed and submitted with the bid:

Full Name: ………..……………………………………………………………………..

Identity Number: ………………………………………………………………………

Company Registration Number: ...………..………………………………………………….

VAT Registration Number: …………………………………………………………….
Are you presently in the service of the state? **Yes / No**

If so furnish particulars: ……………………..………………………………………..

……………………………………………..……………………………………………

Have you been in the service of the state in the last twelve months? **Yes / No**

If so furnish particulars ………………………..……………………………………….

………………………………………………………………………………………………

MSCM Regulations: "in the service of the state" means to be-

(a) a member of
 (1) any municipal council;
 (2) any provincial legislature; or
 (3) the national Assembly or the national Council of PROVINCES;

(b) a member of the board of directors of any municipal entity;
(c) an official of any municipality or municipal entity;
(d) an employee of any national or provincial department, national or provincial public entity or
(e) constitutional institution within the meaning of the Public Finance Management Act, 1999 (act no 1 of 1999);
(f) a member of the accounting authority of any national or provincial

Do you, have any relationship (family, friend, other) with persons in the service of the state and who may be involved with the evaluation and or adjudication of this bid? **Yes / No**

If so, furnish particulars……………………………………………………………………………
……………………………………………………………………………………………………….

Are *you*, aware of any relationship (family, friendly, other) between a bidder and persons in the service of the state who may be involved with the evaluation and adjudication of this bid.

Yes / No

If so, furnish particulars……………………………………………………………………………
……………………………………………………………………………………………………….

Are any of the company's directors, managers, principle Shareholders or stakeholders in the service of the State? **Yes / No**

If so, furnish particulars……………………………………………………………………………
……………………………………………………………………………………………………….

Is any spouse, child, or parent of the company's directors, managers, principle shareholders or stakeholders in service of the state?

Yes / No

If so, furnish particulars……………………………………………………………………………
……………………………………………………………………………………………………….

CERTIFICATION

I, THE UNDERSIGNED (FULL NAME)

…………………………………………………………………………………………………
CERTIFY THAT THE INFORMATION FURNISHED ON THE DECLARATION FORM IS TRUE AND CORRECT. I ACCEPT THAT, IN ADDITION TO CANCELLATION OF CONTRACT, ACTION MAY BE TAKEN AGAINST ME SHOULD THIS DECLARATION PROVE TO BE FALSE

………………………………………….. **………………………….**
SIGNATURE **DATE**

……………………………………………..
POSITION

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

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

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

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1. GENERAL CONDITIONS

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

- the 80/20 system for requirements with a Rand value of up to R50 000 000 (all applicable taxes included); and
- the 90/10 system for requirements with a Rand value above R50 000 000 (all applicable taxes included).

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

1.3 Preference points for this bid shall be awarded for:

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

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

		POINTS
1.3.1.1	**PRICE**	80
1.3.1.2	**B-BBEE STATUS LEVEL OF CONTRIBUTION**	20
	Total points for Price and B-BBEE must not exceed	**100**

1.4 Failure on the part of a bidder to fill in and/or to sign this form and submit a B-BBEE Verification Certificate from a Verification Agency accredited by the South African Accreditation System (SANAS) or a Registered Auditor approved by the Independent Regulatory Board of Auditors (IRBA) or an Accounting Officer as contemplated in the Close Corporation Act (CCA) together with the bid, will be interpreted to mean that preference points for B-BBEE status level of contribution are not claimed.

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

2. DEFINITIONS

2.1 **"all applicable taxes"** includes value-added tax, pay as you earn, income tax, unemployment insurance fund contributions and skills development levies;

2.2 **"B-BBEE"** means broad-based black economic empowerment as defined in section 1 of the Broad -Based Black Economic Empowerment Act;

2.3 "**B-BBEE status level of contributor"** means the B-BBEE status received by a measured entity based on its overall performance using the relevant scorecard contained in the Codes of Good Practice on Black Economic Empowerment, issued in terms of section 9(1) of the Broad-Based Black Economic Empowerment Act;

2.4 **"bid"** means a written offer in a prescribed or stipulated form in response to an invitation by an organ of state for the provision of services, works or goods, through price quotations, advertised competitive bidding processes or proposals;

2.5 **"Broad-Based Black Economic Empowerment Act"** means the Broad-Based Black Economic Empowerment Act, 2003 (Act No. 53 of 2003);

2.6 **"comparative price"** means the price after the factors of a non-firm price and all unconditional discounts that can be utilized have been taken into consideration;

2.7 **"consortium or joint venture"** 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;

2.8 **"contract"** means the agreement that results from the acceptance of a bid by an organ of state;

2.9 **"EME"** means any enterprise with an annual total revenue of R5 million or less.

2.10 **"Firm price"** means the price that is only subject to adjustments in accordance with the actual increase or decrease resulting from the change, imposition, or abolition of customs or excise duty and any other duty, levy, or tax, which, in terms of the law or regulation, is binding on the contractor and demonstrably has an influence on the price of any supplies, or the rendering costs of any service, for the execution of the contract;

2.11 **"functionality"** means the measurement according to predetermined norms, as set out in the bid documents, of a service or commodity that is designed to be practical and useful, working or operating, taking into account, among other factors, the quality, reliability, viability and durability of a service and the technical capacity and ability of a bidder;

2.12 **"non-firm prices"** means all prices other than "firm" prices;

2.13 **"person"** includes a juristic person;

2.14 **"rand value"** means the total estimated value of a contract in South African currency, calculated at the time of bid invitations, and includes all applicable taxes and excise duties;

2.15 **"sub-contract"** means the primary contractor's assigning, leasing, making out work to, or employing, another person to support such primary contractor in the execution of part of a project in terms of the contract;

2.16 **"total revenue"** bears the same meaning assigned to this expression in the Codes of Good Practice on Black Economic Empowerment, issued in terms of section 9(1) of the Broad-Based Black Economic Empowerment Act and promulgated in the *Government Gazette* on 9 February 2007;

2.17 **"trust"** means the arrangement through which the property of one person is made over or bequeathed to a trustee to administer such property for the benefit of another person; and

2.18 **"trustee"** means any person, including the founder of a trust, to whom property is bequeathed in order for such property to be administered for the benefit of another person.

3. ADJUDICATION USING A POINT SYSTEM

3.1 The bidder obtaining the highest number of total points will be awarded the contract.

3.2 Preference points shall be calculated after prices have been brought to a comparative basis taking into account all factors of non-firm prices and all unconditional discounts;.

3.3 Points scored must be rounded off to the nearest 2 decimal places.

3.4 In the event that two or more bids have scored equal total points, the successful bid must be the one scoring the highest number of preference points for B-BBEE.

3.5 However, when functionality is part of the evaluation process and two or more bids have scored equal points including equal preference points for B-BBEE, the successful bid must be the one scoring the highest score for functionality.

3.6 Should two or more bids be equal in all respects, the award shall be decided by the drawing of lots.

4. POINTS AWARDED FOR PRICE

4.1 THE 80/20 OR 90/10 PREFERENCE POINT SYSTEMS

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

80/20 **or** **90/10**

$$Ps = 80\left(1 - \frac{Pt - P\min}{P\min}\right) \quad \text{Or} \quad Ps = 90\left(1 - \frac{Pt - P\min}{P\min}\right)$$

Where

Ps = Points scored for comparative price of bid under consideration

Pt = Comparative price of bid under consideration

Pmin = Comparative price of lowest acceptable bid

5. Points awarded for B-BBEE Status Level of Contribution

5.1 In terms of Regulation 5 (2) and 6 (2) of the Preferential Procurement Regulations, preference points must be awarded to a bidder for attaining the B-BBEE status level of contribution in accordance with the table below:

B-BBEE Status Level of Contributor	Number of points (90/10 system)	Number of points (80/20 system)
1	10	20
2	9	18
3	6	14
4	5	12
5	4	8
6	3	6
7	2	4
8	1	2
Non-compliant contributor	0	0

5.2 Bidders who qualify as EMEs in terms of the B-BBEE Act must submit a certificate issued by an Accounting Officer as contemplated in the CCA or a Verification Agency accredited by SANAS or a Registered Auditor. Registered auditors do not need to meet the prerequisite for IRBA's approval for the purpose of conducting verification and issuing EMEs with B-BBEE Status Level Certificates.

5.3 Bidders other than EMEs must submit their original and valid B-BBEE status level verification certificate or a certified copy thereof, substantiating their B-BBEE rating issued by a Registered Auditor approved by IRBA or a Verification Agency accredited by SANAS.

5.4 A trust, consortium or joint venture, will qualify for points for their B-BBEE status level as a legal entity, provided that the entity submits their B-BBEE status level certificate.

5.5 A trust, consortium or joint venture will qualify for points for their B-BBEE status level as an unincorporated entity, provided that the entity submits their consolidated B-BBEE scorecard as if they were a group structure and that such a consolidated B-BBEE scorecard is prepared for every separate bid.

5.6 Tertiary institutions and public entities will be required to submit their B-BBEE status level certificates in terms of the specialized scorecard contained in the B-BBEE Codes of Good Practice.

5.7 A person will not be awarded points for B-BBEE status level if it is indicated in the bid documents that such a bidder intends sub-contracting more than 25% of the value of the contract to any other enterprise that does not qualify for at least the points that such a bidder qualifies for, unless the intended sub-contractor is an EME that has the capability and ability to execute the sub-contract.

5.8 A person awarded a contract may not sub-contract more than 25% of the value of the contract to any other enterprise that does not have an equal or higher B-BBEE status level than the person concerned, unless the contract is sub-contracted to an EME that has the capability and ability to execute the sub-contract.

6. BID DECLARATION

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

7. B-BBEE STATUS LEVEL OF CONTRIBUTION CLAIMED IN TERMS OF PARAGRAPHS 1.3.1.2 AND

7.1 B-BBEE Status Level of Contribution: …………. = ……………(maximum of 10 or 20 points)

(Points claimed in respect of paragraph 7.1 must be in accordance with the table reflected in paragraph 5.1 and must be substantiated by means of a B-BBEE certificate issued by a Verification Agency accredited by SANAS or a Registered Auditor approved by IRBA or an Accounting Officer as contemplated in the CCA).

8 SUB-CONTRACTING

8.1 Will any portion of the contract be sub-contracted? YES / NO (delete which is not applicable)

8.1.1 If yes, indicate:

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

(ii) the name of the sub-contractor?

…………………………………………………………..

(iii) the B-BBEE status level of the sub-contractor? ……………..

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

9 DECLARATION WITH REGARD TO COMPANY/FIRM

9.1 Name of firm : ....

9.2 VAT registration number : ....

9.3 Company registration number ……………………………………………………………….
:

9.4 TYPE OF COMPANY/ FIRM

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

[TICK APPLICABLE BOX]

9.5 DESCRIBE PRINCIPAL BUSINESS ACTIVITIES

…………. ....
……………… ....
……………..

9.6 COMPANY CLASSIFICATION

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

[TICK APPLICABLE BOX]

9.7 MUNICIPAL INFORMATION

Municipality where business is situated ……………………………………………………………………..
Registered Account Number …………………………….
Stand Number ……………………………………………….

9.8 TOTAL NUMBER OF YEARS THE COMPANY/FIRM HAS BEEN IN BUSINESS?
……………………………………

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

(i) The information furnished is true and correct;

(ii) The preference points claimed are in accordance with the General Conditions as indicated in paragraph 1 of this form.

(iii) In the event of a contract being awarded as a result of points claimed as shown in paragraph 7, the contractor may be required to furnish documentary proof to the satisfaction of the purchaser that the claims are correct;

(iv) If the B-BBEE status level of contribution has been claimed or obtained on a fraudulent basis or any of the conditions of contract have not been fulfilled, the purchaser may, in addition to any other remedy it may have –

(a) disqualify the person from the bidding process;

(b) recover costs, losses or damages it has incurred or suffered as a result of that person's conduct;

(c) cancel the contract and claim any damages which it has suffered as a result of having to make less favourable arrangements due to such cancellation;

(d) restrict the bidder or contractor, its shareholders and directors, or only the shareholders and directors who acted on a fraudulent basis, from obtaining business from any organ of state for a period not exceeding 10 years, after the audi alter am partem (hear the other side) rule has been applied; and

(e) forward the matter for criminal prosecution

Witnesses	
1. ………………………..	………………………………
2. ………………………..	Signature(s) of Bidder(s)
	Date: ……………………………
	Address: ………………………
	………………………
	………………………

CONTRACT FORM - PURCHASE OF SERVICES

THIS FORM MUST BE FILLED IN DUPLICATE BY BOTH THE SUCCESSFUL BIDDER (PART 1) AND THE PURCHASER (PART 2). BOTH FORMS MUST BE SIGNED IN THE ORIGINAL SO THAT THE SUCCESSFUL BIDDER AND THE PURCHASER WOULD BE IN POSSESSION OF ORIGINALLY SIGNED CONTRACTS FOR THEIR RESPECTIVE RECORDS.

PART 1 (TO BE FILLED IN BY THE BIDDER)

1. I hereby undertake to supply all or any of the goods and/or works described in the attached bidding documents to (name of institution)……….……………………..…………………. in accordance with the requirements and specifications stipulated in bid number…………………..……….. at the price/s quoted. My offer/s remain binding upon me and open for acceptance by the purchaser during the validity period indicated and calculated from the closing time of bid.

2. The following documents shall be deemed to form and be read and construed as part of this agreement:

   (i) Bidding documents, *viz*
   - Invitation to bid;
   - Tax clearance certificate;
   - Pricing schedule(s);
   - Technical Specification(s);
   - Preference claims for Broad Based Black Economic Empowerment Status Level of Contribution in terms of the Preferential Procurement Regulations 2011;
   - Declaration of interest;
   - Declaration of bidder's past SCM practices;
   - Certificate of Independent Bid Determination;
   - Special Conditions of Contract;

   (ii) General Conditions of Contract; and
   (iii) Other (specify)

3. I confirm that I have satisfied myself as to the correctness and validity of my bid; that the price(s) and rate(s) quoted cover all the goods and/or works specified in the bidding documents; that the price(s) and rate(s) cover all my obligations and I accept that any mistakes regarding price(s) and rate(s) and calculations will be at my own risk.

4. I accept full responsibility for the proper execution and fulfilment of all obligations and conditions devolving on me under this agreement as the principal liable for the due fulfilment of this contract.

5. I declare that I have no participation in any collusive practices with any bidder or any other person regarding this or any other bid.

6. I confirm that I am duly authorised to sign this contract.

NAME (PRINT)………………………………………….

CAPACITY …………………………………………

SIGNATURE …………………………………………

NAME OF FIRM …………………………………………

DATE …………………………………………

WITNESSES	
1	…….……………
2.	……………………
DATE:	……………………

CONTRACT FORM - PURCHASE OF SERVICES

PART 2 (TO BE FILLED IN BY THE PURCHASER)

1. I………………………………………………………………….…………… in my capacity as……………………..……………………………….....….. accept your bid under reference number …………………dated………………………for the supply of goods/works indicated hereunder and/or further specified in the annexure(s).

2. An official order indicating delivery instructions is forthcoming.

3. I undertake to make payment for the goods/works delivered in accordance with the terms and conditions of the contract, within 30 (thirty) days after receipt of an invoice accompanied by the delivery note.

ITEM NO.	PRICE(ALL APPLICABLE TAXES INCLUDED)	BRAND	DELIVERY PERIOD	B-BBEE STATUS LEVEL OF CONTRIBUTION
		Not Applicable	Monthly	

4. I confirm that I am duly authorized to sign this contract.

SIGNED AT ………………………………………ON………………………………..

NAME (PRINT) …………………………………….

SIGNATURE …………………………………….

OFFICIAL STAMP

WITNESSES
1. ……………………….
2. ……………………….
DATE ……………………….

PART C1: AGREEMENTS AND CONTRACT DATA

C1.1: Form of Offer and Acceptance

A. OFFER

The Employer, identified in the Acceptance signature block, has solicited offers to enter into a contract in respect of the following works:

CONTRACT No.: BTO 03 2022 – 2023

PROVISION OF METER READING SERVICE FOR A PERIOD OF 36 MONTHS

The Tenderer, identified in the Offer Signature block below, has examined the documents listed in the Tender Data and addenda thereto as listed in the Tender Schedules, and by submitting this Offer has accepted the Conditions of Tender.

By the representative of the Tenderer, deemed to be duly authorised, signing this part of this Form of Offer and Acceptance, the Tenderer offers to perform all of the obligations and liabilities of the Contractor under the Contract including compliance with all its terms and conditions according to their true intent and meaning for an amount to be determined in accordance with the Conditions of Contract identified in the Contract Data.

The offered total of the prices inclusive of Value Added Tax is:

R .... (*In words*.) ....

.... ,

This Offer may be accepted by the Employer by signing the Acceptance part of this Form of Offer and Acceptance and returning one copy of this document to the Tenderer before the end of the period of validity stated in the Tender Data, whereupon the Tenderer becomes the party named as the Contractor in the Conditions of Contract identified in the Contract Data.

Signature:*(of person authorized to sign the tender)*: ....

Name: (*of signatory in capitals)*: ....

Capacity: (*of Signatory*): ....

Name of Tenderer: (*organisation*): ....

Address: ....

....

Telephone number: .... **Fax number:**.................................

Witness:

Signature: ....

Name: *(in capitals):..*

Date: ....

[Failure of a Tenderer to sign this form will invalidate the tender]

B. ACCEPTANCE

By signing this part of the Form of Offer and Acceptance, the Employer identified below accepts the Tenderer's Offer. In consideration thereof, the Employer shall pay the Contractor the amount due in accordance with the Conditions of Contract identified in the Contract Data. Acceptance of the Tenderer's Offer shall form an agreement between the Employer and the Tenderer upon the terms and conditions contained in this Agreement and in the Contract that is the subject of this Agreement.

The terms of the contract are contained in Agreement, and Contract Data, (which include this Agreement) Pricing Data, including the Bill of Quantities Scope of Work Site Information

and the schedules, forms, drawings and documents or parts thereof, which may be incorporated by reference into Parts above.

Deviations from and amendments to the documents listed in the Tender Data and any addenda thereto listed in the Tender Schedules as well as any changes to the terms of the Offer agreed by the Tenderer and the Employer during this process of offer and acceptance, are contained in the Schedule of Deviations attached to and forming part of this Agreement. No amendments to or deviations from said documents are valid unless contained in this Schedule, which must be duly signed by the authorised representatives of both parties.

The Tenderer shall within two weeks after receiving a completed copy of this Agreement, including the Schedule of Deviations (if any), contact the Employer's agent (whose details are given in the Contract Data) to arrange the delivery of any other bonds, guarantees, proof of insurance and any other documentation to be provided in terms of the Conditions of Contract identified in the Contract Data at, or just after, the date on which this Agreement comes into effect. Failure to fulfil any of these obligations in accordance with those terms shall constitute a repudiation of this Agreement

Notwithstanding anything contained herein, this Agreement comes into effect on the date when the Tenderer receives one fully completed original copy of this document, including the Schedule of Deviations (if any). Unless the Tenderer (now Contractor) within five 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.

Signature: ....

Name: *(in capitals)*..

Capacity:...

Name of Employer *(organisation)* ....

Address: ....

....

Witness:

Signature: .... Name: ....

Date: ....

C. SCHEDULE OF DEVIATIONS

The extent of deviations from the tender documents issued by the Employer prior to the tender closing date is limited to those permitted in terms of the Tender Data and the Conditions of Tender.

A Tenderer's covering letter will not necessarily be included in the final contract document. Should any matter in such letter, which constitutes a deviation as aforesaid becomes the subject of agreements reached during the process of offer and acceptance; the outcome of such agreement shall be recorded here.

Any other matter arising from the process of offer and acceptance either as a confirmation, clarification or change to the tender documents and which it is agreed by the Parties becomes an obligation of the contract shall also be recorded here.

Any change or addition to the tender documents arising from the above agreements and recorded here shall also be incorporated into the final draft of the Contract.

1. Subject:
……………………………………………………………………………………

Details:……………………………………………………………………………………..

2. Subject:……………………………………………………………………………………

Details:…………………………………………………………………………………….

3. Subject:……………………………………………………………………………………

Details:……………………………………………………………………………………..

4. Subject:……………………………………………………………………………………

Details:…………………………………………………………………………………….

5. Subject:……………………………………………………………………………………

Details:…………………………………………………………………………………….

6. Subject:……………………………………………………………………………………

Details:…………………………………………………………………………………….

By the duly authorised representatives signing this Schedule of Deviations, the Employer and the Tenderer agree to and accept the foregoing Schedule of Deviations as the only deviations from and amendments to the documents listed in the Tender Data and addenda thereto as listed in the Tender Schedules, as well as any confirmation, clarification or change to the terms of the offer agreed by the Tenderer and the Employer during this process of offer and acceptance.

It is expressly agreed that no other matter whether in writing, oral communication or implied during the period between the issue of the tender documents and the receipt by the Tenderer of a completed signed copy of this Agreement shall have any meaning or effect in the contract between the parties arising from this Agreement.

<u>FOR THE TENDERER</u>:

Signature:...

Name:...

Capacity: ....

Tenderer: *(Name and address of organisation)*..

....

Witness:

Signature:...

Name: ....

Date: ....

<u>FOR THE EMPLOYER</u>

Signature:...

Name:...

Capacity: ....

Employer: *(Name and address of organisation)*..

....

Witness:

Signature:...

Name: ....

Date: ....

D: CONFIRMATION OF RECEIPT

The Tenderer, identified in the Offer part of this Agreement hereby confirms receipt from the Employer, identified in the Acceptance part of this Agreement, of one fully completed original copy of this Agreement, including the Schedule of Deviations (if any) today:

The ……………………………………(day) of ……………………………………..(month) 20…….(year) at ………………………………………(place)

For the Service Provider:

…………………………………………………
Signature

…………………………………………………
Name

…………………………………………………
Capacity

Signature and Name of Witness:

…………………………………………………
Signature

…………………………………………………
Name

DECLARATION OF BIDDER'S PAST SUPPLY CHAIN MANAGEMENT PRACTICES – MBD 8

1 This Standard Bidding Document must form part of all bids invited.

2 It serves as a declaration to be used by institutions 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 disregarded if that bidder, or any of its directors have-

a. abused the institution's supply chain management system;
b. committed fraud or any other improper conduct in relation to such system; or
c. failed to perform on any previous contract.

4 In order to give effect to the above, the following questionnaire must be completed and submitted with the bid.

5

Item	Question	Yes	No
1.1	Is the Tenderer 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? **(Companies or persons who are listed on this database were informed in writing of this restriction by the National Treasury after the *Audi alter am partem* rule was applied).**	Yes ☐	No ☐
1.1.1	If so, furnish particulars:		
1.2	**Is the Tenderer 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)? (To access this Register enter the National Treasury's website, www.treasury.gov.za, 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).**	Yes ☐	No ☐
1.2.1	If so, furnish particulars:		
1.3	Was the Tenderer 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 ☐	No ☐
1.3.1	If so, furnish particulars:		
1.4	Does the Tenderer 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 ☐	No ☐
1.4.1	If so, furnish particulars:		
1.5	Was any contract between the Tenderer 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 ☐	No ☐
1.5.1	If so, furnish particulars:		

***where the entity tendering is a joint venture, each party to the joint venture must sign a declaration in terms of the Municipal Finance Management Act and attach it to this schedule**

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.

Signed ……………………………………… **Date** ………………………………………

Name ……………………………………… **Position** ………………………………………

Bidder ………………………………………………………………………………

CERTIFICATE OF INDEPENDENT BID DETERMINATION

1 This Municipal Bidding Document (MBD) must form part of all bids[1] 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).[2] Collusive bidding is a *per 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 (MBD 9) must be completed and submitted with the bid:

[1] Includes price quotations, advertised competitive bids, limited bids and proposals.

[2] 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:

____

(Name of Municipality / Municipal Entity)

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[3] 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

PROOF OF CSD REGISTRATION

Bidders MUST attach a RECENT (not older than thirty days from tender closing date) full comprehensive (not a summary) CSD Registration report

MUNICIPAL UTILITY ACCOUNT / LEASE AGREEMENT / PROOF OF RESIDENCE

(Affix hereto CURRENT proof of municipal services account for tax & rates not owing more than three (3) months hereto) / Valid lease Agreement / Proof of Residence for bidders that reside in non-billed municipal area or jurisdiction

COMPULSORY ENTERPRISE QUESTIONNAIRE

The following particulars must be furnished. In the case of a joint venture, separate enterprise questionnaire in respect of each partner must be completed and submitted.

Section1: Name enterprise: ....

Section2: VAT registration number, if any: ....

Section3: CIDB registration number, if any: ....

Section4: Particulars of sole proprietor and partners in partnerships

Name*	Identity number*	Personal income tax number*

***complete only if sole proprietor or partnership and attach separate page if more than three partners**

Section5: particulars of companies and close corporations

Company registration number..

Close corporation number...

Tax reference number..

Section6: record of service of the state

Indicate by marking the relevant boxes with a cross, if any sole proprietor, partnership or director, manager, principal shareholder or stakeholder in a company or close corporation is currently or has been within the last 12 months in the service of any of the following:

- A member of any provincial legislature
- A member of the national assembly or the National Council of Province
- A member of the board of directors of any Municipal entity
- An official of any municipality or municipal entity
- A member of any municipal council
- An employee of any provincial department national or provincial public entity or constitutional institution within the meeting of public finance management Act, 1999 (act 1 of 1999)
- A member of an accounting authority of any national or provincial public entity
- An employee of parliament or a provincial legislature
  If any of the above boxes are marked, disclose the following: (insert separate page if necessary)

Name of sole proprietor, partner, director, manager, principal shareholder or stakeholder	Name of institution, public office, board or organ of state and position held	Status of service (tick appropriate column)	
		Current	**Within last 12 months**

*insert separate page if necessary

Section7: Indicate by marking the relevant boxes with a cross, if any sole proprietor, partnership or director, manager, principal shareholder or stakeholder in a company or close corporation is currently or has been within the last 12 months in the service of any of the following:

- A member of any provincial legislature
- A member of the national assembly or the National Council of Province
- A member of the board of directors of any Municipal entity
- An official of any municipality or municipal entity
- A member of any municipal council
- An employee of any provincial department national or provincial public entity or constitutional institution within the meeting of public finance management Act, 1999 (act 1 of 1999)
- A member of an accounting authority of any national or provincial public entity
- An employee of parliament or a provincial legislature

Name of spouse, child or parent	**Name of institution, public offices, board or organ of state and position held**	**Status of service (tick appropriate column)**	
		current	**Within last 12 months**

*insert separate page if necessary

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

(i) Authorise the employer to obtain a tax clearance certificate from the South African Revenue services that my/our tax matters are in order;

(ii) Confirms that the neither the name of the enterprise or the name of any partner, manage, director or other person, who wholly or partly exercises, or may exercise, control over the enterprise appears on the register on the tender defaulters established in terms of the prevention and combating of corrupt activities Act of 2004;

(iii) Confirms that no partner, member, director or other person, who wholly or partly exercises, or may exercise, control over the enterprise appears, has within the last five years been convicted of fraud or corruption;

(iv) Confirms that I / we are not associated, linked or involved with any other tendering entities submitting tender offers and have no other relationship with any of the tenderers or those responsible for compiling the scope of work that could cause or be interpreted as a conflict of interest;

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

Signed .... Date ....

Name.. Position..

Tendered...

COMPANY INFORMATION:

HEAD OFFICE	
Physical address Building: Street: Suburb: City/Town: Province District/Metropolitan Council: Local Municipality:	
Postal address	
Telephone no.	
Fax no.	
E-mail	
If subsidiary company- state name of holding company	

DETAILS OF BRANCH OFFICES:

BRANCH OFFICE (The office submitted the bid)	
Physical address Building: Street: Suburb: City/Town: Province District/Metropolitan Council: Local Municipality:	
Postal address	
Telephone no.	
Fax no.	
E-mail	
If subsidiary company- state name of holding company	

EVALUATION CRITERIA

Proposals documents will be evaluated in three phases. The evaluation criteria for the assessment of the proposals will be on mandatory returnable documents, functionality and financial aspects.

In the first phase:

Bids will be evaluated on mandatory returnable documents as listed and required in the document.

In the second phase:

Proposals will be evaluated according to the functionality criteria indicated apart from those laid down in the preferential procurement regulations, 2017 pertaining to the preferential procurement policy framework Act 5 of 2000.Bidders are expected to score a minimum of **60%** to be considered for further evaluation (Stage 3):

Criteria	Guidelines for criteria application	Value	Weight	Max.Value	Max. Score
Company Experience Provision of Meter Reading Service (Appointment letters /proof of purchase orders) in excess of R 30 000 (Vat Incl.)	- 7 or more Letters / PO's - 4 -6 Letters / PO's - 1 - 3 Letter(s) / PO's	5 3 1	**5**	**5**	**25**
IT system: List 5 instances where the bidder`s system has interfaced with the Munsoft system and attach letters of confirmation from current or previous employer.	- 5 letters confirming integration with Munsoft - System capable to integrate with Munsoft - System not capable to integrate with Munsoft	5 4 0	**3**	**5**	**15**
Relevant experience of proposed key personnel for this project The Project Manager has completed 5 similar projects. (Recommendation letters from previous employer must be attached). It must include the project period, amount, contact details & Contact Person. Attach a comprehensive Curriculum Vitae and certified copies of qualifications not older than three months.	- 6 attached recommendation letter and complete CV - 4 – 5 attached recommendation letter and complete CV - 1 – 3 attached recommendation letter and complete CV	5 3 2	**3**	**5**	**15**
Understanding of the bidder`s meter reading validation procedure to be applied in ensuring that corrupt readings are detected and corrected. Attach a detailed presentation with at least 3 pictures of corrupt readings and the process thereafter of fixing them before submitting for billing.	5 points allocated a detailed presentation with at least 3 pictures of corrupt readings and the process thereafter of fixing them before submitting for billing.	1 0	**5**	**5**	**5**

Statistical procedures, data collecting, securing collected data and reporting The bidder must attach 5 pictures of meter reading devices and proofs of ownership for each device E.g. invoice. Attach system generated reports relating to the number of readings captured, zero consumption, and the number of meters not read. Attach a picture of the server which clearly displays its size as well as proof of ownership.	1 point allocated to each meter reading device with proof of ownership combined with billing reports and server. Failure to attach both will lead to zero allocation.	1 0	**5**	**5**	**15**
Logistic capabilities and support systems/plans offered by the potential Service Provider The bidder must attach pictures of the below-listed information. • Business space/offices. • 3 well-maintained vehicles clearly marked with the logo of the meter reading contractor and proof of ownership. (proof of ownership may be certified copies of motor vehicle licence (MVLX) or motor vehicle licence and licence disc (MVL1) or certificate of registration (RC1) or any valid document issued by the department of transport) • Company organogram. • Identification Cards of meter readers • Company Registered Electronic Mailbox	attach pictures of the below-listed information. • Business space/offices. • 5 well-maintained vehicles clearly marked with the logo of the meter reading contractor and proof of ownership. (proof of ownership may be certified copies of motor vehicle licence (MVLX) or motor vehicle licence and licence disc (MVL1) or certificate of registration (RC1) or any valid document issued by the department of transport) • Company organogram. • Identification Cards of meter readers • Company Registered Electronic Mailbox	1 0	**5**	**5**	**5**
Method Statement and Approach A detailed presentation not exceeding 10 pages on how the bidder will ensure a monthly reading rate of 98% and that the billing target date is adhered to. The allocation of points will be based on the following key components: • Timely submission of readings • Validation reports • Timely submission of test readings • Dealing with gate locks • Dealing with private locks	- Attached a clear, excellent method statement with a proposed solution, timeframes, with preventive measures on unforeseen disruptions on service to be rendered - Attached an acceptable method statement with timelines - Attached method statement and approach with no timelines - No approach statement and approach attached	5 3 2 0	**4**	**5**	**20**
TOTAL POINTS ON FUNCTIONALITY					**100**

In the third phase (Stage 3):

Scoring financial offer:

- 80 where the financial value inclusive of VAT of one or more responsive tender offers equals or is above R30 000 and up to R50 000 000.

Scoring preferences:

The BBBEE balanced scorecard

BBBEE score: W=80 W1=90

20(MAX) 10(MAX)

Bidders are required to submit original and valid B-BBEE status level verifications certificates or certified copies thereof together with their bids, so substantiate their B-BBEE rating claims as stipulated in the revised preferential procurement regulations of 2017.

A bidder who scores the highest overall points will be considered for tender award. The council reserves the right to appoint more than one service providers.

PART C2 PRICING DATA

C2.1 Pricing Assumptions

C2.1.1.1 The Bills of Quantities have been drawn up with estimated quantities of current Municipal Consumers accounts, these are not accurate and may vary on a month-to-month basis.

C2.1.1.2 Prospective bidders must price the Bill of Quantities in accordance to stipulated Units and in Rand currency.

C2.1.1.3 The quoted prices must be all inclusive of all costs of delivering the service. The Employer may not be held liable for any additional costs that the service provider have not catered for in the Bill.

C2.1.1.4 Any variations on the prices may only be allowed in line and in accordance with the SCM Policy of Lekwa Local Municipality, and MFMA Circular No. 62.

C 2.2 BILL OF QUANTITIES

Monthly Activities	Quantities	Cost per Unit	Total Cost per month (VAT Excluded)	Total Cost per Annum (VAT Excluded)
Water meter Reading	18 919	R	R	R
Electricity meter readers	2527	R	R	R
Validate meter Readings	300	R	R	R
Start and Final readings (Standerton, Sakhile, Farm Areas & Morgenzon	300	R	R	R
Test readings (COM & clients requests)	300	R	R	R
Sub-total (Excl. VAT)				
15% VAT				
Total (Inc. VAT)				
Percentage % of Annual Escalation (Not exceeding ten percent annually)				

DETAILS OF PERSON THAT HAS COMPLETED THE SCHEDULE OF QUANTITIES :

NAME	RELATIONSHIP TO TENDERING COMPANY
SIGNATURE	CONTACT DETAILS

PART C3 SCOPE OF WORK / SPECIFICATION

C3.1 Description of the Service

Lekwa Local Municipality requires to appoint a service provider to perform Meter Reading Service for a period of 36 Months. The service providers will be responsible for amongst others:

- Reading all water and electricity [energy (kWh) and demand (kVA)] meters including all bulk meters but excluding meters read remotely/electronically (AMR) and all readings must be supported by clear photos;
- Reading meters where devices exceeding hand-held tools and keys, for example, a crane and/or a lifting device is required to gain access to the meter;
- Applying valid statistical methods to check deviations on readings as well as validating all meter readings before submission;
- Doing physical inspections and checks to confirm the accuracy and reliability of readings received from the meter readers as well as the performance and activities of meter readers;
- Following up, confirming, checking, or testing meter readings as and when required.
- These readings must be confirmed with a clear and useable photo;
- Taking first/start and end/final readings for new customers and customers moving out of properties/premises;
- Reading bulk water meters (Zone Meters) when and where applicable;
- Detecting and reporting informal (illegal) water and electricity connections or possible tampering to meters;
- Submitting standard monthly reports regarding the following
    - Zero consumption readings.
    - Meters not read and reasons.
    - Obvious water leakages
    - Replaced meters.
    - Suspected tampering.
    - Faulty meters.
    - List of new meters not on the billing system.

- Ensuring that meter boxes and installations are closed, locked, and left in the same or better conditions after readings have been taken. Where applicable, water meters must be covered again after readings have been taken;
- Ensuring that the services are always conducted by well-trained personnel in neat, clean, and clearly marked clothing;
- Ensuring that sufficient, well-maintained company vehicles, with the meter reading contractor`s company logo, details, and telephone numbers clearly visible to clients, are available to conduct the services required by Lekwa Local Municipality. Proof of car registration and photos of the vehicles must accompany the tender document;
- Establishing a local office with a senior supervisor who must comply with the requirements of Lekwa Local Municipality;
- The Meter Reading Management System must be compatible and interface with the Lekwa Local Municipality Billing System for the electronic uploading of meter readings. The system must be able to store at least 5 years of meter reading data.
- Online access to the meter reading contractor`s meter reading system must be granted to Lekwa Local Municipality billing officials for enquiries.
- The MRC shall take first/start and final/end readings or so-called move in/move out readings of water and electricity. These readings are required on a specific date and must be undertaken within 1 (one) working day of the issuing of such instruction.
- The management of the MRC must arrange and meet at least quarterly with Lekwa Local Municipality `s billing management.
- All validated meter readings must be submitted/exported to Lekwa Local Municipality before close of the last working day of the month. The readings of electronic meters programmed to read and reset at 24h00 on the last day of the month must be submitted/exported to Lekwa Local Municipality before close of the second working day in the following month. The penalty clause will be imposed in cases of noncompliance.

Meter Reading Equipment & Appliances

The use of Electronic Meter Reading Devices is **compulsory**. Minimum capabilities are as follows:

a) On-site reading validation based on configurable parameters.
b) Meter number validation.
c) Meter digit/dial/number validation.
d) Reading remarks and fault descriptions in both free form and code format.
e) Capable to capture multiple digital photographs/images (5 megapixels or more) of meters, readings and/or possible faults/problems. Photos/images must be of good quality, clear and reproduce the required information and be useable.
f) Capable to acquire GPS co-ordinates by use of either network or satellite information.
g) Capture meter location information.
h) Real time uploading of information.
i) Real time access to all information.
j) The MRC will provide all the necessary tools, equipment and apparatus to carry out the work required.
k) The MRC will carry all maintenance and insurance costs for the abovementioned tools, equipment and apparatus
l) Cell phones must be compatible with the operating system.
m) The MRC will bear the cost to receive and send data from and to the cell phone, equipment or appliances.
n) The MRC will bear the cost for the software application needed on the phones, equipment or appliances to upload and download data.

Provide all hardware, software and vehicle requirements

a) The MRC must provide all hardware such as computers, hand held terminals, cell phones, appliances or devices needed to capture meter data and readings, all software and computer hardware required for data processing and adequate vehicles to transport the meter readers and the supervisor/s. The computers and data of the MRC must be available for inspection at the MRC's premises by designated Council personnel at any time during normal office hours.
b) The software must be a Microsoft SQL 2012 data base that can interface with the Lekwa Local Municipality data base and to the Venus Financial System. The data base diagrams and layouts must be made available to Lekwa Local Municipality's Information, Communication and Technology Department.
c) The MRC data base must be compatible with the Lekwa Local Municipality data base and information system so that daily backups of all data and information can be done to the Lekwa Local Municipality data base and information system for security, access reasons and requirements. A rack mounted server must be made available to the ICT Department. This will also assist with the up and downloading of meter readings and other information and to access information required by Lekwa Local Municipality.
d) The MRC is also required to take daily backups of all the information through their main system or external devices and such device/s must be kept in a safe place.
e) The MRC must have sufficient, well maintained company vehicles to perform its mandate and at least one vehicle must be able to travel on two spoor farm roads.
f) The vehicles must be clearly marked with the MRC's logo and company details that can be identified by Lekwa Local Municipality and the clients with a clearly visible telephone number that can be contacted

Appointment of staff

All staff appointed will report directly to the MRC and no contractual relationship will exist between Council and the appointed employees. The MRC must ensure that all meter reading staff appointed comply with the Lekwa Local Municipality's access to Low Tension and High Tension electricity installation requirements and they must be authorized to access the installations and meter boxes by Lekwa Local Municipality's Competent Person through the Energy (Electrical) Department. Any contractor or staff member of the MRC who conducts himself/herself in an unacceptable manner shall be withdrawn from performing the service immediately. The MRC shall be informed in writing and Lekwa Local Municipality's decision in this respect shall be final

The MRC shall investigate and institute the necessary criminal and legal steps if requested by Lekwa Local Municipality where a member of the MRC is reported to have tampered with any installation or meter and/or intimidates, harasses or threatens any client/resident/consumer in any way. The progress and outcome of such case/s must be reported to Lekwa Local Municipality monthly until it has been finalized.

Any costs to replace the meter or repair the installation shall be for the account of the MRC and may be deducted from the monthly payment to the MRC.

Under no circumstances may the MRC or a staff member of the MRC accept or receive any money/payments from clients/consumers in respect of payment intended for Lekwa Local Municipality.

The MRC must conduct physical inspections and checks to confirm the accuracy and reliability of readings as well as the performance and activities of the meter readers.

The meter readers must ensure that meter boxes/installations are locked and left in the same or better condition after readings have been taken

Provide all training

It will be expected from the MRC to train and transfer skills to local meter readers. Meter readers must be trained to perform their work in accordance with the requirements of this contract, the use of the handheld recording devices, know and understand the different types of meters, be able to accurately read the electronic and other reading displays as well as the use of error codes and comments during the meter reading process. The meter readers will have access to and work in close proximity to dangerous electrical equipment and high voltages. The MRC must comply with the requirements of the Occupational Health and Safety Act (85 of 1993).

If untrained meter readers are appointed by the MRC, training of untrained meter readers is to take place without delay after awarding of the tender and before the actual meter reading commences. The course material, programme, and results must be submitted to the CFO and the CFO must approve the training content in collaboration with the Manage Electricity before training commences. The successful bidder must ensure that all the meter readers in his employ shall carry visible identification and wear identifiable uniforms at all times while performing the task of reading meters.

Meter Reading Period

The MRC undertakes from a date as mutually agreed upon and to be confirmed by the CFO in writing:

a) To read all water and all electricity meters of the Council in the areas for which the MRC is appointed on a monthly basis so that the reading period of each and every meter will be as close as possible to 30 (thirty) calendar days.
b) To capture meter readings on electronic meter reading equipment and devices approved by the CFO.
c) To download these readings daily onto the approved data capturing computer system of the MRC.
d) To verify all readings for deviations and abnormal consumptions before submission.
e) To do check or test readings to confirm the accuracy or reliability of all readings taken by the MRC.
f) To download the reliable and accurate readings electronically every day or other period at the time intervals and in the form and manner as determined by Lekwa Local Municipality to the Lekwa Local Municipality’s financial computer systems (Munsoft System) by an application compatible with the Lekwa Local Municipality’s financial system and approved by Lekwa Local Municipality.
g) To do check or test readings shown on Lekwa Local Municipality’s deviation and abnormal consumption reports at no additional costs and confirmed with a photo.

The CFO, in conjunction with the MRC, will determine at least 30 days before the commencement of the contract, the cycle(s) at which specific areas are to be read and the information returned to Lekwa Local Municipality. Where meters cannot be read in any given month for reasons that the Lekwa Local Municipality finds acceptable, a reading will be required in the following month. The MRC must inform the Lekwa Local Municipality of all instances where it believes the conditions to take readings is impossible and will persist, to enable the Lekwa Local Municipality to address such problems where applicable.

Meters to be read

The meters to be read will be per the following Service Delivery Areas i.e. Standerton, Sakhile, Morgenzon and farm areas. The total number of water and electricity meters to be read is quantified in the **BILL OF QUANTITIES.** These quantities are however subject to change and could decrease as the project to install electronic AMR meters progresses. Currently a small number of AMR electricity meters are still installed for domestic use but the majority were changed back to conventional or prepaid electricity meters. Most of the LPU's and Commercial customers have also been switched to AMR meters. Some of the Lekwa Local Municipality departmental meters have also been switched to AMR meters.

The numbers stated in the **Bill of Quantities** will be reduced where it is found that meters were not read or services not rendered without good reason. The MRC must manage and monitor the meter readers and their activities. The meter reading routes devised by the MRC in conjunction with the Lekwa Local Municipality and other relevant information, such as meter positions, shall become the property of the Council upon the termination of the Contract.

Meter Reading Management System

The system used by the MRC must comply with the following minimum basic functionalities:

a) Compatible to import consumer and meter data from to the Lekwa Local Municipality financial information system.
b) Group meter data in book/route format for gathering of meter information electronically.
c) Exchange data with electronic hand held meter reading devices.
d) Validate readings based on configurable parameters as dictated by Lekwa Local Municipality.
e) Schedule and process test readings and validations.
f) Optimize meter reading books/routes.
g) Manage delivery targets.
h) Maintain meter location information in both descriptive and GPS formats.
i) Configure reports on all aspects of the meter reading process.
j) Compatible to export reading data in a file format acceptable to be imported into Lekwa Local Municipality financial system.
k) Store and maintain reading history for a minimum period of 24 months.
l) Allow access to history information for designated Lekwa Local Municipality personnel for enquiry purposes.
m) Store meter reader, test reading, photos/images, dates as well as other check and monitoring data that can be accessed to confirm the reliability of the data and meter readings.
n) ALL data acquired and created is the property of the Lekwa Local Municipality.
o) **Access to the MRC's system MUST be made available to Lekwa Local Municipality to enable designated personnel from the Billing Section access to the MRC's online system in order to enquire on and confirm any readings. Any costs to synchronize the compatibility of the two systems will be for the account of the MRC**.

Meter reading audit

Lekwa Local Municipality expects a 100% read rate every month as part of its endeavor to render reliable and realistic accounts to its clients. In order to ensure an effective service to the Community and to limit Council's losses as a result of incorrect and no readings submitted by the MRC, Council will on a monthly basis audit meters read by the MRC. A 2,5% sample of meters to be audited shall be chosen randomly by the Council and shall be taken to be representative of the population. The MRC shall have no knowledge of the meters to be audited prior to the reading thereof.

The Council reserves the right to calculate the random sample per stand and to read both the water and electricity meters (type of meter/s applicable) on that stand. Similarly all three phase meters or both meters of a combination meter on a specific stand may be included in the random sample.

The Lekwa Local Municipality will provide the MRC with the results of the audit and the specific detail of the meters where the MRC's readings are considered to be errors. Incorrect readings imported because of readings that were not validated prior to submission will also be considered in the results of the audit. The MRC will have the opportunity to scrutinize and dispute the findings before a final report will be submitted. The essence of this report will be to determine the percentage error made by the MRC including inter alia:

a) incorrect reading (includes current and previous month/s)
b) incorrect meter number
c) unread meters citing the reasons
d) meters not registering or not registering correctly
e) incorrect readings imported as a result of readings not validated prior to submission
f) other related information

Based on the report and findings of the meter audit, the following penalties will be enforced as a deduction in the money owed to the MRC as set out below.

	Error %	Penalty
1)	0-2%	No penalty
2)	more than 2% to 5%	5%
3)	more than 5% to 8%	15%
4)	more than 8% to 12%	25%
5)	more than 12% to 20%	50%
6)	more than 20%	100%

The above penalties are for the amount due for the area for a specific month. Penalties shall be enforced from the start of the contract but the MRC will be given at least a two month lead in time, as is the intention, or else two months after the start of the contract, and thereafter for every consecutive month. The first two months shall be allowed for the MRC to resolve any aspects which may hinder the performance of this contract.

In addition to the above, the MRC will be liable for penalties for the late submission of reading information. The reading schedule is linked to the Lekwa Local Municipality's billing cycle and late submission has far reaching effects on the billing process and the Lekwa Local Municipality's service delivery to residents and the planned billing process and dates. The schedule for the daily submissions shall be agreed upon by both parties (Lekwa Local Municipality and MRC) and the MRC shall submit the final schedule by not later than the fourth (4th) working day of the new month. The penalties will be applicable to the initial submission of the reading schedule as well as the final schedule after the deviation report has been read or worked through.

The penalties shall apply to the book/s not received on the dates as agreed upon on the schedule and calculated according to the number of meters coupled to the meter book/s and the tariff per meter as per agreement. The penalties will be calculated as set out below:

Days late	Penalty
1	No penalty
2	5%
3	10%
4	20%
5	40%
more than 5	60%

Start and Final Readings

The MRC shall on instruction of the Chief Financial Officer undertake first/start and final/end readings or so-called move in/move out readings of water and electricity. These readings are required on a specific date and must be undertaken within one (1) working day of the issuing of such instruction by Lekwa Local Municipality. These readings are priced separately in the Bill of Quantities. The information is to be returned on the completed Application for services or Termination form or electronically to customer service with every first/start or final/end reading and shall include at least the following but additional information may be required:

1) Customer account number (preferably) or alternatively a number indicating the township, extension, stand number and portion,
2) Error code,
3) Meter number,
4) Last reading and date the reading was taken on.

Reports

The MRC shall regularly on a monthly basis or as otherwise agreed to with the CFO, in electronic format, report to the billing section:

a) Damage to meters, installations, meter boxes, or equipment;
b) Obvious water leakages observed during readings;
c) Illegal connections;
d) Meters that do not register and/or meters that apparently do not register correctly;
e) Meters and other related matters which for one or another reason must be attended to;
f) Stands without any meters;
g) Electricity meter boxes with broken locking devices and without locks;
h) The presence of bees in meter boxes;
i) Obvious signage or signs that indicate residential properties are not being used as such;
j) Any unrecorded connections that are not on the database but where a meter is present;
k) Any abnormalities noticed in the immediate vicinity of Council's meters e.g. damaged electrical equipment, ingress of plants, etc.

The submission these reports on the electricity and water meters must be done in such a way that separation of the two services is possible for ease of use by the departments. Separation must include meters in kiosks, outside kiosks, industrial, residential etc.

Invoices submitted for payment must be made out accordingly and specify quantities as per the applicable report.

Follow up and test meter reading

The managing contractor shall, when required by the CFO to perform interim test, check or re-readings and within one working day of receipt of such instruction in writing, report the findings in electronic format to the CFO. The MRC is to price separately for test, check or re-reading of meters, with the proviso that no payment will be certified if a test reading or re-reading indicates that the original reading was erroneous. The data of test, check or re-reading of meters shall be confirmed with a photo and returned to the CFO with the following information on every reading request:

a) Customer account number or alternatively a number indicating the township, extension, stand number and portion;
b) Meter number;
c) Reading and date thereof;
d) Error code if applicable.

Handover and induction period

The MRC will be given two months to prepare and work with the existing meter readers to familiarise themselves with the layout and position of meters, process and systems of the municipality.

Office Space

The MRC shall acquire safe and suitable office space to conduct business from. The premises must be easy accessible to officials of Lekwa Local Municipality with safe parking.

PART C3.4: GENERAL CONDITIONS OF CONTRACT

1. Definitions

The following terms shall be interpreted as indicated:

1.1. **“Closing time”** means the date and hour specified in the bidding documents for the receipt of bids.
1.2. **“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.
1.3. **“Contract price”** means the price payable to the supplier under the contract for the full and proper performance of his contractual obligations.
1.4. **“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.
1.5. **"Countervailing duties"** are imposed in cases where an enterprise abroad is subsidized by its government and encouraged to market its products internationally.
1.6. **“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.
1.7. **“Day”** means calendar day.
1.8. **“Delivery”** means delivery in compliance of the conditions of the contract or order.
1.9. **“Delivery ex stock”** means immediate delivery directly from stock actually on hand.
1.10. **“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 supplies are so delivered and a valid receipt is obtained.
1.11. **"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.
1.12. **”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.
1.13. **“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.
1.14. **“GCC”** means the General Conditions of Contract.

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

1.16.**“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 supplies covered by the bid will be manufactured.

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

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

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

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

1.21.**“Purchaser”** means the organization purchasing the goods.

1.22.**“Republic”** means the Republic of South Africa.

1.23.**“SCC”** means the Special Conditions of Contract.

1.24.**“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.

1.25.**“Written”** or “in writing” means handwritten 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, 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 supplies, 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 sub**m**ission of a bid. Where applicable a non-refundable fee for documents may be charged.

3.2. With certain exceptions, invitations to bid are only published in the Government Tender Bulletin. The Government Tender Bulletin may be obtained directly from the Government Printer, Private Bag X85, Pretoria 0001, or accessed electronically from www.treasury.gov.za

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

5.3. except for purposes of performing the contract.

5.4. Any document, other than the contract itself mentioned in GCC clause

5.5. 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.

5.6. 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**

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.

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:

7.3.1. 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

7.3.2. 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 in SCC.

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 supplies to be produced or services to be rendered should at any stage during production or execution or on completion be subject to inspection, the premises of the bidder or contractor shall be open, at all reasonable hours, for inspection by a representative of the Department or an organization acting on behalf of the Department.

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 supplies 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 supplies or services referred to in clauses 8.2 and 8.3 do not comply with the contract requirements, irrespective of whether such supplies or services are accepted or not, the cost in connection with these inspections, tests or analyses shall be defrayed by the supplier.

8.6. Supplies 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 supplies 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 supplies 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 supplies which do comply with the requirements of the contract. Failing such removal the rejected supplies shall be returned at the suppliers cost and risk. Should the supplier fail to provide the substitute supplies forthwith, the purchaser may, without giving the supplier further opportunity to substitute the rejected supplies, purchase such supplies 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 23 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 and 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, specified in SCC, and in any subsequent instructions ordered by the purchaser.

10. **Delivery and documents**

10.1. Delivery of the goods shall be made by the supplier in accordance with the terms specified in the contract. The details of shipping and/or other documents to be furnished by the supplier are specified in SCC.

10.2. Documents to be submitted by the supplier are specified in SCC.

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 in the SCC.

12. **Transportation**

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

13. **Incidental services**

13.1. The supplier may be required to provide any or all of the following services, including additional services, if any, specified in SCC:

13.1.1. performance or supervision of on-site assembly and/or commissioning of the supplied goods;

13.1.2. furnishing of tools required for assembly and/or maintenance of the supplied goods;

13.1.3.furnishing of a detailed operations and maintenance manual for each appropriate unit of the supplied goods;

13.1.4. 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

13.1.5. 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 in SCC, 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 in SCC. The purchaser shall promptly notify the supplier in writing of any claims arising under this warranty.

15.3. Upon receipt of such notice, the supplier shall, within the period specified in SCC and with all reasonable speed, repair or replace the defective goods or parts thereof, without costs to the purchaser. If the supplier, having been notified, fails to remedy the defect(s) within the period specified in SCC, 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 in SCC.

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 in SCC.

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 in SCC or in the purchaser's request for bid validity extension, as the case may be.

18. **Contract amendments**
18.1. No variation in or modification of the terms of the contract shall be made except by written amendment signed by the parties concerned.

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 contracts 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. No provision in a contract shall be deemed to prohibit the obtaining of supplies or services from a national department, provincial department, or a local authority.
21.4. 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 supplies are required, or the supplier's services are not readily available.
21.5. 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 without the application of penalties.
21.6. Upon any delay beyond the delivery period in the case of a supplies contract, the purchaser shall, without cancelling the contract, be entitled to purchase supplies 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:

- 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;
- if the Supplier fails to perform any other obligation(s) under the contract; or
- if the supplier, in the judgment 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 intended penalty as not objected against and may impose it on the supplier.

23.5. Any restriction imposed on any person by the Accounting Officer / Authority will, at the discretion of the Accounting Officer / Authority, 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 Accounting Officer / Authority 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. **Anti-dumping and countervailing duties and rights**

24.1. When, after the date of bid, provisional payments are required, or antidumping 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 anti-dumping 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 contractor to the State or the State may deduct such amounts from moneys (if any) which may otherwise be due to the contractor in regard to supplies 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. Mediation proceedings shall be conducted in accordance with the rules of procedure specified in the SCC.

27.5. 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.

28. **Limitation of liability**

28.1. Except in cases of criminal negligence or wilful 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 in SCC.

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 the Department must be in possession of a tax clearance certificate, submitted by the bidder. This certificate must be an original issued by the South African Revenue Services.

33. **National Industrial Participation (NIP) Programme**

33.1. The NIP Programme administered by the Department of Trade and Industry shall be applicable to all contracts that are subject to the NIP obligation.

34. **Prohibition of Restrictive practices**

34.1. 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 (or bid rigging).

34.2. 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 the Competition Act No. 89 of 1998.

34.3. 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.

35. The General Conditions of Contract for Construction Works, Second Edition, 2010, published by the South African Institute of Electrical Engineering, Private Bag X200, Halfway House, 1685, are applicable to this Contract.

Clause	Wording (Data)
1.1.1.13	The Defects Liability Period is not applicable
1.1.1.15	The name of the Employer is Lekwa Local Municipality
1.1.1.26	The Pricing Strategy is Fixed Price Contract.
5.3.1	The documentation required before commencement with Works execution are: • Health and Safety Plan (Refer to Clause 4.3) • Initial programme (Refer to Clause 5.6) • Insurance (Refer to Clause 8.6)
5.3.2	The time to submit the documentation required before commencement with Works execution is 14 days.
5.8.1	The non-working days are Sundays The special non-working days are: (1) Public holidays (2) The year-end break commencing on 11 December 2020 and ending on 8 January 2021
5.13.1	The penalty for failing to complete the Works is **R1500** per calendar day
6.8.2	The value of payment certificates is to be adjusted in accordance with the Contract
6.10.1.5	The percentage advance on materials not yet built into the Permanent Works is 80%.
6.10.3	The limit of retention money is 10% to a maximum of 5% of the contract value.

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APPENDICES

APPENDIX A Standard Conditions of Tender

Standard Conditions of Tender
(AS PER GOVERNMENT GAZETTE NO. 29138 OF 18 AUGUST 2006)
(As contained in Annexure F of the Standard for Uniformity in Construction Procurement)

F.1 General

F.1.1 Actions

The employer and each tenderer submitting a tender offer shall comply with these conditions of tender. In their dealings with each other, they shall discharge their duties and obligations as set out in F.2 and F.3, timeously and with integrity, and behave equitably, honestly and transparently.

F.1.2 Tender Documents

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

F.1.3 Interpretation

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

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

F.1.3.3 For the purposes of these conditions for the calling for expressions of interest, the following definitions apply:

a) **comparative offer** means the tenderer's financial offer after the factors of non-firm prices, all unconditional discounts and any other tendered parameters that will affect the value of the financial offer have been taken into consideration

b) **corrupt practice** means the offering, giving, receiving or soliciting of anything of value to influence the action of the employer or his staff or agents in the tender process; and

c) **fraudulent practice** means the misrepresentation of the facts in order to influence the tender process or the award of a contract arising from a tender offer to the detriment of the employer, including collusive practices intended to establish prices at artificial levels

d) **quality (functionality)** means the totality of features and characteristics of a product or service that bear on its ability to satisfy stated or implied needs.

F.1.4 Communication and employer's agent

Each communication between the employer and a tenderer shall be to or from the employer's agent only, and in a form that can be read, copied and recorded.

Writing shall be in the English language. The employer shall not take any responsibility for non-receipt of communications from or by a tenderer. The name and contact details of the employer's agent are stated in the tender data.

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

F.1.5.1 The employer may accept or reject any variation, deviation, tender offer, or alternative tender offer, and may cancel the tender process and reject all tender offers at any time before the formation of a contract. The employer shall not accept or incur any liability to a tenderer for such cancellation and rejection, but will give written reasons for such action upon written request to do so.

F.1.5.2 The employer may not subsequent to the cancellation or abandonment of a tender process or the rejection of all responsive tender offers re-issue a tender covering substantially the same scope of work within a period of six (6) months unless only one tender was received and such tender was returned unopened to the tenderer.

F.2 Tenderer's obligations

F.2.1 Eligibility

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

F.2.2 Cost of tendering

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

F.2.3 Check documents

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

F.2.4 Confidentiality and copyright of documents

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

F.2.5 Reference documents

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

F.2.6 Acknowledge addenda

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

F.2.7 Clarification meeting

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

F.2.8 Seek clarification

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

F.2.9 Insurance

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

F.2.10 Pricing the tender offer

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

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

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

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

F.2.11 Alterations to documents

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

F.2.12 Alternative tender offers

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

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

F.2.13 Submitting a tender offer

F.2.13.1 Submit a tender offer to provide the whole of the works, services or supply identified in the contract data, unless stated otherwise in the tender data.

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

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

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

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

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

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

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

F.2.14 Information and data to be completed in all respects

Accept that tender offers, which do not provide all the data or information requested completely and in the form required, may be regarded by the employer as non-responsive.

F.2.15 Closing time

F.2.15.1 Ensure that the employer receives the tender offer at the address specified in the tender data not later than the closing time stated in the tender data. Proof of posting shall not be accepted as proof of delivery. The employer shall not accept tender offers submitted by telegraph, telex, facsimile or e-mail, unless stated otherwise in the tender data.

F.2.15.2 Accept that, if the employer extends the closing time stated in the tender data for any reason, the requirements of these conditions of tender apply equally to the extended deadline.

F.2.16 **Tender offer validity**

F.2.16.1 Hold the tender offer(s) valid for acceptance by the employer at any time during the validity period stated in the tender data after the closing time stated in the tender data.

F.2.16.2 If requested by the employer, consider extending the validity period stated in the tender data for an agreed additional period.

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

Provide clarification of a tender offer in response to a request to do so from the employer during the evaluation of tender offers. This may include providing a breakdown of rates or prices and correction of arithmetical errors by the adjustment of certain rates or item prices (or both). No change in the competitive position of tenderers or substance of tender offer is sought, offered, or permitted.
Note:
Sub-clause F.2.17 does not preclude the negotiation of the final terms of the contract with a preferred tenderer following a competitive selection process, should the Employer elect to do so.

F.2.18 **Provide other material**

F.2.18.1 Provide, on request by the employer, any other material that has a bearing on the tender offer, the tenderer's commercial position (including notarized joint venture agreements), preferencing arrangements, or samples of materials, considered necessary by the employer for the purpose of a full and fair risk assessment. Should the tenderer not provide the material, or a satisfactory reason as to why it cannot be provided, by the time for submission stated in the employer's request, the employer may regard the tender offer as non-responsive.

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

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

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

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

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

F.2.21 **Check final draft**

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

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

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

F.2.23 **Certificates**

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

F.3 The employer's undertakings

F.3.1 Respond to clarification

Respond to a request for clarification received up to five working days before to the tender closing time stated in the tender data and notify all tenderers who drew procurement documents.

F.3.2 Issue addenda

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

F.3.3 Return late tender offers

F.3.4 Return tender offers received after the closing time stated in the tender data, unopened, (unless it is necessary to open a tender submission to obtain a forwarding address), to the tenderer concerned.

F.3.5 Opening of tender submissions

F.3.5.1 Unless the two-envelope system is to be followed, open valid tender submissions in the presence of tenderers' agents who choose to attend at the time and place stated in the tender data. Tender submissions for which acceptable reasons for withdrawal have been submitted will not be opened.

F.3.5.2 Announce at the meeting held immediately after the opening of tender submissions, at a venue indicated in the tender data, the name of each tenderer whose tender offer is opened, the total of his prices, preferences claimed and time for completion, if any, for the main tender offer only.

F.3.5.3 Make available the record outlined in F.3.4.2 to all interested persons upon request.

F.3.6 Two-envelope system

F.3.6.1 Where stated in the tender data that a two-envelope system is to be followed, open only the technical proposal of valid tenders in the presence of tenderers' agents who choose to attend at the time and place stated in the tender data and announce the name of each tenderer whose technical proposal is opened.

F.3.6.2 Evaluate the quality of the technical proposals offered by tenderers, then advise tenderers who remain in contention for the award of the contract of the time and place when the financial proposals will be opened. Open only the financial proposals of tenderers, who score in the quality evaluation more than the minimum number of points for quality stated in the tender data, and announce the score obtained for the technical proposals and the total price and any preferences claimed. Return unopened financial proposals to tenderers whose technical proposals failed to achieve the minimum number of points for quality.

F.3.7 Non-disclosure

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

F.3.8 Grounds for rejection and disqualification

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

F.3.9 Test for responsiveness

F.3.9.1 Determine, on opening and before detailed evaluation, whether each tender offer properly received:

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

F.3.9.2 A responsive tender is one that conforms to all the terms, conditions, and specifications of the tender documents without material deviation or qualification. A material deviation or qualification is one which, in the Employer's opinion, would:

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

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

F.3.10 Arithmetical errors

F.3.10.1 Check responsive tender offers for arithmetical errors, correcting them in the following manner:

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

F.3.10.2 Consider the rejection of a tender offer if the tenderer does not correct or accept the correction of his arithmetical errors in the manner described in F.3.9.1.

F.3.11 Clarification of a tender offer

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

F.3.12 Evaluation of tender offers

F.3.12.1 General

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

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

F.3.12.2 Scoring financial offers

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

NFO = W1 x A

where:

N_{FO} = the number of tender evaluation points awarded for the financial offer.

W_1 = the maximum possible number of tender evaluation points awarded for the financial offer as stated in the tender data.

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

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

where:

Pm = the comparative offer of the most favourable tender offer.

P = the comparative offer of tender offer under consideration.

F.3.12.3 Scoring quality (functionality)

Score quality in each of the categories in accordance with the tender data and calculate total score for quality.

F.3.13 Insurance provided by the employer

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

F.3.14 Acceptance of tender offer

F.3.14.1 Accept tender offer only if the tenderer complies with the legal requirements stated in the tender data.

F.3.14.2 Notify the successful tenderer of the employer's acceptance of his tender offer by completing and returning one copy of the form of offer and acceptance before the expiry of the validity period stated in the tender data, or agreed additional period. Providing the form of offer and acceptance does not contain any qualifying statements, it will constitute the formation of a contract between the employer and the successful tenderer as described in the form of offer and acceptance.

F.3.15 Notice to unsuccessful tenderers

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

F.3.16 Prepare contract documents

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

a) addenda issued during the tender period,

b) inclusion of some of the returnable documents,

c) other revisions agreed between the employer and the successful tenderer, and

d) the schedule of deviations attached to the form of offer and acceptance, if any.

F.3.17 Issue final contract

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

F.3.18 Complete adjudicator's contract

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

F.3.19 Provide copies of the contracts

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