



LETSEMENG LOCAL MUNICIPALITY

APPOINTMENT OF PROFESSIONAL SERVICE PROVIDER FOR SOURCE OF FUNDING AND IMPLEMENTATION OF BULK INFRASTRUCTURE AND ELECTRIFICATION FOR LETSEMENG LOCAL MUNICIPALITY CONTRACT NO: LETS/FUND/2018/19

CLOSING DATE: 31 MAY 2019 (12:00)

Prepared by:
Letsemeng Local Municipality
No 7 Groottrek street
Koffiefontein
9986

NAME OF BIDDER	
CSD REGISTRATION NO	
TAX REFERENCE AND SARS PIN	
DELIVERY PERIOD	
AMOUNT (VAT incl.)	

ADDRESS	
TELEPHONE NUMBER	
FAX NUMBER	
E-MAIL ADDRESS	

The following particulars must be furnished /attached failure to do so WILL result in your bid being disqualified

No.	Details	Tick(x)
1.	Name of bidder (MBD1) as it appears on the company registration document	
2.	Physical address (MBD1) of where the business is situated	
3.	Postal address (MBD1) of where the business receives its mails	
4.	Contact numbers (telephone, fax & cellular phone no. (MBD1))	
5.	Original municipal account of company , if renting and the lessee is not responsible for municipal rates and taxes as stipulated in the lease agreement only a signed lease agreement /if renting and the lessee is responsible for municipal rates and taxes as stipulated in the lease agreement both signed lease agreement and municipal account not older than 3 months	
6.	Valid tax clearance certificate	
7.	Certificate of registration as a Bank in terms of the Banks Act, No 94 of 1990	
8.	Proof of Registration with Construction Industry Development Board (CIDB) (if applicable)	
9.	Completed and signed MBD forms (ALL MBD forms in the tender)	
10.	Compulsory site briefing attended (if applicable)	
11.	Proof of banking not older than 3 months	
12.	Certificate of authority of signatory not older than 3 months	
13.	Valid BBBEE certificate issued by SANAS accredited agencies or issued by registered auditors accredited by IRBA or certified Sworn Affidavits .	
14.	Joint Venture Agreement (if applicable)	
15.	Completed and signed form of offer	
16.	Signed and completed addenda to the tender (if applicable)	
17.	Proof that the supplier is registered on the Centralised Suppliers Database (CSD)	

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MBD 1 INVITATION TO BID

You are hereby invited to bid for the requirements of the Letsemeng Local Municipality

BID NUMBER: LETS/FUND/2018/19 DESCRIPTION: APPOINTMENT OF PROFESSIONAL SERVICE PROVIDER FOR SOURCE OF FUNDING FOR LETSEMENG LOCAL MUNICIPALITY; CLOSING DATE: 31 MAY 2019 CLOSING TIME: 12:00

The successful bidder will be required to fill in a written Contract Form (MBD 7) and sign a service level agreement

BID DOCUMENTS SHOULD BE DEPOSITED IN THE BOX SITUATED AT THE MUNICIPAL OFFICES OR MAY BE POSTED:

**LETSEMENG LOCAL MUNICIPALITY
7 GROOTTREK
KOFFIEFONTEIN
9986**

Enclose the envelope with the contract number and the closing date.

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

The bid box is generally open 5 days a week (Monday to Friday), from 08:00 to 16:30.

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

THIS BID IS SUBJECT TO THE GENERAL CONDITIONS OF CONTRACT (GCC) AND, IF APPLICABLE, ANY OTHER CONDITIONS OF CONTRACT

THIS BID WILL BE EVALUATED AND ADJUDICATED ACCORDING TO THE FOLLOWING CRITERIA:

1. Compliance with the requirements as set out in paragraph 2.1 below
2. PPPFA & associated regulation
3. Functionality
4. 80/20 preference point system

NB: NO BID WILL BE CONSIDERED FROM PERSONS IN THE SERVICE OF THE STATE (see definition on MBD 4 attached)

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

NAME OF BIDDER _____

POSTAL ADDRESS _____

STREET ADDRESS _____

CONTACT PERSON _____

TELEPHONE NUMBER CODE _____ NUMBER _____

CELLPHONE NUMBER _____

FASCIMILE NUMBER CODE _____ NUMBER _____

VAT REGISTRATION NUMBER _____

HAS ORIGINAL VALID TAX CLEARANCE CERTIFICATE BEEN ATTACHED (MBD2)?
YES/NO

ARE YOU THE ACCREDITED REPRESENTATIVE IN SOUTH AFRICA FOR THE
GOODS/ SERVICES OFFERED BY YOU? (IF YES ENCLOSE PROOF)
YES/NO

SIGNATURE OF BIDDER _____

DATE _____

CAPACITY UNDER WHICH THIS BID IS SIGNED _____

TOTAL BID PRICE (R) _____

ANY ENQUIRIES REGARDING THE BIDDING PROCEDURE MAY BE DIRECTED TO:

MUNICIPALITY : Letsemeng Local Municipality
DEPARTMENT : Supply Chain Management
CONTACT PERSON : Mr. LL Manwele
TEL NUMBER : (053) 3300 217
EMAIL : scm@letsemeng.gov.za

ANY ENQUIRIES REGARDING THE TECHNICAL INFORMATION MAY BE DIRECTED TO:

CONTACT PERSON : Mr M Tsoene
TEL NUMBER : 053 3300 230
EMAIL : mtsoene.letsemeng.gov.za

MBD 2 APPLICATION FOR TAX CLEARANCE AND TAX CLEARANCE CERTIFICATE
REQUIREMENTS

PART A INVITATION TO BID

YOU ARE HEREBY INVITED TO BID FOR REQUIREMENTS OF THE (NAME OF MUNICIPALITY/ MUNICIPAL ENTITY)					
BID NUMBER:		CLOSING DATE:		CLOSING TIME:	
DESCRIPTION					

THE SUCCESSFUL BIDDER WILL BE REQUIRED TO FILL IN AND SIGN A WRITTEN CONTRACT FORM (MBD7).

BID RESPONSE DOCUMENTS MAY BE DEPOSITED IN THE BID BOX SITUATED AT (STREET ADDRESS)

SUPPLIER INFORMATION

NAME OF BIDDER					
POSTAL ADDRESS					
STREET ADDRESS					
TELEPHONE NUMBER	CODE		NUMBER		
CELLPHONE NUMBER					
FACSIMILE NUMBER	CODE		NUMBER		
E-MAIL ADDRESS					
VAT REGISTRATION NUMBER					
TAX COMPLIANCE STATUS	TCS PIN:		OR	CSD No:	
B-BBEE STATUS LEVEL VERIFICATION CERTIFICATE	<input type="checkbox"/> Yes <input type="checkbox"/> No		B-BBEE STATUS LEVEL SWORN AFFIDAVIT	<input type="checkbox"/> Yes <input type="checkbox"/> No	
[TICK APPLICABLE BOX]					

[A B-BBEE STATUS LEVEL VERIFICATION CERTIFICATE/ SWORN AFFIDAVIT (FOR EMES & QSEs) MUST BE SUBMITTED IN ORDER TO QUALIFY FOR PREFERENCE POINTS FOR B-BBEE]

ARE YOU THE ACCREDITED REPRESENTATIVE IN SOUTH AFRICA FOR THE GOODS /SERVICES /WORKS OFFERED?	<div style="display: flex; justify-content: space-between;"> Yes No </div> <div style="display: flex; justify-content: space-around; margin-top: 10px;"> <input type="checkbox"/> <input type="checkbox"/> </div> <div style="margin-top: 5px;"> [IF YES ENCLOSE PROOF] </div>	ARE YOU A FOREIGN BASED SUPPLIER FOR THE GOODS /SERVICES /WORKS OFFERED?	<div style="display: flex; justify-content: space-between;"> Yes No </div> <div style="margin-top: 10px;"> <input checked="" type="checkbox"/> YES, ANSWER PART B:3] </div>
TOTAL NUMBER OF ITEMS OFFERED		TOTAL BID PRICE	R
SIGNATURE OF BIDDER	DATE	
CAPACITY UNDER WHICH THIS BID IS SIGNED			
BIDDING PROCEDURE ENQUIRIES MAY BE DIRECTED TO:		TECHNICAL INFORMATION MAY BE DIRECTED TO:	
DEPARTMENT		CONTACT PERSON	
CONTACT PERSON		TELEPHONE NUMBER	
TELEPHONE NUMBER		FACSIMILE NUMBER	
FACSIMILE NUMBER		E-MAIL ADDRESS	
E-MAIL ADDRESS			

PART B
TERMS AND CONDITIONS FOR BIDDING

1. BID SUBMISSION:	
1.1. BIDS MUST BE DELIVERED BY THE STIPULATED TIME TO THE CORRECT ADDRESS. LATE BIDS WILL NOT BE ACCEPTED FOR CONSIDERATION.	
1.2. ALL BIDS MUST BE SUBMITTED ON THE OFFICIAL FORMS PROVIDED-(NOT TO BE RE-TYPED) OR ONLINE	
1.3. THIS BID IS SUBJECT TO THE PREFERENTIAL PROCUREMENT POLICY FRAMEWORK ACT AND THE PREFERENTIAL PROCUREMENT REGULATIONS, 2017, THE GENERAL CONDITIONS OF CONTRACT (GCC) AND, IF APPLICABLE, ANY OTHER SPECIAL CONDITIONS OF CONTRACT.	
2. TAX COMPLIANCE REQUIREMENTS	
2.1 BIDDERS MUST ENSURE COMPLIANCE WITH THEIR TAX OBLIGATIONS.	
2.2 BIDDERS ARE REQUIRED TO SUBMIT THEIR UNIQUE PERSONAL IDENTIFICATION NUMBER (PIN) ISSUED BY SARS TO ENABLE THE ORGAN OF STATE TO VIEW THE TAXPAYER'S PROFILE AND TAX STATUS.	
2.3 APPLICATION FOR THE TAX COMPLIANCE STATUS (TCS) CERTIFICATE OR PIN MAY ALSO BE MADE VIA E-FILING. IN ORDER TO USE THIS PROVISION, TAXPAYERS WILL NEED TO REGISTER WITH SARS AS E-FILERS THROUGH THE WEBSITE WWW.SARS.GOV.ZA.	
2.4 FOREIGN SUPPLIERS MUST COMPLETE THE PRE-AWARD QUESTIONNAIRE IN PART B:3.	
2.5 BIDDERS MAY ALSO SUBMIT A PRINTED TCS CERTIFICATE TOGETHER WITH THE BID.	
2.6 IN BIDS WHERE CONSORTIA / JOINT VENTURES / SUB-CONTRACTORS ARE INVOLVED, EACH PARTY MUST SUBMIT A SEPARATE TCS CERTIFICATE / PIN / CSD NUMBER.	
2.7 WHERE NO TCS IS AVAILABLE BUT THE BIDDER IS REGISTERED ON THE CENTRAL SUPPLIER DATABASE (CSD), A CSD NUMBER MUST BE PROVIDED.	
3. QUESTIONNAIRE TO BIDDING FOREIGN SUPPLIERS	
3.1. IS THE ENTITY A RESIDENT OF THE REPUBLIC OF SOUTH AFRICA (RSA)?	<input type="checkbox"/> YES <input type="checkbox"/> NO
3.2. DOES THE ENTITY HAVE A BRANCH IN THE RSA?	<input type="checkbox"/> YES <input type="checkbox"/> NO
3.3. DOES THE ENTITY HAVE A PERMANENT ESTABLISHMENT IN THE RSA?	<input type="checkbox"/> YES <input type="checkbox"/> NO
3.4. DOES THE ENTITY HAVE ANY SOURCE OF INCOME IN THE RSA?	<input type="checkbox"/> YES <input type="checkbox"/> NO
3.5. IS THE ENTITY LIABLE IN THE RSA FOR ANY FORM OF TAXATION?	<input type="checkbox"/> YES <input type="checkbox"/> NO
IF THE ANSWER IS "NO" TO ALL OF THE ABOVE, THEN IT IS NOT A REQUIREMENT TO REGISTER FOR A TAX COMPLIANCE STATUS SYSTEM PIN CODE FROM THE SOUTH AFRICAN REVENUE SERVICE (SARS) AND IF NOT REGISTER AS PER 2.3 ABOVE.	

NB: FAILURE TO PROVIDE ANY OF THE ABOVE PARTICULARS MAY RENDER THE BID INVALID.

NO BIDS WILL BE CONSIDERED FROM PERSONS IN THE SERVICE OF THE STATE.

SIGNATURE OF BIDDER:

CAPACITY UNDER WHICH THIS BID IS SIGNED:

DATE:

MBD 4 DECLARATION OF INTERESTS

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 allegation of favouritism, should be resulting bid, or part thereof, be awarded to person connected with or related to persons in service of the state, it is required that the bidder or their authorised representative declare their position in relation to the evaluating /adjudicating authority and /or take an 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.**

1.1 Full Name: _____

1.2 Identity Number: _____

1.3 Company Registration Number: _____

1.4 Tax Reference Number: _____

1.5 VAT Registration Number: _____

1.6 Are presently in the service of the state* **YES/NO**

1.6.1 If so, furnish particulars.

1.7 Have you been in the service of the state for the past twelve months? **YES/NO**

1.7.1 If so, furnish particulars

MSCM Regulations: “in the services of the state *means to be: –

(a) member of

(i) any municipal council;

(ii) any provincial legislature; or

(iii) 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 municipal or municipal entity;

(d) an employee of any national or provincial department, national or provincial public entity or constitutional institution within the meaning of the Public Finance Management Act, 1999 (Act No. 1 of 1999);

(e) a member of the accounting authority of any national or provincial public entity; or

(f) an employee of Parliament or a provincial legislature.

3.8 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

3.8.1 If so, furnish particulars.

3.9 Are you, aware of any relationship (family, friend, other) between a bidder and any persons in the service of the state who may be involved with evaluation and or adjudication.
YES/NO

3.9.1 If so, furnish particulars.

3.10 Are any of the company's directors, managers, principle shareholders or stakeholders in service of the state?
YES/NO

3.10.1 If so, furnish particulars.

3.11 Are any spouses, child or parent of the company's Directors, Managers, principal shareholders or stakeholders in service of the state?
YES/NO

3.11.1 If so, furnish particulars.

CERTIFICATION

I, THE UNDERSIGNED (NAME) _____

CERTIFY THAT THE INFORMATION FURNISHED ON THIS DECLARATION FORM IS CORRECT. I ACCEPT THAT THE STATE MAY ACT AGAINST ME SHOULD THIS DECLARATION PROVES TO BE FALSE.

Signature

Date

Position

Name of Bidder

MBD 6.1 PREFERENCE CLAIM IN TERMS OF THE PREFERENTIAL PROCUREMENT REGULATIONS

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

PURCHASES

This preference form must form part of all bids invited. It contains general information and serves as a claim form for B-BBEE status preference points as well as a summary for preference points claimed for attainment of other specified goals.

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 POLICY FRAMEWORK ACT, 2000: PREFERENTIAL PROCUREMENT REGULATIONS, 2017.

GENERAL CONDITIONS

- 1.1 The following preference points system are applicable to all bids;
 - The 80/20 system for requirements with Rand value of up to R 50 000 000,00; and
 - The 90/10 system for requirements with Rand value above R 50 000 000,00.
- 1.2 The value of this bid is estimated to not exceed R 50 000 000,00 and therefore the 80/20 shall be applicable.
- 1.3 Preference points for this bid shall be awarded for:
 - (a) Price; and
 - (b) B-BBEE rating certificates, issued by either verification agencies accredited by the **South African Accreditation System (SANAS)** or by registered auditors approved by the Independent **Regulatory Board for Auditors (IRBA)** or certified **Sworn Affidavits**.
- 1.4 The points for this bid are allocated as follows:

	POINTS
1.4.1 PRICE	80
1.4.2 B-BBEE status level of contribution	20

Separate Preference Points Claim Form will be used for the promotion of the specific goals for which points have been allocated in paragraph 1.3 (b) above.

Failure on the part of a bidder to fill in and/or to sign this form may be interpreted to mean that preference points 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.

GENERAL DEFINITIONS

- 1.6 **“Acceptable bid”** means any bid which, in all respects, complies with specification and conditions of bid as set out in the bid documents.
- 1.7 **“B-BBEE”** means broad-based black economic empowerment as defined in section 1 of the Broad-Based Black empowerment Act;
- 1.8 **“B-BBEE status level of contribution”** 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 Act;
- 1.9 **“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 goods, work or services.
- 1.10 **“Comparative price”** means the price after the factors of a non-firm price and all unconditional discounts that can be utilised have been taken into consideration
- 1.11 **“Consortium or joint venture”** means as association of persons for the purpose of combining their expertise, property, capital, efforts, skills and knowledge in an activity for the execution of a contract.
- 1.12 **“Contract”** means the agreement that results from the acceptance of a bid by an organ of state.
- 1.13 **“Specific contract participation goals”** means the goals as stipulated in the Preferential Procurement Regulation 2017. In addition to above-mentioned goals, the Regulations [12. (1)] also make provision for organs of state to give particular consideration top procuring locally manufactured products.
- 1.14 **“Control”** means the possession and exercise of legal authority and power to manage the assets goodwill and daily operations of a business and the active and continuous exercise of appropriate managerial authority and power in determining the policies and directing his operations of the business.
2. **“Equity Ownership”** means the percentage ownership and control, exercised by individuals within an enterprise.
- 2.1 **“Management”** an activity inclusive of control and performed on a daily basis, by person who is principal executive officer of the company, by whatever name that person maybe ignited, and whether or not that person is a director.

- 2.2 **“Owned”** means having all the customary elements of ownership, including the right of decision-making and sharing all the risks and profits commensurate with the degree of ownership interest as demonstrated by an examination of the substance, rather than the form of ownership arrangements.
- 2.3 **“Person”** includes reference to a juristic person.
- 2.4 **“Rand value”** means the total estimated value of a contract in rand denomination that is calculated at the time of bid invitations and includes all applicable taxes and excise duties.
- 2.5 **“Small, Medium and Micro Enterprises (SMMEs)”** bears the same meaning assigned to this expression in the National Small Business Act, 1996 (No 102 of 1996).
- 2.6 **“Sub – contracting”** means the primary contractor’s assigning or leasing or 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.
- 2.7 **“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.
- 2.8 **“Trustee”** 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.

ADJUDICATION USING A POINT SYSTEM

- 2.9 The bidder obtaining the highest number of points will be awarded the contract.
- 2.10 Preference points shall be calculated after prices have been brought to a comparative basis.
- 2.11 Points scored will be rounded off to 2 decimal places.
- 2.12 In the event of equal points scored, the bid will be awarded to the bidder scoring the highest number of points of specified goals.

POINTS AWARDED FOR PRICE SYSTEM

2.13 THE 80/20 PREFERENCE POINT SYSTEMS

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

80/20

MBD 6.1

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

Where:

Ps = Points scored for price of bid under consideration

Pt = Rand of bid under consideration

Pmin = Rand value of lowest acceptable bid

POINTS AWARDED FOR ATTAINING THE B-BBEE STATUS

2.14 The 80/20 preference point system for acquisition of services, works or goods up to a Rand value of R50 million

Points will be awarded for attaining the B-BBEE status level of contribution in accordance with the following table below:

B-BBEE Status level of contributor	Number of points
1	20
2	18
3	14
4	12
5	8
6	6
7	4
8	2
Non-compliant contributor	0

- (i) A maximum of 20 points may be allocated in accordance with the table above.
- (ii) The points scored in respect of B-BBEE contribution contemplated in the table above will be added to the points scored for the price.

2.15 The 90/10 preference point system for acquisition of services, works or goods above Rand value of R50 million

Points will be awarded for attaining the B-BBEE status level of contribution in accordance with the following table below:

B-BBEE Status level of contributor	Number of points
1	10
2	9
3	6
4	5
5	4
6	3
7	2
8	1
Non-compliant contributor	0

- (i) A maximum of 10 points may be allocated in accordance with the table above.
- (ii) The points scored in respect of B-BBEE contribution contemplated in the table above will be added to the points scored for the price.

BID DECLARATION

Bidders who claim points in respect of equity ownership must complete the Bid Declaration at the end of this form.

3. B-BBEE STATUS CLAIMED IN TERMS OF PARAGRAPH 2.3 ABOVE.

B-BBEE Status level of contributor	Number of points claimed

.....

DECLARATION WITH REGARD TO B-BBEE

3.1 Name of firm /company : _____

3.2 VAT Registration number : _____

3.3 Company Registration number : _____

TYPE OF FIRM

☐ Partnerships

☐ One-person business / sole trader

☐ Close Corporation

☐ Listed Company

☐ (Pty) Limited

[TICK APPLICABLE BOX]

DESCRIBE PRINCIPAL BUSINESS ACTIVITIES

COMPANY CLASSIFICATION

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

[TICK APPLICABLE BOX]

MUNICIPAL INFORMATION

Municipality where business is situated: _____

Registered Account No.: _____

Stand No.: _____

CONSORTIUM / JOINT VENTURE

- 3.3.1 In the event that preference points are claimed for B-BBEE by consortia / joint ventures, the following information must be furnished in order to be entitled to the points claimed in respect of the B-BBEE Status.

Name of Company (to be consistent with paragraph 9.8)	Percentage (%) of the contract value managed or executed by the Company

- 3.4 I/We, the undersigned, who warrant that he/she is duly authorised to do so on behalf of the firm certify that points claimed, based on the equity ownership, indicated in

paragraph 8 of the foregoing certificate, qualifies the firm for the preference(s) shown and I/we acknowledge that:

- (i) The information furnished is true and correct.
- MBD 6.1**
- (ii) The Equity ownership claimed is 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 8, the contractor may be required to furnish documentary proof to the satisfaction of the purchaser that the claims are correct.
- (iv) If the claims are found to be incorrect, the purchaser may, in addition to any other remedy-
 - (a) recover costs, losses or damages incurred or suffered as a result of that person's conduct; and
 - (b) cancel the contract and claim any damages suffered as a result of having to make less favourable arrangements due to such cancellation;

WITNESSES:

.....
SIGNATURE(S) OF BIDDER(S)

1.

2.**DATE:**.....

ADDRESS:

.....
.....
.....

BID ADVERTISEMENT

Address all correspondence to:

The Municipal Manager
Letsemeng Local Municipality
P/BAG X 3
KOFFIEFONTEIN
9986
E-Mail: mm@letsemeng.gov.za

Tel: 053 3300 200
Fax: 051 924 0020

INVITATION TO TENDER APPOINTMENT OF PROFESSIONAL SERVICE PROVIDER FOR SOURCE OF FUNDING FOR LETSEMENG LOCAL MUNICIPALITY

An advertisement is hereby placed in terms of section 19 (a) of the Supply Chain Management Regulations to invite service providers for Appointment Of Professional Service Provider For Source Of Funding For Letsemeng Local Municipality

Closing date and Time: 31 May 2019 @ 12h00

Compulsory Briefing Session :

Date : 23 May 2019

Venue : Municipal Auditorium

Time : 10h00

Minimum requirements:

1. Valid tax clearance certificate must be attached. (Pin Confirmation Letter)
2. In case of the Joint Venture valid and original valid tax clearance certificates of all parties must be attached.
3. Certified Copy of Company Registration reflecting names and identity numbers of active shareholding must be attached.
4. In case of a JV Certified Copy of Company Registration Certificate reflecting names and identity numbers of active shareholding of all parties must be attached
5. Copy of JV agreement (in case of JV) must be attached.
6. Municipal Rates and Taxes Clearance Certificate/ Account not older than 90 days or a lease agreement must be attached. Failure to submit Municipal Rates and Taxes Clearance Certificate/ Account or lease agreement will be disqualification.
7. In case of a JV Municipal Rates and Taxes Clearance Certificate not older than 90 days or a lease agreement of all parties must be attached.
8. No bid will be considered from the persons in the Service/Employment of the State/Government
9. Bidder/s who fails to submit an original or certified copy of a B-BBEE Certificate will forfeit B-BBEE points
10. The service must be registered on the Central Supplier Database of the National Treasury. Failure to submit CSD Registration Documentation will lead to disqualification.
11. The successful service provider will be the one who scores the highest points
12. Bids must be valid for a minimum period of 90 days

Bids must be placed in the tender box on or before the closing date and time at:

Letsemeng Local Municipality,
7 Groottrek Street
Koffiefontein

Technical Enquiries Mr M Tsoene Tel: 053 3300 230	SCM Enquiries Mr. LL Manwele Tel: 053 3300 217
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BID SPECIFICATIONS

- m) Obtain approval from Eskom for completed project.
 - n) All designs, specifications, etc to be handed over to Eskom after completion of project.
-

Project setup

- a. establishment of the programme and time frames of the project;
- b. ensuring that community participation is maximized;
- c. ensuring that the Project Steering Committee is established and it endorses the proposed project;
- d. ensuring that the community and local resources are maximized;

PLANNING

- 1) **Overall responsibility to ensure that the design is carried out including the following:**
 - (a) Project Planning (Resources, Time, Quality management, risks and methodology)
 - (b) Full time site supervision with related staff and costs
 - (c) Total Number of anticipated Technical Meetings
- 2) Technical design where required and any other information that may be required for the successful completion of the project;

1. Services to be provided

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

2. Participating and sub-contracting

2.1 Participation in this bid is open to everyone.

2.2 Bids should be submitted by the same service provider or consortium, which has submitted the proposal on the basis of the above. **No change whatsoever in the identity or composition of the bidder is permitted;**

2.3 Short-listed service provider or consortia are allowed to form alliances with any other firms or to sub-contract to each other for the purpose of this contract;

2.4 Sub-contracting will be allowed, only in so far as it was stated in the initial bid.

2.5 Duplication of bid document is prohibited.

3. Contents of Bids

3.1 Each bid must comprise of a Technical offer and a financial offer, each of which must be submitted separately.

4. Presentations / Adjudication

4.1 The Evaluation Committee may call for presentation by the short-listed bidders, after having established its written provisional conclusions but before concluding the technical evaluation.

4.2 The date and time of any such presentation will be confirmed or notified to the short-listed bidders at least seven days in advance. If a bidder is prevented from attending presentation by force majeure, a mutually convenient alternative appointment may be arranged with the bidder. If the bidder is unable to attend this second appointment, its bids will be eliminated from the evaluation process.

5. Variant solutions

5.1 Any variant solutions will not be taken into consideration.

6. Cession

6.1 No **cession agreement** will be entered to between the municipality and any Service Provider.

APPOINTMENT OF PROFESSIONAL SERVICE PROVIDER FOR SOURCE OF FUNDING FOR LETSEMENG LOCAL MUNICIPALITY

SCOPE :

The Letsemeng Local Municipality, invites bids for the provision of professional services to source funds **at risk** (excluding funding in a form of loan/related) for the electrification of villages in the rural areas of Letsemeng Local Municipality: -

- Preliminary investigations
- Designs
- Documentation and Tender
- Construction monitoring and compilation of as-built records and liaison with Municipality for electricity in these areas.

Description of the Areas

- **Koffiefontein Bulk Infrastructure**
- **Koffiefontein Electrification -1400 Units**
- **Koffiefontein Diamanthoogte-262 Units**
- **Koffiefontein Donkerhoek-130 Units**
- **Jacobsdal Phambili Electrification -130 Units**
- **Luckhoff Electrification - 683 Units**
- **Jacobsdal Ratanang Electrification -538 Units**
- **Petrusburg Bolokanang Electrification -1000 Units**

Scope of work for Project Management:

The scope of work required for the contract includes but is not limited to:

- a) Sourcing of funding / donations
- b) Management, design and implementation of projects identified.
- c) Liaison and obtaining approval from Eskom
- d) Acting as Principal Agent of the Project with regards to construction contracts.
- e) Preparation of all necessary reports
- f) Management of the construction activities
- g) Coordination and management of all design professionals in each project.
- h) Preparation of contract documentation for construction tender purposes
- i) Monitoring all quality aspects during the construction phase
- j) Approval and sign-off of specific quality control checks
- k) Expanded Public Works registrations and principles to be used during the implementation of projects.
- l) Promote the utilization of local materials and sub-contractors

EVALUATION CRITERIA:

Price **80 Points**

BBBEE contribution status **20 Points**

FUNCTIONALITY: (100)

With regards to functionality the following criteria will be applicable, and the maximum points as indicated.

- Stage 1- Functionality
- Stage 2-Price and BBBEE Points

Price (80)

BBBEE Points (20)

With regard to functionality the following criteria will be applicable and the maximum points.

No	Criteria	POINTS
1.	Company experience in Capital Grant raising (Attach signed appointment letters & completion Certificates) <ul style="list-style-type: none"> • 20 Million and above = (40) • 11 -19 Million = (30) • 6 -10 Million = (20) • 5 Million = (10) 	40
2.	Bulk Infrastructure projects completed (Attach certified copies of certificates and CV) <ul style="list-style-type: none"> • 20 Million and above = (30) • 11 -20 Million = (20) • 6 -10 Million = (15) • 5 Million = (10) 	30
	Electrification Projects completed (Attach certified copies of certificates and CV) <ul style="list-style-type: none"> • 20 Million and above = (30) • 11 -20 Million = (20) 	30

	<ul style="list-style-type: none"> • 6 -10 Million = (15) • 5 Million = (10) 	
	TOTAL SCORE	100

A bidder that scores less than 75 points out of 100 in respect of “functionality” will be regarded as submitting a non-responsive bid/ quote and will be disqualified.

YOUR MAIN CONTROLLING COMPANY

Supply information regarding the following

1. NAME

2. ADDRESS

3. SHAREHOLDERS of your controlling Company

(Indicate extent of shareholding especially shareholding of previously disadvantaged groups in your Controlling Company)

4. DIRECTORS

Initials & Surname	ID Number	Citizenship	B-BBEE Compliant Yes/No

5. MANAGEMENT STRUCTURE

Kindly supply information regarding positions held by Black people as defined in the B-BBEE act.

*** DEFINITION**

"Black People" is a generic term which means Africans, Coloureds and Indians

CONTRACT FORM – RENDERING OF SERVICES

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

PART 1 (TO BE FILLED IN BY THE SERVICE PROVIDER)

1. I hereby undertake to render services described in the attached bidding documents to (name of the institution)in accordance with the requirements and task directives/proposal specifications stipulated in Bid Numberat the price/s quoted. My Offer/s remains binding upon me and open for acceptance by the Purchaser during the validity period indicated and calculated from the closing date of the 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
 - Proof of banking
 - Municipal rates and taxes
 - Registration documents
 - Pricing schedule(s)
 - Filled in task directive/ proposal
 - Preference claims in terms of the Preferential Procurement Regulations 2017
 - Declaration of interest
 - 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 services 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 authorized to sign this contract

NAME (PRINT)

.....

CAPACITY

.....

SIGNATURE

.....

NAME OF FIRM

.....

DATE

.....

WITNESSES

1.

.....

2.

.....

DATE:

.....

CONTRACT FORM – RENDERING 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 rendering of services indicated
hereunder and/ or further specified in the annexure(s).
2. An official order indicating service delivery instructions is forthcoming.
3. I undertake to make payment for the services rendered in accordance with the terms and conditions of the contract, within 30 days after receipt of an invoice.

Description of service	Price (VAT Incl.) R	Completion date	Preference Points claimed for B-BBEE status

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

SIGNED AT.....

ON.....

NAME

(PRINT).....

WITNESS

1.
....

2.....
.....

DATE:

.....

SIGNATURE & STAMP.....

APPOINTMENT OF PROFESSIONAL SERVICE PROVIDER FOR SOURCE OF FUNDING FOR LETSEMENG
LOCAL MUNICIPALITY – LETS/FUND/2018/19

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

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

Item	Question	Yes	No
4.1	Has the bidder Abused the municipality's/municipal entity's supply chain management system or committed any improper conduct in relation to such system; Is the bidder or any of its directors listed on the National Treasury's database as a company or person prohibited from doing business with the public sector (Companies or person's by the National Treasury after the audi alteram partem rule was applied).		
4.1.1	If so, furnish particulars:		
4.2	Is the bidder or any of its directors listed on the Register for Tender Defaulters in terms of section 29 of the Prevention and Combating of Corrupt Activities Act (No 12 of 2004) (To access this Register enter the National Treasury's website, number (012) 326 5445).		
4.2.1	If so, furnish particulars:		

4.3	Was the bidder or any of its directors convicted by a court of law (including a court of law outside the Republic of South Africa) for fraud or corruption during the past five years?		
4.3.1	If so, furnish particulars:		
4.4	Does the bidder or any of its directors owe any municipal rates and taxes or municipal charges to the municipality / municipal entity, or to any other municipality / municipal entity, that is in arrears for more than three months?		
4.4.1	If so, furnish particulars:		
4.5	Was any contract between the bidder and 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?		
4.5.1	If so, furnish particulars:	Yes	No

CERTIFICATION

I, the undersigned (full name).....certify
that the information furnished on this declaration from true and correct.

I accept that, in addition to cancellation of a contract, action may be taken against me should this declaration prove to be false.

.....
Signature

.....
Date

.....
Position

.....
Name of Bidder

FORM OF OFFER AND ACCEPTANCE (AGREEMENT)

CONTRACT NO: LETS/FUND/2018/19

APPOINTMENT OF PROFESSIONAL SERVICE PROVIDER FOR SOURCE
OF FUNDING FOR LETSEMENG LOCAL MUNICIPALITY

OFFER

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

APPOINTMENT OF PROFESSIONAL SERVICE PROVIDER FOR SOURCE OF FUNDING FOR LETSEMENG LOCAL MUNICIPALITY

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 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

.....

..... rand [in words];

R [in figures],

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.

Signatures (s)

Name(s)

Capacity :

.....

[Name and address of organisation]

APPOINTMENT OF PROFESSIONAL SERVICE PROVIDER FOR SOURCE OF FUNDING FOR LETSEMENG LOCAL
MUNICIPALITY – LETS/FUND/2018/19

Name and signature Of
witness.....Date.....

ACCEPTANCE

By signing this part of this 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 the Agreement and in the Contract that is subject of this Agreement.

The terms of Contracts are within the Tender Document.

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 to the delivery of any bonds, guarantees, proof of insurance and other documentation to be provided in terms

Notwithstanding anything contained herein, this Agreement comes into effect on the date when the Tenderer receives one fully completed original copy of this document. Unless the Tenderer (now Consultant) within five working days of the date of such receipt notifies the Employer in writing of any reason why he cannot accept the contents of this Agreement, this Agreement shall constitute a binding Contract between the parties.

Signatures (s)

Name(s)

Capacity

.....
[Name and address of organisation]

Name and signature
Of witness

Date :

APPOINTMENT OF PROFESSIONAL SERVICE PROVIDER FOR SOURCE OF FUNDING FOR LETSEMENG LOCAL
MUNICIPALITY – LETS/FUND/2018/19

GENERAL CONDITIONS OF CONTRACT

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General Conditions of Contract

1. Definitions

1. 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 with 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 goods 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

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

1.26 “Tort” means in breach of contract.

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

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

2. Application

2.1 These general conditions are applicable to all bids, contracts and orders including bids for functional and professional services (excluding professional services related to the building and construction industry), sales, hiring, letting and the granting or acquiring of rights, but excluding immovable property, unless otherwise indicated in the bidding documents.

2.2 Where applicable, special conditions of contract are also laid down to cover specific goods, services or works.

2.3 Where such special conditions of contract are in conflict with these general conditions, the special conditions shall apply.

3. General

3.1 Unless otherwise indicated in the bidding documents, the purchaser shall not be liable for any expense incurred in the preparation and submission of a bid. Where applicable a non-refundable fee for documents may be charged.

3.2 Invitations to bid are usually published in locally distributed news media and on the municipality/municipal entity website.

4. Standards

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

5. Use of contract documents and information

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 inspection. Extend only as far as may be necessary for purposes of such performance.

5.2 The supplier shall not, without the purchaser's prior written consent, make use of any document or information mentioned in GCC clause 5.1 except for purposes of performing the contract.

5.3 Any document, other than the contract itself mentioned in GCC clause 5.1 shall remain the property of the purchaser and shall be returned (all copies) to the purchaser on completion of the supplier's performance under the contract if so required by the purchaser.

5.4 The supplier shall permit the purchaser to inspect the supplier's records relating to the performance of the supplier and to have them audited by auditors appointed by the purchaser, if so required by the purchaser.

6. Patent Rights

6.1 The supplier shall indemnify the purchaser against all third-party claims of infringement of patent, trademark, or industrial design rights arising from use of the goods or any part thereof by the purchaser.

6.2 When a supplier developed documentation / projects for the municipality / municipal entity, the intellectual, copy and patent rights or ownership of such documents or projects will vest in the municipality / municipal entity.

7. Performance security

7.1 Within thirty (30) days of receipt of the notification of contract award, the successful bidder shall furnish to the purchaser the performance security of the amount specified in SCC.

7.2 The proceeds of the performance security shall be payable to the purchaser as compensation for any loss resulting from the supplier's failure to complete his obligations under the contract.

7.3 The performance security shall be denominated in the currency of the contract or in a freely convertible currency acceptable to the purchaser and shall be in one of the following forms:

(a) A bank guarantee or an irrevocable letter of credit issued by a reputable bank located in the purchaser's country or abroad, acceptable to the purchaser, in the form provided in the bidding documents or another form acceptable to the purchaser; or

(b) A cashier's or certified cheque,

7.4 The performance security will be discharged by the purchaser and returned to the supplier not later than thirty (30) days following the date of completion of the supplier's performance obligations under the contract, including any warranty obligations, unless otherwise specified.

8. Inspections, tests and analyses

8.1 All pre-bidding testing will be for the account of the bidder.

8.2 If it is a bid condition that goods to be produced or services to be rendered should at any stage be

subject to inspections, tests and analyses, the bidder or contractor's premises shall be open, at all reasonable hours, for inspection by a representative of the purchaser or organization acting on behalf of the purchaser.

8.3 If there are no inspection requirements indicated in the bidding documents and no mention is made in the contract, but during the contract period it is decided that inspections shall be carried out, the purchaser shall itself make the necessary arrangements, including payment arrangements with the testing authority concerned.

8.4 If the inspections, tests and analyses referred to in clauses 8.2 and 8.3 show the goods to be in accordance with the contract requirements, the cost of the inspections, tests and analyses shall be defrayed by the purchaser.

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

8.6 Goods and services which are referred to in clauses 8.2 and 8.3 and which do not comply with the contract requirements may be rejected.

8.7 Any contract goods may on or after delivery be inspected, tested or analysed and may be rejected if found not to comply with the requirements of the contract. Such rejected goods shall be held at the cost and risk of the supplier who shall, when called upon, remove them immediately at his own cost and forthwith substitute them with goods, which do comply with the requirements of the contract. Failing such removal the rejected goods shall be returned at the suppliers cost and risk. Should the supplier fail to provide the substitute goods forthwith, the purchaser may, without giving the supplier further opportunity to substitute the rejected goods, purchase such goods as may be necessary at the expense of the supplier.

8.8 The provisions of clauses 8.4 to 8.7 shall not prejudice the right of the purchaser to cancel the contract on account of a breach of the conditions thereof, or to act in terms of Clause 22 of GCC.

9. Packing

9.1 The supplier shall provide such packing of the goods as is required to prevent their damage or deterioration during transit to their final destination, as indicated in the contract. The packing shall be sufficient to withstand, without limitation, rough handling during transit and exposure to extreme temperatures, salt and precipitation during transit, and open storage. Packing, case size 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, and in any subsequent instructions ordered by the purchaser.

10. Delivery and documents

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

11. Insurance

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

12. Transportation

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

13. Incidental Services

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

- (a) Performance or supervision of on-site assembly and/or commissioning of the supplied goods;
- (b) Furnishing of tools required for assembly and/or maintenance of the supplied goods;
- (c) Furnishing of a detailed operations and maintenance manual for each appropriate unit of the supplied goods;
- (d) performance or supervision or maintenance and/or repair of the supplied goods, for a period of time agreed by the parties, provided that this service shall not relieve the supplier of any warranty obligations under this contract; and
- (e) Training of the purchaser's personnel, at the supplier's plant and/or on-site, in assembly, start-up, operation, maintenance, and/or repair of the supplied goods.

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

14. Spare parts

14.1 As specified, the supplier may be required to provide any or all of the following materials, notifications, and information pertaining to spare parts manufactured or distributed by the supplier:

- (a) such spare parts as the purchaser may elect to purchase from the supplier, provided that this election shall not relieve the supplier of any warranty obligations under the contract; and (b) In the event of termination of production of the spare parts:
 - (i) Advance notification to the purchaser of the pending termination, in sufficient time to permit the purchaser to procure needed requirements; and
 - (ii) Following such termination, furnishing at no cost to the purchaser, the blueprints, drawings, and specifications of the spare parts, if requested.

15. Warranty

15.1 The supplier warrants that the goods supplied under the contract are new, unused, of the most recent or current models and those they incorporate all recent improvements in design and materials unless provided otherwise in the contract. The supplier further warrants that all goods supplied under this contract shall have no defect, arising from design, materials, or workmanship (except when the

design and/or material is required by the purchaser's specifications) or from any act or omission of the supplier, that may develop under normal use of the supplied goods in the conditions prevailing in the country of final destination.

15.2 This warranty shall remain valid for twelve (12) months after the goods, or any portion thereof as the case may be, have been delivered to and accepted at the final destination indicated in the contract, or for eighteen (18) months after the date of shipment from the port or place of loading in the source country, whichever period concludes earlier, unless specified otherwise.

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

15.4 Upon receipt of such notice, the supplier shall, within the period specified and with all reasonable speed, repair or replace the defective goods or parts thereof, without costs to the purchaser.

15.5 If the supplier, having been notified, fails to remedy the defect(s) within the period specified, the purchaser may proceed to take such remedial action as may be necessary, at the supplier's risk and expense and without prejudice to any other rights which the purchaser may have against the supplier under the contract.

16. Payment

16.1 The method and conditions of payment to be made to the supplier under this contract shall be specified.

16.2 The supplier shall furnish the purchaser with an invoice accompanied by a copy of the delivery note and upon fulfilment of other obligations stipulated in the contract.

16.3 Payments shall be made promptly by the purchaser, but in no case later than thirty (30) days after submission of an invoice or claim by the supplier.

16.4 Payment will be made in Rand unless otherwise stipulated.

17. Prices

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

18. Variation orders

18.1 In cases where the estimated value of the envisaged changes in purchase does not vary more than 15% of the total value of the original contract, the contractor may be instructed to deliver the goods or render the services as such. In cases of measurable quantities, the contractor may be approached to reduce the unit price, and such offers may be accepted provided that there is no escalation in price.

19. Assignment

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

20. Subcontracts

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

21. Delays in the supplier's performance

21.1 Delivery of the goods and performance of services shall be made by the supplier in accordance with the time schedule prescribed by the purchaser in the contract.

21.2 If at any time during performance of the contract, the supplier or its subcontractor(s) should encounter conditions impeding timely delivery of the goods and performance of services, the supplier shall promptly notify the purchaser in writing of the fact of the delay, its likely duration and its cause(s). As soon as practicable after receipt of the supplier's notice, the purchaser shall evaluate the situation and may at his discretion extend the supplier's time for performance, with or without the imposition of penalties, in which case the extension shall be ratified by the parties by amendment of contract.

21.3 The right is reserved to procure outside of the contract small quantities or to have minor essential services executed if an emergency arises, the supplier's point of supply is not situated at or near the place where the goods are required, or the supplier's services are not readily available.

21.4 Except as provided under GCC Clause 25, a delay by the supplier in the performance of its delivery obligations shall render the supplier liable to the imposition of penalties, pursuant to GCC Clause 22, unless an extension of time is agreed upon pursuant to GCC Clause 22.2 without the application of penalties.

21.5 Upon any delay beyond the delivery period in the case of a goods contract, the purchaser shall, without cancelling the contract, be entitled to purchase goods of a similar quality and up to the same quantity in substitution of the goods not supplied in conformity with the contract and to return any goods delivered later at the supplier's expense and risk, or to cancel the contract and buy such goods as may be required to complete the contract and without prejudice to his other rights, be entitled to claim damages from the supplier.

22. Penalties

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

23. Termination for default

23.1 The purchaser, without prejudice to any other remedy for breach of contract, by written notice of default sent to the supplier, may terminate this contract in whole or in part:

- (a) if the supplier fails to deliver any or all of the goods within the period(s) specified in the contract, or within any extension thereof granted by the purchaser pursuant to GCC Clause
- (b) if the supplier fails to perform any other obligation(s) under the contract; or
- (c) if the supplier, in the judgement of the purchaser, has engaged in corrupt or fraudulent practices in

competing for or in executing the contract.

23.2 In the event the purchaser terminates the contract in whole or in part, the purchaser may procure, upon such terms and in such 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.

24. Antidumping and countervailing duties and rights

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

25. Force Majeure

25.1 Notwithstanding the provisions of GCC Clauses 22 and 23, the supplier shall not be liable for forfeiture of its performance security, damages, or termination for default if and to the extent that his delay in performance or other failure to perform his obligations under the contract is the result of an event of force majeure.

25.2 If a force majeure situation arises, the supplier shall promptly notify the purchaser in writing of such condition and the cause thereof. Unless otherwise directed by the purchaser in writing, the supplier shall continue to perform its obligations under the contract as far as is reasonably practical, and shall seek all reasonable alternative means for performance not prevented by the force majeure event.

26. Termination for insolvency

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

27. Settlement of Disputes

27.1 If any dispute or difference of any kind whatsoever arises between the purchaser and the supplier in connection with or arising out of the contract, the parties shall make every effort to resolve amicably such dispute or difference by mutual consultation.

27.2 If, after thirty (30) days, the parties have failed to resolve their dispute or difference by such mutual consultation, then either the purchaser or the supplier may give notice to the other party of his intention to commence with mediation. No mediation in respect of this matter may be commenced unless such notice is given to the other party.

27.3 Should it not be possible to settle a dispute by means of mediation, it may be settled in a South African court of law.

27.4 Notwithstanding any reference to mediation and/or court proceedings herein,

(a) the parties shall continue to perform their respective obligations under the contract unless they otherwise agree; and

(b) the purchaser shall pay the supplier any monies due the supplier for goods delivered and / or services rendered according to the prescripts of the contract.

28. Limitation of Liability

28.1 Except in cases of criminal negligence or willful misconduct, and in the case of infringement pursuant to Clause 6;

(a) the supplier shall not be liable to the purchaser, whether in contract, tort, or otherwise, for any indirect or consequential loss or damage, loss of use, loss of production, or loss of profits or interest costs, provided that this exclusion shall not apply to any obligation of the supplier to pay penalties and/or damages to the purchaser; and

(b) the aggregate liability of the supplier to the purchaser, whether under the contract, in tort or otherwise, shall not exceed the total contract price, provided that this limitation shall not apply to the cost of repairing or replacing defective equipment.

29. Governing language

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

30. Applicable law

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

31.1 Every written acceptance of a bid shall be posted to the supplier concerned by registered or certified mail and any other notice to him shall be posted by ordinary mail to the address furnished in his bid or to the address notified later by him in writing and such posting shall be deemed to be proper service of such notice.

31.2 The time mentioned in the contract documents for performing any act after such aforesaid notice has been given, shall be reckoned from the date of posting of such notice.

32. Taxes and duties

32.1 A foreign supplier shall be entirely responsible for all taxes, stamp duties, license fees, and other such levies imposed outside the purchaser's country.

32.2 A local supplier shall be entirely responsible for all taxes, duties, license fees, etc., incurred until delivery of the contracted goods to the purchaser.

32.3 No contract shall be concluded with any bidder whose tax matters are not in order. Prior to the award of a bid SARS must have certified that the tax matters of the preferred bidder are in order.

32.4 No contract shall be concluded with any bidder whose municipal rates and taxes and municipal services charges are in arrears.

33. Transfer of contracts

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

34. Amendment of contracts

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

15. CLOSING DATE / SUBMITTING OF BIDS

Bids must be submitted in sealed envelopes clearly marked "**APPOINTMENT OF PROFESSIONAL SERVICE PROVIDER FOR SOURCE OF FUNDING FOR LETSEMENG LOCAL MUNICIPALITY**" the Bid must be deposited in the bid box, Letsemeng Local Municipal Offices, 7 Groottrek Street, Koffiefontein, by no later than 12H00, 31 May 2019. Thereafter bids will be opened in public.

Bids which are not submitted in a properly sealed and marked envelope and/or deposited in the relevant bid box on or before the closing date and time will not be considered. Faxed or e-mailed Bidders will not be considered.

16. BID ENQUIRIES

Supply Chain related queries	: SCM Manager (Mr. L Manwele) – 053 3300 217 lmanwele@letsemeng.gov.za
Technical related queries	: Director Technical (D Motlogelwa)– 053 3300 234 motlogelwad@letsemeng.gov.za