



**KNYSNA**  
Municipality  
Munisipaliteit  
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## TENDER DOCUMENT

<b>TENDER NO</b>		<b>T 55/2016/17</b>	
<b>TENDER DESCRIPTION</b>		<b>DRAFT AND MAINTENANCE OF A 10 YEAR LONG TERM FINANCIAL PLAN (LTFP) FOR KNYSNA LOCAL MUNICIPALITY</b>	
<b>CLOSING TIME</b>	<b>12H00</b>	<b>DATE</b>	<b>28 June 2017</b>
<b>Tender Box:</b> SUPPLY CHAIN MANAGEMENT UNIT FINANCE BUILDING CLYDE STREET KNYSNA 6570		<b>NB:</b> 1. All bids must be submitted on the official forms (not to be re-typed) 2. Bids must be completed in black ink in writing 3. No bids will be considered from persons in the service of the state	
<b>Name of Bidder:</b>			
<b>Total Bid Price</b>			
<b>B-BBEE Status Level of Contributor</b>			
<b>Preference Points Claimed:</b>			
<b>CRD – Supplier Number</b>			
<b>CRD – Unique Registration Reference Nr.</b>			
<b>B-BBEE certificates submitted with the bid document MUST be VALID ORIGINAL BBEE CERTIFICATES or VALID CERTIFIED COPIES OF THE B-BBEE CERTIFICATES</b>			
<b>Prepared and Issued by:</b> Directorate: Finance Supply Chain Management Unit Knysna Municipality PO Box 21. KNYSNA, 6570		For enquiries regarding the bidding procedures contact: <b>C Bezuidenhout</b> Tel: 044 302 6349 Email: <a href="mailto:cybezuidenhout@knysna.gov.za">cybezuidenhout@knysna.gov.za</a> For Technical information enquiries contact: <b>M Memani</b> 044 302 6389 <a href="mailto:cfo@knysna.gov.za">cfo@knysna.gov.za</a>	

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## PART A - ADMINISTRATIVE REQUIREMENTS IN TERMS OF THE SUPPLY CHAIN MANAGEMENT POLICY

### 1. CHECKLIST

Please ensure that the following forms have been completed and signed and that all documents, as requested, are attached to the tender document:

DOCUMENT	YES	NO
<b>Authority to Sign a Bid</b> Is the form duly completed and is a certified copy of the resolution attached?		
<b>MBD 2 - Tax Clearance Certificate</b> Is an original or certified copy of a valid Tax Clearance Certificate attached?		
<b>MBD4</b> (Declaration of Interest) Is the form duly completed and signed?		
<b>MBD 6.1</b> (Preference Points claim form for purchases/services) Is the form duly completed and signed? Is a certified copy of the B-BBEE Certificate or the original B-BBEE Certificate attached?		
<b>MBD 6.2</b> (Local Production and Content) Is the form duly completed and signed?	n/a	n/a
<b>MBD 8</b> (Declaration of Past Supply Chain Practices) Is the form duly completed and signed?		
<b>MBD 9</b> (Certificate of Independent Bid Determination) Is the form duly completed and signed?		
<b>MBD 15</b> (Certificate of Payment of Municipal Accounts) Is the form duly completed and signed? Are the Identity numbers, residential addresses and municipal account numbers of ALL members, partners, directors, etc. provided on the form as requested?		
<b>Specifications</b> Is the form duly completed and signed?		
<b>Current Municipal Account</b>		
<b>Pricing Schedule</b> Is the form duly completed and signed?		
<b>MBD 7.1</b> (Contract form – Goods) Is the form duly completed and signed?		
<b>Form of Offer and Acceptance</b> Is the form duly completed and signed?		
<b>DATA BASE REGISTRATION</b> Is the form duly completed and signed? Are all the supporting documents attached?		
<b>Declaration of Tenderer</b> Is the form duly completed and signed?		

SIGNATURE		NAME (PRINT)	
CAPACITY		DATE	
NAME OF FIRM			

## KNYSNA MUNICIPALITY

### **BID NO. T 55 OF 2016/17: DRAFT AND MAINTENANCE OF A 10 YEAR LONG TERM FINANCIAL PLAN (LTFP) FOR KNYSNA LOCAL MUNICIPALITY**

Bids are invited from suitable suppliers for the drafting and maintenance of a 10 year long term financial plan for Knysna Municipality.

The physical address for collection of tender documents is **Supply Chain Management Unit, Finance Building, Queen Street, Knysna**. Tender documents can be downloaded from: [www.knysna.gov.za](http://www.knysna.gov.za) at no cost. Website navigation is as follows: Information centre – SCM – Tenders.

A receipt for a non-refundable deposit of **R 237.00** payable in favour of Knysna Municipality is required on collection of the tender documents.

Queries relating to the tender documents may be addressed directly to: Mr M Memani, Tel No. 044-302 6463 or e-mail [cfo@knysna.gov.za](mailto:cfo@knysna.gov.za)

The closing time for submission of bids is **12h00 on 28 June 2017**. Bids must be sealed in an envelope clearly marked with the bid number and title given above, and placed in the **tender box at the Supply Chain Management Unit, Finance Building, Queen Street, Knysna**, before the latter time and latest date. Telephonic, facsimile, e-mail and late bids will not be accepted. Bids must remain valid for a period of ninety (90) days after the closing dated. Knysna Municipality reserves the right to extend the validity period, should you not be willing to hold your bid valid in all respects for further period as requested, it will lapse on expiry of the current validity period.

Bids will be opened on the same day at the Supply Chain Management Section at 12h05. Late or unmarked bids will not be considered.

Bids will be evaluated according to the **80/20** preference points system. The bids are subject to the Council Supply Chain Management Policy, Preferential Procurement Policy Framework Act 2000, the Preferential Procurement Regulations 2017.

The evaluation of this bid will be subjected to functionality scoring. Bidders must achieve a minimum qualification score of 70% for further evaluation. The qualifying criteria and weighting is set out in the tender document.

The Municipality reserves the right to withdraw any invitation to bid and/or re-advertise or to reject any bid or to accept a part of it. The Municipality does not bind itself to accept the lowest bid or to award a contract to the Bidder scoring the highest number of points.

**NO BIDS WILL BE CONSIDERED FROM PERSONS IN THE SERVICE OF THE STATE AS DEFINED IN THE MUNICIPAL SUPPLY CHAIN MANAGEMENT REGULATIONS (GOVERNMENT GAZETTE NO 40553 DATED 20 JANUARY 2017).**

Further requirements for sealing, addressing, delivery, opening and assessment of bids are stated in the Tender Data.

It will be required of all bidders to be registered on the Central Supplier Database.

J Douglas  
**Acting Municipal Manager**  
Clyde Street  
KNYSNA  
6570



### 3. AUTHORITY TO SIGN A BID

#### 1. Sole Proprietor (Single Owner Business) and Natural Person

1.1 I, \_\_\_\_\_, the undersigned, hereby confirm that I am the sole owner of the business trading as \_\_\_\_\_

OR

1.2 I, \_\_\_\_\_, the undersigned, hereby confirm that I am submitting this tender in my capacity as natural person.

SIGNATURE		DATE	
PRINT NAME			
WITNESS 1		WITNESS 2	

#### 2. Companies and Close Corporations

- 2.1 If a Bidder is a Company, a certified copy of the resolution by the board of directors, duly signed, authorising the person who signs this bid to do so, as well as to sign any contract resulting from this bid and any other documents and correspondence in connection with this bid and/or contract on behalf of the company must be submitted with this bid, that is, before the closing time and date of the bid.
- 2.2 In the case of a Close Corporation (CC) submitting a bid, a resolution by its members authorising a member or other official of the corporation to sign the documents on their behalf, shall be included with the bid.

<b>Date Resolution was taken</b>			
<b>Resolution signed by (name and surname)</b>			
<b>Capacity</b>			
<b>Name and surname of delegated Authorised Signatory</b>			
<b>Capacity</b>			
<b>Specimen Signature</b>			
<b>Full name and surname of all Director(s) / Member (s)</b>			
<b>1.</b>		<b>2.</b>	
<b>3.</b>		<b>4.</b>	
<b>5.</b>		<b>6.</b>	
<b>7.</b>		<b>8.</b>	
<b>9.</b>		<b>10.</b>	
<b>Is a certified copy of the resolution attached?</b>		<b>YES</b>	<b>NO</b>
<b>SIGNED ON BEHALF OF COMPANY / CC</b>		<b>DATE</b>	
<b>PRINT NAME</b>			
<b>WITNESS 1</b>		<b>WITNESS 2</b>	

**3. Partnership**

We the undersigned partners in the business trading as \_\_\_\_\_ hereby authorise Mr/Mrs \_\_\_\_\_ to sign this bid as well as any contract resulting from the bid and any other documents and correspondence in connection with this bid and/or contract for and on behalf of the above mentioned partnership.

The following particulars in respect of every partner must be furnished and signed by every partner:

Full name of partner		Signature	
SIGNED ON BEHALF OF PARTNERSHIP		DATE	
PRINT NAME			
WITNESS 1		WITNESS 2	

**4. Consortium**

We the undersigned consortium partners, hereby authorise \_\_\_\_\_ (Name of entity) to act as lead consortium partner and further authorise Mr/Ms \_\_\_\_\_ to sign this offer as well as any contract resulting from this tender and any other documents and correspondence in connection with this tender and / or contract for and on behalf of the consortium.

The following particulars in respect of each consortium member must be provided and signed by each member.

Full name of Consortium Member	Role of Consortium Member	% Participation	Signature
SIGNED ON BEHALF OF CONSORTIUM		DATE	
PRINT NAME			
WITNESS 1		WITNESS 2	

## 4. GENERAL CONDITIONS OF CONTRACT

### 1. DEFINITIONS

1.1	<b>Closing Time</b>	Means the date and hour specified in the bidding documents for the receipt of bids.
1.2	<b>Chief Executive Officer</b>	Means the CEO of the organisation or his/her duly authorised representative
1.3	<b>Contract</b>	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
1.4	<b>Contract Price</b>	means the price payable to the supplier under the contract for the full and proper performance of his contractual obligations.
1.5	<b>Corrupt Practice</b>	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.
1.6	<b>Countervailing duties</b>	are imposed in cases where an enterprise abroad is subsidized by its government and encouraged to market its products internationally
1.7	<b>Country of origin</b>	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.
1.8	<b>Day</b>	means calendar day.
1.9	<b>Delivery</b>	means delivery in compliance of the conditions of the contract or order.
1.10	<b>Delivery ex stock</b>	means immediate delivery directly from stock actually on hand
1.11	<b>Delivery into consignees store or to his site</b>	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.
1.12	<b>Dumping</b>	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.
1.13	<b>Force Majeure</b>	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.
1.14	<b>Fraudulent Practice</b>	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.
1.15	<b>GCC</b>	Means the General Conditions of Contract
1.16	<b>Goods</b>	means all of the equipment, machinery, and/or other materials that the supplier is required to supply to the purchaser under the contract.
1.17	<b>Imported Content</b>	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.
1.18	<b>Letter of Acceptance</b>	Means the written communication by the organisation to the contractor recording the acceptance by the Municipality recording the acceptance of the contractor's tender subject to the further terms and conditions to be itemized in the contract.



1.19	<b>Local Content</b>	means that portion of the bidding price which is not included in the imported content provided that local manufacture does take place.
1.20	<b>Manufacture</b>	means the production of products in a factory using labour, materials, components and machinery and includes other related value-adding activities.
1.21	<b>Order</b>	means an official written order issued for the supply of goods or works or the rendering of a service.
1.22	<b>Project Site</b>	where applicable, means the place indicated in bidding documents.
1.23	<b>Purchaser</b>	means the organization purchasing the goods.
1.24	<b>Republic</b>	Means the Republic of South Africa
1.25	<b>SCC</b>	Means the Special Conditions of Contract
1.26	<b>Services</b>	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.
1.27	<b>Signature Date</b>	Means the date of the letter or acceptance
1.28	<b>Tender</b>	Means an offer to supply goods/services to the organisation at a price
1.29	<b>Tenderer</b>	Means any person or body corporate offering to supply goods/services to the organisation
1.30	<b>Written or In Writing</b>	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 (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 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 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 in the institution's website.

## 4. STANDARDS

4.1	The goods supplied shall conform to the standards mentioned in the bidding documents and specifications.
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## 5. USE OF CONTRACT DOCUMENTS AND INFORMATION; INSPECTION

5.1	The provider 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 provider in the performance of the contract. Disclosure to any such employed person shall be made in confidence and shall extend only as far as may be necessary for purposes of such performance.
5.2	The provider 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 provider's performance under the contract if so required by the purchaser.
5.4	The provider shall permit the purchaser to inspect the provider's records relating to the performance of the provider and to have them audited by auditors appointed by the purchaser, if so required by the purchaser.

## 6. PATENT RIGHTS

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

## 7. PERFORMANCE SECURITY

7.1	Within thirty (30) days of receipt of the notification of contract award, the success 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 provider'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 provider not later than thirty (30) days following the date of completion of the provider'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 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 purchaser or an 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 clause 8.2 & 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 provider.
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 provider who shall, when called upon, remove them immediately at his own cost and forthwith substitute them with supplies which do not comply with the requirements of the contract. Failing such removal the rejected supplies shall be returned at the providers cost and risk. Should the provider fail to provide the substitute supplies forthwith, the purchaser may, without giving the provider further opportunity to substitute the rejected supplies, purchase such supplies as may be necessary at the expense of the provider.
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. PACKAGING

9.1	The provider shall provide such packaging of the goods as is required to prevent their damage or deterioration during transit to their final destination, as indicated in the contract. The packaging shall be sufficient to withstand, without limitation, rough handling during transit and exposure to extreme temperatures, salt and precipitation during transit, and open storage. Packaging, case size and weights shall take into consideration, where appropriate, the remoteness of the good's final destination and the absence of heavy handling facilities at all points in transit.
9.2	The packaging, 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 provider in accordance with the terms specified in the contract.
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## 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.
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## 12. TRANSPORTATION

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

13.1	The provider 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 provider of any warranty obligations under this contract; and (e) training of the purchaser's personnel, at the provider'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 provider 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 provider for similar services.

### 14. SPARE PARTS

14.1	As specified, the provider may be required to provide any or all of the following materials, notifications, and information pertaining to spare parts manufactured or distributed by the provider: (a) such spare parts as the purchaser may elect to purchase from the provider, provided that this election shall not relieve the provider of any warranty obligations under the contract, and (b) in the event of termination or 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.
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### 15. WARRANTY

15.1	The provider 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 provider 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 provider, 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 provider in writing of any claims arising under this warranty.
15.4	Upon receipt of such notice, the provider 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 provider, 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 provider's risk and expense and without prejudice to any other rights which the purchaser may have against the provider under the contract.

### 16. PAYMENT

16.1	The method and conditions of payment to be made to the provider under this contract shall be specified
16.2	The provider 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 provider.
16.4	Payment will be made in Rand unless otherwise stipulated.

### 17. PRICES

17.1	Prices charged by the provider for goods delivered and services performed under the contract shall not vary from the prices quoted by the provider 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.
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### 18. INCREASE / DECREASE OF QUANTITIES

18.1	In cases where the estimated value of the envisaged changes in purchase does not exceed 15% of the total value of the original contract, the contractor may be instructed to deliver the revised 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.
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### 19. CONTRACT AMENDMENTS

19.1	No variation in or modification of the terms of the contract shall be made except by written amendment signed by the parties concerned.
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## 20. ASSIGNMENT

20.1	The provider shall not assign, in whole or in part, its obligations to perform under the contract, except with the purchaser's prior written consent.
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## 21. SUBCONTRACTS

21.1	The provider 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 provider from any liability or obligation under the contract.
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## 22. DELAYS IN THE PROVIDER'S PERFORMANCE

22.1	Delivery of the goods and performance of services shall be made by the provider in accordance with the time schedule prescribed by the purchaser in the contract
22.2	If at any time during performance of the contract, the provider or its subcontractor(s) should encounter conditions impeding timely delivery of the goods and performance of services, the provider 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 provider's notice, the purchaser shall evaluate the situation and may at his discretion extend the provider'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.
22.3	The right is reserved to procure outside of the contract small quantities or to have minor essential services executed if any emergency arises, the provider's point of supply is not situated at or near the place where the supplies are required, or the provider's services are not readily available.
22.4	Except as provided under GCC Clause 25, a delay by the provider in the performance of its delivery obligations shall render the provider liable to the imposition of penalties, pursuant to GCC Clause 22, unless an extension of time is agreed upon pursuant to GCC Clause 21.2 without the application of penalties.
22.5	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 provider'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 provider.

## 23. PENALTIES

23.1	Subject to GCC Clause 25, if the provider 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 good 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.
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## 24. TERMINATION FOR DEFAULT

24.1	The purchaser, without prejudice to any other remedy for breach of contract, by written notice of default sent to the provider, may terminate this contract in whole or in part: <ul style="list-style-type: none"> <li>(a) if the provider 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;</li> <li>(b) if the provider fails to perform any other obligation(s) under the contract; or</li> <li>(c) if the provider, in the judgement of the purchaser, has engaged in corrupt or fraudulent practices in competing for or in executing the contract.</li> </ul>
24.2	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 provider shall be liable to the purchaser for any excess costs for such similar goods, works or services. However, the provider shall continue performance of the contract to the extent not terminated.

## 25. ANTI-DUMPING AND COUNTER-VAILING DUTIES AND RIGHTS

25.1	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 favourable difference shall on demand be paid forthwith by the provider to the purchaser or the purchaser may deduct such amounts from moneys (if any) which may otherwise be due to the provider 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.
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## 26. FORCE MAJEURE

26.1	Notwithstanding the provisions of GCC Clauses 22 and 23, the provider 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.
26.2	If a force majeure situation arises, the provider shall promptly notify the purchaser in writing of such condition and the cause thereof. Unless otherwise directed by the purchaser in writing, the provider 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.

## 27. TERMINATION FOR INSOLVENCY

27.1	The purchaser may at any time terminate the contract by giving written notice to the provider if the provider becomes bankrupt or otherwise insolvent. In this event, termination will be without compensation to the provider, 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,
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## 28. SETTLEMENT OF DISPUTES

28.1	If any dispute or difference of any kind whatsoever arises between the purchaser and the provider 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.
28.2	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 provider 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.
28.3	Should it not be possible to settle a dispute by means of mediation, it may be settled in a South African court of law.
28.4	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 provider any monies due to the provider for goods delivered and / or services rendered according to the prescripts of the contract

## 29. LIMITATION OF LIABILITY

29.1	Except in cases of criminal negligence or wilful misconduct, and in the case of infringement pursuant to Clause 6; (a) the provider 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 provider to pay penalties and / or damages to the purchaser; and (b) the aggregate liability of the provider 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.
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## 30. GOVERNING LANGUAGE

30.1	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.
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## 31. APPLICABLE LAW

31.1	The contract shall be interpreted in accordance with South African laws, unless otherwise specified.
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## 32. NOTICES

32.1	Every written acceptance of a bid shall be posted to the provider 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.
32.2	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.

## 33. TAXES AND DUTIES

33.1	A foreign provider shall be entirely responsible for all taxes, stamp duties, license fees, and other such levies imposed outside the purchaser's country.
33.2	A local provider shall be entirely responsible for all taxes, duties, license fees, etc., incurred until delivery of the contracted goods to the purchaser.
33.3	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 bidders are in order.

#### 34. TRANSFER OF CONTRACTS

34.1	The contractor shall not abandon, transfer, assign or sublet a contract or part thereof without the written permission of the purchaser.
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#### 35. AMENDMENT OF CONTRACTS

35.1	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
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## 5. MBD 2 - TAX CLEARANCE CERTIFICATE REQUIREMENTS

**It is a condition of bid that the taxes of the successful bidder must be in order, or that satisfactory arrangements have been made with South African Revenue Services (SARS) to meet the bidder's tax obligations.**

- 2.1 In order to meet this requirement bidders are required to complete in full form TCC 001 "Application for a Tax Clearance Certificate" and submit it to any SARS branch office nationally.
- 2.2 SARS will then furnish the bidder with a Tax Clearance Certificate that will be valid for a period of 1 (one) year from the date of approval.
- 2.3 The original Tax Clearance Certificate must be submitted together with the bid. Failure to submit the original Tax Clearance Certificate will result in the invalidation of the bid. Certified copies of the Tax Clearance Certificate will not be acceptable.
- 2.4 In bids where Consortia / Joint Ventures / Sub-contractors are involved, each party must submit a separate Tax Clearance Certificate.
- 2.5 Copies of the TCC001 "Application for a Tax Clearance Certificate" form are available from any SARS branch office nationally or on the website [www.sars.gov.za](http://www.sars.gov.za)
- 2.6 Applications for the Tax Clearance Certificates may also be made via eFiling. In order to use this provision, taxpayers will need to register with SARS as eFilers through the website [www.sars.gov.za](http://www.sars.gov.za)



## 6. MBD 4 – DECLARATION OF INTEREST

1. No bid will be accepted from persons in the service of the state<sup>1</sup>.
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 favouritism, 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 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:

<b>3.1.</b>	<b>Full Name of bidder or his or her representative</b>																
<b>3.2.</b>	<b>Identity Number</b>	<table border="1" style="width: 100%; border-collapse: collapse;"> <tr> <td style="width: 12.5%; height: 20px;"></td> <td style="width: 12.5%;"></td> <td style="width: 12.5%;"></td> <td style="width: 12.5%;"></td> <td style="width: 12.5%;"></td> <td style="width: 12.5%;"></td> <td style="width: 12.5%;"></td> <td style="width: 12.5%;"></td> <td style="width: 12.5%;"></td> <td style="width: 12.5%;"></td> <td style="width: 12.5%;"></td> <td style="width: 12.5%;"></td> <td style="width: 12.5%;"></td> <td style="width: 12.5%;"></td> <td style="width: 12.5%;"></td> </tr> </table>															
<b>3.3.</b>	<b>Position occupied in the Company (director, shareholder etc.)</b>																
<b>3.4.</b>	<b>Company Registration Number</b>																
<b>3.5.</b>	<b>Tax Reference Number</b>																

<sup>1</sup> MSCM Regulations: "in the service 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) member of the board of directors of any municipal entity;
- (c) official of any municipality or municipal entity;
- (d) 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) member of the accounting authority of any national or provincial public entity; or
- (f) employee of Parliament or a provincial legislature.



3.6.	VAT Registration Number		
3.7.	Are you presently in the service of the state?	YES	NO
3.7.1	If so, furnish particulars:		
3.8	Have you been in the service of the state for the past twelve months?	YES	NO
3.8.1	If so, furnish particulars		
	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
3.9.1	If so, furnish particulars:		
3.10	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 the evaluation and or adjudication of this bid?	YES	NO
3.10.1	If so, furnish particulars		
3.11	Are any of the company's directors, managers, principle shareholders or stakeholders in the service of the state?	YES	NO
3.11.1	If so, furnish particulars:		
3.12	Is any spouse, child or parent of the company's directors, managers, principle shareholders or stakeholders in the service of the state?	YES	NO
3.12.1	If so, furnish particulars:		
3.8.	VAT Registration Number		
3.9.	Are you presently in the service of the state?	YES	NO
3.7.1	If so, furnish particulars:		
3.8	Have you been in the service of the state for the past twelve months?	YES	NO
3.8.1	If so, furnish particulars		
	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
3.9.1	If so, furnish particulars:		

3.10	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 the evaluation and or adjudication of this bid?	YES	NO
3.10.1	If so, furnish particulars		
3.11	Are any of the company's directors, managers, principle shareholders or stakeholders in the service of the state?	YES	NO
3.11.1	If so, furnish particulars:		
3.12	Is any spouse, child or parent of the company's directors, managers, principle shareholders or stakeholders in the service of the state?	YES	NO
3.12.1	If so, furnish particulars:		
3.10.	VAT Registration Number		
3.11.	Are you presently in the service of the state?	YES	NO
3.7.1	If so, furnish particulars:		
3.8	Have you been in the service of the state for the past twelve months?	YES	NO
3.8.1	If so, furnish particulars		
	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
3.9.1	If so, furnish particulars:		
3.10	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 the evaluation and or adjudication of this bid?	YES	NO
3.10.1	If so, furnish particulars		
3.11	Are any of the company's directors, managers, principle shareholders or stakeholders in the service of the state?	YES	NO
3.11.1	If so, furnish particulars:		

3.12	Is any spouse, child or parent of the company's directors, managers, principle shareholders or stakeholders in the service of the state?	YES	NO
3.12.1	If so, furnish particulars:		
<p><b>4. DECLARATION</b></p> <p>I, the undersigned (name) _____, certify that the information furnished in paragraph 3 above is correct.</p> <p>I accept that the state may act against should this declaration prove to be false.</p>			
SIGNATURE			DATE
NAME OF SIGNATORY			
POSITION			
NAME OF COMPANY			

## 7. MBD 6.1 PROCUREMENT REGULATIONS 2017 – PURCHASES / SERVICES (80/20)

### 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.

### 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 MBD6.1 – PREFERENCE POINTS CLAIM FORM IN TERMS OF THE PREFERENTIAL included); and
- the 90/10 system for requirements with a Rand value above R50, 000,000 (all applicable taxes included);
- or the 80/20 and 90/10 system if the value of the tender is unknown.

1.2 The value of this bid is estimated NOT to 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
<b>Total points for Price and B-BBEE must not exceed</b>	<b>100</b>

1.4 Failure on the part of a bidder to fill in and/or to sign this form will be interpreted to mean that preference points for B-BBEE status level of contribution are not claimed.

1.5 Failure on the part of a bidder to 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.

1.6 The Municipality 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 Municipality.

### 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, skills 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 (except where Sector Charter Thresholds apply);

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:

$$P_s = 80 \left( 1 - \frac{P_t - P_{\min}}{P_{\min}} \right) \quad \text{or} \quad P_s = 90 \left( 1 - \frac{P_t - P_{\min}}{P_{\min}} \right)$$

**Where:**

- $P_s$  = Points scored for comparative price of bid under consideration
- $P_t$  = Comparative price of bid under consideration
- $P_{\min}$  = Comparative price of lowest acceptable bid

### 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:

6.1.2. B-BBEE STATUS LEVEL OF CONTRIBUTION CLAIMED IN TERMS OF PARAGRAPHS 1.3.1.2 AND 5.1	
6.1.2.1. B-BBEE Status Level of Contribution as reflected on the B-BBEE Certificate	
6.1.2.2. Points claimed in respect of Level of Contribution (maximum of 10 or 20 points)	

(Points claimed in respect of paragraph 6.1 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).

## 7. SUB-CONTRACTING

7.1. Will any portion of the contract be sub-contracted? <i>(Tick applicable box)</i>	YES		NO	
7.1.1. If yes, indicate:				
7.1.1.1. what percentage of the contract will be subcontracted?				
7.1.1.2. the name of the sub-contractor?				
7.1.1.3. the B-BBEE status level of the sub-contractor?				
7.1.1.4. whether the sub-contractor is an EME? <i>(Tick applicable box)</i>	YES		NO	

## 8. DECLARATION WITH REGARD TO COMPANY/FIRM

Name of Enterprise			
VAT registration number			
Company registration number			
TYPE OF ENTERPRISE	Partnership / Joint Venture / Consortium		

<b>(Tick applicable box)</b>	One person business / sole proprietor	
	Company	
	Close Corporation	
<b>Describe principal business activities</b>		
<b>Company Classification (Tick applicable box)</b>	Manufacturer	
	Supplier	
	Professional service provider	
	Other service providers, e.g. transporter, etc.	
<b>TOTAL NUMBER OF YEARS THE ENTERPRISE HAS BEEN IN BUSINESS</b>		

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 alteram partem* (hear the other side) rule has been applied; and
    - (e) forward the matter for criminal prosecution

<b>SIGNATURE OF BIDDER(S):</b>			
<b>WITNESS 1:</b>		<b>WITNESS 2:</b>	
<b>DATE:</b>			
<b>ADDRESS:</b>			

## 8. MBD 6.2 – DECLARATION CERTIFICATE LOCAL PRODUCTION AND CONTENT

This Standard Bidding Document (SBD) must form part of all bids invited. It contains general information and serves as a declaration form for local content (local production and local content are used interchangeably).

Before completing this declaration, bidders must study the General Conditions, Definitions, Directives applicable in respect of Local Content as prescribed in the Preferential Procurement Regulations, 2011 and the South African Bureau of Standards (SABS) approved technical specification number SATS 1286:201x.

### 1. General Conditions

- 1.1. Preferential Procurement Regulations, 2011 (Regulation 9. (1) and 9. (3) Make provision for the promotion of local production and content.
- 1.2. Regulation 9.(1) prescribes that in the case of designated sectors, where in the award of bids local production and content is of critical importance, such bids must be advertised with the specific bidding condition that only locally produced goods, services or works or locally manufactured goods, with a stipulated minimum threshold for local production and content will be considered.
- 1.3. Regulation 9.(3) prescribes that where there is no designated sector, a specific bidding condition may be included, that only locally produced services, works or goods or locally manufactured goods with a stipulated minimum threshold for local production and content, will be considered.
- 1.4. Where necessary, for bids referred to in paragraphs 1.2 and 1.3 above, a two stage bidding process may be followed, where the first stage involves a minimum threshold for local production and content and the second stage price and B-BBEE.
- 1.5. A person awarded a contract in relation to a designated sector, may not sub-contract in such a manner that the local production and content of the overall value of the contract is reduced to below the stipulated minimum threshold.
- 1.6. The local content (LC) as a percentage of the bid price must be calculated in accordance with the SABS approved technical specification number SATS 1286: 201x as follows:

$$LC = 1 - \frac{x}{y} \times 100$$

Where

x        imported content  
y        bid price excluding value added tax (VAT)

Prices referred to in the determination of x must be converted to Rand (ZAR) by using the exchange rate published by South African Reserve Bank (SARB) at 12:00 on the date, one week (7 calendar days) prior to the closing date of the bid as indicated in paragraph 4.1 below.

- 1.7. A bid will be disqualified if:
  - the bidder fails to achieve the stipulated minimum threshold for local production and content indicated in paragraph 3 below; and
  - this declaration certificate is not submitted as part of the bid documentation.

### 2. Definitions

- 2.1. **“bid”** includes advertised competitive bids, written price quotations or proposals;
- 2.2. **“bid price”** price offered by the bidder, excluding value added tax (VAT);
- 2.3. **“contract”** means the agreement that results from the acceptance of a bid by an organ of state;
- 2.4. **“designated sector”** means a sector, sub-sector or industry that has been designated by the Department of Trade and Industry in line with national development and industrial policies for local production, where only locally produced services, works or goods or locally manufactured goods meet the stipulated minimum threshold for local production and content;
- 2.5. **“duly sign”** means a Declaration Certificate for Local Content that has been signed by the Chief Financial Officer or other legally responsible person nominated in writing by the Chief Executive, or senior member / person with management responsibility(close corporation, partnership or individual).
- 2.6. **“imported content”** means that portion of the bid price represented by the cost of components, parts or materials which have been or are still to be imported (whether by the supplier or its subcontractors) and which costs are inclusive of the costs



abroad, plus freight and other direct importation costs, such as landing costs, dock duties, import duty, sales duty or other similar tax or duty at the South African port of entry;

- 2.7. **“local content”** means that portion of the bid price which is not included in the imported content, provided that local manufacture does take place;
- 2.8. **“stipulated minimum threshold”** means that portion of local production and content as determined by the Department of Trade and Industry; and
- 2.9. **“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.

**3. The stipulated minimum threshold(s) for local production and content for this bid is/are as follows:**

<u>Description of services, works or goods</u>	<u>Stipulated minimum threshold</u>
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_____	_____ %
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_____	_____ %
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4. Does any portion of the services, works or goods offered have any imported content? YES / NO

- 4.1 If yes, the rate(s) of exchange to be used in this bid to calculate the local content as prescribed in paragraph 1.6 of the general conditions must be the rate(s) published by SARB for the specific currency at 12:00 on the date, one week (7 calendar days) prior to the closing date of the bid.

The relevant rates of exchange information is accessible on **www.reservebank.co.za**.

Indicate the rate(s) of exchange against the appropriate currency in the table below:

Currency	Rates of exchange
US Dollar	
Pound Sterling	
Euro	
Yen	
Other	

NB: Bidders must submit proof of the SARB rate (s) of exchange used.

**LOCAL CONTENT DECLARATION BY CHIEF FINANCIAL OFFICER OR OTHER LEGALLY RESPONSIBLE PERSON  
NOMINATED IN WRITING BY THE CHIEF EXECUTIVE OR SENIOR MEMBER/PERSON WITH MANAGEMENT  
RESPONSIBILITY (CLOSE CORPORATION, PARTNERSHIP OR INDIVIDUAL)**

**IN RESPECT OF BID No.** \_\_\_\_\_

**ISSUED BY:** (Procurement Authority / Name of Institution): \_\_\_\_\_

NB The obligation to complete, duly sign and submit this declaration cannot be transferred to an external authorized representative, auditor or any other third party acting on behalf of the bidder.

I, the undersigned, \_\_\_\_\_ (full names), do hereby declare, in my capacity as \_\_\_\_\_ of \_\_\_\_\_ (name of bidder entity), the following:

- (a) The facts contained herein are within my own personal knowledge.
- (b) I have satisfied myself that the goods/services/works to be delivered in terms of the above-specified bid comply with the minimum local content requirements as specified in the bid, and as measured in terms of SATS 1286.
- (c) The local content has been calculated using the formula given in clause 3 of SATS 1286, the rates of exchange indicated in paragraph 4.1 above and the following figures:

Bid price, excluding VAT (y)	R
Imported content(x)	R
Stipulated minimum threshold for Local content (paragraph 3 above)	
Local content % , as calculated in terms of SATS 1286	

If the bid is for more than one product, a schedule of the local content by product shall be attached.

- (d) I accept that the Procurement Authority / Institution has the right to request that the local content be verified in terms of the requirements of SATS 1286.
- (e) I understand that the awarding of the bid is dependent on the accuracy of the information furnished in this application. I also understand that the submission of incorrect data, or data that are not verifiable as described in SATS 1286, may result in the Procurement Authority / Institution imposing any or all of the remedies as provided for in Regulation 13 of the Preferential Procurement Regulations, 2011 promulgated under the Policy Framework Act (PPFA), 2000 (Act No. 5 of 2000).

<b>SIGNATURE</b>		<b>DATE:</b>	
<b>WITNESS 1:</b>		<b>WITNESS 2:</b>	
<b>DATE:</b>		<b>DATE:</b>	

## 9. MBD 8 – DECLARATION OF BIDDER’S PAST SUPPLY CHAIN MANAGEMENT PRACTICES

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

4.1	Is the bidder or any of its directors listed on the National Treasury’s database as a company or person prohibited from doing business with the public sector?  <i>(Companies or persons who are listed on this database were informed in writing of this restriction by the National Treasury after the audi alteram partem rule was applied).</i>	<b>Yes</b>	<b>No</b>
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)?  <i>(To access this Register enter the National Treasury’s website, <a href="http://www.treasury.gov.za">www.treasury.gov.za</a>, click on the icon “Register for Tender Defaulters” or submit your written request for a hard copy of the Register to facsimile number (012) 3265445).</i>	<b>Yes</b>	<b>No</b>
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?	<b>Yes</b>	<b>No</b>
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?	<b>Yes</b>	<b>No</b>

4.4.1	If so, furnish particulars:		
4.5	Was any contract between the bidder and the municipality / municipal entity or any other organ of state terminated during the past five years on account of failure to perform on or comply with the contract?	Yes	No
4.7.1	If so, furnish particulars:		

## 5. CERTIFICATION

I, the undersigned (full name), \_\_\_\_\_, certify that the information furnished on this declaration form 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:		NAME (PRINT):	
CAPACITY:		DATE:	
NAME OF FIRM:			

## 10. CERTIFICATE OF INDEPENDENT BID DETERMINATION

1. This Municipal Bidding Document (MBD) must form part of all bids<sup>2</sup> invited.
2. Section 4 (1) (b) (iii) of the Competition Act No. 89 of 1998, as amended, prohibits an agreement between, or concerted practice by, firms, or a decision by an association of firms, if it is between parties in a horizontal relationship and if it involves collusive bidding (or bid rigging).<sup>3</sup> 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:

### CERTIFICATE OF INDEPENDENT BID DETERMINATION:

In response to the invitation for the bid made by:

#### **KNYSNA MUNICIPALITY**

I, the undersigned, in submitting the accompanying bid, hereby make the following statements that I certify to be true and complete in every respect:

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;
  - (a) 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:
    - (b) has been requested to submit a bid in response to this bid invitation;
    - (c) could potentially submit a bid in response to this bid invitation, based on their qualifications, abilities or experience; and
    - (d) provides the same goods and services as the bidder and/or is in the same line of business as the bidder
5. The bidder has arrived at the accompanying bid independently from, and without consultation, communication, agreement or arrangement with any competitor. However communication between partners in a joint venture or consortium<sup>4</sup> will not be construed as collusive bidding.
6. 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;

<sup>2</sup>Includes price quotations, advertised competitive bids, limited bids and proposals.

<sup>3</sup> Bid rigging (or collusive bidding) occurs when businesses, that would otherwise be expected to compete, secretly conspire to raise prices or lower the quality of goods and / or services for purchasers who wish to acquire goods and / or services through a bidding process. Bid rigging is, therefore, an agreement between competitors not to compete.

<sup>4</sup> Joint venture or Consortium means an association of persons for the purpose of combining their expertise, property, capital, efforts, skill and knowledge in an activity for the execution of a contract.

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.

7. 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.

8. 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.

9. 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		NAME (PRINT)	
CAPACITY		DATE	
NAME OF FIRM			

## 11. MDB 15 – Certificate for Payment of Municipal Services

**NAME OF THE BIDDER:** \_\_\_\_\_

**FURTHER DETAILS OF THE BIDDER'S; Director / Shareholder / Partners, etc.:**

Director / Shareholder / partner	Physical address of the Business	Municipal Account number(s)	Physical residential address of the Director / shareholder / partner	Municipal Account number(s)

**NB:** Please attach certified copy (ies) of ID document(s)

I, \_\_\_\_\_,

(Full name in block letters) the undersigned, certify that the information furnished on this declaration form is correct and that I / we have no undisputed commitments for municipal services towards a municipality in respect of which payment is overdue for more than 90 days.

If the value of the transaction is expected to exceed R10 million (VAT included) I certify that the bidder has no undisputed commitments for municipal services towards **a Municipality** in respect of which payment is overdue for more than 30 days;

**THUS DONE AND SIGNED** for and on behalf of the Bidder, at \_\_\_\_\_, on the \_\_\_\_\_ day of \_\_\_\_\_ 20\_\_\_\_.

Number of sheets appended by the tenderer to this schedule (If nil, enter NIL)

SIGNATURE:		NAME (PRINT):	
CAPACITY:		NAME OF FIRM:	

**For office use (comments):**

## PART B – SPECIFICATIONS AND PRICING SCHEDULE

### 12.1 SPECIFICATIONS AND SCOPE OF WORK

#### **SPECIFICATIONS FOR THE SUPPLY AND DELIVERY OF A 10 YEAR LONG TERM FINANCIAL PLAN (LTFP) FOR KNYSNA LOCAL MUNICIPALITY**

##### **1. PURPOSE**

The Municipal Budget and Reporting Regulations (section 7) requires the Accounting Officer (Municipal Manager) to prepare, or take all reasonable steps to ensure the preparation of the Budget Related Policies of the municipalities which including a policy relating to the long term financial plan.

The LTFP is a financial framework that combines and integrates financial strategies to achieve the main objective of the financial viability of the municipality, i.e. the ability of the municipality to meet the current and future service delivery needs of the community whilst remaining financial sustainable on the long term.

The development of the LTFP is an output of financial and other strategies and aims to identify financial imbalances or opportunities and to develop strategies to counteract the imbalances.

##### **2. SCOPE**

##### **Key outcomes include inter alia the following:**

- Provide a shadow credit rating of Knysna Local Municipality (KLM) against a set of parameters in the municipal sector. Such a shadow rating indicates the most likely conclusion any prospective lender to KLM would come to as it relates to the level of risk in providing long term funding to KLM.
- Provide a model with the most optimal funding mix taking into consideration the tariff structure, affordability, critical infrastructural requirements and capital investments, migration, financial viability and overall sustainability of the KLM. The funding and reserves policy of the municipality should be used as a guide and to inform the analysis and modelling.
- The model should provide for different scenarios based on the most critical needs and available resources and must include a sensitivity analysis.
- Consider the adequacy of capital investment in the so-called non-grant funded areas in relation to the level of subsidisation and the relative contribution towards the municipal fiscus.



- Cash flow performance of the municipality to ascertain whether future financial performance (planning and budgeting) will positively or negatively affect the municipality's financial position and overall financial viability scoring).
- Specific guidance on cash management and borrowing capacity and capital investment levels.
- Identify key strategic focus areas and the settling of long and short term goals taking into consideration the unique circumstances of the municipality as well as provincial and national benchmarks.

The LTFP must be aligned to the:

- Legislative Framework which the municipality operate
- National Development Plan;
- Integrated Development Plan of the municipality
- Municipal Policies adopted
- Master plans of the municipality: water, electricity, waste management, sanitation etc.
- Sector Plans: Housing program, Electrification etc.
- By-laws of the municipality

**The LTFP must include information on the following:**

**Demographic implications**

- Total Population
- Historic growth (2001 – 2017) if possible
- Household income per capita
- Density per lower place level
- Gender and age distribution per Ward
- Migration patterns

**Local Economy Reality**

- Educational Levels of economic active population
- GGP
- Unemployment profile
- Economic Sectors (e.g. Impact of Industrialisation on historical agriculture intensive labour market)
- Sector employment profile

**Indigent Households and Infrastructure backlogs**

- Assessment of existing level of development.
- Service gaps.
- Identification of households which do not have access to basic municipal services and houses.
- Number of Indigent households.

## **Spatial Planning / Framework**

- Anticipated long-term change (and the pressures and opportunities that emerge from it) to the spatial framework and development path of the municipality. Overall impact on all Municipal Master plans i.e.:
  - Water, Waste water, Electricity, Transport, Refuse etc.
  - Housing and Infrastructure.
- Areas of development and the impact on infrastructure and the revenue base (construction, light industrial, retail, agriculture)
- Land availability and investment properties.
- Housing needs and service delivery demands.
- Capital Investment planning (10 – 20 years and must link to backlogs, social-economic profile, and revenue base). Further to that the impact on the operating budget in terms of Repairs and Maintenance and finance cost. Prioritisation of capital projects. In this respect it is important to prioritise infrastructure that can use to generate revenue and the infrastructure investment decision must be linked to the impact on affordability levels of the local community.
- Technical Master plans.

## **Revenue Management**

- Ratio analysis on the status quo and targets. Ratios include: Gross profit of trading services, total income versus Total expenditure and analysis of operating surplus or deficit, operating income source versus as % Total Operating Income.
- Analysis of the Revenue Base of the Municipality and the sustainability of current revenue streams.
- Link revenue base to the SDF should optimise the expansion or development.
- The LTFP must link to the tariff strategy in terms of cost recovery, affordability, future expansion of infrastructure, cost reflective, efficiencies, and must include analysis of the demand for the service, sustainability of service, Outsourcing versus in-house and possible rationalisation of non-core municipal services.

## **Expenditure Management**

- Ratio analysis on the status quo and targets.
- Ratios can include: Contribution per Expenditure item as a percentage of Total Expenditure; Annual increase per Expenditure item; Electricity: Income vs. Bulk Charges and Repairs and Maintenance & Depreciation in relation to Fixed Assets.
- Forecast for the operational requirement for the municipality (employee cost, finance cost, depreciation debt impairment etc.).
- Distribution losses strategies.

- Strategy to eliminate inefficiencies, fruitless and wasteful expenditure (e.g. excessive overtime).
- Within the bounds of Supply Chain Management policy use the buying power of the Municipality. Value for rand and development of standard prices.

### **Debtors and creditors / working capital**

- Ratio analysis on the status quo and targets.
- Debtors Ratios: Net Consumers vs. Gross consumers, debt age analysis, debtors' turnover; payment level, debtors as % of revenue on credit etc.
- Creditors' ratios: Payment period.
- Liquidity analysis and setting of a working capital level must be adopted as well as how the municipality intend to keep at that level.
- Debt collection strategies and targets must be established.
- Indigent management strategy link to Indigent policy. How the municipality intend to create an environment for job creation and deliver basic services.
- Prepaid versus conventional meters.
- How the municipality intend to ensure the reliability of the Municipal bill (is the consumer billed completely and accurately).
- Is there service delivery charter or agreements with communities to improve customer relations?

### **Cash Management**

- Cash coverage
- Cash reserve level (3 month)
- Credit ratings
- Cash flow trend analysis
- External Gearing
- Liquidity ratios.

### **Asset management**

- Current Asset base

- Life cycle of assets
- Replacement cost
- Asset impairments
- Identify Investment properties
- Self-insurance versus External insurance

### **Funding and reserves**

- Capital Replacement Reserve
- External debt – ceiling
- Investment strategy
- Grant funding dependency

### **Risk management**

Complete financial risk analysis of the municipality and mitigating procedures and assurance.

### **Modelling of long term financial plan and scenario setting**

Modelling of the financial plan based on the current realities, financial overview and targets and risk assessments.

Plans and Strategies to optimise opportunities and to address disasters and unforeseen events based on the following:

- Status quo remains.
- Developmental approach – how would the municipality optimise the outcome to grow further?
- Disaster strikes.

### **Identification of projects to be implemented over medium term to optimise long term financial sustainability**

- Identification of economic projects ready for capital investment and requiring debt funding
- Economic projects ready for investment requiring capital grants of up to 10% with 90% of the funding coming from mainly debt
- Economic projects requiring project preparation funding with potential at implementation to require debt of between 90% and 100% of required external funding

- Social projects requiring preparation funding but qualify for grant funding.

### **3. CONTRACT PERIOD**

This contract will be for the once-off compilation of a ten year long term financial plan for the municipality. The task must be completed within a 6 month period. The commencement date of the contract will be 1 August 2017. The Council may as needed review the LTFP on annual basis. A separate quote for the anticipated annual review must be submitted with this bid.

### **4. AWARDING OF BIDS**

The Council reserves the right to accept any bid or part thereof and does not bind itself to accept the lowest or any bid.

### **5. PAYMENT**

Payment for time-related items will be effected monthly, either in proportion to the lapsed time or in proportion to the value of work done, whichever method results in the smallest payment.

### **6. PERSONNEL**

Bidders to indicate the personnel and experience of personnel who will be involved in this project. Please attached CV's of key personnel. The project team of the service provider must include finance, economic and infrastructure skills.

### **7. EXPERIENCE/REFERENCES:**

In the tender document the bidder must submit proof for the items listed below. Failure to do so will result in the tender being found non-responsive.

- The bidder must have the technical skills and ability to develop a high quality Long Term Financial Plan (LTFP) that will be clear, implementable and easy to read and understand. To this effect, a written summary of the experience in the compilation of a LTFP must be provided by the bidder.
- The bidder must provide the necessary proof of experience insofar the compilation of a LTFP is concerned. The bidder should have prepared at least 6 LTFP's previously to Local-, or Provincial- or National government. At least 6 appropriate references must be provided with the submission of the tender document that includes the contact details (name of contact person, telephone number and e-mail address).
- The bidder must submit a clear project plan with milestones with the tender document. This project plan must indicate timelines, roles, responsibilities and specific action items that correspond with the strict timelines provided for in this tender.

- The CV of the person that will be responsible for the compilation of the LTFP must be provided.
- The CV of the person that will be responsible for the detailed review of the abovementioned person's work must be provided.
- Both of these persons must have at least a post graduate degree and the necessary proof must be provided.
- Training must be provided to certain officials of the municipality to empower them to update the LTFP on an annual basis. A signed declaration must be provided for this important requirement.

## **8. EXPECTED DELIVERABLES, PROJECT IMPLEMENTATION AND TIME FRAMES**

The project is anticipated to commence on 1 August 2017 (or as soon as the bid has been awarded) and the study must be completed within a period of 6 months.

## **9. REPORTING**

Monthly progress reports must be submitted to the Chief Financial Officer until the final product is delivered.

## **10. GENERAL**

Bidders who are compelled to register with controlling authorities regarding their services to be rendered, must ensure that their relevant registration is in order prior to the closure of bids and these must be attached to the bid document.

I, the undersigned, have read and understand the conditions given above:		
COMPANY	SIGNATURE OF TENDERER	DATE

## 13. FUNCTIONALITY

### 1. FUNCTIONALITY EVALUATION

Potential service providers will have to achieve a minimum score of 70 points out of 100 for their functional proposals before their financial proposals and HDI status are evaluated. This is required so that there is a level of comfort that the potential service provider can deliver the project with the required professionalism and quality. The bidder with the highest scoring points on the functional evaluation would be considered for the evaluation on financial proposals and HDI status.

### 2. FUNCTIONALITY EVALUATION CRITERIA

The scoring for the evaluation of functional proposals will be calculated in accordance with table below:

Functionality (100) Points				
Experience, Expertise and References				Max Score 40
Item	Description		Points	Basic Score
Company Experience	No. of projects undertaken by the bidder in the last 5 years. List the projects and attach the company profile	Less than 6 projects of similar nature and magnitude.	5	
		6 Projects of similar nature and magnitude.	15	
		Above 6 Projects of similar nature and magnitude.	20	
References and Contact Details	Submit reputable references with contact numbers to confirm past experience	Less than 6 reputable references with contact numbers to confirm past experience.	5	
		6 reputable references with contact numbers to confirm past experience.	15	
		Above 6 reputable references with contact numbers to confirm past experience.	20	
Project Team				Max Score 60
Item	Description		Points	Basic Score
Capability, Track record and appropriateness of the team	Indicate outputs and activities of individual team member and alignment of their experience and expertise in relation to the project	Relevant postgraduate degree or equivalent of person preparing LTFP	5	
		Relevant postgraduate degree or equivalent of	5	

		person reviewing LTFP		
		Quality of submission of project plan with detailed timeframes	15	
		Quality of submission of training plan with detailed information on how skills transfer will take place	5	
		Methodology to be applied in the compilation of the LTFP	Poor and not well defined	10
			Average document with limited information	20
			Clear, well-structured methodology with detailed information on methodology to follow	30
<b>Total Points</b>				<b>100</b>

**Proof to substantiate and claim the points must be attached to the back of this page. Failure to attach the proof could cause the supplier to be non-responsive.**

#### 14. PRICING

Item No	Description	AMOUNT
1	Total costs of drafting and maintenance of long term financial plan for Knysna Municipality	
2	Annual update of LTFP (price per year)	
<b>SUB TOTAL</b>		
14% VAT		
<b>GRAND TOTAL</b>		

I, the undersigned, have read and understand the specifications given above:

COMPANY	SIGNATURE OF TENDERER	DATE



## 14. MBD 7.1 – Contract Form – Purchase of Goods / Works

### NOTE:

1. This form must be completed 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 will be in possession of originally signed contracts for their respective records.
2. NO correction fluid/tape may be used.
3. In the event of a mistake having been made, it shall be crossed out in ink and be accompanied by an initial at each and every alteration

### PART 1 (To be completed by the TENDERER)

1. I hereby undertake to supply all or any of the goods and/or works described in the attached bidding documents to the **Knysna Municipality** in accordance with the requirements and specifications stipulated in tender no T /2017 for a period of three years and the price(s) as per the pricing schedule. My offer(s) remain(s) 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:  
Binding documents, viz
  - (a) Invitation to bid
  - (b) Tax clearance certificate
  - (c) Pricing schedule(s)
  - (d) Technical Specification(s)
  - (e) Preference claims in terms of the Preferential Procurement Regulations 2017
  - (f) Declaration of Interest
  - (g) Special Conditions of Contract; and
  - (h) General Conditions of Contract
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 the person regarding this or any other bid.
6. I confirm that I am duly authorised to sign this contract.

SIGNATURE:		NAME (PRINT):	
CAPACITY:		DATE	
NAME OF FIRM			
WITNESS 1		WITNESS 2	
DATE		DATE	

## CONTRACT FORM – PURCHASE OF GOODS / WORKS

### PART 2 (To be completed by the KNYSNA MUNICIPALITY)

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 in 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 accompanies by the delivery note.
4. I confirm that I am duly authorised to sign this contract.

TO BE COMPLETED BY THE KNYSNA MUNICIPALITY	
SIGNATURE:	OFFICIAL STAMP:
NAME (PRINT)	
WITNESS 1	
WITNESS 2	

### 15. DECLARATION BY TENDERER

I/We acknowledge that I / we am / are fully acquainted with the contents of the conditions of tender of this tender document and that I / we accept the conditions in all respects.

I/We agree that the laws of the Republic of South Africa shall be applicable to the contract resulting from the acceptance of my / our tender and that I / we elect *domicillium ditandi et executandi* (physical address at which legal proceedings may be instituted) is the Republic at:

\_\_\_\_\_

\_\_\_\_\_

\_\_\_\_\_

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

I/We furthermore confirm I / we satisfied myself / ourselves as to the corrections and validity of my / our tender; that the price quoted cover all work / items specified in the tender documents and that the price(s) cover all my / our obligations under a resulting contract and that I / we accept that any mistake (s) regarding price and calculations will be at my / our risk.

I/We furthermore confirm that my / our offer remained binding upon me / us and open for acceptance by the Purchaser / Employer during the validity period indicated and calculated from closing date of the bid.

SIGNATURE:		NAME (PRINT):	
CAPACITY:		DATE	
NAME OF FIRM			
WITNESS 1		WITNESS 2	
DATE		DATE	

## 16. FORM OF OFFER AND ACCEPTANCE

Tender No: T 55/2016/17

### T 55/2016/17 SPECIFICATIONS FOR THE SUPPLY AND DELIVERY OF A 10 YEAR LONG TERM FINANCIAL PLAN (LTFP) FOR KNYSNA LOCAL MUNICIPALITY

#### Form of Offer and Acceptance

##### Offer

The employer, identified in the acceptance signature block, has solicited offers to enter into a contract for the procurement of:

### T 55/2016/17 SPECIFICATIONS FOR THE SUPPLY AND DELIVERY OF A 10 YEAR LONG TERM FINANCIAL PLAN (LTFP) FOR KNYSNA LOCAL MUNICIPALITY

The tenderer, identified in the offer signature block, 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 authorized, 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

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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.

SIGNATURE:		NAME (PRINT):	
CAPACITY:		DATE:	

**for the tenderer**

(Name and address of organization)

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SIGNATURE OF WITNESS:		NAME (PRINT):	
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 this agreement and in the contract that is the subject of this agreement.

Deviations from and amendments to the documents listed in the tender data and any addenda thereto as 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 signed by the authorized representative(s) 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 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 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 (PRINT):	
CAPACITY:		DATE	

**for the Employer**

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(Name and address of organization)

SIGNATURE OF WITNESS:		NAME (PRINT):	
DATE:			

### Schedule of Deviations

1 Subject \_\_\_\_\_

Details \_\_\_\_\_

2 Subject \_\_\_\_\_

Details \_\_\_\_\_

3 Subject \_\_\_\_\_

Details \_\_\_\_\_

4 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 changes 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.

#### for the tenderer

(Name and address of organization)

\_\_\_\_\_

\_\_\_\_\_

\_\_\_\_\_

SIGNATURE OF WITNESS:		NAME (PRINT):	
DATE:			

#### for the Employer

\_\_\_\_\_

\_\_\_\_\_

(Name and address of organization)



<b>Business Profile</b> (List all Partners, Proprietors and Shareholders )
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Name	ID Number	% Owned	M/F	HDI (Y/N)	D/ABLED (Y/N)

[illegible]

Town of office nearest to Knysna		
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Postal Address
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[illegible][illegible][illegible]

Kindly categorize your company / organization into one of the following: (Tick relevant box)

	17	Consultant	27	Contractor	37	Manufacturer
	47	Service Provider	57	Supplier	67	Other

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BEE info (Attach certificate)	
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BEE Status		BEE Procurement Recognitions (%)		Expiry Date	
Certificate No.			Issued By:		

Declaration
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\_\_\_\_\_ acknowledge that:



1. The above is true and correct.
2. An agreement only exists once an official order has been generated.
3. Council reserves the right to verify the information supplied.
4. All goods to be delivered to the Municipal Stores, Fechter Street, Industrial Area, Knysna.
5. This documentation can be faxed or e-mailed to the address as stated.
6. I,we agree that monies owed to the Council may be recovered from any Council payment to be made for goods or services supplied, at the discretion of the CFO.
7. We the undersigned declare that we have no close family member in the service of the state or employed by any organ of state.

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Position

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Name

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Signature

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Date

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**FOR OFFICE USE ONLY**

CHECKED BY: