

**STEVE TSHWETE**



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Mpumalanga

# LOCAL MUNICIPALITY

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## **REQUEST FOR FORMAL WRITTEN PRICE QUOTATIONS**

### **GOODS**

**(R 30,000 to R 200,000)**

## **REFURBISHMENT OF MATURATION PONDS AT BOSKRANS WWTW**

Kindly furnish me with a written quote for the supply of the goods as detailed in the enclosed schedule.

The following conditions will apply:

- Price(s) quoted must be valid for at least ninety (90) days from date of your offer.
- Price(s) quoted must be firm.
- A firm delivery period must be indicated.
- This quotation will be evaluated in terms of the 80/20 preference point system as prescribed in the Preferential Procurement Policy Framework Act (No 5 of 2000) and for this purpose the enclosed forms MBD 1, MBD 2, MBD 3.1, MBD 4, MBD 6.1, MBD 6.11, MBD 8 and MBD 9 must be scrutinized, completed and submitted together with your quotation.
- The successful provider will be the one scoring the highest points.
- The Council is not bound to accept the lowest or any quote.

Failure to comply with these conditions may invalidate your offer.

Yours faithfully

**M. MNGUNI**  
**ACTING MUNICIPAL MANAGER**

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**MBD 1: REQUEST FOR A FORMAL WRITTEN PRICE QUOTATION – FIRM FIXED PRICE**

**(Over R10 000.00 up to a transaction value of R200 000.00 VAT included)**

**YOU ARE HEREBY INVITED TO BID FOR REQUIREMENTS OF THE STEVE TSHWETE LOCAL MUNICIPALITY**

BID NUMBER: **Q38.04.17**

CLOSING DATE: **03/05/2017**

CLOSING TIME: 12H00.

DESCRIPTION **REFURBISHMENT OF MATURATION PONDS AT  
BOSKRANS WWTW**

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**The successful bidder will be required to fill in and sign a written Contract Form (MBD 7.1)**

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Bid documents may be posted to:

The Senior Manager: Legal & Administration  
Steve Tshwete Local Municipality  
P.O. Box 14  
Middelburg  
1050

or deposited in the bid box situated at:

INFRASTRUCTURE SERVICES  
1<sup>ST</sup> Floor, CIVIL ENGINEERING SERVICES  
14 SADC STREET  
Middelburg  
Mpumalanga

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

The bid box is generally open 7H30 TO 16H00 hours Monday to Friday

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

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

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

1. Relevant specifications
2. Value for money
3. Capability to execute the contract
4. PPPFA and associated criteria

**NB: NO QUOTATIONS WILL BE CONSIDERED FROM PERSONS IN THE SERVICE OF THE STATE**

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

Name of Bidder: .....

Postal Address: .....

Street Address: .....

Telephone Number:

Code.....Number.....

Cellphone Number:

.....

Facsimile Number:

Code ..... Number.....

Vat Registration Number: .....

Has an original tax clearance certificate been attached (MBD 2)? Yes / No

Are you the accredited representative in South Africa for the services offered by you? Yes / No

SIGNATURE OF BIDDER: .....

DATE: .....

CAPACITY UNDER WHICH THIS BID IS SIGNED:

.....

**TOTAL BID PRICE CARRIED OVER FROM MBD 3.1: R .....**

**ANY ENQUIRIES REGARDING THE BIDDING PROCEDURE MAY BE DIRECTED TO:**

**Municipality:** Steve Tshwete Local Municipality.

**Department:** Finance – Supply Chain Management

**Contact Person:** Mr. P. Van der Merwe

**Tel:** (013) 249 7000

**Fax:** (013) 243 2550

**ANY ENQUIRIES REGARDING TECHNICAL INFORMATION MAY BE DIRECTED TO:**

**Contact Person(s):** Mr Davidson Machaka

**Department:** Civil Engineering

**Tel:** 013 249 7163

**Fax:** 013 249 2550

## **SPECIFICATIONS**

### **1. Purpose**

The Municipality intends to appoint a civil engineering contractor to refurbish the 3 maturation ponds at the Boskrans Wastewater Treatment Works.

### **2. Scope of Work**

This project is for the refurbishment of the maturation ponds and it mainly includes, but not limited to the following;

#### **Sludge Removal**

- Excavate a sludge disposal trench
- Pump wet sludge and dispose within freehaul
- Remove dry sludge and dispose within freehaul
- Remove grass and reeds and dispose within freehaul

#### **Earth Works**

- Rip existing walls
- Import existing material on site
- Rebuild pond side wall to required slope and compaction
- Rebuild pond internal walls to required slope and compaction
- Construct by-pass channels

### **3. Project Location**

The site of works is located at the Boskrans Wastewater Treatment Works, Middelburg. GPS Coordinates 29°26'41.81"E 25°44'18.42"S.

### **4. Project Duration**

The scope of work should be completed within 8 weeks from the day of commencement.

### **5. Site Facilities Available**

#### **Site Office**

The contractor will be required to establish an office on site to enable him to carry out his duties successfully. Lavatory facilities are available on site.

#### **Source of Water Supply**

Potable water supply is available on site. This shall not relieve the Contractor of his responsibility for sourcing and storage of water of suitable quality for potable and construction purposes, for the duration of the contract should there be no water available on site for a period of time. All costs related thereto will be for the Contractor's account.

The Contractor will be responsible, for the construction of all temporary pipelines, pipework, storage facilities (to balance supply with demand), controls and appurtenant work necessary

to convey water to his work site and to other areas of the site where water is required for construction and other purposes. On completion of the Contract, the Contractor shall remove all temporary facilities and reinstate all surfaces to their original standard.

**6. Equipment, Tools and Consumables**

The civil contractor will be required to make provision, in his pricing, for the supply and installation of all the pipe work, pumps, day tanks, false work, consumables and labour and miscellaneous items to complete the work successfully.

**7. Occupational Health and Safety Requirements**

It is a requirement of this contract that the contractor shall provide a safe working environment and to direct all his activities in such a manner that his employees and any other persons who may be directly affected by his activities are not exposed to hazards to their health and safety.

To this end the contractor shall conform to all the stipulations of the Occupational Health and Safety Act (Act 85 of 1993) and the regulations applicable at the time of tender, which inter alia provide for the designation of a health and safety representative (or representatives) when an employer has more than 20 employees in his employ.

**8. Works Not To Interfere**

The Boskrans Wastewater Treatment Works will be operational throughout the Contract. The Contractor shall ensure that his work does not affect operations without good reason and that there is access at all times. The Contractor will advise the Boskrans Wastewater Treatment Works Plant Supervisor minimum of 5 days prior to any activity that could disrupt the Works in any form.

**9. Unauthorised Persons**

The Contractor shall keep unauthorized persons away from his site at all times.

**10. Information to be provided with the bid**

Certified copy of a Valid B-BBEE Status Level Verification Certificates should be attached. Bidders who do not submit B-BBEE Status Level Verification Certificates or are non-compliant contributors to B-BBEE do not qualify for preference points and will score points out of 80 for price only and zero points out of 20 for B-BBEE.

**11. Nature of Contract**

The General Conditions of Contract (GCC) 2010 shall apply to this bid.

**12. Information that will be provided by the Municipality**

An official order would be supplied/sent to the bidder who collects more points.

**13. Access to Site**

Access to site prior to submission the bid document is possible and can be arranged on request,

through the use of the contact details shown above.

**14. Pricing Guidelines**

The pricing schedules must be completed in full. Contractor are advised to read the pricing schedule carefully.

**15. Compulsory Requirements**

The following are compulsory, failure to submit will result in disqualification of the bid.

- Letter of Good Standing (COIDA)
- Record of experience in similar work with contact details of the Client, project value and
- Registered as compliant service provider on the Central Supplier Database
- Proof of Plant and Machinery (minimum: 2 x excavator, 1x TLB, 2x Tipper, 1x Water Tanker, 1x Roller)

**16. Evaluation of Bids**

All bids will be evaluated for functionality as per schedule below. The experience of the tenderer in similar projects or nature or similar areas and conditions in relation to the scope of work will be evaluated here.

Briefly describe company or individual experience in regard to the above scope of work and attach this to this schedule. Proof of previous work history must be attached for e.g. purchase order, appointment or reference letter etc.

A summary of the relevant work experience in line with the scope of work should be indicated in the table below: (Any additional information regarding previous work experience can be attached to this schedule).

<b>Employer, contact person and telephone number, where available</b>	<b>Description of work (service)</b>	<b>Value of work (i.e. the service provided) inclusive of VAT (Rand)</b>	<b>Date completed</b>



The scoring of the tenderer's experience will be as follows:

Non-responsive (score 0)	Tenderer has no experience or no information has been provided
Poor (max score 20)	Tenderer has previous work experience but not relevant to scope of work.
Satisfactory (max score 50)	Tenderer has limited relevant experience and has not dealt with the critical issues specific to the assignment.
Good (max score 70)	Tenderer has relevant experience in relation to the project and has worked previously under similar conditions and circumstances
Very good (score 100)	Tenderer has outstanding work experience in projects of a similar nature.

Only bidders who score a minimum of 70/100 points in this schedule will be further evaluated on price and BBEE.

## **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 Service (SARS) to meet the bidder's tax obligations.**

1. In order to meet this requirement bidders are required to complete in full form TCC001 "Application for a Tax Clearance Certificate" and submit it to any SARS branch office nationally. The Tax Clearance Certificate Requirements are also applicable to foreign bidders / individuals who wish to submit bids. Copies of the TCC 001 "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. 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.
3. The original Tax Clearance Certificate must be submitted together with the bid. Failure to submit the original and valid Tax Clearance Certificate will result in the invalidation of the bid. Certified copies of the Tax Clearance Certificate will not be acceptable.
4. In bids where Consortia / Joint Ventures / Sub-contractors are involved, each party must submit a separate Tax Clearance Certificate.
5. 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. Exemption to the provision of a Tax Clearance Certificate will be granted provided that:
  - a) The bidder is registered on the vendor database of the municipality and a valid tax clearance certificate was submitted together with the application for registration
  - b) If the closing date of the price quotation or bid falls within the expiry date of the tax clearance certificate that is in the municipality's possession.

**MBD 3.1: PRICING SCHEDULE – FIRM PRICES (PURCHASES)**

**NOTE:**

**ONLY FIRM PRICES WILL BE ACCEPTED. NON-FIRM PRICES (INCLUDING PRICES SUBJECT TO RATES OF EXCHANGE VARIATIONS) WILL NOT BE CONSIDERED IN CASES WHERE DIFFERENT DELIVERY POINTS INFLUENCE THE PRICING, A SEPARATE PRICING SCHEDULE MUST BE SUBMITTED FOR EACH DELIVERY POINT**

Name of Bidder:.....	Bid Number: <b>Q38.04.17</b>
Closing Time: <b>12:00</b>	Closing Date: <b>03/05/2017</b>

OFFER TO BE VALID FOR **90 DAYS** FROM THE CLOSING DATE OF BID

ITEM NO	DESCRIPTION	UNIT	QTY	RATE Rand	AMOUNT Rand
<b>1</b>	<b>POND 3</b>				
1.1	Pump out water into bypass channel to pond 5 (suggest at least 10l/s for 24hr, 5m head)	m <sup>3</sup>	3300		
1.2	Remove dry sludge and discard within 0.5km	m <sup>3</sup>	1000		
1.3	Remove wet sludge with grass and reeds after water is pumped out and discard within 0.5km	m <sup>3</sup>	3300		
1.4	Remove grass from walls and discard within 0.5km (middel wall and sides)	m <sup>2</sup>	150		
1.5	Pond side walls (outside walls against natural ground)- shape walls to 1 vert : 1.5 hor slope and compact to 95 % MOD AASHTO max density	m <sup>2</sup>	140		
1.6	Remove grass from internal walls and discard within 0.5km	m <sup>2</sup>	2965		
1.7	Rip and recompact existing Internal walls 150mm deep to 97 % MOD AASHTO max density (include removal of material mixed with grass and topsoil)	m <sup>2</sup>	2965		
1.8	Import existing material on site, and place on walls top and side to correct slope and alignment, and compact to 95 % MOD AASHTO max density in 150mm layers (include final shaping of walls)	m <sup>3</sup>	1050		
<b>TOTAL POND 3 CARRIED FORWARD TO SUMMARY</b>					

2	<b>POND 4</b>				
2.1	Pump out water into bypass channel to pond 5 (suggest at least 10l/s for 24hr, 5m head)	m <sup>3</sup>	3650		
2.2	Remove dry sludge and discard within 0.5km	m <sup>3</sup>	1000		
2.3	Remove wet sludge with grass and reeds after water is pumped out and discard within 0.5km	m <sup>3</sup>	3650		
2.4	Remove grass from walls and discard within 0.5km (middel wall and sides)	m <sup>2</sup>	120		
2.5	Pond side walls (outside walls against natural ground)- shape walls to 1 vert : 1.5 hor slope and compact to 95 % MOD AASHTO max density	m <sup>2</sup>	100		
2.6	Remove grass from internal walls and discard within 0.5km	m <sup>2</sup>	3420		
2.7	Rip and recompact existing Internal walls 150mm deep to 97 % MOD AASHTO max density (include removal of material mixed with grass and topsoil)	m <sup>2</sup>	3420		
2.8	Import existing material on site, and place on walls top and side to correct slope and alignment, and compact to 95 % MOD AASHTO max density in 150mm layers (include final shaping of walls)	m <sup>3</sup>	1200		
<b>TOTAL POND 4 CARRIED FORWARD TO SUMMARY</b>					

3	<b>POND 5</b>				
3.1	Pump out water into bypass channel to pond 5 (suggest at least 10l/s for 24hr, 5m head)	m <sup>3</sup>	4200		
3.2	Remove dry sludge and discard within 0.5km	m <sup>3</sup>	1000		
3.3	Remove wet sludge with grass and reeds after water is pumped out and discard within 0.5km	m <sup>3</sup>	4200		
3.4	Remove grass from walls and discard within 0.5km (middel wall and sides)	m <sup>2</sup>	2450		
3.5	Pond side walls (outside walls against natural ground)- shape walls to 1 vert : 1.5 hor slope and compact to 95 % MOD AASHTO max density	m <sup>2</sup>	1950		
3.6	Remove grass from internal walls and discard within 0.5km	m <sup>2</sup>	0		
3.7	Rip and recompact existing Internal walls 150mm deep to 97 % MOD AASHTO max density (include removal of material mixed with grass and topsoil)	m <sup>2</sup>	0		
3.8	Import existing material on site, and place on walls top and side to correct slope and alignment, and compact to 95 % MOD AASHTO max density in 150mm layers (include final shaping of walls)	m <sup>3</sup>	1200		
<b>TOTAL POND 5 CARRIED FORWARD TO SUMMARY</b>					

4	<b>BYPASS CHANNEL</b>				
4.1	Extra over item 6.2 for the lining of channel with armorflex:				
4.2	Grade u24 filler membrane	m <sup>2</sup>	520		
4.3	Supply and installation of Armorflex 140	m <sup>2</sup>	520		
<b>TOTAL BYPASS</b>					
5	<b>GENERAL</b>				
5.1	Excavate trench on site for disposal of sludge (position determined by engineer)- 200m long, 4m deep 12m wide	m <sup>3</sup>	11150		
<b>TOTAL GENERAL</b>					

<b>BOSKRANS MATURATION PONDS</b>	
<b><u>SECTION</u></b>	<b><u>AMOUNT (RAND)</u></b>
<b>BROUGHT FORWARD</b>	
<b>POND 3</b>	
<b>POND 4</b>	
<b>POND 5</b>	
<b>BYPASS CHANNEL</b>	
<b>GENERAL</b>	
<b>SUBTOTAL</b>	
<b>PRELIMINARY AND GENERAL - ALLOW SUM FOR Ps AND Gs (maximum 10%)</b>	
<b>CONTINGENCIES 5%</b>	
<b>SUB TOTAL INCLUDING Ps AND Gs AND CONTINGENCIES</b>	
<b>VAT @ 14%</b>	
<b>GRAND TOTAL</b>	

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

- 3.1 Full Name of bidder or his or her representative:.....
- 3.2 Identity Number: .....
- 3.3 Position occupied in the Company (director, trustee, hareholder<sup>2</sup>):.....
- 3.4 Company Registration Number: .....
- 3.5 Tax Reference Number:.....
- 3.6 VAT Registration Number: .....
- 3.7 The names of all directors / trustees / shareholders members, their individual identity numbers and state employee numbers must be indicated in paragraph 4 below.
- 3.8 Are you presently in the service of the state? **YES / NO**
  - 3.8.1 If yes, furnish particulars. ....  
.....

<sup>1</sup>MSCM Regulations: "in the service of the state" means to be –

- (a) a member of –
  - (i) any municipal council;
  - (ii) any provincial legislature; or
  - (iii) the national Assembly or the national Council of provinces;
- (b) a member of the board of directors of any municipal entity;
- (c) an official of any municipality or municipal entity;
- (d) an employee of any national or provincial department, national or provincial public entity or constitutional institution within the meaning of the Public Finance Management Act, 1999 (Act No.1 of 1999);
- (e) a member of the accounting authority of any national or provincial public entity; or
- (f) an employee of Parliament or a provincial legislature.



<sup>2</sup> Shareholder” means a person who owns shares in the company and is actively involved in the management of the company or business and exercises control over the company.

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

3.9.1 If yes, furnish particulars.....  
.....

3.10 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**

3.10.1 If yes, furnish particulars.  
.....  
.....

3.11 Are you, aware of any relationship (family, friend, other) between any other 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**

3.11.1 If yes, furnish particulars  
.....  
.....

3.12 *Are any of the company’s directors, trustees, managers, principle shareholders or stakeholders in service of the state?* **NO** **YES /**

3.12.1 If yes, furnish particulars.  
.....  
.....

3.13 Are any spouse, child or parent of the company’s directors trustees, managers, principle shareholders or stakeholders in service of the state? **YES / NO**

3.13.1 If yes, furnish particulars.  
.....  
.....

3.14 Do you or any of the directors, trustees, managers, principle shareholders, or stakeholders of this company have any interest in any other related companies or business whether or not they are bidding for this contract. **YES / NO**

3.14.1 If yes, furnish particulars:  
.....  
.....

4. Full details of directors / trustees / members / shareholders.

Full Name	Identity Number	State Employee Number

.....  
**Date**

.....  
**Signature**

.....  
**Capacity**

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

**CERTIFICATION**

I, \_\_\_\_\_ THE \_\_\_\_\_ UNDERSIGNED \_\_\_\_\_ (NAME)

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

.....  
Signature

.....  
Date

.....  
Position

.....  
Name of Bidder

## **MBD 6.1: PREFERENCE CERTIFICATE**

### **PREFERENCE POINTS CLAIM FORM IN TERMS OF THE PREFERENTIAL PROCUREMENT REGULATIONS 2001**

**Note:** BEFORE COMPLETING THIS FORM, BIDDERS MUST STUDY THE GENERAL CONDITIONS, DEFINITIONS AND DIRECTIVES APPLICABLE IN RESPECT OF EQUITY OWNERSHIP BY HISTORICALLY DISADVANTAGED INDIVIDUALS (HDI's), AS PRESCRIBED IN THE PREFERENTIAL PROCUREMENT REGULATIONS, 2001.

#### **1. GENERAL CONDITIONS:**

The following preference point system are applicable to all bids:

the 80/20 system for requirements with a Rand value of up to R 500 000; and

the 90/10 system for requirements with a Rand value above R 500 000.

Failure on the part of a bidder to fill in and/or sign this form may be interpreted to mean that preference points are not claimed.

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

#### **2. GENERAL DEFINITIONS:**

- 2.1. **“Acceptable bid”** means any bid which, in all respects, complies with the specifications and conditions of bid as set out in the bid document.
- 2.2. **“Bid”** means a written offer in a prescribed or stipulated form in response to an invitation by an organ of state for the provision of goods, works or services.
- 2.3. **“Comparative price”** means the price after the factors of a non-firm price and all unconditional discounts that can be utilised have been taken into consideration.
- 2.4. **“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.
- 2.5. **“Contract”** means the agreement that results from the acceptance of a bid by an organ of state.
- 2.6. **“Specific contract participation goals”** means the goals as stipulated in the Preferential Procurement Regulations 2001. In addition to above-mentioned goals, the Regulations [12.(1)] also make provision for organs of state to give particular consideration to procuring locally manufactured products.
- 2.7. **“Control”** means the possession and exercise of legal authority and power to manage the assets, goodwill and daily operations of a business and the active and continuous exercise of appropriate managerial authority and power in determining the policies and directing the operations of the business.
- 2.8. **“Disability”** means, in respect of a person, a permanent impairment of a physical, intellectual, or sensory function, which results in restricted, or lack of, ability to perform an activity in the manner, or within the range, considered normal for a human being.
- 2.9. **“Equity Ownership”** means the percentage ownership and control, exercised by individuals within an enterprise.
- 2.10. **“Historically Disadvantaged Individual (HDI)”** means a South African citizen.
  - (1) who, due to the apartheid policy that had been in place, had no franchise in national elections

prior to the introduction of the Constitution of the Republic of South Africa, 1983 (Act No 110 of 1983) or the Constitution of the Republic of South Africa, 1993, (Act No 200 of 1993) (“the interim Constitution); and/or

- (2) who is a female; and/or
- (3) who has a disability:

provided that a person, who obtained South African citizenship on or after the coming to effect of the Interim Constitution, is deemed not to be a HDI;

- 2.11. **“Management”** means an activity inclusive of control and performed on a daily basis, by any person who is a principal executive officer of the company, by whatever name that person may be designated, and whether or not that person is a director.
- 2.12. **“Owned”** means having all the customary elements of ownership, including the right of decision-making and sharing all the risks and profits commensurate with the degree of ownership interests as demonstrated by an examination of the substance, rather than the form of ownership arrangements.
- 2.13. **“Person”** includes reference to a juristic person.
- 2.14. **“Rand value”** means the total estimated value of a contract in Rand denomination that is calculated at the time of bid invitations and includes all applicable taxes and excise duties.
- 2.15. **“Small, Medium and Micro Enterprises” (SMMEs)** bears the same meaning assigned to this expression in the National Small Business Act, 1996 (No 102 of 1996).
- 2.16. **“Sub-contracting”** means the primary contractor’s assigning or leasing or making out work to, or employing another person to support such primary contractor in the execution of part of a project in terms of the contract.
- 2.17. **“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.
- 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. ESTABLISHMENT OF HDI EQUITY OWNERSHIP IN AN ENTERPRISE:**

- 3.1 Equity ownership shall be equated to the percentage of an enterprise which is owned by individuals classified as HDI’s, or in the case of a company, the percentage shares that are owned by individuals classified as HDI’s, who are actively involved in the management and daily business operations of the enterprise and exercise control over the enterprise, commensurate with their degree of ownership.
- 3.2 Where individuals are not actively involved in the management and daily business operations and do not exercise control over the enterprise commensurate with their degree of ownership, equity ownership may not be claimed.

### **4. ASSESSMENT USING A POINT SYSTEM:**

- 4.1 The bidder obtaining the highest number of points will usually be awarded the bid.
- 4.2 Preference points shall be calculated after prices have been brought to a comparative basis.
- 4.3 Points scored will be rounded off to 2 decimal places.
- 4.4 In the event of equal points scored, the bid will be awarded to the bidder scoring the highest number of points for specified goals. If, however the bids are equal in all respects, then the award shall be decided by the drawing of lots.

**5. POINTS AWARDED FOR PRICE/FUNCTIONALITY:**

**5.1. THE 80/20 PREFERENCE POINT SYSTEM**

5.1.a. The following formula must be used to calculate the points for price in respect of bids with a Rand value equal to, or above R 30 000 and up to a Rand Value of R500 000. Organs of state may however, apply this formula for bids with a value less than R30 000, if and when appropriate:

5.1.b. Points Awarded for Price/Functionality (Ps):

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

$$Ps = 80 \left[ 1 - \frac{(Pt - P_{min})}{P_{min}} \right]$$

**Where**

Ps = Points scored for price/functionality of bid under consideration  
 Pt = Rand value of bid consideration  
 P min = shall be a bid price.

A maximum of {insert points} points may be awarded to a bidder for being an HDI and or subcontracting with an HDI and / or achieving any of the specified goals stipulated in regulation 17.

A maximum of {insert points} points may be awarded to a bidder being a woman.

A maximum of {insert points} point may be awarded to a bidder being disabled

A maximum of {insert points} point may be awarded to a bidder in respect of the locality of his office

The bidder with the highest number of points scored may be selected.

**5.2. The 90/10 preference point system**

5.2.a. The following formula must be used to calculate the points for the price in respect of bids with a Rand value above R 500 000

5.2.b. Points Awarded for Price/functionality (Ps)

**A maximum of 90 points is allocated on the following basis:**

$$Ps = 90 \left[ 1 - \frac{(Pt - P_{min})}{P_{min}} \right]$$

**Where**

Ps = Points scored for price of bids under consideration  
 Pt = Rand value of offer bid consideration

A maximum of {insert points} points may be awarded to a bidder for being an HDI and or subcontracting with an HDI and / or achieving any of the specified goals stipulated in regulation 17.

A maximum of {insert points} points may be awarded to a bidder being a woman.

A maximum of {insert points} point may be awarded to a bidder being disabled

A maximum of {insert points} point may be awarded to a bidder in respect of the locality of his office

5.3. In terms of Regulation 13 (2) preference points for HDI's are calculated on their percentage shareholding in a business, provided that they are actively involved in and exercise control over the enterprise. The following formula is prescribed in Regulation 13 (5) (c):

$$NEP = N_{OP} \times \frac{E_P}{100}$$

**Where**

- N<sub>EP</sub> = Points awarded for equity ownership by an HDI
- N<sub>OP</sub> = The maximum number of points awarded for equity ownership by an HDI in that specific category
- E<sub>P</sub> = the percentage of equity ownership by an HDI within the enterprise or business, determined in accordance with the definition of HDI's.

- 5.4. Equity claims for a trust will only be allowed in respect of those persons who are both trustees and beneficiaries and who are actively involved in the management of the trust.
- 5.5. Documentation to substantiate the validity of the credentials of the trustees contemplated above must be submitted.
- 5.6. Listed companies and tertiary institutions do not qualify for HDI preference points.
- 5.7. Consortium or joint venture may, based on the percentage of the contract value managed or executed by their HDI-members, be entitled to preference points in respect of an HDI.
- 5.7(a) A person awarded a contract as a result of preference for contracting with, or providing equity ownership to an HDI, may not subcontract more than 25% of the value of the contract to a person who is not an HDI or does not qualify for the same number or more preference for equity ownership.

**6. BID DECLARATION**

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

**7. EQUITY OWNERSHIP CLAIMED IN TERMS OF PARAGRAPH 2.10 ABOVE. POINTS TO BE CALCULATED FROM INFORMATION FURNISHED IN PARAGRAPH 9**

	Maximum points (A)	Percentage equity owned (B)	Points claimed (AxB)
7.1. Equity ownership by persons who had no franchise in the national elections	{insert point}	%	points
7.2. Equity ownership by women	{insert point}	%	points
7.3. Equity ownership by disabled persons	{insert point}	%	points
<b>Total points – sum of 7.1 to 7.3</b>			

**8. DECLARATION WITH REGARD TO EQUITY**

<b>Name of firm:</b>	
<b>VAT registration number:</b>	
<b>Company registration number :</b>	

**Type of firm (Tick applicable box):**

<input type="checkbox"/> Partnership	<input type="checkbox"/> One person business/sole trader	<input type="checkbox"/> Close corporation
<input type="checkbox"/> Company	<input type="checkbox"/> (Pty) Limited	

<b>Describe principal business activities:</b>

<p><b>COMPANY CLASSIFICATION</b> (<i>Tick applicable box</i>):</p> <p> <input type="checkbox"/> Manufacturer                 <input type="checkbox"/> Supplier  <input type="checkbox"/> Professional service provider                 <input type="checkbox"/> Other service providers.             </p>
---

<b>Total number of years this has been in business?</b>	
---	--



9. List all Shareholders by Name, Position, Identity Number, Citizenship, HDI status and ownership, as relevant. Information to be used to calculate the points claimed in paragraph 7.

Name	Date/Position occupied in Enterprise	ID Number	Date RSA Citizenship obtained	HDI Status			% of business / enterprise owned
				No franchise prior to elections	Women	Disabled	
				<input type="checkbox"/> Yes <input type="checkbox"/> No	<input type="checkbox"/> Yes <input type="checkbox"/> No	<input type="checkbox"/> Yes <input type="checkbox"/> No	%
				<input type="checkbox"/> Yes <input type="checkbox"/> No	<input type="checkbox"/> Yes <input type="checkbox"/> No	<input type="checkbox"/> Yes <input type="checkbox"/> No	%
				<input type="checkbox"/> Yes <input type="checkbox"/> No	<input type="checkbox"/> Yes <input type="checkbox"/> No	<input type="checkbox"/> Yes <input type="checkbox"/> No	%
				<input type="checkbox"/> Yes <input type="checkbox"/> No	<input type="checkbox"/> Yes <input type="checkbox"/> No	<input type="checkbox"/> Yes <input type="checkbox"/> No	%
				<input type="checkbox"/> Yes <input type="checkbox"/> No	<input type="checkbox"/> Yes <input type="checkbox"/> No	<input type="checkbox"/> Yes <input type="checkbox"/> No	%
				<input type="checkbox"/> Yes <input type="checkbox"/> No	<input type="checkbox"/> Yes <input type="checkbox"/> No	<input type="checkbox"/> Yes <input type="checkbox"/> No	%
				<input type="checkbox"/> Yes <input type="checkbox"/> No	<input type="checkbox"/> Yes <input type="checkbox"/> No	<input type="checkbox"/> Yes <input type="checkbox"/> No	%
				<input type="checkbox"/> Yes <input type="checkbox"/> No	<input type="checkbox"/> Yes <input type="checkbox"/> No	<input type="checkbox"/> Yes <input type="checkbox"/> No	%
				<input type="checkbox"/> Yes <input type="checkbox"/> No	<input type="checkbox"/> Yes <input type="checkbox"/> No	<input type="checkbox"/> Yes <input type="checkbox"/> No	%

**10. CONSORTIUM / JOINT VENTURE**

In the event that preference points are claimed for HDI members by consortia / joint ventures, the following information must be furnished in order to be entitled to the points claimed in respect of the HDI member:

Name of HDI member (to be consistent with table 10)	Percentage (%) of the contract value managed or executed by the HDI member

11. I/we, the undersigned, who warrants that he/she is duly authorised to do so on behalf of the firm certify that points claimed, based on the equity ownership, indicated in paragraph 8 of the foregoing certificate, qualifies the firm for the preference(s) shown and I / we acknowledge that:

- a) The information furnished is true and correct.
- b) The Equity ownership claimed is in accordance with the General Conditions as indicated in paragraph 1 of this form.
- c) In the event of a contract being awarded as a result of points claimed as shown in paragraph 8, the contractor may be required to furnish documentary proof to the satisfaction of the purchaser that the claims are correct.
- d) If the claims are found to be incorrect, the Employer may, in addition to any other remedy it may have -
  - i. recover costs, losses or damages it has incurred or suffered as a result of that person's conduct;
  - ii. 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;
  - iii. impose a financial penalty more severe than the theoretical financial preference associated with the claim which was made in the bid; and

<b>Name of Bidder</b>	<b>Signature</b>	<b>Date</b>

<b>Witness Signature:</b>	<b>Witness signature:</b>

**MBD 6.11: PROMOTION OF ENTERPRISES LOCATED IN THE STEVE TSHWETE MUNICIPAL AREA**

**REFERENCE POINTS CLAIM FORM IN TERMS OF THE PREFERENTIAL PROCUREMENT REGULATIONS 2001**

NB: BEFORE COMPLETING THIS FORM, BIDDERS MUST STUDY THE GENERAL CONDITIONS, DEFINITIONS AND DIRECTIVES SPECIFIED IN CLAIM FORM MBD 6.1 AND THE PREFERENTIAL PROCUREMENT REGULATIONS, 2001.

1. Regulation 17(3) (g) of the Preferential Procurement Regulations makes provision for the promotion of enterprises located in a specific municipal area for work to be done or services to be rendered in that municipal area.
2. The promotion of this goal can be achieved by acquiring goods and services from enterprises located within the **Steve Tshwete Local Municipality**. This includes an enterprise whose head office may be situated in elsewhere, but has established a fully-fledged branch within this municipal area. Enterprises located outside the borders of this Municipality and who only appoint agents and/or commission warehouses in this municipal area are expressly excluded from claiming points for this goal.

**SPECIFIC GOAL**

**POINTS ALLOCATED**

The stimulation of the local economy by procuring from enterprises located within the borders of the **Steve Tshwete Local Municipality**

**{insert points}**

3. Preference points may only be claimed by enterprises located within the **Steve Tshwete Local Municipality**. (See paragraph 2 above).

**4. BID DECLARATION**

Bidders who wish to claim points in respect of this specific goal must complete the declaration part of this form.

**5. POINTS CLAIMED**

Bidder to indicate whether the point(s) allocated for enterprises situated within the **Steve Tshwete Local Municipality** is/are claimed. Yes / No

**6. DECLARATION WITH REGARD TO LOCALITY**

State full particulars of locality of enterprise as well as that of Head Office:

Address of local enterprise:

Physical: .....	Postal:.....
.....	.....
.....	.....

Telephone: ..... Fax: .....

Municipal Account No: ..... Stand No: .....

Address of Head Office:

Physical: .....

Postal:.....

.....

.....

.....

.....

Telephone: .....

Fax: .....

I/we, the undersigned, who warrants that he/she is duly authorised to do so on behalf of the enterprise certify that the enterprise is entitled to the points allocated in paragraph 2 of this form and I / we acknowledge that:

- (i) The information furnished is true and correct.
- (ii) In the event of a contract being awarded as a result of points claimed, the contractor may be required to furnish documentary proof to the satisfaction of the purchaser that the claim is correct.
- (iii) If the claim is found to be incorrect, the purchaser may, in addition to any other remedy it may have-
  - (a) recover all costs, losses or damages it has incurred or suffered as a result of wrong information furnished; and
  - (b) 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.

**WITNESSES:**

1. ....

.....

SIGNATURE (S) OF BIDDER (S)

2. ....

DATE: .....

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

1. This Standard Bidding Document forms part of all bids invited.
2. It serves as a declaration to be used by institutions in ensuring that when goods and services are being procured, all reasonable steps are taken to combat the abuse of the supply chain management system.
3. The bid of any bidder may be disregarded if that bidder, or any of its directors have-
  - a) abused the institution's supply chain management system;
  - b) committed fraud or any other improper conduct in relation to such system; or
  - c) failed to perform on any previous contract.
4. In order to give effect to the above, the following questionnaire must be completed and submitted with the bid.

Item	Question	Yes	No
4.1	Is the bidder or any of its directors listed on the National Treasury's database as companies or persons prohibited from doing business with the public sector? <b>(Companies or persons who are listed on this database were informed in writing of this restriction by the National Treasury after the <i>audi alteram partem</i> rule was applied).</b>	Yes <input type="checkbox"/>	No <input type="checkbox"/>
4.1.1	If so, furnish particulars:		
4.2	Is the bidder or any of its directors listed on the Register for Tender Defaulters in terms of section 29 of the Prevention and Combating of Corrupt Activities Act (No 12 of 2004)? <b>To access this Register enter the National Treasury's website, <a href="http://www.treasury.gov.za">www.treasury.gov.za</a>, click on the icon "Register for Tender Defaulters" or submit your written request for a hard copy of the Register to facsimile number (012) 3265445.</b>	Yes <input type="checkbox"/>	No <input type="checkbox"/>
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 outside of the Republic of South Africa) for fraud or corruption during the past five years?	Yes <input type="checkbox"/>	No <input type="checkbox"/>
4.3.1	If so, furnish particulars:		
4.4	Was any contract between the bidder and any organ of state terminated during the past five years on account of failure to perform on or comply with the contract?	Yes <input type="checkbox"/>	No <input type="checkbox"/>
4.4.1	If so, furnish particulars:		

**CERTIFICATION**

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

.....  
Signature

.....  
Date

.....  
Position

.....  
Name of Bidder

**MBD 9: CERTIFICATE OF INDEPENDENT BID DETERMINATION**

I, the undersigned, in submitting the accompanying bid:

---

(Bid Number and Description)

in response to the invitation for the bid made by the **Steve Tshwete Local Municipality**

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

I certify, on behalf

of: \_\_\_\_\_ that:

(Name of Bidder)

1. I have read and I understand the contents of this Certificate;
2. I understand that the accompanying bid will be disqualified if this Certificate is found not to be true and complete in every respect;
3. I am authorized by the bidder to sign this Certificate, and to submit the accompanying bid, on behalf of the bidder;
4. Each person whose signature appears on the accompanying bid has been authorized by the bidder to determine the terms of, and to sign, the bid, on behalf of the bidder;
5. For the purposes of this Certificate and the accompanying bid, I understand that the word "competitor" shall include any individual or organization, other than the bidder, whether or not affiliated with the bidder, who:
  - (a) has been requested to submit a bid in response to this bid invitation;
  - (b) could potentially submit a bid in response to this bid invitation, based on their qualifications, abilities or experience; and
  - (c) provides the same goods and services as the bidder and/or is in the same line of business as the bidder
6. The bidder has arrived at the accompanying bid independently from, and without consultation, communication, agreement or arrangement with any competitor. However communication between partners in a joint venture or consortium<sup>3</sup> will not be construed as collusive bidding.

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

.....  
 Signature Date

.....  
 Position Name of Bidder

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



## **GENERAL CONDITIONS OF CONTRACT**

The General Conditions of Contract is not included in this document and may be downloaded from the following website:

<http://www.treasury.gov.za/legislation/pfma/public%20entities/PFMA%20GCC%20July%202010.pdf>