

# STEVE TSHWETE

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P.O. Box 14, Middelburg,  
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Civic Centre, Wanderers  
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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)**

#### **Supply and delivery of bulk water meters (meter & display unit/transmitter) for Krugerdam Water Treatment Plant**

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 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

**S.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: **Q19.08.16** CLOSING DATE: **24/08/2016** CLOSING TIME: 12H00.

DESCRIPTION Supply and delivery of bulk water meters (meter & display unit/transmitter) for Krugerdam Water Treatment Plant

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

Bid documents may be deposited into a box marked QUOTATIONS

The Director Civil Engineering Services  
New Infrastructure building  
14 SADC str. 1<sup>st</sup> floor Office 43  
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 Thursday and 07h30 to 13h30 Fridays

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 B-BBEE Status

**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

**Mobile:**

**Fax:** (013) 243 2550

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

**Contact Person:** Davidson Machaka

**Department:** Civil Engineering Services

**Tel:** 013 249 7163

**Mobile:**

**Fax:** 013 243 2550

**SPECIFICATIONS**

1. **Description of the goods required**

Supply and delivery bulk water meters (meter & display unit/transmitter) for Krugerdam

## Water Treatment Plant

**2. Specifications****2.1. Bulk Water Flow Meter: Signet 2552 Metal Magmeter as specified below or Equivalent****Performance**

Pipe size range: DN50 to DN2550 (2 in. to 102 in.)

**Flow Range:**

- Minimum: 0.05 m/s (0.15 ft/s)
- Maximum: 10 m/s (33 ft/s) for pipes to DN 1200 (48 in.)  
3 m/s (10 ft/s) for pipes over DN 1200 (48 in.)

Linearity:  $\pm(1\% \text{ reading} + 0.01 \text{ m/s})$

$\pm(1\% \text{ reading} + 0.033 \text{ ft/s})$

Repeatability:  $\pm 0.5\%$  of reading @ 25 °C

Accuracy:  $\pm 2\%$  of measured value (in reference conditions where the fluid is water at ambient temperature, the sensor is inserted at the correct depth and there is a fully developed flow profile which is in compliance with ISO 7145-1982 (BS 1042 section 2.2))

Minimum Conductivity: 20  $\mu\text{S/cm}$

**Wetted Materials**

- 316L Stainless Steel body and electrodes
- PVDF Insulator
- O-rings: FPM (standard)
- Cable: 4-cond + shield, PVC jacket (Fixed cable models) or Water-resistant rubber cable assembly with Turck® NEMA 6P connector

**Power Requirements**

- 4 to 20 mA: 24 VDC  $\pm 10\%$ , regulated, 22.1 mA maximum
- Frequency: 5 to 24 VDC  $\pm 10\%$ , regulated, 15 mA maximum
- Digital (S<sup>3</sup>L): 5 to 6.5 VDC, 15 mA maximum
- Reverse polarity and short circuit protected

**Electrical****Current Output (4 to 20 mA)**

- Programmable and reversible  
Factory Range: 4 to 20 mA = 0 to 5 m/s
- Loop Accuracy:  
32  $\mu\text{A}$  max. error (@ 25 °C @ 24 VDC)
- Temp. drift:  $\pm 1 \mu\text{A}$  per °C max.
- Power supply rejection:  $\pm 1 \mu\text{A}$  per V
- Isolation: Low voltage < 48 VAC/DC from electrodes and auxiliary power
- Maximum cable: 300 m (1000 ft)
- Max. Loop Resistance: 300  $\Omega$
- Error condition: 22.1 mA

**Frequency output**

- Compatible with Signet 5075, 5500, 5600, 8550 and 8900
- Max. Pull-up Voltage: 30 VDC
- Short Circuit Protected:  $\leq 30 \text{ V}$  @ 0  $\Omega$  pull-up for one hour
- Reverse Polarity Protected to -40 V for 1 hour
- Overvoltage Protected to +40 V for 1 hour
- Max. Current Sink: 50 mA, current limited
- Maximum cable: 300 m (1000 ft)

**Digital (S<sup>3</sup>L) Output**

- Compatible with Signet 8900
- Serial ASCII, TTL level 9600 bps
- Maximum cable: Application dependent (See 8900 manual)

**2.2. Meter Display Unit/Transmitter: Signet 9900 as specified below or Equivalent**

General			
Input Channels	One		
Input Types	Digital (S <sup>3</sup> L)	Serial ASCII, TTL level, 9600 bps	
	Frequency	Range	0.5 to 1500 Hz
		Accuracy	0.5% of reading
Measurement Types	Flow, pH/ORP, Conductivity/Resistivity, Salinity, Pressure, Temperature, Level, Dissolved Oxygen, Batch or user-defined (via 8058)		

Enclosure and Display			
Case Material	PBT		
Window	Shatter-resistant glass		
Keypad	4 buttons, injection-molded silicone rubber seal		
Display	Backlit, 7 and 14-segment		
Update Rate	1 s		
LCD Contrast	5 settings		
Indicators	"Dial-type" digital bar graph. LEDs for Open Collector, Relays and Warning Indicator		
Enclosure Size	¼ DIN		
Mounting	9900-1P		
	Panel	¼ DIN, ribbed on four sides for panel mounting clip inside panel, silicon gasket included. Optional rear enclosure with flat cover available for waterproof protection when installed inside a panel.	
	Wall	Options include 9900-1P installed in pre-wired NEMA enclosure or inside of rear enclosure with hinged cover.	
	Pipe	Optional Rear Enclosure with hinged cover and 9900-1P for pipe mount installation	
Mounting	9900-1		
	Field (Integral)	Options include yellow universal or integral kits for installation with sensor	

Display Ranges			
pH	0.00 to 15.00 pH		
pH Temperature	-39.99 °C to 149.99 °C	-40 °F to 302 °F	
ORP	-1999 to +1999 mV		
Flow Rate	-9999 to 99999 units per second, minute, hour or day		
Totalizer	0.00 to 99999999 units		
Conductivity	0.0000 to 99999 µS, mS, PPM and PPB (TDS), kΩ, MΩ		
Conductivity Temperature	-100 °C to 250 °C	-148 °F to 350 °F (application and sensor dependent)	
Temperature	-99 °C to 350 °C	-99 °F to 350 °F	
Pressure	-40 to 1000 psi		
Level	-9999 to 99999 m, cm, ft, in, %		
Volume	0 to 99999 cm <sup>3</sup> , m <sup>3</sup> , in <sup>3</sup> , ft <sup>3</sup> , gal, L, lb, kg, %		
Salinity	0 to 99.97 PPT		
Dissolved Oxygen	PPM 0-50, % SAT 0-200, 0 to 999.9 TORR		
Dissolved Oxygen Temperature	-99 °C to 350 °C	-99 °F to 350 °F	

Environmental			
Ambient Operating Temperature			
Backlit LCD	-10 °C to 70 °C	14 °F to 158 °F	
Storage Temperature	-15 °C to 70 °C	5 °F to 158 °F	
Relative Humidity	0 to 100% condensing for field mount; 0 to 95% non-condensing for panel mount		
Maximum Altitude	4,000 m (13,123 ft)		
Enclosure Rating	NEMA 4X/IP65 (front face only on panel mount); field mount is 100% NEMA 4X/IP65		



<b>Electrical Requirements</b>				
Power to Sensors				
Voltage	+4.9 to 5.5 VDC @ 25 °C, regulated			
Current	1.5 mA max in loop power mode (up to 2.0 mA with 24 V @ 300 Ω max. loop impedance); 20 mA max when using DC power			
Short Circuit	Protected			
Isolation	Low voltage (< 48V AC/DC) to loop with DC power connected			
No isolation when using loop power only				
Terminal Blocks	Pluggable screw type	14 AWG max wire gauge		
<b>Input Power</b>				
DC	10.8 to 35.2 VDC, regulated			
9900 without Relay Module	200 mA @ 10.8 VDC to 35.2 VDC			
9900 with Relay Module	300 mA @ 10.8 VDC to 35.2 VDC			
Overvoltage Protection	48 Volt Transient Protection Device			
Current limiting for circuit protection				
Reverse-Voltage Protection				
<b>Loop Power</b>				
No DC Power Input				
	Max. Loop Impedance	50 Ω @ 12 V	325 Ω @ 18 V	600 Ω @ 24 V
With DC Power Input or with 2nd loop, all the time				
	Max. Loop Impedance	250 Ω @ 12 V	500 Ω @ 18 V	750 Ω @ 24 V
<b>Relay Specifications</b>				
		Dry-Contact Relays (2)	Open Collector (1)	
Type		SPDT	N/A	
Form		C	N/A	
Max. Current Rating		5 A resistive	50 mA DC	
Max. Voltage Rating		30 VDC or 250 VAC	30 VDC	
<b>Output Specifications</b>				
Current Output - One (1); Two (2) with 4 to 20 mA Output Module				
	Current Loop Output Standard	ANSI-ISA 50.00.01 Class H		
	Current Output	4 to 20 mA, isolated, fully adjustable and reversible		
	Span	3.8 to 21 mA		
	Zero	4.0 mA factory set; user programmable from 3.8 to 5.0 mA		
	Full Scale	20.00 mA factory set; user programmable from 19.0 to 21.0 mA		
	Accuracy	±32 µA max. error @ 25 °C @ 24 VDC		
	Resolution	6 µA or better		
	Temperature Drift	±1 µA per °C		
	Power Supply Rejection	±1 µA per V		
	Isolation	Low voltage (< 48 VAC/DC)		
	Voltage	12 to 32 VDC ±10%		
	Max. Impedance (with DC power input)	250 Ω @ 12 VDC	500 Ω @ 18 VDC	750 Ω @ 24 VDC
	Max. Impedance (no DC power input)	50 Ω @ 12 VDC	325 Ω @ 18 VDC	600 Ω @ 24 VDC
	Update Rate	150 mS nominal		
Short circuit and reverse polarity protected				
	Adjustable Span	Reversible		
	Error Condition	Selectable error condition 3.6 or 22 mA		
Actual update rate determined by sensor type				
	Test Mode	Increment to desired current (range 3.8 to 21.00 mA)		

3. **Compliance to Bid Specification**

In a case where the bidder intend to supply an Equivalent of the units described in paragraph 2 above; the bidder is required to supply the equivalent specifications of the units. Failure to do so will result in disqualification due to non-responsiveness to bid specifications.

4. **Warrantees required**

The supplier should clearly indicate the guarantees on the supplied unit.

5. **Delivery of goods**

Delivery of the units is Krugerdam Water Treatment Works. The supplier should ensure that the unit is delivered at the right place and that it is received in good condition.

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

The total costs of the meters and all its accessories including delivery to Middelburg. The price of the unit should be firm until delivery date. Delivery period should be clearly indicated

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

An official order would be sent to the supplier soon after evaluation.

8. **Pricing Guidelines**

All inclusive prices for supply and delivery of new meters and display units/transmitters.

## **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 e-Filing. In order to use this provision, taxpayers will need to register with SARS as e-Filers through the website [www.sars.gov.za](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>Q19.08.16</b>
Closing Time: <b>12:00</b>	Closing Date: <b>24/08/2016</b>

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

NO.	QUANTITY	ITEM	BRAND & MODEL	BID PRICE IN RSA CURRENCY
1.	03	Bulk Water Flow Meter		
2.	03	Meter Display Unit/Transmitter		
3.	01	Transport and Delivery	-	
4.			<b>Sub-Total</b>	
5.			<b>VAT (14%)</b>	
6.			<b>Total</b>	
<b>TOTAL CARRIED OVER TO MBD 1</b>				

Delivery Time after Receipt of Purchase Order: \_\_\_\_\_ weeks

ITEM	COUNTRY OF ORIGIN	DOES OFFER COMPLY WITH SPECIFICATIONS? (YES/NO)	IF NOT TO SPECIFICATION, INDICATE DEVIATIONS	PERIOD REQUIRED FOR DELIVERY (WEEKS)
1				
2				
3				
4				
5				
6				
7				
8				
9				

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

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

## DECLARATION OF INTEREST

1. No bid will be accepted from persons in the service of the state\*.
2. Any person, having a kinship with persons in the service of the state, including a blood relationship, may make an offer or offers in terms of this invitation to bid. In view of possible allegations of 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.

3.1 Full Name: .....

3.2 Identity Number: .....

3.3 Company Registration Number: .....

3.4 Tax Reference Number: .....

3.5 VAT Registration Number: .....

3.6 Are you presently in the service of the state\* YES / NO

3.6.1 If so, furnish particulars.  
.....  
.....

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

3.7.1 If so, furnish particulars.  
.....  
.....  
.....

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\* 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.

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

3.8.1 If so, furnish particulars.  
.....  
.....

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

3.10.1 If so, furnish particulars.  
.....  
.....

3.11 Are any spouse, child or parent of the company's directors, managers, principal shareholders or stakeholders in service of the state? YES / NO

3.11.1 If so, furnish particulars.  
.....  
.....

**CERTIFICATION**

I, THE UNDERSIGNED (NAME).....

CERTIFY THAT THE INFORMATION FURNISHED ON THIS DECLARATION FORM IS CORRECT.

**I ACCEPT THAT THE STATE MAY ACT AGAINST ME SHOULD THIS DECLARATION PROVE TO BE FALSE.**

.....  
Signature

.....  
Date

.....  
Position

.....  
Name of Bidder

MBD 6.1

BROAD-BASED BLACK ECONOMIC EMPOWERMENT (B-BBEE) STATUS LEVEL CERTIFICATES

Bidders are required to submit original and valid B-BBEE Status Level Verification Certificates or certified copies thereof together with their bids, to substantiate their B-BBEE rating claims.

Bidders who do not submit B-BBEE Status T Level Verification Certificates or are non-compliant contributors to B-BBEE do not qualify for preference points for B-BBEE but should not be disqualified from the bidding process. They will score points for out of 90 or 80 for price only and zero points out of 10 or 20 for B-BBEE.



## PREFERENCE POINTS CLAIM FORM IN TERMS OF THE PREFERENTIAL PROCUREMENT REGULATIONS 2011

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

**NB: BEFORE COMPLETING THIS FORM, BIDDERS MUST STUDY THE GENERAL CONDITIONS, DEFINITIONS AND DIRECTIVES APPLICABLE IN RESPECT OF B-BBEE, AS PRESCRIBED IN THE PREFERENTIAL PROCUREMENT REGULATIONS, 2011.**

### 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 R1 000 000 (all applicable taxes included); and

1.2 The value of this bid is estimated to not exceed R1 000 000 (all applicable taxes included) and therefore the .....80/20..... system shall be applicable.

1.3 Preference points for this bid shall be awarded for:

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

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

#### POINTS

1.3.1.1 **PRICE** .....80.....

1.3.1.2 **B-BBEE STATUS LEVEL OF CONTRIBUTION** .....20.....

**Total points for Price and B-BBEE must not exceed 100**

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

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

### 2. DEFINITIONS

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

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

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

- 2.4 “**bid**” means a written offer in a prescribed or stipulated form in response to an invitation by an organ of state for the provision of services, works or goods, through price quotations, advertised competitive bidding processes or proposals;
- 2.5 “**Broad-Based Black Economic Empowerment Act**” means the Broad-Based Black Economic Empowerment Act, 2003 (Act No. 53 of 2003);
- 2.6 “**comparative price**” means the price after the factors of a non-firm price and all unconditional discounts that can be utilized have been taken into consideration;
- 2.7 “**consortium or joint venture**” means an association of persons for the purpose of combining their expertise, property, capital, efforts, skill and knowledge in an activity for the execution of a contract;
- 2.8 “**contract**” means the agreement that results from the acceptance of a bid by an organ of state;
- 2.9 “**EME**” means any enterprise with an annual total revenue of R5 million or less;
- 2.10 “**Firm price**” means the price that is only subject to adjustments in accordance with the actual increase or decrease resulting from the change, imposition, or abolition of customs or excise duty and any other duty, levy, or tax, which, in terms of the law or regulation, is binding on the contractor and demonstrably has an influence on the price of any supplies, or the rendering costs of any service, for the execution of the contract;
- 2.11 “**functionality**” means the measurement according to predetermined norms, as set out in the bid documents, of a service or commodity that is designed to be practical and useful, working or operating, taking into account, among other factors, the quality, reliability, viability and durability of a service and the technical capacity and ability of a bidder;
- 2.12 “**non-firm prices**” means all prices other than “firm” prices;
- 2.13 “**person**” includes a juristic person;
- 2.14 “**rand value**” means the total estimated value of a contract in South African currency, calculated at the time of bid invitations, and includes all applicable taxes and excise duties;
- 2.15 “**sub-contract**” means the primary contractor’s assigning, leasing, making out work to, or employing, another person to support such primary contractor in the execution of part of a project in terms of the contract;
- 2.16 “**total revenue**” bears the same meaning assigned to this expression in the Codes of Good Practice on Black Economic Empowerment, issued in terms of section 9(1) of the Broad-Based Black Economic Empowerment Act and promulgated in the *Government Gazette* on 9 February 2007;
- 2.17 “**trust**” means the arrangement through which the property of one person is made over or bequeathed to a trustee to administer such property for the benefit of another person; and
- 2.18 “**trustee**” means any person, including the founder of a trust, to whom property is bequeathed in order for such property to be administered for the benefit of another person.

### 3. ADJUDICATION USING A POINT SYSTEM

- 3.1 The bidder obtaining the highest number of total points will be awarded the contract.
- 3.2 Preference points shall be calculated after prices have been brought to a comparative basis taking into account all factors of non-firm prices and all unconditional discounts;
- 3.3 Points scored must be rounded off to the nearest 2 decimal places.
- 3.4 In the event that two or more bids have scored equal total points, the successful bid must be the one scoring the highest number of preference points for B-BBEE.
- 3.5 However, when functionality is part of the evaluation process and two or more bids have scored equal points including equal preference points for B-BBEE, the successful bid must be the one scoring the highest score for functionality.

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

**4. POINTS AWARDED FOR PRICE**

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

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

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

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>B-BBEE Status Level of Contributor</b>	<b>Number of points (90/10 system)</b>	<b>Number of points (80/20 system)</b>
1	10	20
2	9	18
3	8	16
4	5	12
5	4	8
6	3	6
7	2	4
8	1	2
Non-compliant contributor	0	0

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

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

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

5.5 A trust, consortium or joint venture will qualify for points for their B-BBEE status level as an unincorporated entity, provided that the entity submits their consolidated B-BBEE scorecard as if they

were a group structure and that such a consolidated B-BBEE scorecard is prepared for every separate bid.

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

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

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

**6. BID DECLARATION**

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

**7. B-BBEE STATUS LEVEL OF CONTRIBUTION CLAIMED IN TERMS OF PARAGRAPHS 1.3.1.2 AND 5.1**

7.1 B-BBEE Status Level of Contribution: ..... = ..... (maximum of 10 or 20 points)  
**(Points claimed in respect of paragraph 7.1 must be in accordance with the table reflected in paragraph 5.1 and must be substantiated by means of a B-BBEE certificate issued by a Verification Agency accredited by SANAS or a Registered Auditor approved by IRBA or an Accounting Officer as contemplated in the CCA).**

**8 SUB-CONTRACTING**

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

8.1.1 If yes, indicate:

- (i) what percentage of the contract will be subcontracted? .....
- (ii) the name of the sub-contractor? .....
- (iii) the B-BBEE status level of the sub-contractor? .....
- (iv) weather the sub-contractor is an EME? YES / NO (delete which is not applicable)

**9 DECLARATION WITH REGARD TO COMPANY/FIRM**

9.1 Name of firm :.....

9.2 VAT registration number :.....

9.3 Company registration number :.....

**9.4 TYPE OF COMPANY/ FIRM**

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

[TICK APPLICABLE BOX]

**9.5 DESCRIBE PRINCIPAL BUSINESS ACTIVITIES**

.....

.....

.....

**9.6 COMPANY CLASSIFICATION**

- Manufacturer

- Supplier
- Professional service provider
- Other service providers, e.g. transporter, etc.  
[TICK APPLICABLE BOX]

9.7 MUNICIPAL INFORMATION

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

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

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

- (i) The information furnished is true and correct;
- (ii) The preference points claimed are in accordance with the General Conditions as indicated in paragraph 1 of this form.
- (iii) In the event of a contract being awarded as a result of points claimed as shown in paragraph 7, the contractor may be required to furnish documentary proof to the satisfaction of the purchaser that the claims are correct;
- (iv) If the B-BBEE status level of contribution has been claimed or obtained on a fraudulent basis or any of the conditions of contract have not been fulfilled, the purchaser may, in addition to any other remedy it may have –
  - (a) disqualify the person from the bidding process;
  - (b) recover costs, losses or damages it has incurred or suffered as a result of that person's conduct;
  - (c) cancel the contract and claim any damages which it has suffered as a result of having to make less favourable arrangements due to such cancellation;
  - (d) restrict the bidder or contractor, its shareholders and directors, or only the shareholders and directors who acted on a fraudulent basis, from obtaining business from any organ of state for a period not exceeding 10 years, after the audi alteram partem (hear the other side) rule has been applied; and
  - (e) forward the matter for criminal prosecution.

**WITNESSES:**

- 1. ....
- 2. ....

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

DATE: .....

ADDRESS: .....

.....

.....

**CONTRACT FORM - PURCHASE OF GOODS/WORKS**

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

**PART 1 (TO BE FILLED IN BY THE BIDDER)**

1. I hereby undertake to supply all or any of the goods and/or works described in the attached bidding documents to (name of institution) ..... in accordance with the requirements and specifications stipulated in bid number..... at the price/s quoted. My offer/s remain binding upon me and open for acceptance by the purchaser during the validity period indicated and calculated from the closing time of bid.
2. The following documents shall be deemed to form and be read and construed as part of this agreement:
  - (i) Bidding documents, *viz*
    - Invitation to bid;
    - Tax clearance certificate;
    - Pricing schedule(s);
    - Technical Specification(s);
    - Preference claims for Broad Based Black Economic Empowerment Status Level of Contribution in terms of the Preferential Procurement Regulations 2011;
    - Declaration of interest;
    - Declaration of bidder's past SCM practices;
    - Certificate of Independent Bid Determination;
    - Special Conditions of Contract;
  - (ii) General Conditions of Contract; and
  - (iii) Other (specify)
3. I confirm that I have satisfied myself as to the correctness and validity of my bid; that the price(s) and rate(s) quoted cover all the goods and/or works specified in the bidding documents; that the price(s) and rate(s) cover all my obligations and I accept that any mistakes regarding price(s) and rate(s) and calculations will be at my own risk.
4. I accept full responsibility for the proper execution and fulfilment of all obligations and conditions devolving on me under this agreement as the principal liable for the due fulfillment of this contract.
5. I declare that I have no participation in any collusive practices with any bidder or any other person regarding this or any other bid.
6. I confirm that I am duly authorised to sign this contract.

NAME (PRINT) .....

CAPACITY .....

SIGNATURE .....

NAME OF FIRM .....

DATE .....

<b>WITNESSES</b>	
1	.....
2	.....
DATE: .....	

**CONTRACT FORM - PURCHASE OF GOODS/WORKS**

**PART 2 (TO BE FILLED IN BY THE PURCHASER)**

1. I, ..... in my capacity as ..... accept your bid under reference number ..... dated ..... for the supply of goods/works indicated hereunder and/or further specified in the annexure(s).
2. An official order indicating delivery instructions is forthcoming.
3. I undertake to make payment for the goods/works delivered in accordance with the terms and conditions of the contract, within 30 (thirty) days after receipt of an invoice accompanied by the delivery note.

ITEM NO.	PRICE (ALL APPLICABLE TAXES INCLUDED)	BRAND	DELIVERY PERIOD	B-BBEE STATUS LEVEL OF CONTRIBUTION	MINIMUM THRESHOLD FOR LOCAL PRODUCTION AND CONTENT (if applicable)

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

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

NAME (PRINT) .....

SIGNATURE .....

OFFICIAL STAMP

WITNESSES

1. ....

2. ....

DATE .....

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

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

Item	Question	Yes	No
4.1	<p>Is the bidder or any of its directors listed on the National Treasury's Database of Restricted Suppliers as companies or persons prohibited from doing business with the public sector?</p> <p>(Companies or persons who are listed on this Database were informed in writing of this restriction by the Accounting Officer/Authority of the institution that imposed the restriction after the <i>audi alteram partem</i> rule was applied).</p> <p><b>The Database of Restricted Suppliers now resides on the National Treasury's website(<a href="http://www.treasury.gov.za">www.treasury.gov.za</a>) and can be accessed by clicking on its link at the bottom of the home page.</b></p>	Yes <input type="checkbox"/>	No <input type="checkbox"/>
4.1.1	If so, furnish particulars:		
4.2	<p>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)?</p> <p><b>The Register for Tender Defaulters can be accessed on the National Treasury's website (<a href="http://www.treasury.gov.za">www.treasury.gov.za</a>) by clicking on its link at the bottom of the home page.</b></p>	Yes <input type="checkbox"/>	No <input type="checkbox"/>
4.2.1	If so, furnish particulars:		
4.3	<p>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?</p>	Yes <input type="checkbox"/>	No <input type="checkbox"/>
4.3.1	If so, furnish particulars:		



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

**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**

.....  
**Date**

.....  
**Position**

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

## **CERTIFICATE OF INDEPENDENT BID DETERMINATION**

- 1 This Municipal Bidding Document (MBD) must form part of all bids<sup>1</sup> invited.
- 2 Section 4 (1) (b) (iii) of the Competition Act No. 89 of 1998, as amended, prohibits an agreement between, or concerted practice by, firms, or a decision by an association of firms, if it is between parties in a horizontal relationship and if it involves collusive bidding (or bid rigging).<sup>2</sup> Collusive bidding is a *pe se* prohibition meaning that it cannot be justified under any grounds.
- 3 Municipal Supply Regulation 38 (1) prescribes that a supply chain management policy must provide measures for the combating of abuse of the supply chain management system, and must enable the accounting officer, among others, to:
  - a. take all reasonable steps to prevent such abuse;
  - b. reject the bid of any bidder if that bidder or any of its directors has abused the supply chain management system of the municipality or municipal entity or has committed any improper conduct in relation to such system; and
  - c. cancel a contract awarded to a person if the person committed any corrupt or fraudulent act during the bidding process or the execution of the contract.
- 4 This MBD serves as a certificate of declaration that would be used by institutions to ensure that, when bids are considered, reasonable steps are taken to prevent any form of bid rigging.
- 5 In order to give effect to the above, the attached Certificate of Bid Determination (MBD 9) must be completed and submitted with the bid:

<sup>1</sup> Includes price quotations, advertised competitive bids, limited bids and proposals.

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

**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:

---

(Name of Municipality / Municipal Entity)

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

I certify, on behalf of: \_\_\_\_\_ that:

(Name of Bidder)

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

6. The bidder has arrived at the accompanying bid independently from, and without consultation, communication, agreement or arrangement with any competitor. However communication between partners in a joint venture or consortium<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.

<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.

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

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**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>