



**TENDER DOCUMENT:**

**PROVISION OF TURNKEY FLEET MANAGEMENT (PROCUREMENT OF VEHICLES AND EARTHMOVING EQUIPMENT) AND RELATED SERVICES FOR A PERIOD OF 3 YEARS ON AN “AS AND WHEN REQUIRED” BASIS**

**CONTRACT NUMBER: MKHO 39/2022/23**

**CLOSING DATE: 14 JULY 2023**

<b>EMPLOYER:</b>  <b>MKHONDO LOCAL MUNICIPALITY</b> P O Box 23 Mkhondo 2380  <b>Represented by:</b> Mr.M.S Dlamini Acting Municipal Manager	<b>FOR ENQUIRES:</b> <b>Technical Enquiries:</b> <b>Fleet Management:</b> Ms.Q.Z Mbatha Senior Manager: Fleet Management Tel.: 017 285 0213 <b>Email:</b> <a href="mailto:qzmbatha@mkhondo.gov.za">qzmbatha@mkhondo.gov.za</a>  <b>Administrative Enquiries:</b> <b>Supply Chain Management</b> Mr M.C Gumede Senior Manager <b>Email:</b> <a href="mailto:mgumede@mkhondo.gov.za">mgumede@mkhondo.gov.za</a>
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**Name of Tenderer** : .....

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

**Amount in Words(Incl.Vat):** .....

**CSD Registration Number** : .....

**SUMMARY FOR TENDERER DETAILS**

NAME OF TENDERER \_\_\_\_\_:

ADDRESS : \_\_\_\_\_

\_\_\_\_\_

\_\_\_\_\_

CELLPHONE NUMBER: \_\_\_\_\_

TELEPHONE NUMBER \_\_\_\_\_:

FAX NUMBER : \_\_\_\_\_

E-MAIL ADDRESS \_\_\_\_\_:

CLOSING DATE : \_\_\_\_\_

Signed by authorized representative of the TENDERER: \_\_\_\_\_

DATE: \_\_\_\_\_

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### ***Administrative and Procurement Mandatory Returnable Documents:***

Certificate of Attendance at clarification meeting Record of addenda

Certificate of Authority of Signatory and Proof / Letter of Authority to Sign Bid Document Registration certificate / Agreement / Identity Documents

Compulsory Enterprise Questionnaire

Tax Clearance Requirements – Valid SARS TCS PIN Declaration by Bidder

MBD 3.1 (Firm Prices) Declaration by Bidder

MBD 4 Declaration of Interest by Bidder

MBD 5 Declaration for Procurement above R10 Million by Bidder

MBD 6.1 Declaration by Bidder (Preference Claim Points)

MBD 7.2 Declaration by Bidder (Contract Form) / Part C1: Agreements and Contract Data: Form of Offer and Acceptance

MBD 8 Declaration by Bidder (Bidder's Past Supply Chain Management Practices)

MBD 9 Declaration by Bidder (Certificate of Independent Bid Determination)

Comprehensive (Not Summary) Central Supplier Database (CSD) Report

Clearance for Municipal rates and taxes and Municipal Statement account / Lease agreement if renting/ Letter from Authorised Tribal Council if residing or operating from a Non-billed area

Latest Three Year Audited Annual Financial Statements

### ***Technical Mandatory Returnable Documents:***

Letter of Good Standing (COIDA)

Valid proof of SAVRALA membership (South African Vehicle Rental And Leasing Association)

Valid National Credit Regulator Certificate

Valid Retail Motor Industry (RMI) Certificate

Information Regulator Certificate (POPI Act) Compliance Certificate

### **Other documents required for bid evaluation purposes**

B-BBEE certificate/sworn affidavit–BBBEE for exempted micro enterprise (Joint B- BBEE/sworn affidavit–BBBEE for joint ventures)

Proof of Experience for work done for previous clients

Key Personnel's qualifications and proof of experience

Proposed CSI (Corporate Social Investment) plan

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## PART T1: TENDERING PROCEDURES

### 1. GENERAL

#### 1.1 TENDER NOTICE

##### T1.1 TENDER NOTICE AND INVITATION TO TENDER

##### MBD 1 INVITATION TO BID

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**MKHONDO  
LOCAL MUNICIPALITY**

**PROVISION OF TURNKEY FLEET MANAGEMENT (PROCUREMENT OF VEHICLES  
AND EARTHMOVING EQUIPMENT) AND RELATED SERVICES FOR A PERIOD OF 3  
YEARS ON AN “AS AND WHEN REQUIRED” BASIS**

Mkhondo Local Municipality invites suitable qualified, and CSD registered service providers to submit bid sealed tenders, duly endorsed as per description below:

Bid No.	Description	Non-Refundable Bid Document Price	Non-Compulsory Briefing / clarification Meeting	Preferential Procurement Point System	Minimum Functionality Score Required	Evaluation Criteria	Tender Closing Date
MKHO39/2022/23	PROVISION OF TURNKEY FLEET MANAGEMENT (PROCUREMENT OF VEHICLES AND EARTHMOVING EQUIPMENT) AND RELATED SERVICES FOR A PERIOD OF 3 YEARS ON AN “AS AND WHEN REQUIRED” BASIS	N/A	22 June 2023; 10h00 a.m Mkhondo Town Hall	80/20	70%	Method 4	14 July 2023, 12h00

Mkhondo Local Municipality hereby invites suitable and reputable service providers to submit comprehensive tenders for the above-mentioned project. The service providers must comply with the VAT Act. Tender documents can be obtained from the e-Tenders Portal ([www.etenders.gov.za](http://www.etenders.gov.za)) and the municipal website ([www.mkhondo.gov.za](http://www.mkhondo.gov.za)) from 22/06/2023. Bids may only be submitted on the bid documentation provided by the Municipality with no alterations unless otherwise stated by the Employer.

Sealed envelopes must be addressed to: The Acting Municipal Manager, Mkhondo Local Municipality, PO Box 23, Mkhondo, 2380. Marked with the descriptions above and the correct reference number and deposited in the ‘TENDER BOX’ situated at MKHONDO Town Hall, Mark and de Wet Street, Mkhondo, no later than Friday, 14<sup>th</sup> of July 2023 time 12:00 noon. No correspondence will be entered into with any tender regarding scores obtained, reasons for no appointment, etc. No late, telephonic, facsimile or e-mailed tenders will be accepted. According to the Municipality Supply Chain Regulations issued by the Minister of Finance in terms of Section 168 of the Municipal Finance Management Act, Act 56 of 2003, persons who are within the organs

of the state, like Councilors, and other elected representatives, full time employees and other directors of the public and municipal entities are prohibited from being eligible to bid or be awarded a contract to provide any services to the municipality.

The following compulsory documents (administrative and technical returnables) must be accompany the tender, and failure to provide such documentations shall constitute automatic disqualification: **Tax Compliance Status (TCS) Pin, Certified copy of Company Certificate, Current Municipal Account / Valid Lease agreement, Certified copy of shareholder's ID documents, Full CSD Report (Not older than 30 days from tender closing), Valid Authority of Signatory to sign the bid, Letter of Good Standing (COIDA), Valid proof of SAVRALA membership (South African Vehicle Rental And Leasing Association), Latest Three Year Audited Annual Financial Statements,**

Corporate social investment, bidders are mandated to make a provision for corporate social investment (CSI) at 1% as part of the municipality's empowerment program implemented through its supply chain management policy when allocated work.

All submissions will be adjudicated in terms of the Mkhondo Local Municipality's Procurement Policy, the Preferential Procurement Policy Framework Act, Act No. 5 of 2000 as well as the Preferential Procurement Regulations, 2022 (PPR 2022). The 80/20 price and preference point system will be applicable for this tender, where 80 points will be allocated in respect of price and 20 points in respect of targeted (specific) goals. Copy of B-BBEE certificate or sworn affidavit for B-BBEE to claim B-BBEE points. Method 4 of evaluation of the acceptable proposals will be applied and responsive bids are expected to score at least a minimum of 70% for quality to be considered for further evaluation. All bids shall be valid for a period of 90 days from the closing date of the bid

Mkhondo Local Municipality reserves the right to accept or not to accept the lowest priced or any other proposal. Bid prices will be used for evaluation purposes only and will not be considered as final award prices. Mkhondo Local Municipality reserves the right to appoint more than one service provider for the works.

All administrative and supply chain management enquiries must be addressed to: Tel: M.C Gumede on the Email address: [mgumede@mkhondo.gov.za](mailto:mgumede@mkhondo.gov.za) , and Technical enquiries to Ms.Q.Z Mbatha on [zmbatha@mkhondo.gov.za](mailto:zmbatha@mkhondo.gov.za); telephonic at 017 285 0213 Senior Manager Fleet Management by no later than the 14<sup>th</sup> of July 2023 and NO further queries submitted after this date will be attended to.

The closing of tender will only be administered at Town Hall, 33 Mark Street, eMkhondo, 2380  
Closing date : **Friday, 14<sup>th</sup> of July 2023 at 12h00**

**Mr. M.S Dlamini**  
**Acting Municipal Manager**  
**Mkhondo Local Municipality**

## Tender Data

Clause	Wording (Data)
	The employer is the MKHONDO LOCAL MUNICIPALITY.
	<p>The tender documents issued by the employer comprise:</p> <p><b>PART T1 : TENDERING PROCEDURES</b></p> <p>T1.1: Tender Notice and Invitation to Tender</p> <p>T1.2: Tender Data</p> <p><b>PART T2 : RETURNABLE DOCUMENTS</b></p> <p>T2.1: List of Returnable Documents</p> <p><b>PART C1: AGREEMENTS AND CONTRACT DATA</b></p> <p>C1.1: Form of Offer and Acceptance</p> <p><b>PART C2 : PRICING DATA</b></p> <p>C2.2: Price Proposal / Fee Schedule</p> <p><b>PART C3 : SCOPE OF WORKS</b></p> <p>C3 Terms of Reference</p> <p><b>APPENDICES</b></p> <p><b>C3.5 Annexes</b></p>
	<p>The Employer's agent is:</p> <p>The Acting Municipal Manager</p> <p>Mr.M.S Dlamini</p> <p>Mkhondo Local Municipality</p> <p>P.O Box 23,</p> <p>eMkhondo, 2380</p>
	<p>Only those tenderers who satisfy the following eligibility criteria are eligible to submit tenders :</p> <p>a) CSD Registered service providers.</p> <p>b) Bidders not listed on National Treasury's Tender Defaulters Database and Restricted suppliers.</p> <p>c) Have relevant mandatory returnable documents (both administrative and technical)</p>
	<p>Non- Compulsory Briefing:</p> <p>22 June 2023, at 10h00</p> <p>Mkhondo Town Hall</p> <p>eMkhondo</p>
	<p>The Employer's address for delivery of tender offers and identification details to be shown on each tender offer package are:</p> <p>Location of tender box: MKHONDO LOCAL MUNICIPALITY OFFICES</p> <p>Physical address: 33 MARKET STREET, MKHONDO</p>
	<p>Postal address: MKHONDO LOCAL MUNICIPALITY</p> <p>PO BOX 23, MKHONDO, 2380</p>

Clause	Wording (Data)
	A two-envelope procedure will NOT be followed.
	<b>The closing time for submission of tender offers is 12H00 hours on Friday, 14 July 2023</b>
	Telephonic, telegraphic, telex, facsimile or e-mailed tender offers will NOT be accepted.
	<b>The tender offer validity period is 90 days.</b>
	The tender shall, when requested by the Employer to do so, submit the names of all management and supervisory staff that will be employed to supervise the labor-intensive portion of the works together with satisfactory evidence that such staff members satisfy the eligibility requirements
	The tenderer is required to submit the following certificates with his tender: 1) Particulars relating to the list of returnable documents as contained herein the tender document.
	The time and location for opening of the tender offers are in accordance with regulation 23 of the MFMA
	Functionality / Quality Scorecard: Offers that score less than 70% will be disqualified from further evaluation.
	The BBBEE balanced scorecard - Bidders are required to submit original and valid B-BBEE Status Level Verification Certificates or certified copies thereof together with their bids, to substantiate their B-BBEE rating claims as stipulated in the Preferential Procurement Policy Framework Act, Act No.5 of 2000 and Preferential Procurement Regulation 2022
	Total points will be allocated as follows:  <u>W1 = 80 (Price)</u> <u>Special Goals: 20</u> Tender offers will only be accepted on condition that : the tenderer has in <u>his or her possession</u> an original Tax Clearance Certificate / valid and compliant SARS TCS Pin issued by the South African Revenue Services;

Clause	Wording (Data)
	a) the tenderer is registered with the Central Supplier Database of National Treasury; b) the tenderer or any of its directors is not listed in the Register of Tender Defaulters in terms of the Prevention and Combating of Corrupt Activities Act of 2004 as a person prohibited from doing business with the public sector.
	The tenderer has not: c) abused the Employer's Supply Chain Management System; or i) failed to perform on any previous contract and has been given a written notice to this effect; and ii) has completed the Compulsory Enterprise Questionnaire and there are no conflicts of interest which may impact on the tenderer's ability to perform the contract in the best interests of the employer or potentially comprise the tender process.
	d) The number of paper copies of the signed contract to be provided by the Employer is ONE (1).
	The council reserves the right to appoint more than one service providers. The Council reserves the right to cancel or withdraw the tender, or not to award
	<p><b>Points For Specific Goals:</b></p> <p>Procurement of goods or services above R10 million up to maximum threshold value of R50 million, the 20-preference point for achievement of specific goals shall be allocated as follows;</p> <p>(a) A total of 8 preference points shall be allocated on a proportional or pro rata basis for contracting an enterprise owned by historically disadvantaged persons or individuals who meet the following requirements-</p> <p>(i) 2 points for 100% black person or people owned enterprise;            (ii) 2 points for more than 30% woman or women shareholding or owned enterprise;            (iii) 2 points for more than 30% youth shareholding or owned enterprise;            (iv) 2 points for more than 30% people living with disability shareholding or owned enterprise.</p> <p>(b) A total of 12 preference points shall be allocated on a proportional or pro rata basis for implementing of programmes for RDP-</p> <p>(i) 2 points for enterprise located within the local area of jurisdiction;            (ii) 2 points for enterprise who will sub-contract minimum of 30% of the contract value to EMEs in the ward or local communities where the services to be rendered or works to be undertaken;            (iii) 5 points for Corporate Social Investment (CSI) or Social Labour Plan proposition;            (iv) 3 points for valid B-BBEE level 1 contribution (SANAS verified B-BBEE certificate for generic enterprise, and for EME and SME a sworn affidavit or CIPC issued certificate confirming annual turnover and level of Black Ownership).</p>



**Part T2.1 LISTS OF RETURNABLE DOCUMENTS (*Bidder Must comply with the set out Schedules below, tender rules and Instructions, failure to comply will result in tender being non-responsive*)**

***Administrative and Procurement Mandatory Returnable Documents:***

Certificate of Attendance at clarification meeting  
Record of addenda  
Certificate of Authority of Signatory and Proof / Letter of Authority to Sign Bid Document  
Registration certificate / Agreement / Identity Documents  
Compulsory Enterprise Questionnaire  
Tax Clearance Requirements – Valid SARS TCS PIN Declaration by Bidder  
MBD 3.1 (Firm Prices) Declaration by Bidder  
MBD 4 Declaration of Interest by Bidder  
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MBD 6.1 Declaration by Bidder (Preference Claim Points)  
MBD 7.2 Declaration by Bidder (Contract Form) / Part C1: Agreements and Contract Data: Form of Offer and Acceptance  
MBD 8 Declaration by Bidder (Bidder's Past Supply Chain Management Practices)  
MBD 9 Declaration by Bidder (Certificate of Independent Bid Determination)  
Comprehensive (Not Summary) Central Supplier Database (CSD) Report  
Clearance for Municipal rates and taxes and Municipal Statement account / Lease agreement if renting/ Letter from Authorised Tribal Council if residing or operating from a Non-billed area  
Latest Three Year Audited Annual Financial Statements

***Technical Mandatory Returnable Documents:***

Letter of Good Standing (COIDA)  
Valid proof of SAVRALA membership (South African Vehicle Rental And Leasing Association)  
Valid National Credit Regulator Certificate  
Valid Retail Motor Industry (RMI) Certificate  
Information Regulator Certificate (POPI Act) Compliance Certificate

**Other documents required for bid evaluation purposes**

B-BBEE certificate/sworn affidavit–BBBEE for exempted micro enterprise (Joint B- BBEE/sworn affidavit–BBBEE for joint ventures)  
Proof of Experience for work done for previous clients  
Key Personnel's qualifications and proof of experience  
Proposed CSI (Corporate Social Investment) plan

*Note: In Addition: Bidders who fail to comply with the underneath pre-set Tender Instructions and Rules will not be accepted (will be rejected as non-responsive):*

*All certified documents must not be older than three months from tender closing date, all alterations and cancellations to tender document must be signed by the authorised signatory. The employer reserves the right to disqualify tenderers for infringing any of the Standard Tender Conditions, rules and issued instructions. **ALL** pages of the tender document must be initialed by the authorised signatory. Copies of certified copies will not be accepted as valid copies. Bidder's whose names appear on the National Treasury list of Restricted Suppliers and Defaulters will not be accepted.*

Initial.....

<p style="text-align: center;"><b>PROOF / CERTIFICATE OF ATTENDANCE AT SITE MEETING</b> <b>(NOT APPLICABLE)</b></p>
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This is to certify that (*tenderer*).....  
of (*address*).....  
.....was represented by the person(s)  
named below at the compulsory meeting held for all tenderers at (*location*)  
.....on (*date*) ..... starting at  
(*time*)

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

**Particulars of person(s) attending the meeting:**

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

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

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

Name: .....Signature: .....  
Capacity: .....Date and Time: .....

## PART A INVITATION TO BID

<b>YOU ARE HEREBY INVITED TO BID FOR REQUIREMENTS OF THE (MKHONDO LOCAL MUNICIPALITY)</b>					
BID NUMBER:	MKHO39/2022/23	CLOSING DATE:	14 JULY 2023	CLOSING TIME:	12H00
DESCRIPTION	PROVISION OF TURNKEY FLEET MANAGEMENT (PROCUREMENT OF VEHICLES AND EARTHMOVING EQUIPMENT) AND RELATED SERVICES FOR A PERIOD OF 3 YEARS ON AN "AS AND WHEN REQUIRED" BASIS				
<b>THE SUCCESSFUL BIDDER WILL BE REQUIRED TO FILL IN AND SIGN A WRITTEN CONTRACT FORM (MBD7).</b>					
BID RESPONSE DOCUMENTS MAY BE DEPOSITED IN THE BID BOX SITUATED AT (STREET ADDRESS)					
Mkhondo Local Municipality, Ground floor, Foyer					
No.33 Corner market and De Wet Street					
eMkhondo					
2380					
<b>SUPPLIER INFORMATION</b>					
NAME OF BIDDER					
POSTAL ADDRESS					
STREET ADDRESS					
TELEPHONE NUMBER	CODE		NUMBER		
CELLPHONE NUMBER					
FACSIMILE NUMBER	CODE		NUMBER		
E-MAIL ADDRESS					
VAT REGISTRATION NUMBER					
TAX COMPLIANCE STATUS	TCS PIN:		OR	CSD No:	
B-BBEE STATUS LEVEL VERIFICATION CERTIFICATE [TICK APPLICABLE BOX]	<input type="checkbox"/> Yes <input type="checkbox"/> No		B-BBEE STATUS LEVEL SWORN AFFIDAVIT <input type="checkbox"/> Yes <input type="checkbox"/> No		
<b>[A B-BBEE STATUS LEVEL VERIFICATION CERTIFICATE/ SWORN AFFIDAVIT (FOR EMES &amp; QSEs) MUST BE SUBMITTED IN ORDER TO QUALIFY FOR PREFERENCE POINTS FOR B-BBEE]</b>					
ARE YOU THE ACCREDITED REPRESENTATIVE IN SOUTH AFRICA FOR THE GOODS /SERVICES /WORKS OFFERED?	<input type="checkbox"/> Yes <input type="checkbox"/> No [IF YES ENCLOSE PROOF]		ARE YOU A FOREIGN BASED SUPPLIER FOR THE GOODS /SERVICES /WORKS OFFERED?		<input type="checkbox"/> Yes <input type="checkbox"/> No [IF YES, ANSWER PART B:3 ]
TOTAL NUMBER OF ITEMS OFFERED	.....		TOTAL BID PRICE		R
SIGNATURE OF BIDDER	.....		DATE		
CAPACITY UNDER WHICH THIS BID IS SIGNED	.....				
<b>BIDDING PROCEDURE ENQUIRIES MAY BE DIRECTED TO:</b>			<b>TECHNICAL INFORMATION MAY BE DIRECTED TO:</b>		
DEPARTMENT	Finance – SCM		CONTACT PERSON	Ms.Q.Z Mbatha	
CONTACT PERSON	Mr M.C Gumede		TELEPHONE NUMBER	017 285 0213	
TELEPHONE NUMBER			FACSIMILE NUMBER	N/A	
FACSIMILE NUMBER			E-MAIL ADDRESS	<a href="mailto:zmbatha@mkhondo.gov.za">zmbatha@mkhondo.gov.za</a>	
E-MAIL ADDRESS	<a href="mailto:mgumede@mkhondo.gov.za">mgumede@mkhondo.gov.za</a>				

**PART B**  
**TERMS AND CONDITIONS FOR BIDDING**

**1. BID SUBMISSION:**

- 1.1. BIDS MUST BE DELIVERED BY THE STIPULATED TIME TO THE CORRECT ADDRESS. LATE BIDS WILL NOT BE ACCEPTED FOR CONSIDERATION.
- 1.2. ALL BIDS MUST BE SUBMITTED ON THE OFFICIAL FORMS PROVIDED--(NOT TO BE RE-TYPED) OR ONLINE**
- 1.3. THIS BID IS SUBJECT TO THE PREFERENTIAL PROCUREMENT POLICY FRAMEWORK ACT AND THE PREFERENTIAL PROCUREMENT REGULATIONS, 2022, THE GENERAL CONDITIONS OF CONTRACT (GCC) AND, IF APPLICABLE, ANY OTHER SPECIAL CONDITIONS OF CONTRACT.

**2. TAX COMPLIANCE REQUIREMENTS**

- 2.1 BIDDERS MUST ENSURE COMPLIANCE WITH THEIR TAX OBLIGATIONS.
- 2.2 BIDDERS ARE REQUIRED TO SUBMIT THEIR UNIQUE PERSONAL IDENTIFICATION NUMBER (PIN) ISSUED BY SARS TO ENABLE THE ORGAN OF STATE TO VIEW THE TAXPAYER'S PROFILE AND TAX STATUS.
- 2.3 APPLICATION FOR THE TAX COMPLIANCE STATUS (TCS) CERTIFICATE OR PIN MAY ALSO BE MADE VIA E-FILING. IN ORDER TO USE THIS PROVISION, TAXPAYERS WILL NEED TO REGISTER WITH SARS AS E-FILERS THROUGH THE WEBSITE WWW.SARS.GOV.ZA.
- 2.4 FOREIGN SUPPLIERS MUST COMPLETE THE PRE-AWARD QUESTIONNAIRE IN PART B:3.
- 2.5 BIDDERS MAY ALSO SUBMIT A PRINTED TCS CERTIFICATE TOGETHER WITH THE BID.
- 2.6 IN BIDS WHERE CONSORTIA / JOINT VENTURES / SUB-CONTRACTORS ARE INVOLVED, EACH PARTY MUST SUBMIT A SEPARATE TCS CERTIFICATE / PIN / CSD NUMBER.
- 2.7 WHERE NO TCS IS AVAILABLE BUT THE BIDDER IS REGISTERED ON THE CENTRAL SUPPLIER DATABASE (CSD), A CSD NUMBER MUST BE PROVIDED.

**3. QUESTIONNAIRE TO BIDDING FOREIGN SUPPLIERS**

- |  |  |
|--|--|
| 3.1. IS THE ENTITY A RESIDENT OF THE REPUBLIC OF SOUTH AFRICA (RSA)? | <input type="checkbox"/> YES <input type="checkbox"/> NO |
| 3.2. DOES THE ENTITY HAVE A BRANCH IN THE RSA?                       | <input type="checkbox"/> YES <input type="checkbox"/> NO |
| 3.3. DOES THE ENTITY HAVE A PERMANENT ESTABLISHMENT IN THE RSA?      | <input type="checkbox"/> YES <input type="checkbox"/> NO |
| 3.4. DOES THE ENTITY HAVE ANY SOURCE OF INCOME IN THE RSA?           | <input type="checkbox"/> YES <input type="checkbox"/> NO |
| 3.5. IS THE ENTITY LIABLE IN THE RSA FOR ANY FORM OF TAXATION?       | YES      NO  |

**IF THE ANSWER IS "NO" TO ALL OF THE ABOVE, THEN IT IS NOT A REQUIREMENT TO REGISTER FOR A TAX COMPLIANCE STATUS SYSTEM PIN CODE FROM THE SOUTH AFRICAN REVENUE SERVICE (SARS) AND IF NOT REGISTER AS PER 2.3 ABOVE.**

**NB: FAILURE TO PROVIDE ANY OF THE ABOVE PARTICULARS MAY RENDER THE BID INVALID. NO BIDS WILL BE CONSIDERED FROM PERSONS IN THE SERVICE OF THE STATE.**

SIGNATURE OF BIDDER: .....

CAPACITY UNDER WHICH THIS BID IS SIGNED: .....

DATE: .....

<b>RECORD OF ADDENDA TO TENDER DOCUMENTS</b>
--

We confirm that the following communications received from the Employer before the submission of this tender offer, amending the tender documents, have been taken into account in this tender offer (Bidders are mandated to complete this information and acknowledge receipt of additional tender information issued by the Employer):

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

Attach additional pages if more space is required.

Bidders must sign and complete the information here underneath irrespective of Addendum being issued or not

Signed .....

Date .....

Name .....

Position .....

Tenderer .....

<b>CERTIFICATE OF AUTHORITY FOR SIGNATORY</b>
---

Indicate the status of the tenderer by ticking the appropriate box hereunder. The tenderer **MUST** complete the certificate set out below for the relevant category, **and attach their Registration Certificates for Companies, Close Corporations and Partnerships, or Agreements and Powers of Attorney for Joint Ventures, or ID documents. Bidders MUST attach valid Proof of Authority to sign the bid to this form.**

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

**(I) CERTIFICATE FOR COMPANY**

I, .....chairperson of the Board of Directors of  
.....hereby confirm that by resolution of the Board (copy  
attached) taken on.....20.....Mr/Ms.....acting in the capacity of  
..... was authorized to sign all documents in  
connection with the tender for Contract No .....and any contract resulting from it, on behalf  
of the company.

**Chairman** : .....

**As Witnesses** : 1. ....

2. ....

**Date** : .....

**(ii) CERTIFICATE FOR CLOSE CORPORATION**

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

.....

.....hereby authorise Mr/Ms..... acting  
in the capacity of .....to sign all documents  
in connection with the tender for Contract No.....and any contract resulting from  
it, on our behalf.

NAME	ADDRESS	SIGNATURE	DATE

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

**(III). CERTIFICATE FOR PARTNERSHIP**

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

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

.acting in the capacity of .....to sign all documents in connection with the tender for Contract No..... and any contract resulting from it, on our behalf.

NAME	ADDRESS	SIGNATURE	DATE

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



**(IV) CERTIFICATE FOR JOINT VENTURE**

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

Mr/Ms.....authorized signatory of the

company,..... acting in the capacity of lead partner, to sign all documents in connection with the tender offer for Contract No.....and any contract resulting from it, on our behalf.

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

NAME OF FIRM	ADDRESS	AUTHORIZING SIGNATURE NAME AND CAPACITY
Lead Partner		

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

**(V) CERTIFICATE FOR SOLE PROPRIETOR**

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

Signature of Sole owner .....

As Witnesses:

1. ....

2. .... Date .....

<b>CERTIFIED COPIES OF REGISTRATION CERTIFICATE / AGREEMENT/ ID DOCUMENT</b>
--

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

### **TAX CLEARANCE CERTIFICATE REQUIREMENTS**

1. The taxes of the successful bidder must be in order, or that satisfactory arrangements have been made with the Receiver of Revenue to meet his / her tax obligations.
2. Bidder must attach a valid SARS TCS Tax Compliance Status Pin Failure to submit the valid Tax Compliance Status (TCS) PIN from SARS will invalidate the bid.
3. In bids where Consortia / Joint Ventures / Sub-contractors are involved each party must submit a separate SARS Tax Compliance Status Pin.

<b>DECLARATION OF BIDDERS - MBD4</b>
--------------------------------------

1. No bid will be accepted from persons in the service of the state. \*
2. Any person, having a kinship with persons in the service of the state, including a blood relationship, may make an offer or offers in terms of this invitation to bid. In view of possible allegations of favoritism, should the resulting bid, or part thereof, be awarded to persons connected with or related to persons in service of the state, it is required that the bidder or their authorized representative declare their position in relation to the evaluating/adjudicating authority and/or take oath declaring his/her interest.
3. In order to give effect to the above, the following questionnaire must be completed and submitted with the bid:

Full Name: .....

Identity Number: .....

Company Registration Number: .....

VAT Registration Number: .....

Are you presently in the service of the state? **Yes / No**

If so furnish particulars: .....

.....

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

If so furnish particulars .....

.....

---

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

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

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

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

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

**Yes / No**

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

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

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

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

**Yes / No**

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

#### **CERTIFICATION**

**I, THE UNDERSIGNED (FULL NAME)**

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

.....  
**SIGNATURE**

.....  
**DATE**

.....  
**POSITION**

**DECLARATION FOR PROCUREMENT ABOVE R10-MILLION  
(ALL APPLICABLE TAXES INCLUDED)**

**For all procurement expected to exceed R10 million (all applicable taxes included), bidders must complete the following questionnaire:**

		Tick applicable box	
1.	By law you are required to prepare annual financial statements for auditing?	Yes	No
1.1	If yes, submit audited annual financial statements for the past three years or since the date of establishment if established during the past three years.	Yes	No
2.	Do you have any outstanding undisputed commitments for municipal services towards any municipality for more than three months or any other service provider in respect of which payment is overdue for more than 30 days?	Yes	No
2.1	If no, this serves to certify that the bidder has no undisputed commitments for municipal services towards any municipality for more than three months or other service provider in respect of which payment is overdue for more than 30 days.	Yes	No
2.2	If yes, provide particulars:		
3.	Has any contract been awarded to you by an organ of state during the past five years, including particulars of any material non-compliance or dispute concerning the execution of such contract?	Yes	No
3.1	If yes, provide particulars:		
4.	Will any portion of goods or services be sourced from outside the Republic, and, if so, what portion and whether any portion of payment from the municipality / municipal entity is expected to be transferred out of the Republic?	Yes	No
4.1	If yes, provide particulars:		

**CERTIFICATION**

I, the undersigned 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.

<b>NAME OF REPRESENTATIVE</b>	<b>AUTHORIZED SIGNATURE (UNDERSIGNED)</b>
<b>DATE:</b>	<b>CAPACITY:</b>

## PREFERENCE POINTS CLAIM FORM IN TERMS OF THE PREFERENTIAL PROCUREMENT REGULATIONS 2022

This preference form must form part of all tenders invited. It contains general information and serves as a claim form for preference points for specific goals.

**NB: BEFORE COMPLETING THIS FORM, TENDERERS MUST STUDY THE GENERAL CONDITIONS, DEFINITIONS AND DIRECTIVES APPLICABLE IN RESPECT OF THE TENDER AND PREFERENTIAL PROCUREMENT REGULATIONS, 2022**

### 1. GENERAL CONDITIONS

1.1 The following preference point systems are applicable to invitations to tender:

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

### 1.2 To be completed by the organ of state

*(delete whichever is not applicable for this tender).*

a) The applicable preference point system for this tender is the **80/20** preference points system.

1.3 Points for this tender (even in the case of a tender for income-generating contracts) shall be awarded for:

- (a) Price; and
- (b) Specific Goals.

### 1.4 To be completed by the organ of state:

The maximum points for this tender are allocated as follows:

	POINTS
PRICE	80
SPECIFIC GOALS	20
<b>Total points for Price and SPECIFIC GOALS</b>	<b>100</b>



- 1.5 Failure on the part of a tenderer to submit proof or documentation required in terms of this tender to claim points for specific goals with the tender, will be interpreted to mean that preference points for specific goals are not claimed.
- 1.6 The organ of state reserves the right to require of a tenderer, either before a tender is adjudicated or at any time subsequently, to substantiate any claim in regard to preferences, in any manner required by the organ of state.

## 2. DEFINITIONS

- (a) **“tender”** means a written offer in the form determined by an organ of state in response to an invitation to provide goods or services through price quotations, competitive tendering process or any other method envisaged in legislation;
- (b) **“price”** means an amount of money tendered for goods or services, and includes all applicable taxes less all unconditional discounts;
- (c) **“rand value”** means the total estimated value of a contract in Rand, calculated at the time of bid invitation, and includes all applicable taxes;
- (d) **“tender for income-generating contracts”** means a written offer in the form determined by an organ of state in response to an invitation for the origination of income-generating contracts through any method envisaged in legislation that will result in a legal agreement between the organ of state and a third party that produces revenue for the organ of state, and includes, but is not limited to, leasing and disposal of assets and concession contracts, excluding direct sales and disposal of assets through public auctions; and
- (e) **“the Act”** means the Preferential Procurement Policy Framework Act, 2000 (Act No. 5 of 2000).

## 3. FORMULAE FOR PROCUREMENT OF GOODS AND SERVICES

### 3.1. POINTS AWARDED FOR PRICE

#### 3.1.1 THE 80/20 OR 90/10 PREFERENCE POINT SYSTEMS

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

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

80/20                      or                      90/10

Where

$P_s$  = Points scored for price of tender under consideration

$P_t$  = Price of tender under consideration

$P_{min}$  = Price of lowest acceptable tender

### 3.2. FORMULAE FOR DISPOSAL OR LEASING OF STATE ASSETS AND INCOME GENERATING PROCUREMENT

#### 3.2.1. POINTS AWARDED FOR PRICE

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

$$\begin{array}{ccc} \mathbf{80/20} & \mathbf{or} & \mathbf{90/10} \\ P_s = 80 \left( 1 + \frac{P_t - P_{max}}{P_{max}} \right) & \text{or} & P_s = 90 \left( 1 + \frac{P_t - P_{max}}{P_{max}} \right) \end{array}$$

Where

- $P_s$  = Points scored for price of tender under consideration  
 $P_t$  = Price of tender under consideration  
 $P_{max}$  = Price of highest acceptable tender

### 4. POINTS AWARDED FOR SPECIFIC GOALS

- 4.1. In terms of Regulation 4(2); 5(2); 6(2) and 7(2) of the Preferential Procurement Regulations, preference points must be awarded for specific goals stated in the tender. For the purposes of this tender the tenderer will be allocated points based on the goals stated in table 1 below as may be supported by proof/ documentation stated in the conditions of this tender:
- 4.2. In cases where organs of state intend to use Regulation 3(2) of the Regulations, which states that, if it is unclear whether the 80/20 or 90/10 preference point system applies, an organ of state must, in the tender documents, stipulate in the case of—
- (a) an invitation for tender for income-generating contracts, that either the 80/20 or 90/10 preference point system will apply and that the highest acceptable tender will be used to determine the applicable preference point system; or
  - (b) any other invitation for tender, that either the 80/20 or 90/10 preference point system will apply and that the lowest acceptable tender will be used to determine the applicable preference point system, then the organ of state must indicate the points allocated for specific goals for both the 90/10 and 80/20 preference point system.

**Table 1: Specific goals for the tender and points claimed are indicated per the table below.**

**(Note to organs of state: Where either the 90/10 or 80/20 preference point system is applicable, corresponding points must also be indicated as such.)**

**Note to tenderers: The tenderer must indicate how they claim points for each preference point system.)**

The specific goals allocated points in terms of this tender	Number of points allocated (80/20 system) (To be completed by the organ of state)	Number of points claimed (80/20 system) (To be completed by the tenderer)
<b>100% Black Owned enterprise</b> (verified through CIPC certificate, B-BBEE Certificate, and Comprehensive CSD report)	2	
<b>More than 30% women shareholding</b> ((verified through CIPC certificate, B-BBEE Certificate, and Comprehensive CSD report)	2	
<b>More than 30% youth shareholding</b> (verified through CIPC certificate, B-BBEE Certificate, and Comprehensive CSD report)	2	
<b>More than 30% people with disability</b> (attach medical certificate from recognized Health and Medical Practitioner / Institution or facility)	2	
<b>EMEs located within the local area</b> (verified through company's registered address, proof of address, and municipal rates)	2	
<b>Enterprise who will sub-contract minimum of 30% of the contract value to EMEs in the ward or local communities where the services to be rendered of works to be undertaken;</b>	2	
<b>5 points for Corporate Social Investment (CSI) or Social Labour Plan proposition</b>	5	
<b>Valid B-BBEE level 1 contribution</b>	3	

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

4.3. Name of company/firm.....

4.4. Company registration number: .....

4.5. TYPE OF COMPANY/ FIRM

☐ Partnership/Joint Venture / Consortium

☐ One-person business/sole propriety

☐ Close corporation

☐ Public Company

☐ Personal Liability Company

☐ (Pty) Limited

☐ Non-Profit Company

☐ State Owned Company

[TICK APPLICABLE BOX]

4.6. I, the undersigned, who is duly authorised to do so on behalf of the company/firm, certify that the points claimed, based on the specific goals as advised in the tender, qualifies the company/ firm for the preference(s) shown and I 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 paragraphs 1.4 and 4.2, the contractor may be required to furnish documentary proof to the satisfaction of the organ of state that the claims are correct;
- iv) If the specific goals have been claimed or obtained on a fraudulent basis or any of the conditions of contract have not been fulfilled, the organ of state may, in addition to any other remedy it may have –
  - (a) disqualify the person from the tendering 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) recommend that the tenderer or contractor, its shareholders and directors, or only the shareholders and directors who acted on a fraudulent basis, be restricted from obtaining business from any organ of state for a period not exceeding 10 years, after the *audialteram partem* (hear the other side) rule has been applied; and
  - (e) forward the matter for criminal prosecution, if deemed necessary.

SIGNATURE(S) OF TENDERER(S)

SURNAME AND NAME:

DATE:

ADDRESS:

## CONTRACT FORM - PURCHASE OF GOODS / SERVICES

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

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

1. I hereby undertake to supply all or any of the goods and/or works described in the attached bidding documents to **MKHONDO LOCAL MUNICIPALITY** in accordance with the requirements and specifications stipulated in bid number **MKHO39/2022/23** at the price/s quoted. My offer/s remain binding upon me and open for acceptance by the purchaser during the validity period indicated and calculated from the closing time of bid.
2. The following documents shall be deemed to form and be read and construed as part of this agreement:
  - (i) Bidding documents, viz
    - Invitation to bid;
    - Tax clearance certificate;
    - Pricing schedule(s);
    - Technical Specification(s);
    - Preference claims for Broad Based Black Economic Empowerment Status Level of Contribution in terms of the Preferential Procurement Regulations 2011;
    - Declaration of interest;
    - Declaration of bidder's past SCM practices;
    - Certificate of Independent Bid Determination;
    - Special Conditions of Contract;
  - (ii) General Conditions of Contract; and
  - (iii) Other (specify)
3. I confirm that I have satisfied myself as to the correctness and validity of my bid; that the price(s) and rate(s) quoted cover all the goods and/or works specified in the bidding documents; that the price(s) and rate(s) cover all my obligations and I accept that any mistakes regarding price(s) and rate(s) and calculations will be at my own risk.
4. I accept full responsibility for the proper execution and fulfilment of all obligations and conditions devolving on me under this agreement as the principal liable for the due fulfilment of this contract.
5. I declare that I have no participation in any collusive practices with any bidder or any other person regarding this or any other bid.
6. I confirm that I am duly authorised to sign this contract.

NAME (PRINT) .....

CAPACITY .....

SIGNATURE .....

NAME OF FIRM .....

DATE .....

#### WITNESSES

1. ....

2. ....

DATE: .....

**CONTRACT FORM - PURCHASE OF GOODS / SERVICES****PART 2 (TO BE FILLED IN BY THE PURCHASER)**

1. I.....in my capacity as ..... accept your bid under reference number **MKHO39/2022/23** 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)
			Thirty-Six Months		100%

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

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

NAME (PRINT) .....

SIGNATURE .....

OFFICIAL STAMP

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

## PART C1: AGREEMENTS AND CONTRACT DATA

### C1.1: Form of Offer and Acceptance

#### A. OFFER

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

**CONTRACT No.: MKHO39/2022/23**

**PROVISION OF TURNKEY FLEET MANAGEMENT (PROCUREMENT OF VEHICLES AND EARTHMOVING EQUIPMENT) AND RELATED SERVICES FOR A PERIOD OF 3 YEARS ON AN "AS AND WHEN REQUIRED" BASIS**

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

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

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

R ..... (In words.) .....  
.....,

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

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

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

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

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

**Address:** .....  
.....

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

**Witness:**

**Signature:** .....

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

**Date:** .....

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

## B. ACCEPTANCE

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

The terms of the contract are contained in

Agreement, and Contract Data, (which include this Agreement)  
Pricing Data, including the Bill of Quantities  
Scope of Work  
Site Information

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

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

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

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

**Signature:** .....

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

**Capacity:** .....

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

**Address:** .....

.....

**Witness:**

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

**Date:** .....



### C. SCHEDULE OF DEVIATIONS

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

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

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

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

**1. Subject:**

.....

**Details:**.....

**2. Subject:**.....

**Details:**.....

**3. Subject:**.....

**Details:**.....

**4. Subject:**.....

**Details:**.....

**5. Subject:**.....

**Details:**.....

**6. Subject:**.....

**Details:**.....

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

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

**FOR THE TENDERER:**

**Signature:**.....

**Name:** .....

**Capacity:** .....

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

.....

**Witness:**

**Signature:**.....

**Name:** .....

**Date:** .....

**FOR THE EMPLOYER**

**Signature:**.....

**Name:** .....

**Capacity:** .....

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

.....

**Witness:**

**Signature:**.....

**Name:** .....

**Date:** .....

**D: CONFIRMATION OF RECEIPT**

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

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

**For the Service Provider:**

.....  
Signature

.....  
Name

.....  
Capacity

**Signature and Name of Witness:**

.....  
Signature

.....  
Name

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

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

5

Item	Question	Yes	No
1.1	Is the Tenderer or any of its directors listed on the National Treasury's database as a company or person prohibited from doing business with the public sector? <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"/>
1.1.1	If so, furnish particulars:		
1.2	<b>Is the Tenderer or any of its directors listed on the Register for Tender Defaulters in terms of section 29 of the Prevention and Combating of Corrupt Activities Act (No 12 of 2004)?</b> <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"/>
1.2.1	If so, furnish particulars:		
1.3	Was the Tenderer or any of its directors convicted by a court of law (including a court of law outside the Republic of South Africa) for fraud or corruption during the past five years?	Yes <input type="checkbox"/>	No <input type="checkbox"/>
1.3.1	If so, furnish particulars:		
1.4	Does the Tenderer or any of its directors owe any municipal rates and taxes or municipal charges to the municipality / municipal entity, or to any other municipality / municipal entity, that is in arrears for more than three months?	Yes <input type="checkbox"/>	No <input type="checkbox"/>
1.4.1	If so, furnish particulars:		
1.5	Was any contract between the Tenderer and the municipality / municipal entity or any other organ of state terminated during the past five years on account of failure to perform on or comply with the contract?	Yes <input type="checkbox"/>	No <input type="checkbox"/>
1.5.1	If so, furnish particulars:		

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

**CERTIFICATION**

**I, THE UNDERSIGNED (FULL NAME)**

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

.....  
**SIGNATURE**

.....  
**DATE**

.....  
**POSITION**

**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.

# **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.
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.

CERTIFICATION

I, THE UNDERSIGNED (FULL NAME)

.....

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

.....

SIGNATURE

.....

DATE

.....

POSITION



<b>PROOF OF CSD REGISTRATION</b>
----------------------------------

**NOTICE OF SUPPLY CHAIN MANAGEMENT  
CENTRAL SUPPLIER DATABASE REGISTRATION**

Par 14(1)(a) of the municipal supply chain management policy states that the municipality must keep a list of accredited prospective providers of goods and services that must be used for the procurement requirements. The purpose of this notice is to obtain proof that the service provider is registered on the Central Supplier Database. **Registration is COMPULSORY in order to conduct business with Mkhondo Local Municipality.**

The database will be used to verify the accreditation of a supplier before an award can be made.

Each bidder must complete the below checklist (please tick with an X where appropriate).

QUESTIONS		YES	NO
1.	Is your company registered on the Central Supplier Database?		
2.	If yes, provide the following details:		
2.1	▪ CSD registration number		
2.2	▪ Tax Compliance Status Pin		
3.	Enquiries related to par. 2.1 and 2.2 can be made to Mr M.C Gumede at 017 285 0200		
4.	If no, please register on Central Supplier Database ,website, <a href="http://www.csd.gov.za">www.csd.gov.za</a> , before submitting tender document		
I, (insert full name)			
of (insert physical address)			
being a Director, Principal Shareholder, owner of company (insert company name)			
hereby confirms that, the information submitted in this form is accurate, to the best of my knowledge			
SIGNATURE			

<b>MUNICIPAL UTILITY ACCOUNT / LEASE AGREEMENT / PROOF OF RESIDENCE</b>
---

***(Affix hereto CURRENT proof of municipal services account for tax & rates not owing more than three (3) months hereto) / Valid lease Agreement (Proof that leased premises rates are not in arrears for more than 90 days) / Proof of Residence for bidders that reside in non-billed municipal area or jurisdiction. Bidders MUST complete the clearance certificate a set out below.***

## CLEARANCE CERTIFICATE FOR WATER & LIGHTS

**Section 45(1)(d) of Municipal Supply Chain Regulations requires that the municipality must reject a bidder whose municipal rates and taxes are in arrears for more than three months.**

The purpose of this schedule is to obtain proof that municipal services, rates and taxes of the service provider are not in arrears for more than three months, with the relevant municipality in the municipal area where the service provider conduct his / her business or if the bidder is a tenant, a Letter from the Landlord stipulating the office space leased and the payment status of the service charges. Should the above not be applicable NO AFFIDIVIT will be acceptable ONLY AN OFFICIAL COUNCIL LETTER OF RESIDENCE from bidders residing in non-billed areas will be acceptable (subject to verification)

**Each bidder must complete the below checklist. Important: if you fail to complete this form, the bid will be non-responsive.** (Please tick with **X** where appropriate):

QUESTIONS		YES	NO
1.	Do you own a property?		
2.	Do you receive a municipal rates account?		
3.	Is your municipal rates and taxes account up to date / current (not in arrears for more than three months)?		
4.	If yes, provide the following details:		
4.1	<input type="checkbox"/> Municipality name		
4.2	<input type="checkbox"/> Municipal account number		
5.	<b>If yes, please attach proof in the form of the original or certified copy of the bidder's municipal rates and taxes account not older than 3 months</b>		
6.	Does the bidder lease / rent the property where the business is situated?		
7.	If yes, provide the following details:		
7.1	Landlord name		
7.2	Address property is situated		
7.3	Contact number of landlord		
8.	<b>Please attach the copy of the lease agreement signed by the landlord / lessor and the tenant / lessee as proof</b>		
I, <i>(Insert full name)</i>			
of <i>(insert physical address)</i>			
being a Director, Principal Shareholder, owner of company <i>(Insert company name)</i>			
Hereby confirms that, the information submitted in this form is accurate, to the best of my knowledge			
<b>SIGNATURE</b>		<b>DATE:</b>	

**Names of all directors, their ID numbers and municipal account number.**

Director / Shareholder / partner	ID Number of Director / Shareholder / Partner	Physical residential address of the Director / shareholder / partner	Municipal Account number(s)	Municipality where the account is held

- Certified copies of municipal accounts mentioned of each Director, Shareholder, and partner listed above (Not older than 3 months).

### **CERTIFICATION**

I, (AUTHORISED SIGNATORY) THE UNDERSIGNED  
(FULLNAME).....

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

I FURTHER UNDERTAKE FULL REPSONSIBILITY FOR ANY INCORRECT INFORMATION  
PROVIDED AND THAT THE EMPLOYER (MKHONDO LOCAL MUNICIPALITY) MAY NOT  
BE HELD ACCOUNTABLE FOR INCORRECT INFORMATION PROVIDED.

.....  
SIGNATURE

.....  
DATE

.....  
POSITION

## COMPULSORY ENTERPRISE QUESTIONNAIRE

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

**Section1: Name enterprise:** .....

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

**Section3: CIDB registration number, if any: N/A**

**Section4: Particulars of sole proprietor and partners in partnerships**

Name*	Identity number*	Personal income tax number*

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

**Section5: particulars of companies and close corporations**

Company registration number.....

Close corporation number.....

Tax reference number.....

**Section6: record of service of the state**

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

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

**If any of the above boxes are marked, disclose the following:** (insert separate page if necessary)

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

\*insert separate page if necessary

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

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

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

\*insert separate page if necessary

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

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

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

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

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

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

Signed ..... Date .....

Name..... Position.....

Tendered.....

**COMPANY INFORMATION:**

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

**DETAILS OF BRANCH OFFICES:**

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

## **EVALUATION CRITERIA**

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

### **In the first phase:**

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

### **In the second phase:**

Proposals will be evaluated according to the functionality criteria indicated apart from those laid down in the Preferential Procurement Regulations, 2022 pertaining to the preferential procurement policy framework Act 5 of 2000. Bidders are expected to score a minimum of **70%** to be considered for further evaluation (Stage 3):

### **In the third phase (Stage 3):**

Scoring financial offer:

- 80 points for price where the financial offer for responsive tender offers equals or is above R30 000 and up to R50 000 000.
- Specific Goals: 20 (MAX) points

Bidders are required to submit proof for all claimed specific goals points original and valid B-BBEE status level verifications certificates or certified copies thereof together with their bids, so substantiate their B- BBEE rating claims as stipulated in the revised Preferential Procurement Regulations of 2022.

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



## TECHNICAL EVALUATION: INTERGRATED TELECOMMUNICATIONS SOLUTION

- Assessment on functionality with a minimum overall threshold of 70% or 70 points that must be attained by the bidder before the bid can be taken to the next stage of the evaluation.

Criteria	Guidelines for criteria application	Value	Weight	Max Value	Max. Score
<b>Detailed Project Proposal and implementation plans with key Deliverables (sum)</b>	- Proposal addressing service requirements	4	<b>1</b>	<b>4</b>	<b>20</b>
	- Operational project implementation plan	4			
	- Cost optimization plan and Performance Reporting Planning	4			
	- Operational Risk Management Plan	4			
	- Innovative Technology and Systems (e.g. Speed Control Technology)	4			
<b>Proven Track Record and Technical Experience:</b>  <i>Bidder to provide proof of current and previous work experience with Appointment letters for similar work undertaken within the past five years of contracts with 36 months contract duration in the public / private Sector:</i>	<ul style="list-style-type: none"> <li>- 8 or more Appointment letters from current and previous clients</li> <li>- 5 – 7 Appointment letters from current and previous clients</li> <li>- 4 or less Appointment letters from current and previous clients</li> </ul>	6 4 3	<b>5</b>	<b>6</b>	<b>30</b>
<b>Bank Rating of the Bidder:</b> <i>Bidder to attach Proof a bank rating from the Bank or recognised Financial Institution to determine its financial capacity.</i>	- Bank Rating 'A' – undoubted	5			
	- Bank Rating 'B' – Good for amount quoted	4			
	- Bank Rating 'C' – Average / Good if strictly in the line of business	3			
	- Bank Rating "D" – Fair Trade Risk	1			
<b>Company Fleet Management History (sum)</b>	- Management of vehicles more than 1000 in the books of the bidder (Attach proof in the form of fleet management system report).	7,5	<b>1</b>	<b>7,5</b>	<b>15</b>
	- Submission of two (2) or more detailed portfolio of evidence (report copies) for fleet assessment work done previously	7,5			

<b>References from Previous Clients for Similar Work:</b>  Required name, contract name, period, Value, and contact details (as per the attached underneath sheet)	- References for ALL of the following: FML/Lease, Outright purchase, Fleet management system, Fuel Management system, Fleet Assessment from previous and current clients	15			
	- References for SOME BUT NOT ALL of the following: FML/Lease, Outright purchase, Fleet management system, Fuel Management system, Fleet Assessment from previous and current clients	7	1	15	15
	-				
<b>TOTAL POINTS ON FUNCTIONALITY</b>					<b>100</b>
MINIMUM FUNCTIONALITY SCORE					<b>70</b>

1. **Project Implementation:** In order to ensure seamless implementation, bidders must demonstrate their end to end Fleet Management capabilities.
2. **Experience:** Provide reference letters where they are currently providing similar services – Procurement of vehicles on Full Maintenance Lease /Finance Lease/ Cash - outright purchase; Managed Maintenance of vehicles; Telematics Tracking Solution; Refuse Management Solution; Electronic speed Management; Payment of merchant; Managing vehicles, Provision of Fuel and Fleet Assessment (Provide copy of the detailed study report).
3. Bidders must demonstrate innovative technology across the various fleet management disciplines / services.

#### **Bid Submission Requirements**

##### **Failure to submit the following documents in order to claim points for functionality:**

- 1.1. The bidder must provide proof of services/products rendered to this and/or other local authorities and/or the ability and expertise to render these services and/or products.
  - 1.1.1. The proof must be submitted in the form of reference and appointment letters which respectable confirms the following services provided in isolation:
    - 1.1.1.1. Full Maintenance and Finance Lease
    - 1.1.1.2. Outright Purchases
    - 1.1.1.3. Managed Maintenance
    - 1.1.1.4. Fuel Management
    - 1.1.1.5. Comprehensive Fleet Assessment and / or audit
      - 1.1.1.5.1. Mechanical and Auto Electrical Assessment
      - 1.1.1.5.2. Auto Electrical Assessment
      - 1.1.1.5.3. Interior and Exterior condition assessment
      - 1.1.1.6. Vehicle Tracking, Monitoring and recovery.

REFERENCE TO BE ATTACHED

NB:

	Name of Client	Contract Period	Contract Value	CLIENT DETAILS		
				Name of the Person	Contact No:	Reference Letter attached
FML / FL Lease						
Outright Purchase						
Fleet Management System						
Fuel Management						
Fleet Assessment						

Failure to attach information / supporting evidence/ completing the reference sheet above will lead to points for references NOT acknowledged / considered for points

## PART C2 PRICING DATA

### C2.1 Pricing Instructions

- C2.1.1.1 The quantities set out in the specification provided are approximate and do not necessarily represent the actual amount of work to be done. The quantities of work accepted and certified for payment will be used for determining payments due and not the quantities given in the Bills of Quantities. The quoted quantities are indicative for evaluation not actual amount of work to be carried by successful bidder.
- C2.1.1.2 The prices and rates to be inserted in the Bills of Quantities (in your proposal) are to be the full inclusive prices for the work described under the several items. Such prices and rates shall cover all costs and expenses that may be required in and for the execution of the work described, and shall cover the cost of all general risks, liabilities, and obligations set forth or implied in the documents on which the tender is based, as well as overhead charges and profit. The prices will be used as a basis for assessment of payment for additional work that may have to be carried out.
- C2.1.1.3 A price or rate is to be entered against each item in the Schedule/Bills of Quantities, whether the quantities are stated or not. An item against which no price is entered will be considered to be covered by the other prices or rates in the Bills of Quantities. A single lump sum will apply should a number of items be grouped together for pricing purposes.
- C2.1.1.4 The prices should be specified per service and the total price should be specified as a sum on sub-total and the total offer price should indicate the sum of all the services inclusive of Vat and all applicable taxes.
- C2.1.1.5 Items omitted from the Bill of Quantities that may be required and are related to the scope of work may be requested by the Employer on quotation basis using a 25% mark-up from initial suppliers.
- C2.1.1.6 For the purposes of this Bill of Quantities, the following words shall have the meanings hereby assigned to them:
- **Unit:** The unit of measurement for each item of work as defined in the Standardized, Project or Particular Specifications
  - **Quantity :** The number of units of work for each item
  - **Rate:** The payment per unit of work at which the Bidder bids to do the work
  - **Amount :** The quantity of an item multiplied by the bidden rate of the (same) item
  - **Sum:** An amount bidden for an item, the extent of which is described in the Bill of Quantities, the Specifications or elsewhere, but of which the quantity of work is not measured in units
- C2.1.7 All pricing to be given in South African currency (rand and cents). Indicate if prices are linked to the Rand/Dollar or Rand/Euro exchange rates. A Bill of Materials (BoM) is provided (in different Annexures) for pricing of both the Project Implementation as well as the Support & Maintenance.

**PRICE SCHEDULE – FLEET COSTING STRUCTURE – VEHICLES; EARTHMOVING EQUIPMENT AND SPECIALISED VEHICLES**

No:	Description	Model & Description	Cash Purchase (Incl Vat)	FINANCE LEASE AMOUNT BASED ON 36 MONTHS – 3000Km		
				Unit Price p/m (Incl VAT)	Total Contract (36 months)	Excess cents / Km
1	<b>Hatchback 1.4 – 1.6 Engine</b> Manual, 5 Door, Electric Windows, 5 Forward		R	R	R	R
2	<b>Sedans 1.4</b> Manual, 5 Doors, Electric Window		R	R	R	R
3	<b>S/Cab bakkie 4x2 – 1.9L</b> Steel Canopy, Rubberizing, Towbar, Seats, Roof Rack		R	R	R	R
4	<b>S/Cab bakkie 4x2 (1.9 – 2.5 engine)</b> Canopy, Toolbox, Towbar, Roof Rack, Rubberizing, front Winch.		R	R	R	R
5	<b>D/Cab bakkie 4x4– Canopy</b> Rubberizing, Towbar, 4 cylinders		R	R	R	R
6	<b>Mini-Bus – Passenger Vehicle</b> 2.8 Engine, 6 Speed, Diesel		R	R	R	R
7	<b>Grass Cutter – Tractors</b> Diesel engine, output >55Kw, Drawbar at the rear end		R	R	R	R
8	<b>Truck – 3 Ton – Crew Cab (Electr)</b> Drop-side, Roof Rack, Toolbox, Amber Light, Tow Bar, Rubberized Load bin		R	R	R	R
9	<b>Truck 4x2 – 4Ton (Water)</b> 6 Speed, Drop-side, Toolbox, Amber Light, Tow Bar		R	R	R	R
10	<b>Hydraulic Excavator</b> Net Rated minimum power of 118kW, 4 cylinders and Piston displacement of 4.5L. Full hydrostatic type. Operating of no less than 21000kg		R	R	R	R
11	<b>Tipper Truck (10m³)</b> 6 cylinder, 4 stroke, Automatic, Amber Light, Tow Bar, Tipping must be steel		R	R	R	R

12	<b>Backhoe Loader</b> The Net Peak Power must be 70Kw@2,000rpm and minimum Net Peak Torque 387Nm @1,300rpm. The transmission must be minimum 5 speed with Hydraulic reverser.		R	R	R	R
13	<b>Skip Loader</b> The truck should have a lifting device for waste containers. The hook lift loader will be used with 30m <sup>3</sup> open top waste bins and must have a row guide		R	R	R	R
14	<b>Motor Grader</b> The unit must turbocharged with the minimum Net Power 138kW (185 hp) or higher and the minimum Net torque of 848Nm @ 1,000rpm or higher. Six-wheel Drive with automatic dual-path hydrostatic drive; increases tractive effort and front-end control.		R	R	R	R
15	<b>Steel Drum Roller (Compaction)</b> Automatic vibration control. Total Displacement of 4399 with gross power of 85kW. Minimum drum width of 2000mm		R	R	R	R
16	<b>Refuse Compactor Truck</b> 20m <sup>3</sup> ; Allison gearbox; Automatic; 2 Way radio, Amber Lights, 6-cylinder, Diff Lock; PTO to be supplied with hydraulic pump, Cab Crew, Bin lifter		R	R	R	R
17	<b>Bull-Dozer</b> Minimum Net rated Power of 93kW with Net Peak Torque 540Nm. 6 cylinder, Turbocharged, Automatic dual-path, hydrostatic drive. Displacement 6.8L		R	R	R	R
18	<b>Bush Fire Fighting Tanker</b> Automatic, 4 Crew Cab Members, 6 cylinder Diesel engine, P.T.O included, Booster Tank must be at least 7000 litres with integrated foam tank, Pump must be at the rear of the truck, 2 Way Radio and Siren		R	R	R	R
19	<b>Front-End Loader</b> The engine shall be a four stroke cycle with 106kW Net Engine Power, and Displacement of 6.8L, 4 cylinders, with operating weight of no less than 12 000kg and bucket capacity of 1.9 -2.1m <sup>3</sup>		R	R	R	R
20	<b>SUV 4x4 – 2.4 Litres Automatic</b> Diesel, 6 Speed, Full alloy wheels, Window tinting		R	R	R	R

21	<b>3 Ton Truck 4x4</b> 6 Speed Transmission with Manual gearbox. Power@ r/min (kW) 110@2 600 with a Torque@ r/min(Nm) 404@ 1500-2600. Turbocharged. Amber warning light, Drop side with Half Canopy, Bullbar, Towbar, Fiber ladder rack up to 11 meters. Steel toolbox.		R	R	R	R
22	<b>4 Ton Cherry Picker – Crew Cab</b> Drop side, 4-cylinder, Steel toolbox with double locks, Spot Light on Bucket, 15m Boom Reach, Emergency Hydraulic Pump underneath the load body		R	R	R	R
23	<b>4 Ton 4x4 Crane Truck</b> 6 cylinders, Output (kW 176@2,400) 4 stroke, 6 ton lifting capacity with a min extended reach of 0.5m, Crane Mounted at the Rear of Load Body, Winch Fitted on Inner Boom of Crane with Load Hook, Safety Catch and Swivel.		R	R	R	R
<b>TENDERED SUB-TOTAL (36 MONTHS)</b>						
<b>VAT @ 15%</b>						
<b>TENDERED GRAND TOTAL</b>						

#### **ADDITIONAL REQUIREMENTS**

1. *Municipal Logo Branding (Decals)*
2. *All vehicles to have a factory fitted Radio*
3. *Fire Extinguisher*
4. *Air Bags on all vehicles*
5. *Tyres (Excluded)*
6. *Insurance (Included)*
7. *All leased vehicles will travel 3000km per month or 160 hours operation per month (earthmoving equipment)*
8. *Smash and Grab on sedan and bakkies*
9. *Woven cloth seats*
10. *Ownership transfer to the municipality at the end of the contract period*

**PRICING MATRIX – VALUE ADDED PRODUCTS**

Item	Description	Unit	Unit Price (Inc. VAT)	Contract Amount (Inc. VAT)
<b>Vehicle tracking and monitoring</b>	Hardware	once-off	R	R
	Installation fee	once-off	R	R
	Service fee	per month	R	R
	De-installation fee	as and when	R	R
	Re-installation fee	as and when	R	R
	Call-out fee	as and when	R	R
	Driver ID tags	once-off	R	R
<b>Vehicle speed management technology</b>	Hardware	once-off	R	R
	Installation fee	once-off	R	R
	Service fee	per month	R	R
	De-installation fee	as and when	R	R
	Re-installation fee	as and when	R	R
	Call-out fee	as and when	R	R
<b>Fuel management technology</b>	Hardware	once-off	R	R
	Installation fee	once-off	R	R
	Service fee	per month	R	R
	De-installation fee	as and when	R	R
	Call-out fee	as and when	R	R
<b>Fleet management system</b>	Initiation/ take-on fee	once-off	R	R
	Service fee	per month	R	R
<b>Fines management</b>	Initiation/ take-on fee	once-off	R	R
	Service fee	per month	R	R
<b>Managed maintenance</b>	Initiation/ take-on fee	once-off	R	R
	Service fee	per month	R	R
<b>Fleet reports</b>	Service fee	per month	R	R
<b>Fleet assessment (incl ad-hoc consulting and advisory)</b>	Service fee	once-off (Annually)	R	R

NB: This must not be costed in the final total price of the contract.



**DETAILS OF PERSON THAT HAS COMPLETED THE SCHEDULE OF QUANTITIES:**

---

NAME

---

RELATIONSHIP TO TENDERING COMPANY

---

SIGNATURE

---

CONTACT DETAILS

## **PART C3: SCOPE OF WORKS / TERMS OF REFERENCE**

### **PROJECT DEFINITION**

PROVISION OF TURNKEY FLEET MANAGEMENT (PROCUREMENT OF VEHICLES AND EARTHMOVING EQUIPMENT) AND RELATED SERVICES FOR A PERIOD OF 3 YEARS ON AN "AS AND WHEN REQUIRED" BASIS

#### **1. DEFINITIONS**

- 1.1 Accessories** -Additional equipment fitted to a vehicle that does not form part of the vehicle's standard specification as released by the respective motor manufacturers. These items must not have any effect on the standard guarantees and warranties of the vehicles in question. It can include items such as radios, canopies, air conditioning, tow bars, tyre bands, window laminations, sunroof, decals, sirens, star bars and two-way radios.
- 1.2 Daily Vehicle Working Hours (DVWH)** - shall be expressed either as 12 hours per day or as 24 hours per day (Relevant vehicles will be identified during contract negotiations).
- 1.3 Driver** – an official / employee in possession of a valid unendorsed driver's licence which enables them to drive a specific category of vehicle and is authorized to do so in terms of a trip authority as issued or any other form of authorization.
- 1.4 Early Termination date** – is the return of a vehicle to the Supplier greater than 60 days prior to the agreement termination date.
- 1.5 Excess hourly charge** – is the pre-declared charge for each hour of operation in excess of the hours allowance published in the "vehicle schedule".
- 1.6 Excess Km's charge** – is the pre-declared charge for each Kms travelled in excess of the Km's allowance published in the "vehicle schedule".
- 1.7 Finance Lease** – is the financing of a vehicle, exclusive of maintenance and in which ownership of the vehicle passes to the municipality at the end of the financing period. Finance Lease structures may include balloon payment options for cash flow purposes (as applicable)
- 1.8 Full Maintenance Lease** - is the total rental of a vehicle which is inclusive of maintenance and tyres, wherein the risk and benefits are outsourced to a supplier for a period of time and agreed Km allowances. The supplier takes risk on the resale value and cost of maintenance and tyres.
- 1.9 Merchant / Supplier** – any legal entity which contracts with the service provider to provide goods or services to the municipality.
- 1.10 Normal Termination** - it is the return of vehicle to the service provider within 60 days prior to or 15 days after the agreement termination date.

**1.11 Operating Lease** - is the total rental of a vehicle which is exclusive of maintenance and tyres, wherein the risk and rewards of ownership are outsourced to a service provider for a period of time and agreed kilometres. The supplier takes risk on the resale value.

**1.12 Outright Purchase** –Bidder will submit quotation prices for selected specified items to the municipality. The municipality will use its own discretion on the vehicle to be procured on an Outright Purchase basis. Total ownership of the vehicles will pass to the municipality upon the vehicle registration. Bidders will enter into an agreement with the municipality to Procure; provide Tracking and Managed Maintenance of the vehicles.

**1.13 Sales and Leaseback** – is the purchase of all vehicles being used by the municipality from either the municipality and/or current Service Provider and the vehicles are to be re-leased back to the municipality on a FML or Managed Maintenance basis, for a pre-determined time and Km's allowance.

**1.14 Service Plan/Maintenance Plan/Motor Plan** – a service as that can be optionally procured during the purchasing of the vehicle that will cover all cost in terms of normal services as set out in the vehicle's owner manual or handbook up until a specified kilometres or time period.

**1.15 Spares** – any parts fitted to a vehicle ensuring that the vehicle is fully operational and functional and has to be replaced due to the malfunction thereof. The fitment of non-OEM approved spares will need to be done in consultation with the relevant user department without jeopardizing any warranties of guarantees in terms of the vehicle.

**1.16 Vehicle Working Days (VWD)** - shall be expressed either as 7 days / week or as 5 days /Week. (Relevant vehicles will be identified during contract negotiations)

**1.17 Vehicle schedule** – is the document concluded for each vehicle which shall as a minimum define vehicle details, period of rental, monthly rental, Kms / hourly allowance and excess Km's charges

## **2. BACKGROUND**

**2.1** Fleet Management is responsible for the formulation of the Fleet Policy and fleet compliance and operations. Fleet management and other operational responsibilities are executed within each fleet user group's operational environment.

**2.2** The municipality requires the use of a reliable and readily available fleet for the successful execution of the relevant municipal service delivery mandates and to meet its overall objectives.

### **3. SCOPE OF THE CONTRACT**

This bid provides for the provision of Turnkey Fleet Management (Procurement of vehicles and earthmoving equipment) and related services for the duration of 36 months *“as and when required”* to Mkhondo Local Municipality. In terms of FML, the bidder will be required to take risk on the resale value and maintenance of the fleet. The successful bidder will implement the project in phases, detailed as follows:

- Total study and assessment of Municipal owned fleet, including process management and funding structure (Detailed study methodology to be attached as an annexure –
- Implementation of the recommendations and continuous management of the fleet.

Mkhondo Local Municipality will outsource the management of vehicle fleet for 36 months, which includes but is not limited to Procurement of vehicles and Earthmoving equipment (either on Full Maintenance Lease, Finance Lease or Outright Cash purchase), Managed Maintenance (MM), Preventative Maintenance (PM); accident management, vehicle disposal, training and development, continuous advisory service/s, fines administration, Electronic Speed Control Technology, short-term vehicle rental, vehicle upkeep / cleanliness and breakdown services.

### **4. Statistics, quantities and estimates**

- 4.1 The statistical information is provided to assist the bidders in preparation of their bid submission however the Mkhondo Local Municipality gives no assurances or warranties as to precision thereof or to future trends. Bidders will need to satisfy themselves about the information and make suitable provision for non-material variations on the information provided.
- 4.2 Mkhondo Local Municipality does not guarantee any quantities in respect of the number of vehicles specified in this document.

### **5. KEY DELIVERABLES**

- 5.1 Provision of vehicles to the municipality that are reliable and available in order to ensure business continuity of the Municipality;
- 5.2 Provision of reporting information systems that will bring efficiency and ensure economic viability of the services;
- 5.3 The active application and achievement of manufacture service and maintenance standards in accordance with Original Equipment Manufacturers specification;
- 5.4 Implement an active fleet Telematics (tracking) system – comprehensive and consolidated reporting platform based on vehicle usage and application;
- 5.5 The bidder must provide for annual detailed Fleet Assessment and audit of municipal fleet processes and vehicles.
- 5.6 The continuous measurement and review of vehicle usage and application in order to ensure smooth services delivery;
- 5.7 Provision of Fleet Management System (interface with all fleet system to provide a consolidated report) and Electronic Speed Control Technology; and
- 5.8 Reduce the cost of operating fleet in accordance with set and / stated benchmark.

### **6. SCOPE OF WORK**

#### **6.1 PROVISION OF VEHICLES ON FULL MAINTENANCE LEASE / FINANCE LEASE / OUTRIGHT PURCHASE**

- 6.1.1 Mkhondo Local Municipality Fleet Department will determine the funding method when placing an order for the acquisition vehicles and / or earthmoving equipment.

6.1.2 Mkhondo Local Municipality requires the services of a suitably qualified and capable service provider to provide services in relation to the provision of vehicles to the municipality on a Full Maintenance Lease, Finance Lease or Outright Purchase.

6.1.3 Source suitable pricing that match the approved specification from relevant manufacturers and suppliers in line with the approved specifications for consideration by the Mkhondo Local Municipality,

- 7 Present relevant options to be considered by Mkhondo Local Municipality in relation to the vehicles or accessories to be purchased, including a cost benefit analysis for each option,
- 8 Finance the entire vehicle procurement and delivery process (including initial licensing and registration of the vehicles) irrespective of the funding method.
- 9 Facilitate the fitments of all the required attachments and accessories as well as modifications required to ensure the vehicle is “fit-for-purpose”,
- 10 To manage the logistics, value chain for vehicle purchases, including production schedules, licensing and registration, branding, securing the relevant warranties and/ or maintenance plans, as well as the delivery of each vehicle to Mkhondo Local Municipality.

Mkhondo Local Municipality will not guarantee any quantities in respect of the vehicles specified in this document and requirements will be as and when the need arises. However, in consideration of the commercial viability of the associated business transaction, the Mkhondo Local Municipality will endeavour to source all its associated requirements from the contractor, except where the contrary is expressly provided for by the parties in the final agreement or in terms of legislation, but only to extent that, the contractor is willing and able to fulfill the reasonable requirements of the Mkhondo Local Municipality.

## **7.1 FLEET SUPPORT SERVICES**

Prospective bidders with the necessary knowledge, expertise, capacity and experience must submit proposals in line with the following requirements:

### **7.2.1 MAINTENANCE OF VEHICLES PROVIDED ON LEASED AND MUNICIPAL OWNED VEHICLES**

- 7.2.1.1 Bidders must submit proposals on how it will provide for maintenance of vehicles, accessories and fitments.
- 7.2.1.2 The successful bidder will be required to maintain/ repair all leased vehicles in terms of manufacturer specifications.
- 7.2.1.3 The successful bidder will be required to maintain/ repair all other vehicles in accordance with industry and OEM acceptable standards of repair.

- 7.2.1.4 Bidders must submit proposals on how they will identify vehicles that are due for maintenance/ repair, and how the Mkhondo Local Municipality will be informed in this regard.
- 7.2.1.5 Bidders must submit proposals on how they will ensure availability requirements are maintained during planned maintenance/repair of a vehicle.
- 7.2.1.6 Bidders must submit proposals on how they will provide for maintenance of all accessories and fitments on the vehicles in terms of manufacturer specifications or industry accepted standards, to ensure that such items are in working condition at all times.

## **7.2.2 MANAGED AND BOLT-ON MAINTENANCE SERVICES FOR NON-SPECIALISED VEHICLES AND OWNED BY THE MUNICIPALITY**

The bidders must submit proposals on how they will provide managed and bolt-on maintenance services for non-specialized vehicles owned by the Mkhondo Local Municipality.

The successful bidder will be required to provide managed maintenance services, including but not limited to the following responsibilities in relation thereto:

- i. Registering the Vehicles onto its fleet management system, and capturing information about the Vehicle make, range, model, registration number as well as the commencement date of the Managed Maintenance Services.
- ii. Ensuring that each Vehicle has a signed schedule to acknowledge activation of the Managed Maintenance services for purposes of accurate monthly billing and maintaining record of each Vehicle schedules signed by the Mkhondo Local Municipality.
- iii. Providing Managed Maintenance Services on a planned and unplanned basis, as well as at the occurrence of emergencies and breakdown, as required by the municipality, including battery and tyre management services, i.e. repairs and replacement, roadside breakdown assistance and the procurement of tyres at competitive prices.
- iv. Pre-empting and scheduling routine maintenance and/or servicing from the vehicles utilising management information available to it through the various sources, including information acquired from the vehicle management device.
- v. Facilitating and co-ordination of maintenance, repairs, support and servicing of vehicles, including procuring and supplying quotation to Mkhondo Local Municipality for the maintenance and repairs to be undertaken.
- vi. Scrutinising maintenance quotations and invoices from third party manufacturers and sub-contractors, to ensure market competitiveness in relation to pricing and nature of repairs.

- vii. Authorising maintenance and repairs subject to the agreed levels of authorisation granted by the Municipality and issuing an authorisation number to the Maintenance Provider, when the Vehicle is delivered for the Maintenance Services.
- viii. Ensuring that the maintenance provider carries out the work in accordance with the standards set out by the manufacturer and processing the maintenance providers' maintenance invoices for payment, including managing the vehicle warranty claims on behalf of the Municipality.
- ix. Maintaining up to date records of all maintenance undertaken on each vehicle, including date of maintenance, description, maintenance provider details, odometer reading (if applicable), invoice details, and cost. The bidder will be required to highlight exceptions to the Municipality in terms of repetitive repairs and/or` replacements.
- x. Invoicing the Municipality for the actual cost of maintenance and repairs (without mark-up), carried out by third party maintenance providers.
- xi. Bidders must submit their proposals of how they intend processing the manufacturers service warranties and claims as and when they arise.

### **7.2.3 AVAILABILITY REQUIREMENTS**

Bidders must submit proposal on how they will manage the availability of vehicles, including but not limited to execution of the following responsibilities in relation thereto:

- i. Ensuring that each vehicle is available for the minimum required 85% of the Scheduled Operating Hours (SOH) per month.
- ii. The successful bidder will be required to capture and record the availability information for each vehicle into an information system, including the scheduled operating hours of each vehicle, in order to monitor the achievement of availability and to report such availability accurately.
- iii. The successful bidder must inform the Municipality about the anticipated downtime on a vehicle that has been submitted for maintenance and/ or repairs.
- iv. The availability shall be calculated per Vehicle, and expressed as a percent of the Scheduled Operating Hours for each month, whereby,
- v. The Daily Vehicle Working Hours (DVWH) shall be expressed either as 12 hours per day or as 24 hours per day.
- vi. Vehicle Working Days (VWD) shall be expressed either as 7 days/ week or as 5 days/week.
- vii. The bidder must submit in its proposal interventions that it will implement in order to achieve the availability service levels of any vehicle provided.
- viii. The successful bidder will be required to provide the following reports to the Municipality, in relation to the management and oversight of the Vehicle:
  - a. A cumulative monthly report of all vehicles and the levels of availability maintained for each vehicle.

- b. A cumulative monthly report of all vehicles maintained, serviced and/or repaired during the preceding month/s, including the vehicle class/category, date of repair, description of the repair and total costs incurred in respect of maintenance, service and/or repairs.
- c. A cumulative quarterly report, with a consolidated summary of all vehicles, highlighting negative trends and risks in relation to the maintenance and operation of such Vehicles.

#### **7.2.4 PROVISION OF CALL CENTRE SERVICES**

The Municipality requires vehicles to be supported through a dedicated call centre service wherein affected parties can call in to log their queries and report vehicle breakdown and receive assistance.

- 7.2.4.1 Bidders must submit proposals of how they will ensure that the Municipality is supported in terms of call centre services (24/7).
- 7.2.4.2 The call centre will respond to maintenance, services and accident calls.
- 7.2.4.3 Preference will be given to an integrated solution that ensures that the services/information are/is provided within the Municipality environment and that the data can easily be interfaced with the operational information.
- 7.2.4.4 Bidder must submit proposal on how all calls for assistance and queries will be recorded.
- 7.2.4.5 Bidders must submit proposal on how it will provide a fully automated measurement tool and reports, not allowing for human intervention or manipulation of information, in terms of required reports.

#### **7.2.5 PROVISION OF BREAKDOWN AND ROADSIDE ASSISTANCE**

The Municipality requires vehicles breakdown, roadside assistance and towing services:

- 7.2.5.1 The bidders must submit proposals of how it will manage the entire breakdown response process, ensuring continuous liaison and update to the relevant line manager and or driver until the breakdown is resolved.
- 7.2.5.2 The bidder shall provide access to the breakdown incidence through its call centre or liaison officer - whose availability shall be 24/7 days a week.
- 7.2.5.3 The provision of roadside and breakdown services will be applicable to all leased and non-leased vehicle.
- 7.2.5.4 Wherever possible and necessary, a relieve vehicle may be provided and costs charged to the municipality for the duration of the vehicle repair. Approval must be obtained from the municipality.



## **7.2.6 PROVISION OF REFUELLING SERVICES and / or SOLUTION**

The Municipality requires the service provider to ensure that vehicles are fitted with electronic refueling systems and or / fuel card.

- Service Provider must submit proposals of how they will provide, facilitate and manage services related to the provision of fuel and/or and fuelling facilities, through electronic fuelling systems.
- Aggregating the costs of excess consumption by vehicle on a monthly basis,
- Implementing systems to detect abuse or fraud and assist the municipality to manage the associated risk.
- Implementing an electronic fuel system to collect data in relation to these services and provide monthly reports of all transactions or services consumed by the Municipality, including and where applicable, the vehicle registration (where applicable), merchant details; date of transaction, volume consumed and price, as well as the mileage of the Vehicle at the time of transaction.
- Facilitating management intervention by providing reports on daily single variance, monthly trend analysis and comparison of expenditure per vehicle, driver and cost centre.
- Bidders must submit proposals for the following in relation to fuel:
  - Forecourt fuelling for each vehicle Monitoring and scrutiny of fuelling transactions, by:
  - Implementing consumption benchmarks per vehicle,
  - Establishing a process to ensure that Vehicles are filled to capacity at each fill-up,
- Collect and maintain accurate fill-up details, including kilometres at time of fill-up,
- Calculating the consumption for each fill-up and cost of consumption in excess of the benchmark,

## **7.2.7 PROVISION OF AD-HOC RENTAL**

The successful bidder will be required to provide and manage services and facilities related to the adhoc rental of specified vehicles in accordance with municipality requirements. Bidders must submit proposals on how it will provide ad-hoc vehicle requirements, including, but not limited to, the following:

- Procuring adhoc vehicle from relevant and appropriate adhoc vehicle suppliers.
- Ensuring that adhoc vehicles are made available at the required locations, as and when necessary and within the shortest possible period.
- Ensuring that adhoc Vehicles are comprehensively insured for the time it is being used by the Municipality.

- Ensuring that the adhoc vehicle is fit for the purposes required in terms of the adhoc vehicle request form; and that it is delivered to the correct location, as specified.
- Providing an analysis of all adhoc Vehicles provided.
- Providing a monthly report or relating to Adhoc Vehicles ordered and/or delivered for use, including reference number, date of order, date of delivery, vehicle category, term of rental, rental rate/cost, and kilometres travelled as well as indicate the delivery timing of the Adhoc Vehicle.
- Ensuring that each Adhoc Vehicle delivered to the User Department is available for 100% of scheduled operating hours.

### **7.2.8 PROVISIONING OF LICENSING SERVICES**

- The successful bidder will be required to provide, facilitate and manage services to ensure that vehicles are registered and licensed at all times, including obtaining certificate of fitness (COF) and operator cards where necessary.
- The successful bidder will be required to arrange for and provide facilities for registration and licensing of the specified vehicles in accordance with relevant legislation, including the registration of specified vehicles as emergency vehicles.
- The Municipality will only pay for the actual registration or licensing of vehicles as and when required except in the case of Full Maintenance and Finance Lease.
- Bidders must submit a proposal of how they will fulfill the requirements of the Municipality as it relates to the licensing of vehicles.

### **7.2.9 TRAFFIC FINE MANAGEMENT SERVICES**

- The successful bidder will be required to arrange for and provide facilities for the administration of driving licences as well as the redirection and settlement of traffic fines, including but not limited to:
- Registration and authorisation of each driver that has been approved to drive a vehicle managed by the successful bidder.
- Issuing each authorised driver with an electronic driver identification tag that is able to link each driver to a specific vehicle each time that the driver has driven such vehicle.
- Informing the Municipality of the validity of the driver's licenses or Professional Driving Permit of any driver that intends to use a vehicle.
- Redirecting all infringement notices in respect of relevant Vehicles in accordance with the AARTO regulations.
- Developing and maintaining an updated database of all authorised drivers and all other information or data relevant for the management and redirection of fines.
- Identifying repeat offenders and reporting same for intervention and management of the risk by the User Department Manager.

- Bidders must submit proposals of how they will ensure that traffic fines are registered and administered timeously, including redirecting of fines to the relevant driver / or appropriate cost centre, where necessary. Bidders must include in their proposal how they intend to manage the driver database.

#### **7.2.10 FITMENT OF VEHICLE ACCESSORIES**

The bidder must ensure that all vehicles are fitted for purpose and fitted with the required accessories. Prospective bidders must familiarize themselves with the assets class and type currently used by the municipality to ensure compliance with the bid requirements.

- The contractor shall fit to the municipal fleet accessories and fitments necessary for the municipal operations.
- The contractor shall provide financing for accessories and fitments at the same financing rate and term as applicable to capital cost of the leased fleet,
- The contractor shall fit non-removable decals with the name and other relevant details of the Municipality in highly visible areas of all municipal fleet,
- The contractor shall upon request and at the cost of the municipality, remove accessories / fitments from one vehicle for installation to another vehicles identified by the municipality.
- The contractor shall advise the municipality about the selection of accessories / fitments necessary to meet fleet Requirement,
- The contractor shall ensure that the accessories / fitment complies with legislation and in line with OEM standards.

#### **7.2.11 VALUE ADDED SERVICES**

The Service Provider will be required to provide value add services (VAS) and other fleet administration services, including but not limited too

##### **7.2.11.1 Performance Reporting**

The Service Provider will be required to collect, maintain and provide “up to date” vehicle information (including exceptions), management records and related reports to stakeholders and line managers periodically.

Bidders must propose a reporting regime that includes, but not be limited to:-

- Detailed operational exception reports (Daily and Weekly);
- Detailed consolidated operational reports with detailed analysis, exceptions and interventions/ solutions (Monthly);
- Comparative summary reports with trend analysis and projections (Quarterly);
- Cumulative reports with trend analysis and projections (Annually).

#### 7.2.11.2 Fleet Performance Reporting

Bidders must propose specific mechanisms and systems (system capabilities to be included in the response) that they will use to report performance in relation to the following fleet performance indicators:

- **Vehicle Availability Ratio** - To measure and report on the average time that a vehicle is available for use during any scheduled operating time or shift.
- **Vehicle Utilization Ratio** - To measure and report on the extent to which the vehicles are used.
- **Spare Capacity Ratio** - To measure whether sufficient vehicles are available to perform work to the required service level standards and to justify the fleet size or population.

#### 7.2.11.3 Skills Transfer and Social Engagement

The Service Provider will be required to up-skill and train operators and administrators of the municipality to ensure skill and knowledge transfer during the implementation of the project. It is the intended requirement to also ensure that the mobility requirement of the municipality is implemented in a manner that will ensure that there are economic spin-off and broad participation of the community in the project.

- Training to be aligned with the project outcome including drivers, operators and administrator's empowerment initiatives.
- Community and / or business based participation in the project to ensure favourable economic spin-off.
- Localisation of services to existing business enterprises particular Historical Disadvantage individual

#### 7.2.12 PROVISION OF VMT SERVICES

Bidders must submit proposals of how they will arrange for and provide facilities to ensure that each vehicle is fitted with GPS enabled Vehicle Management Technology (VMT), On Board Computers (OBC) and Waste Management Technology and how these systems will be managed.

- 7.2.12.1 The GPS enabled unit must be Insurance and OEM approved.
- 7.2.12.2 The VMT must not be open to human manipulation (Override)
- 7.2.12.3 Bidders must submit proposal on how they will provide for instances where the DKL requests additional specialized activity based reporting.
- 7.2.12.4 Bidders must submit proposals on the provision of emergency alert requirements in the form of a vehicle based as well as remote panic button system.
- 7.2.12.5 Bidders must submit proposals of how they will arrange for the fitment of cameras to record activities of emergency and police vehicles.

- 7.2.12.6 Bidders must submit proposals of how they will arrange for and provide an automated log book facility for each vehicle and how this system will be managed. The automated log book facility must interface with the VMT.
- 7.2.12.7 The proposed system offered by the bidder must be capable of interfacing with existing or newly developed ICT platforms without significant/major cost to the DKL.
- 7.2.12.8 Bidders must submit proposals of how they will arrange for and provide facilities to ensure that only authorized drivers are given access to specified vehicles.
- 7.2.12.9 Bidders must submit proposals on how they will report on vehicle utilization exception, including utilization percentage, use of vehicles outside normal working hours, use of vehicles outside of geo-fenced areas, excessive speed, harsh braking, and long idle, main battery disconnect, daily unit health check.
- 7.2.12.10 Bidders must propose innovative risk and speed management vehicle control technology.
- The Contractor will be liable for a penalty for each instance where it fails to provide the services as required.

### **7.3 FLEET MANAGEMENT SYSTEM**

The purpose is to acquire comprehensive a reliable fleet management system that will optimise the control, management and operation of municipal owned vehicle fleet and external service provider vehicles. Through the software the municipality must be able to implement effective fleet management aimed at reducing and minimizing overall cost of ownership of operating vehicles (Total Cost of Ownership and Running vehicles).

The benchmark will be to maximise vehicle utilisation and ensure that at all given times the municipality has no less than 95% vehicle downtime. The municipality will also want to reduce the average age of vehicles to 5 years.

The appointed Service Provide must demonstrate the ability to ensure that the following Key Performance Indicators (KPI's) are achieved:

- Detailed Assessment of current municipal vehicle fleet. A comprehensive report to be submitted at the end of the months of appointment detailing the Strength; Weakness; Opportunities and Threats (SWOT) of current vehicle operations.
- Potential Service Provider to submit as part of the tender a detailed Fleet Assessment report (Minimum 2 reports)
- Drafting of fleet management policy and strategy
- Sourcing model of fleet
- Fleet maintenance model
- Operation of council fleet

- Designing of functional vehicle specifications
- Vehicle registration and licensing
- Fuel management
- Implement vehicle tracking and monitoring system which will cover the following
  - Downtime reporting
  - Uptime reporting
  - Availability reporting
  - Utilisation reporting
  - Performance reporting
  - Maintenance reporting
- Implement fleet maintenance management system. (Process flow for repairs, quality control for maintenance, preventative maintenance, external maintenance procedure and fleet repairs system, etc)
- Implement fuel management system i.e electronic fuelling system,
- Introduce fleet and driver training programme to capacitate drivers and fleet personnel.
- Propose the de-fleeting methods (Disposal of fleet) and store these vehicles in a central controlled yard
- Accident/incident management i.e Proper fleet insurance management and process flow
- Fuel management – electronic fuelling system and reduction of potential fuel theft controls
- Tyre management
- Warranty management
- Driver behaviour management (speed, excessive idling, harsh acceleration, and redirection of traffic fine management
- Preventative maintenance – service booking management

#### **Fleet Management System - Module. (Workshop, maintenance repair etc)**

- Upload of organisational structure and responsible departments, with personnel, data such as:
  - Driver database detail i.e employee number, department, id number, license number, license code, expiry date, PRDP, expiry of the PRDP, residential address of the driver for the redirection of fines etc.
  - Driver licence and special licence number, expiry date
  - Job Requirements
  - Driver incidents
- Vehicle details file, to record specific details such as Registration of the vehicle, engine number, VIN, Chassis and Serial numbers, warranty details, financial details.

- A facility to which entry of full details for other items allocated to a specific vehicle as major repair or insurance work not done by workshop such as electrical work, gearboxes and ordinary services under motor plan, etc.
- Service Forecasting for an individual vehicle, or by fleet, either at the present time, or at a pre-determined time in the future.
- A facility to record driver's daily inspection log complete with predetermined checked field and noted. This facility must be web based to be captured by various departments.
- Vehicle History: all repairs and servicing done on the vehicles is recorded and can later be interrogated by specific items or come and cost allocated.
- Cost module to allocate full details of labour and parts costs. The details of the mechanic working on the vehicle must be recorded.
- A time management module to record the hours worked and what worked was done. Monitor real time progress from job creation work pending work, work in progress and final hand over to relevant department.
- This module must include staff and technician attendance management on vehicles.
- Job orders must be traced- pending, processing, closed.
- Warranty management module
- Tracks warranty offered on repairs and equipment.
- Service intervals Module
- Planned maintenance module on kilometres travelled.
- Service booking
- Set priorities to job cards if service delivery is going to be affected.
- Vehicle tyre management module
- Define number of tyres fitted, including spare wheel, size, pressure, make, model etc.
- Log serial numbers of tyres
- Create job card for their replacement – automatically.
- Capture kilometres, start, end, kl travelled with tyres.
- Reports on tyres.
- Repairs on tyres, punctures etc.
- Cost of tyres replacement, date replaces etc.
- Purchase of material / Order
- Integrate with financial system to create requisitions from job order – automatic numbering and printing.
- Workshop quotation.
- Battery management module.
- Serial number
- Installation date and replacement
- Assist with evaluation of vehicle repair quotation to ensure it is economically and cost effective.

## 8 PROVISION OF DETAILED FLEET ASSESSMENT AND ANALYSIS

Bidders must undertake annually, detailed Fleet Assessment and Audit exercise covering various aspects of fleet management services. The assessment will provide insightful understanding to the municipality of its current fleet status and operational efficiencies. The information collated will be used to streamline the operations and procurement of vehicles in line with stated outcome of reducing costs.

- I. Successful bidder will perform on an annual basis detailed fleet feasibility study and assessment to inform and advice the municipality. The assessment will be carried out prior to financial year end as part of assets management and reporting for the purpose of preparing Annual Financial reports.
- II. Successful bidder will, at the initial stage, undertake an audit (verification) on existing assets, age and compatibility with area of operation. This will also include a detailed development of fleet policies and lifecycle replacement process.
- III. Identifying viable strategy for assets and vehicles maintenance, repairs and disposal at the end of the lifecycle.
- IV. The successful bidder will advise the municipality on continuous basis on the efficient way of managing vehicles and assets to achieve the following objectives:
  - **Saving costs** – provision of information on the cost versus benefit analysis
  - Developing management and operational standards, policies and procedures

The successful bidder is to provide options on a continuous basis as to how the municipality can fund procurement of vehicles and equipment “**on and as**” when required. This is meant to improve financial liquidity of the municipality without compromising service delivery.



## Definitions

The following terms shall be interpreted as indicated:

- 1.1. **"Closing time"** means the date and hour specified in the bidding documents for the receipt of bids.
- 1.2. **"Contract"** means the written agreement entered into between the purchaser and the supplier, as recorded in the contract form signed by the parties, including all attachments and appendices thereto and all documents incorporated by reference therein.
- 1.3. **"Contract price"** means the price payable to the supplier under the contract for the full and proper performance of his contractual obligations.
- 1.4. **"Corrupt practice"** means the offering, giving, receiving, or soliciting of anything of value to influence the action of a public official in the procurement process or in contract execution.
- 1.5. **"Countervailing duties"** are imposed in cases where an enterprise abroad is subsidized by its government and encouraged to market its products internationally.
- 1.6. **"Country of origin"** means the place where the goods were mined, grown or produced or from which the services are supplied. Goods are produced when, through manufacturing, processing or substantial and major assembly of components, a commercially recognized new product results that is substantially different in basic characteristics or in purpose or utility from its components.
- 1.7. **"Day"** means calendar day.
- 1.8. **"Delivery"** means delivery in compliance of the conditions of the contract or order.
  - 1.9. **"Delivery ex stock"** means immediate delivery directly from stock actually on hand.
  - 1.10. **"Delivery into consignees store or to his site"** means delivered and unloaded in the specified store or depot or on the specified site in compliance with the conditions of the contract or order, the supplier bearing all risks and charges involved until the supplies are so delivered and a valid receipt is obtained.
- 1.11. **"Dumping"** occurs when a private enterprise abroad market its goods on own initiative in the RSA at lower prices than that of the country of origin and which have the potential to harm the local industries in the RSA.
- 1.12. **"Force majeure"** means an event beyond the control of the supplier and not involving the supplier's fault or negligence and not foreseeable. Such events may include, but is not restricted to, acts of the purchaser in its sovereign capacity, wars or revolutions, fires, floods, epidemics, quarantine restrictions and freight embargoes.
- 1.13. **"Fraudulent practice"** means a misrepresentation of facts in order to influence a procurement process or the execution of a contract to the detriment of any bidder, and includes collusive practice among bidders (prior to or after bid submission) designed to establish bid prices at artificial non-competitive levels and to deprive the bidder of the benefits of free and open competition.
- 1.14. **"GCC"** means the General Conditions of Contract.

- 1.15. **“Goods”** means all of the equipment, machinery, and/or other materials that the supplier is required to supply to the purchaser under the contract.
- 1.16. **“Imported content”** means that portion of the bidding price represented by the cost of components, parts or materials which have been or are still to be imported (whether by the supplier or his subcontractors) and which costs are inclusive of the costs abroad, plus freight and other direct importation costs such as landing costs, dock dues, import duty, sales duty or other similar tax or duty at the South African place of entry as well as transportation and handling charges to the factory in the Republic where the supplies covered by the bid will be manufactured.
- 1.17. **“Local content”** means that portion of the bidding price which is not included in the imported content provided that local manufacture does take place.
- 1.18. **“Manufacture”** means the production of products in a factory using labour, materials, components and machinery and includes other related value-adding activities.
- 1.19. **“Order”** means an official written order issued for the supply of goods or works or the rendering of a service.
- 1.20. **“Project site,”** where applicable, means the place indicated in bidding documents.
- 1.21. **“Purchaser”** means the organization purchasing the goods.
- 1.22. **“Republic”** means the Republic of South Africa.
- 1.23. **“SCC”** means the Special Conditions of Contract.
- 1.24. **“Services”** means those functional services ancillary to the supply of the goods, such as transportation and any other incidental services, such as installation, commissioning, provision of technical assistance, training, catering, gardening, security, maintenance and other such obligations of the supplier covered under the contract.
- 1.25. **“Written”** or “in writing” means handwritten in ink or any form of electronic or mechanical writing.

## 2. Application

- 2.1. These general conditions are applicable to all bids, contracts and orders including bids for functional and professional services, sales, hiring, letting and the granting or acquiring of rights, but excluding immovable property, unless otherwise indicated in the bidding documents.
- 2.2. Where applicable, special conditions of contract are also laid down to cover specific supplies, services or works.
- 2.3. Where such special conditions of contract are in conflict with these general conditions, the special conditions shall apply.

## 3. General

- 3.1. Unless otherwise indicated in the bidding documents, the purchaser shall not be liable for any expense incurred in the preparation and submission of a bid. Where applicable a non-refundable fee for documents may be charged.
- 3.2. With certain exceptions, invitations to bid are only published in the Government Tender Bulletin. The Government Tender Bulletin may be obtained directly from the Government Printer, Private Bag X85, Pretoria 0001, or accessed electronically from [www.treasury.gov.za](http://www.treasury.gov.za)

## 4. Standards

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

## 5. Use of contract documents and information; inspection.

- 5.1. The supplier shall not, without the purchaser's prior written consent disclose the contract, or any provision thereof, or any specification, plan, drawing, pattern, sample, or information furnished by or on behalf of the purchaser in connection therewith, to any person other than a person employed by the supplier in the performance of the contract. Disclosure to any such

employed person shall be made in confidence and shall extend only so far as may be necessary for purposes of such performance.

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

5.3. except for purposes of performing the contract.

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

5.5. shall remain the property of the purchaser and shall be returned (all copies) to the purchaser on completion of the supplier's performance under the contract if so required by the purchaser.

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

## **6. Patent rights**

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

## **7. Performance security**

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

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

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

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

7.3.2. a cashier's or certified cheque

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

## **8. Inspections, tests and analyses**

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

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

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

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

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

- 8.6. Supplies and services which are referred to in clauses 8.2 and 8.3 and which do not comply with the contract requirements may be rejected.
- 8.7. Any contract supplies may on or after delivery be inspected, tested or analysed and may be rejected if found not to comply with the requirements of the contract. Such rejected supplies shall be held at the cost and risk of the supplier who shall, when called upon, remove them immediately at his own cost and forthwith substitute them with supplies which do comply with the requirements of the contract. Failing such removal the rejected supplies shall be returned at the suppliers cost and risk. Should the supplier fail to provide the substitute supplies forthwith, the purchaser may, without giving the supplier further opportunity to substitute the rejected supplies, purchase such supplies as may be necessary at the expense of the supplier.
- 8.8. The provisions of clauses 8.4 to 8.7 shall not prejudice the right of the purchaser to cancel the contract on account of a breach of the conditions thereof, or to act in terms of Clause 23 of GCC.

## **9. Packing**

- 9.1. The supplier shall provide such packing of the goods as is required to prevent their damage or deterioration during transit to their final destination, as indicated in the contract. The packing shall be sufficient to withstand, without limitation, rough handling during transit and exposure to extreme temperatures, salt and precipitation during transit, and open storage. Packing, case size and weights shall take into consideration, where appropriate, the remoteness of the goods' final destination and the absence of heavy handling facilities at all points in transit.
- 9.2. The packing, marking, and documentation within and outside the packages shall comply strictly with such special requirements as shall be expressly provided for in the contract, including additional requirements, if any, specified in SCC, and in any subsequent instructions ordered by the purchaser.

## **10. Delivery and documents**

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

## **11. Insurance**

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

## **12. Transportation**

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

## **13. Incidental services**

- 13.1. The supplier may be required to provide any or all of the following services, including additional services, if any, specified in SCC:
  - 13.1.1. performance or supervision of on-site assembly and/or commissioning of the supplied goods;
  - 13.1.2. furnishing of tools required for assembly and/or maintenance of the supplied goods;
  - 13.1.3. furnishing of a detailed operations and maintenance manual for each appropriate unit of the supplied goods;
  - 13.1.4. performance or supervision or maintenance and/or repair of the supplied goods, for a period of time agreed by the parties, provided that this service shall not relieve the supplier of any warranty obligations under this contract; and

13.1.5. training of the purchaser's personnel, at the supplier's plant and/or on-site, in assembly, start-up, operation, maintenance, and/or repair of the supplied goods. 13.2. Prices charged by the supplier for incidental services, if not included in the contract price for the goods, shall be agreed upon in advance by the parties and shall not exceed the prevailing rates charged to other parties by the supplier for similar services.

#### **14. Spare parts**

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

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

#### **15. Warranty**

15.1. The supplier warrants that the goods supplied under the contract are new, unused, of the most recent or current models, and that they incorporate all recent improvements in design and materials unless provided otherwise in the contract. The supplier further warrants that all goods supplied under this contract shall have no defect, arising from design, materials, or workmanship (except when the design and/or material is required by the purchaser's specifications) or from any act or omission of the supplier, that may develop under normal use of the supplied goods in the conditions prevailing in the country of final destination.

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

15.3. Upon receipt of such notice, the supplier shall, within the period specified in SCC and with all reasonable speed, repair or replace the defective goods or parts thereof, without costs to the purchaser. If the supplier, having been notified, fails to remedy the defect(s) within the period specified in SCC, the purchaser may proceed to take such remedial action as may be necessary, at the supplier's risk and expense and without prejudice to any other rights which the purchaser may have against the supplier under the contract.

#### **16. Payment**

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

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

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

16.4. Payment will be made in Rand unless otherwise stipulated in SCC.

#### **17. Prices**

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

## **18. Contract amendments**

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

## **19. Assignment**

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

## **20. Subcontracts**

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

## **21. Delays in the supplier's performance**

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

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

21.3. No provision in a contract shall be deemed to prohibit the obtaining of supplies or services from a national department, provincial department, or a local authority.

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

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

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

## **22. Penalties**

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

## **23. Termination for default**

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

if the supplier fails to deliver any or all of the goods within the period(s) specified in the contract, or within any extension thereof granted by the purchaser pursuant to GCC Clause 21.2;  
if the Supplier fails to perform any other obligation(s) under the contract; or  
if the supplier, in the judgment of the purchaser, has engaged in corrupt or fraudulent practices in competing for or in executing the contract.

23.2. In the event the purchaser terminates the contract in whole or in part, the purchaser may procure, upon such terms and in such manner as it deems appropriate, goods, works or services similar to those undelivered, and the supplier shall be liable to the purchaser for any excess costs for such similar goods, works or services. However, the supplier shall continue performance of the contract to the extent not terminated.

23.3. Where the purchaser terminates the contract in whole or in part, the purchaser may decide to impose a restriction penalty on the supplier by prohibiting such supplier from doing business with the public sector for a period not exceeding 10 years.

23.4. If a purchaser intends imposing a restriction on a supplier or any person associated with the supplier, the supplier will be allowed a time period of not more than fourteen (14) days to provide reasons why the envisaged restriction should not be imposed. Should the supplier fail to respond within the stipulated fourteen (14) days the purchaser may regard the intended penalty as not objected against and may impose it on the supplier.

23.5. Any restriction imposed on any person by the Accounting Officer / Authority will, at the discretion of the Accounting Officer / Authority, also be applicable to any other enterprise or any partner, manager, director or other person who wholly or partly exercises or exercised or may exercise control over the enterprise of the first-mentioned person, and with which enterprise or person the first-mentioned person, is or was in the opinion of the Accounting Officer / Authority actively associated.

23.6. If a restriction is imposed, the purchaser must, within five (5) working days of such imposition, furnish the National Treasury, with the following information:

- (i) the name and address of the supplier and / or person restricted by the purchaser;
- (ii) the date of commencement of the restriction
- (iii) the period of restriction; and
- (iv) the reasons for the restriction.

These details will be loaded in the National Treasury's central database of suppliers or persons prohibited from doing business with the public sector.

23.7. If a court of law convicts a person of an offence as contemplated in sections 12 or 13 of the Prevention and Combating of Corrupt Activities Act, No. 12 of 2004, the court may also rule that such person's name be endorsed on the Register for Tender Defaulters. When a person's name has been endorsed on the Register, the person will be prohibited from doing business with the public sector for a period not less than five years and not more than 10 years. The National Treasury is empowered to determine the period of restriction and each case will be dealt with on its own merits. According to section 32 of the Act the Register must be open to the public. The Register can be perused on the National Treasury website.

## **24. Anti-dumping and countervailing duties and rights**

24.1. When, after the date of bid, provisional payments are required, or antidumping or countervailing duties are imposed, or the amount of a provisional payment or anti-dumping or countervailing right is increased in respect of any dumped or subsidized import, the State is not liable for any amount so required or imposed, or for the amount of any such increase. When, after the said date, such a provisional payment is no longer required or any such anti-dumping or countervailing right is abolished, or where the amount of such provisional payment or any such right is reduced, any such favourable difference shall on demand be paid forthwith by the contractor to the State or the State may deduct such amounts from moneys (if any) which may otherwise be due to the contractor in regard to supplies or

services which he delivered or rendered, or is to deliver or render in terms of the contract or any other contract or any other amount which may be due to him

## **25. Force Majeure**

- 25.1. Notwithstanding the provisions of GCC Clauses 22 and 23, the supplier shall not be liable for forfeiture of its performance security, damages, or termination for default if and to the extent that his delay in performance or other failure to perform his obligations under the contract is the result of an event of force majeure.
- 25.2. If a force majeure situation arises, the supplier shall promptly notify the purchaser in writing of such condition and the cause thereof. Unless otherwise directed by the purchaser in writing, the supplier shall continue to perform its obligations under the contract as far as is reasonably practical, and shall seek all reasonable alternative means for performance not prevented by the force majeure event.

## **26. Termination for insolvency**

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

## **27. Settlement of Disputes**

- 27.1. If any dispute or difference of any kind whatsoever arises between the purchaser and the supplier in connection with or arising out of the contract, the parties shall make every effort to resolve amicably such dispute or difference by mutual consultation.
- 27.2. If, after thirty (30) days, the parties have failed to resolve their dispute or difference by such mutual consultation, then either the purchaser or the supplier may give notice to the other party of his intention to commence with mediation. No mediation in respect of this matter may be commenced unless such notice is given to the other party.
- 27.3. Should it not be possible to settle a dispute by means of mediation, it may be settled in a South African court of law.
- 27.4. Mediation proceedings shall be conducted in accordance with the rules of procedure specified in the SCC.
- 27.5. Notwithstanding any reference to mediation and/or court proceedings herein,  
(a) the parties shall continue to perform their respective obligations under the contract unless they otherwise agree; and  
(b) the purchaser shall pay the supplier any monies due the supplier.

## **28. Limitation of liability**

- 28.1. Except in cases of criminal negligence or wilful misconduct, and in the case of infringement pursuant to Clause 6;
- (a) the supplier shall not be liable to the purchaser, whether in contract, tort, or otherwise, for any indirect or consequential loss or damage, loss of use, loss of production, or loss of profits or interest costs, provided that this exclusion shall not apply to any obligation of the supplier to pay penalties and/or damages to the purchaser; and
- (b) the aggregate liability of the supplier to the purchaser, whether under the contract, in tort or otherwise, shall not exceed the total contract price, provided that this limitation shall not apply to the cost of repairing or replacing defective equipment.

## **29. Governing language**

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



### **30. Applicable law**

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

### **31. Notices**

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

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

### **32. Taxes and duties**

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

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

32.3. No contract shall be concluded with any bidder whose tax matters are not in order. Prior to the award of a bid the Department must be in possession of a tax clearance certificate, submitted by the bidder. This certificate must be an original issued by the South African Revenue Services.

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

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

### **34. Prohibition of Restrictive practices**

34.1. In terms of section 4 (1) (b) (iii) of the Competition Act No. 89 of 1998, as amended, an agreement between, or concerted practice by, firms, or a decision by an association of firms, is prohibited if it is between parties in a horizontal relationship and if a bidder (s) is / are or a contractor(s) was / were involved in collusive bidding (or bid rigging).

34.2. If a bidder(s) or contractor(s), based on reasonable grounds or evidence obtained by the purchaser, has / have engaged in the restrictive practice referred to above, the purchaser may refer the matter to the Competition Commission for investigation and possible imposition of administrative penalties as contemplated in the Competition Act No. 89 of 1998.

34.3. If a bidder(s) or contractor(s), has / have been found guilty by the Competition Commission of the restrictive practice referred to above, the purchaser may, in addition and without prejudice to any other remedy provided for, invalidate the bid(s) for such item(s) offered, and / or terminate the contract in whole or part, and / or restrict the bidder(s) or contractor(s) from conducting business with the public sector for a period not exceeding ten (10) years and / or claim damages from the bidder(s) or contractor(s) concerned.

## C3.5 APPENDICES

### APPENDIX A Standard Conditions of Tender

#### Standard Conditions of Tender

(AS PER GOVERNMENT GAZETTE NO. 29138 OF 18 AUGUST 2006)

**(As contained in Annexure F of the Standard for Uniformity in Construction Procurement)**

#### F.1 General

##### F.1.1 Actions

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

##### F.1.2 Tender Documents

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

##### F.1.3 Interpretation

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

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

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

- a) **comparative offer** means the tenderer's financial offer after the factors of non-firm prices, all unconditional discounts and any other tendered parameters that will affect the value of the financial offer have been taken into consideration
- b) **corrupt practice** means the offering, giving, receiving or soliciting of anything of value to influence the action of the employer or his staff or agents in the tender process; and
- c) **fraudulent practice** means the misrepresentation of the facts in order to influence the tender process or the award of a contract arising from a tender offer to the detriment of the employer, including collusive practices intended to establish prices at artificial levels
- d) **Quality (functionality)** means the totality of features and characteristics of a product or service that bear on its ability to satisfy stated or implied needs.

##### F.1.4 Communication and employer's agent

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

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

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

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

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

unopened to the tenderer.

## **F.2 Tenderer's obligations**

### **F.2.1 Eligibility**

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

### **F.2.2 Cost of tendering**

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

### **F.2.3 Check documents**

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

### **F.2.4 Confidentiality and copyright of documents**

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

### **F.2.5 Reference documents**

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

### **F.2.6 Acknowledge addenda**

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

### **F.2.7 Clarification meeting**

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

### **F.2.8 Seek clarification**

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

### **F.2.9 Insurance**

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

### **F.2.10 Pricing the tender offer**

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

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

**F.2.10.3** Provide rates and prices that are fixed for the duration of the contract and not subject to adjustment

except as provided for in the conditions of contract identified in the contract data.

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

**F.2.11 Alterations to documents**

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

**F.2.12 Alternative tender offers**

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

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

**F.2.13 Submitting a tender offer**

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

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

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

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

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

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

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

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

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

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

## **F.2.15 Closing time**

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

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

## **F.2.16 Tender offer validity**

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

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

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

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

## **F.2.18 Provide other material**

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

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

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

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

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

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

## **F.2.21 Check final draft**

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

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

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

## **F.2.23 Certificates**

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

## **F.3 The employer's undertakings**

### **F.3.1 Respond to clarification**

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

### **F.3.2 Issue addenda**

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

### **F.3.3 Return late tender offers**

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

### **F.3.5 Opening of tender submissions**

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

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

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

### **F.3.6 Two-envelope system**

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

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

### **F.3.7 Non-disclosure**

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

### **F.3.8 Grounds for rejection and disqualification**

Determine whether there has been any effort by a tenderer to influence the processing of tender offers

and instantly disqualify a tenderer (and his tender offer) if it is established that he engaged in corrupt or fraudulent practices.

### **F.3.9 Test for responsiveness**

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

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

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

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

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

### **F.3.10 Arithmetical errors**

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

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

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

**F.3.11 Clarification of a tender offer**

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

**F.3.12 Evaluation of tender offers**

**F.3.12.1 General**

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

Method 1: Financial offer	<ol style="list-style-type: none"><li>1) Rank tender offers from the most favourable to the least favourable comparative offer.</li><li>2) Recommend highest ranked tenderer for the award of the contract, unless there are compelling and justifiable reasons not to do so.</li></ol>
Method 2: Financial offer and preferences	<ol style="list-style-type: none"><li>1) Score tender evaluation points for financial offer.</li><li>2) Confirm that tenderers are eligible for the preferences claimed and if so, score tender evaluation points for referencing.</li><li>3) Calculate total tender evaluation points.</li><li>4) Rank tender offers from the highest number of tender evaluation points to the lowest.</li><li>5) Recommend tenderer with the highest number of tender evaluation points for the award of the contract, unless there are compelling and justifiable reasons not to do so.</li></ol>
Method 3: Financial offer and quality	<ol style="list-style-type: none"><li>1) Score quality, rejecting all tender offers that fail to score the minimum number of points for quality stated in the Tender data.</li><li>2) Score tender evaluation points for financial offer.</li><li>3) Calculate total tender evaluation points.</li><li>4) Rank tender offers from the highest number of tender evaluation points to the lowest.</li><li>5) Recommend tenderer with the highest number of tender evaluation points for the award of the contract, unless there are compelling and justifiable reasons not to do so.</li></ol>
Method 4: Financial offer, quality and preferences	<ol style="list-style-type: none"><li>1) Score quality, rejecting all tender offers that fail to score the minimum number of points for quality stated in the Tender data.</li><li>2) Score tender evaluation points for financial offer.</li><li>3) Confirm that tenderers are eligible for the preferences claimed, and if so, score tender evaluation points for referencing.</li><li>4) Calculate total tender evaluation points.</li></ol>



5)	Rank tender offers from the highest number of tender evaluation points to the lowest.
6)	Recommend tenderer with the highest number of tender evaluation points for the award of the contract, unless there are compelling and justifiable reasons not to do so.
7)	Score financial offers, preferences and quality, as relevant, to two decimal places

#### F.3.12.2 Scoring financial offers

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

$$NFO = W_1 \times A$$

where:

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

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

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

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

where:

$P_m$  = the comparative offer of the most favourable tender offer.  $P$  = the comparative offer of tender offer under consideration.

#### F.3.12.3 Scoring quality (functionality)

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

#### F.3.13 Insurance provided by the employer

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

#### F.3.14 Acceptance of tender offer

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

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

#### F.3.15 Notice to unsuccessful tenderers

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

**F.3.16 Prepare contract documents**

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

- a) addenda issued during the tender period,
- b) inclusion of some of the returnable documents,
- c) other revisions agreed between the employer and the successful tenderer, and
- d) the schedule of deviations attached to the form of offer and acceptance, if any.

**F.3.17 Issue final contract**

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

**F.3.18 Complete adjudicator's contract**

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

**F.3.19 Provide copies of the contracts**

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