

# **BA-PHALABORWA LOCAL MUNICIPALITY**

# TENDER FOR THE APPOINTMENT OF SERVICE PROVIDER IN BA-PHALABORWA LOCAL MUNICIPALITY FOR:

ELECTRICITY & WATER METER READING AND MAINTENNCE FOR A PERIOD OF THREE YEARS

# TENDER NUMBER: 06/21/22

# CLOSING DATE: 28/06/2021

CLOSING TIME: 11H00

<b>BA-PHALAI</b> Private Bag Phalaborwa 1390	BORWA LOCAL MUNICIPALITY x 01020					
Contact :	Technical: Mr Tshishonga N					
	Procurement: Mr Selepe NW					
Telephone:	015-780 6362					
Fax:	015-780 6408					
	NAME OF BIDDER:					
TOTAL BID AMOUNT:						
(Amount in v PRICE:	vords)					



#### TENDER NUMBER: 06/21/22

# TENDER FOR THE APPOINTMENT OF SERVICE PROVIDER IN BA-PHALABORWA LOCAL MUNICIPALITY FOR THE:

# ELECTRICITY & WATER METER READING AND MAINTENNCE FOR A PERIOD OF THREE YEARS

#### 1. INTRODUCTION

The Ba-Phalaborwa local municipality (hereinafter referred to as the Municipality) wishes to appoint Service provider with the necessary skills and experience

#### 2. ROLE OF THE MUNICIPALITY

In a nutshell the Municipality's role could be described as to provide services to and ensure the socio economic development of the Ba-Phalaborwa area to the benefit of all the residents by providing good, effective and efficient governance.

#### 3. OBJECTIVE

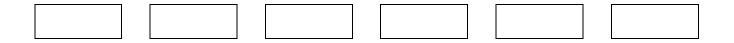
To appoint service provider to provide a service of water and electricity meter reading and maintenance for a period of three years.

4. SCOPE OF WORK

#### SCOPE OF WORK

#### 1. GENERAL

- 1.1 The successful Bidder shall perform the reading of electricity and water meters according to the requirements of Ba-Phalaborwa Municipality.
- **1.2** The geographical areas in which the meters are to be read **are situated in the urban and farming areas** which includes the following: -
  - (a) Phalaborwa
  - (b) Namakgale
  - (c) Gravelotte
  - (d) Lulekani



- 1.3 The total number of meters to be read by the successful Bidder may increase and the activities of the successful Bidder may be extended to additional geographical areas not mentioned above on paragraph 1.1 and 1.2.
- 1.4 In circumstances where the successful Bidder is unable to read meters of Ba-Phalaborwa Municipality customers due to any reasons whatsoever, the successful Bidder shall leave at such property a notice-card prescribed by Ba-Phalaborwa Municipality advising the customers that a reading of its meter could not be obtained and the reason therefore and arrange with the customers for the reading of the meters.
- 1.5 Information specified on these notice-cards shall be determined by Ba-Phalaborwa Municipality.
- 1.6 The aforesaid information shall be provided in a format specified by Ba-Phalaborwa Municipality and furnished to Ba-Phalaborwa Municipality either by electronic means via electronic mail FTP link to the e-mail address of Ba-Phalaborwa Municipality.

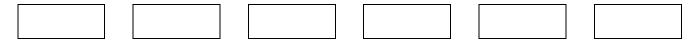
### 2. STANDARD OF SERVICE

- 2.1 The successful Bidder shall exercise all reasonable care, diligence and skill in performing its obligations under the agreement. The successful Bidder shall carry out services in conformity with sound professional practices and standards.
- 2.2 The successful Bidder shall notify Ba-Phalaborwa Municipality if it appears that in view of the information that has come to light that the services require revision for any reason whatsoever.
- 2.3 If for any reasons the successful Bidder finds it incapable of completing the services as described it will notify Ba-Phalaborwa Municipality immediately, stating in full its reason.
- 2.4 The successful Bidder shall accept the responsibility for any breach of professional duty by reason of any error, omission or neglect occurring or committed by the successful Bidder in connection with the services performed by it.
- 2.5 The successful Service Provider will be responsible for the safety of his personnel and that of the public. The Municipality is not responsible for the safety or to safe guard the Service Provider in executing this contract.
- 2.6 The successful Bidder shall be obligated to equip his employees with the necessary protective clothing in terms of the Occupational Health and Safety Act No 85 of 1993; and all overalls worn by employees of the successful Service Provider shall clearly display the Bidder's logo for purposes of identifying the Service Provider employees as such.
- 2.7 All Vehicles of the successful Service Provider shall clearly display the Bidder's logo for purposes of identifying the Service Provider Vehicles as such.

#### 3. REPORTS, DOCUMENTS AND INFORMATION

The successful Bidder shall provide Ba-Phalaborwa Municipality on a monthly basis an activity report with the following information: -

- a. Total meters read as per specific download file per meter reading cycle;
- b. The number of meters not read with codes as per specific download file per meter reading cycle;
- c. Meters with clocked over;
- d. High and low consumptions;
- e. Suspected tampered and faulty meters;
- f. Meters replaced and supply with new meter numbers



- g. Ampere values of electricity meters which do not agree with the Municipality records;
- h. Special and Final Readings
- i. Any consumers found with no meters installed; and
- j. Any suspected illegal connections etc.
- k. Monitoring of KVA meters and supply of various reports of key customers.
- I. Meters which are not moving

## 4. TRANSPORT AND FACILITIES

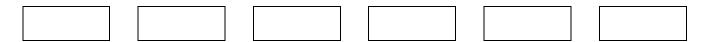
- 4.1 The successful Bidder shall be responsible to provide transport, vehicles, and technical equipment's, or anything else required for the proper execution of its duties.
- 4.2 The Municipality will not provide an office accommodation to the employees of the successful

#### 5. METER READING TECHNIQUE

- 5.1 The meter reading shall be performed on a monthly basis on dates nominated by the Municipality for a given billing cycle and agreed to by the Bidder.
- 5.2 The Municipality shall provide the Bidder with an electronic text file containing inter alia, information on each meter to be read in an area, records of the meters which shall specify the location, meter numbers, meter book numbers, property addresses and the layout of the meters.
- 5.3 Reading of meters shall be effected by means of approved electronic equipment's, which equipment's shall be programmed, supplied and maintained by the Bidder in order to:
  - a) Keep meter records up to date; and

b) Download meter readings onto the Municipality's billing system on a monthly basis or other period as determined.

- 5.4 The Bidder shall be responsible for ensuring that the data provided is compatible with the Municipality's Sebata Billing System. Any request to change of data will be at the cost of the Bidder.
- 5.5 Bidders shall be required to have quality control measures to ensure that complete and accurate readings are provided to the Municipality.
- 5.6 The Bidder shall be required to validate all readings before they are submitted electronically to the Municipality.
- 5.7 Where the usage of its or the Municipality's billing system show errors which create the impression that a meter has been incorrectly read or not read at all, such detail will be given to the Bidder and expected of him/her to re-read the meter within one day.
- 5.8 Where complaints are received from users which create a reasonable certainty that a meter has been incorrectly read such details shall be forwarded to the Bidder and test readings shall be taken to confirm the readings.
- 5.9 If the Bidder does not fulfil his/her obligations to the Municipality timeously, a penalty clause will be imposed. A 5% deduction of the monthly amount payable to the Bidder will be applied or the actual cost incurred by the Municipality due to non-performance by the Bidder shall be deducted.
- 5.10 Monitor the readings registered on the electronic equipment of the Bidder in such a way that deviations, as compared to the average consumption of previous monthly readings, do not exceed 20%.
- 5.11 The number of meters to be read monthly is estimated at 19 793 (Electricity 1 523 & Water 18 270).
- The Bidder should indicate how his/her quotation will be adjusted if there is an increase or decrease in the number of meters to be read.



# **2 SCHEDULE FOR PRICES**

#### 2.1 METER READING

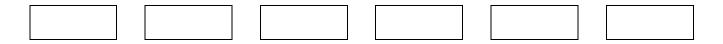
# The number of meters to be read monthly is estimated at 19 793

Year one

ІТЕМ	DESCRIPTION	QTY	RATE PER METER	AMOUNT
1	Water meter reading	18 270	R	R
2	Electricity meter reading	1 523	R	R
MONTHLY SUB TO	TAL BEFORE VAT			R
ADD VAT @ 15%	ADD VAT @ 15%			
MONTHLY SUB TO	MONTHLY SUB TOTAL INCLUDING VAT			R
TOTAL BID AMONT			X 12 MONTHS	R

#### Year two

ITEM	DESCRIPTION	QTY	RATE PER METER	AMOUNT
1	Water meter reading	18 270	R	R
2	Electricity meter reading	1 523	R	R
MONTHLY SUB TO	TAL BEFORE VAT			R
ADD VAT @ 15%	ADD VAT @ 15%			
MONTHLY SUB TO	MONTHLY SUB TOTAL INCLUDING VAT			
X 12 MONTHS R			R	



#### Year three

ITEM	DESCRIPTION	QTY	RATE PER METER	AMOUNT
1	Water meter reading	18 270	R	R
2	Electricity meter reading	1 523	R	R
MONTHLY SUB TO	TAL BEFORE VAT			R
ADD VAT @ 15%	ADD VAT @ 15%			
MONTHLY SUB TO	R			
TOTAL BID AMONT X 12 MONTHS R			R	

#### SUMMARY PER YEAR

Year	Bid Amount
Year one	R
Year two	R
Year three	R
Total Bid Amount	R

#### 2.2 MAINTENANCE PRICING

Maintenance will be based on strip and quote; the quotation must be approved by the municipality prior.

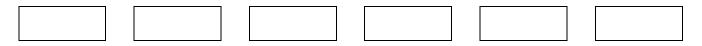
#### Evaluation of Bid offers

Step 1

#### Bidders will firstly be evaluated on their responsiveness as follows:

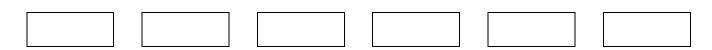
A bid not complying with the peremptory requirements stated hereunder will be regarded as not being an "Acceptable bid", and as such will be rejected.

"Acceptable bid" means any bid which, in all respects, complies with the conditions of bid and specifications as set out in the bid documents, including conditions as specified in the Preferential Procurement Policy Framework



Act (Act 5 of 2000) and related legislation as published in Government Gazette number 22549, dated 10 August 2001, in terms of which provision is made for this policy.

- 1. If a tax clearance certificate, tax pin or certified copy thereof not older than three months (or in the case of a joint venture, of all the partners in the joint venture) has not been submitted with the bid document on closing date of the bid.
- 2. If any pages have been removed from the bid document, and have therefore not been submitted, or a copy of the original bid document has been submitted.
- 3. Failure to complete the schedule of quantities as required, i.e only lump sums provided.
- 4. Scratching out, writing over or painting out rates, without initialing next to the amended rates or information, affecting the evaluation of the bid.
- 5. The use of correction fluid (i.e. tippex) or any erasable ink, e.g. pencil.
- 6. Non-attendance of mandatory/compulsory briefing session
- 7. The Bid has not been properly signed by a party having the authority to do so, according to the example of "Authority for Signatory"
- No authority for signatory submitted See example, where it is stated that a duly signed and dated original or certified copy of the company's relevant resolution (for each specific bid) of their members or their board of directors, must be submitted.
- 9. The bidder attempts to influence, or has in fact influenced the evaluation and/or awarding of the contract
- 10. The bid has been submitted either in the wrong bid box or after the relevant closing date and time
- 11. If any municipal rates and taxes or municipal service charges owed by the bidder or any of its directors to the
- 12. municipality, or to any other municipality or municipal entity, are in arrears for more than three months.
- 13. The accounting officer must ensure that irrespective of the procurement process followed, no award may be given to a person –
- a) who is in the service of the state, or;
- b) if that person is not a natural person, of which any director, manager, principal shareholder or stakeholder, is a person in the service of the state; or;
- c) who is an advisor or consultant contracted with the municipality in respect of contract that would cause a conflict of interest.
- 14. Bid offers will be rejected if the bidder or any of his directors is listed on the Register of Bid 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.
- 15. Bid offers will be rejected if the bidder has furnished the municipality with fraudulent documents.
- 16. Failure to attach a copy of a valid signed Joint Venture/Consortium agreement (if applicable) to the bid document.
- 17. Form of offer not completed and signed by the authorized signatory.
- 18. Certified ID copies of the directors/ members/ proprietors not older than three months
- 19. BBB-EE certificate (optional)/In case of joint venture consolidated BBB-EE certificate must be submitted
- 20. Bank Grading of the company (contractor) /in case of joint venture Lead company(Contractor) must submit.



#### 21. COIDA Letter of Good Standing

22. Latest registration report of Central Supply Database (CSD) with valid reference number. (**Printed between the tender opening and closing date**).

# Step 2

The following is the criteria that the Bidders will be evaluated for Functionality:

According to the MFMA Circular No. 53 of the Municipal Finance Act No. 56 of 2003, Bidders will also be evaluated on Functionality. The minimum Score for functionality is 60%, 60 points out of 100.

Table 1: Experience of Firm/s

(Maximum Points obtainable 40)

Note: Proof of experience should be compiled in the form of the table indicated Section 4.2 of this document. Please attach proof of certified (not older than three months) appointments Letters and Completion Certificates i.e. from your firm or contractors who completed the works under your supervision. Failure to provide both appointment letters/work order will result in zero points.

Evaluation Criteria	Minimum Required	Elimination n Factor	Points obtainable	Points Claimed
1. Company Ex	perience			
Appointment letters	Completed similar Projects <b>1 -2</b>	No	10	
Appointment letters	Completed similar Projects <b>3-4</b>	No	20	
Appointment letters	Completed similar Projects <b>4-5</b>	No	30	
Appointment letters	Completed similar Projects <b>Project</b> <b>Description:</b> 5> more	No	40	
Sub Total			40	

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Evaluation Criteria	Minimum Required	Eliminatio n Factor	Points obtainable	Points Claimed
Detailed Execution plan and	Description of the detailed plan	No	10	
skills	Execution of the plan	No	10	
transfer	Skills transfer	No	10	
Sub-Total			30	

 Table 3: Financial References & Method Statement

(Maximum Points obtainable 15)

Evaluation Criteria	Evaluation Criteria	Elimination Factor	Points obtainable	Points Claimed
Company Financial References and Method	Bank rating of "A-B" or r with proof (stamped bank letter, not older than 3 Months <b>). (</b>	No	15	
Statements	Bank rating of "C-D" or better with proof (stamped bank letter, not older than 3 Months <b>).</b>	No	10	
	Bank rating of "E" or worse with proof (stamped bank letter, not older than 3 Months <b>).</b>	No	5	
Sub-Total			15	

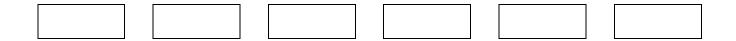


Evaluation Criteria	Minimum Required	Eliminati o n Factor	Points obtainabl e	Points Claime d
1. Project leaders				
Name:				
Academic Qualifications (Note 1) Detailed certified CV and qualification	Artisan - Electrical with trade certificate	No	7.5	
Academic Qualifications (Note 1) Detailed certified CV and qualification	Artisan - Plumbing with trade certificate	No	7.5	
Sub Total			15	
Name:				

# Artisan / Team Leader

#### **Note 1: Academic Qualifications**

Proof of academic qualifications in the form of certified copies of the original must be attached to the Team Leader/Artisan's CV. Foreign qualifications must be accompanied by certificate from Qualifications Certification Body. The proposed Team Leader shall be in possession of at least trade certificate in Electrical in case of a plumber trade certificate in plumbing from any South African Institution. Failure to provide this shall warrant an automatic elimination of tender from any further evaluation.



<u>NOTICE TO TENDERERS:</u> Service providers are required to score a minimum total points of 60% (60 Points out of 100) on functionality only, in order to be considered for further evaluation. Failure to score the minimum specified percentage for functionality will render the bid to be non- responsive.

DESCRIPTION	Table number	Maximum points to be allocated	Points claimed by Tenderer	Allocated points
Experience of Firm/s Experience of Firm/s	1	40		
Methodology	2	30		
Financial References	3	15		
Key Personnel	4	15		
TOTAL		100		

# Step 3

#### SUPPLY CHAIN POLICY USING 80/20 PREFERENCE POINT SYSTEM <u>Note: Combined B-BBEE (JV)</u> <u>status will be used.</u>

Descriptio	n	Maximum points to be allocated	Points claimed by tenderer	Allocated points
Pri poin	Price	80		
	Sub total	80		
BBE statu ) point:	B-BBEE status level of contributor	20		
st	Sub total	20		
TOTAL		100		

**NB:** Bidders must score a minimum score of 60% on functionality to qualify for further evaluation on price and preference points. Bidders that score less than the minimum of 60% or 60 points will be disqualified.

#### 6. MANAGEMENT OF THE PROJECTS

The Municipality (through the Corporate Services) shall be entitled to audit any aspect of the work. The Service provider shall ensure that all work is executed in accordance with procedures, which comply to accepted safety practices with the Act and the Regulations.

# 7. DURATION OF PROJECT

Three years.

# 8. ALTERATIONS TO DOCUMENTS

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

No alternative Bid officer will be considered

# 9. FORMAL AGREEMENT AND CONDITIONS OF CONTRACT

The award of the contract is subject to the successful bidder entering into an agreement with Ba-Phalaborwa Municipality.

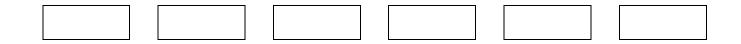
#### 10. DECLARATION OF CONFIDENTIALITY

The Service Provider(s) shall regard all information in, or in support of the project as confidential and may not use any information for personal or 3<sup>rd</sup> party gain

# 11. CONTACTABLE OFFICIALS FOR CLARIFICATION

Compulsory site briefing will be held as per the advert. Prospective bidders are required to meet with the representative of the Employer at Ba-Phalaborwa Municipality, Head Office. Only a single representative per company will be required as signatory on the date of compulsory briefing.

Enquiries regarding clarification of aspects mentioned in this TOR can be addressed to Mr. Tshishonga N during office hours at Tel. no: (015) 780 6300 or Supply Chain Office 015 780 6362.



# **BA-PHALABORWA LOCAL MUNICIPALITY**

# TENDER NUMBER: 06/21/22

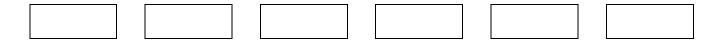
# TENDER FOR THE APPOINTMENT OF SERVICE PROVIDER IN BA-PHALABORWA LOCAL MUNICIPALITY:

ELECTRICITY & WATER METER READING AND MAINTENNCE FOR A PERIOD OF THREE YEARS

### (All Documents and Schedules MUST BE SUBMITTED for the Tender to Qualify)

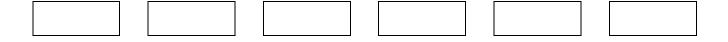
T2.1	2.1 Returnable Schedules required for Bid evaluation purposes					
1	Form 1.1	General Information				
2	Form 1.2	Certificate of attendance at briefing Session				
3	Form 1.3	Authority for Signatory/ power of attorney				
4	Compulsory municipal bid documents	Full Completion of MBD Forms				
		Joint venture agreement if Applicable				
		CSD registration report (Printed between the date of advert and closing date)				
		BBB-EE Certificate or a sworn affidavit or consolidated BBB-EE certificate in case of Joint Venture agreement				
		Valid TAX Clearance or Pin				
		Proof of Company Registration (CK)				
		Certified copies of municipal accounts / lease agreement / tribal				
		authority confirmation letter of the company and owners not older than 3 months				
		Certified ID copies of company directors not older than 3 months				
		Company Profile				

The bidder must submit the following documents:



# FORM 1.1 GENERAL INFORMATION

Details of person responsible for the tender process:
Name:
Contact number
Address of office submitting the tender:
Address:
Telephone no:
Fax no:
E-mail address:



# FORM1.2 CERTIFICATE OF ATTENDANCE AT SITE VISIT

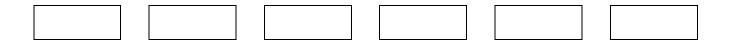
This is to certify that *(Tenderer)* ..... of (*address*) .....

below at the compulsory meeting held for all tenderers at Head Office, for tender No: **06/21/22** on \_\_\_\_\_ at \_\_\_\_\_

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 c	onfirmed by the Employer's representative, namely:
Name:	Signature:
Capacity:	Date and Time:



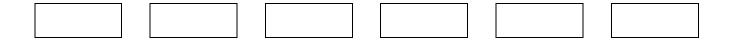
## FORM 1.3 CERTIFICATE FOR AUTHORITY OF SIGNATORY

Signatories for Companies must establish their authority by attaching a copy of the relevant Resolution of the Board of Directors, duly signed and dated, to this form.

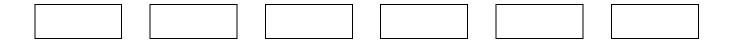
AN EXAMPLE IS SHOWN BELOW:

"By Resolution of the Board of Directors at a meeting on
Mr/Mrs/Ms.
Has been duly authorised to sign all documents in connection with the Tender on behalf of (Block capitals)
SIGNED ON BEHALF OF COMPANY
IN HIS CAPACITY AS

SIGNATURE OF SIGNATORY



# COMPULSORY MUNICIPAL BID DOCUMENTS



### (a) YOU ARE HEREBY INVITED TO BID FOR REQUIREMENTS OF THE BA-PHALABORWA LOCAL MUNICIPALITY

BID NUMBER:	CLOSING DATE: 28 JUNE 2021	CLOSING TIME: 11H00
DESCRIPTION		

The successful bidder will be required to fill in and sign a written Contract Form.

BID DOCUMENTS MAY BE DEPOSITED IN THE BID BOX SITUATED AT:

Cnr Nelson Mandela & Sealane Street Phalaborwa 1390

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

- (b) The bid box is generally open 24 hours a day, 7 days a week.
- (c) ALL BIDS MUST BE SUBMITTED ON THE OFFICIAL FORMS (NOT TO BE RE-TYPED)

THIS BID IS SUBJECT TO THE PREFERENTIAL PROCUREMENT POLICY FRAMEWORK ACT AND THE PREFERENTIAL PROCUREMENT REGULATIONS, 2011, THE GENERAL CONDITIONS OF CONTRACT (GCC) AND, IF APPLICABLE, ANY OTHER SPECIAL CONDITIONS OF CONTRACT

(d) NB: NO BIDS WILL BE CONSIDERED FROM PERSONS IN THE SERVICE OF THE STATE (as defined in Regulation 1 of the Local Government: Municipal Supply Chain Management Regulations)



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

NAME OF BIDDER
POSTAL ADDRESS
STREET ADDRESS
TELEPHONE NUMBER
CODENUMBER
CELLPHONE NUMBER
FACSIMILE NUMBER
CODENUMBER
E-MAIL ADDRESS
VAT REGISTRATION NUMBER

HAS AN ORIGINAL AND VALID TAX CLEARANCE CERTIFICATE BEEN ATTACHED? (MBD 2) YES/NO	
HAS A B-BBEE STATUS LEVEL VERIFICATION CERTIFICATE BEEN SUBMITTED? (MBD 6.1) YES/NO	
IF YES, WHO WAS THE CERTIFICATE ISSUED BY?	
AN ACCOUNTING OFFICER AS CONTEMPLATED IN THE CLOSE CORPORATION ACT (CCA) A VERIFICATION AGENCY ACCREDITED BY THE SOUITH AFRICAN NATIONAL ACCREDITATION SYSTE (SANAS) A REGISTERED AUDITOR	EM
(Tick applicable box)	
(A B-BBEE STATUS LEVEL VERIFICATION CERTIFICATE MUST BE SUBMITTED IN ORDER TO QU FOR PREFERENCE POINTS FOR B-BBEE)	ALIFY
IN SOUTH AFRICA FOR THE GOODS/SERVICES/WORKS OFFERED? YES/NO	
(IF YES ENCLOSE PROC	·F)
SIGNATURE OF BIDDER	
DATE	
CAPACITY UNDER WHICH THIS BID IS SIGNED	
TOTAL BID PRICE TOTAL NUMBER OF ITEMS	
OFFERED	
ANY ENQUIRIES REGARDING THE BIDDING PROCEDURE MAY BE DIRECTE	D TO:
Municipality / Municipal Entity: Ba-Phalaborwa Local Municipality Department: Finance Contact Person: Mr. Selepe NW Tel: (015) 780 6303 ANY ENQUIRIES REGARDING TECHNICAL INFORMATION MAY BE DIRECTED TO: AS PER THE ADVERT.	

## TAX CLEARANCE CERTIFICATE

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

- In order to meet this requirement bidders are required to complete in full form TCC001 "Application for a Tax Clearance Certificate" and submit it to any SARS branch office nationally. The Tax Clearance Certificate Requirements are also applicable to foreign bidders / individuals who wish to submit bids. Copies of form TCC 001 are available from any SARS branch office nationally or on the website www.sars.gov.za.
- 2. SARS will then furnish the bidder with a Tax Clearance Certificate that will be valid for a period of 1 (one) year from the date of approval.
- 3. The original Tax Clearance Certificate must be submitted together with the bid. Failure to submit the original and valid Tax Clearance Certificate will result in the invalidation of the bid. Certified copies of the Tax Clearance Certificate will not be acceptable.
- 4. In bids where Consortia / Joint Ventures / Sub-contractors are involved, each party must submit a separate Tax Clearance Certificate.
- 5. Applications for the Tax Clearance Certificates may also be made via eFiling. In order to use this provision, taxpayers will need to register with SARS as eFilers through the website <u>www.sars.gov.za</u>.
- 6. Exemption to the provision of a Tax Clearance Certificate will be granted provided that:
  - a) The bidder is registered on the vendor database of the municipality and a valid tax clearance certificate was submitted together with the application for registration
  - b) If the closing date of the price quotation or bid falls within the expiry date of the tax clearance certificate that is in the municipality's possession.

Contractor Witness 1 Witness 2 Employer Witness 1 Witness 2

#### **DECLARATION OF INTEREST**

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

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

3.1	Full Name of bidder or his or her representative:
3.2	Identity Number:
3.3	Position occupied in the Company (director, trustee, hareholder <sup>2</sup> ):
3.4	Company Registration Number:
3.5	Tax Reference Number:
3.6	VAT Registration Number:
3.7	The names of all directors / trustees / shareholders members, their individual identity numbers and state employee numbers must be indicated in paragraph 4 below.
3.8	Are you presently in the service of the state? YES / NO
	3.8.1 If yes, furnish particulars
(a) (i) (ii) (iii) (b) (c) (d) entity or 1999 (A provincia <sup>2</sup> Sharef of the co	<ul> <li>agulations: "in the service of the state" means to be – <ul> <li>a member of –</li> <li>any municipal council;</li> <li>any provincial legislature; or</li> <li>the national Assembly or the national Council of provinces;</li> </ul> </li> <li>a member of the board of directors of any municipal entity;</li> <li>an official of any municipality or municipal entity;</li> <li>an employee of any national or provincial department, national or provincial public constitutional institution within the meaning of the Public Finance Management Act, act No.1 of 1999); (e) a member of the accounting authority of any national or al public entity; or (f) an employee of Parliament or a provincial legislature.</li> </ul>
3.9	Have you been in the service of the state for the past twelve months?YES / NO
	3.9.1 If yes, furnish particulars

.....

3.10	Do you have any relationship (family, friend, other) with persons In the service of the state and who may be involved with The evaluation and or adjudication of this bid?	YES / NO
3.11	Are you, aware of any relationship (family, friend, other) between Any other bidder and any persons in the service of the state who May be involved with the evaluation and or adjudication of this bid?	YES / NO
	3.11.1 If yes, furnish particulars	
3.12	Are any of the company's directors, trustees, managers, Principle shareholders or stakeholders in service of the state? 3.12.1 If yes, furnish particulars.	YES / NO
3.13	Are any spouse, child or parent of the company's directors? Trustees, managers, principle shareholders or stakeholders In service of the state? 3.13.1 If yes, furnish particulars.	YES / NO

3.14 Do you or any of the directors, trustees, managers, Principle shareholders, or stakeholders of this company Have any interest in any other related companies or Business whether or not they are bidding for this contract. YES/NO 3.14.1 If yes, furnish particulars:

> ..... .....

4. Full details of directors / trustees / members / shareholders. (a)

Full Name	Identity Number	State Employee Number

..... Signature

..... Date

.....

.....

Capacity

Name of Bidder

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

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

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



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

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

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

#### 1. GENERAL CONDITIONS

- 1.1 The following preference point systems are applicable to all bids:
  - the 80/20 system for requirements with a Rand value of up to 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 The value of this bid is estimated to exceed/not exceed R1 000 000 (all applicable taxes included) and therefore the.....system shall be applicable.
- 1.3 Preference points for this bid shall be awarded for:
  - (a) Price; and
  - (b) B-BBEE Status Level of Contribution.
- 1.3.1 The maximum points for this bid are allocated as follows:
- 1.3.1.1 PRICE.....

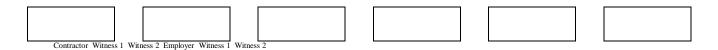
#### 1.3.1.2 B-BBEE STATUS LEVEL OF CONTRIBUTION

#### Total points for Price and B-BBEE must not exceed

100

POINTS

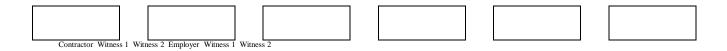
1.4 Failure on the part of a bidder to fill in and/or to sign this form and submit a B-BBEE Verification Certificate from a Verification Agency accredited by the South African Accreditation System (SANAS) or a Registered Auditor approved by the Independent Regulatory Board of Auditors (IRBA) or an Accounting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



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

#### 2. DEFINITIONS

- 2.1 **"all applicable taxes"** includes value-added tax, pay as you earn, income tax, unemployment insurance fund contributions and skills development levies;
- 2.2 **"B-BBEE"** means broad-based black economic empowerment as defined in section 1 of the Broad-Based Black Economic Empowerment Act;
- 2.3 "B-BBEE status level of contributor" means the B-BBEE status received by a measured entity based on its overall performance using the relevant scorecard contained in the Codes of Good Practice on Black Economic Empowerment, issued in terms of section 9(1) of the Broad-Based Black Economic Empowerment Act;
- 2.4 **"bid"** means a written offer in a prescribed or stipulated form in response to an invitation by an organ of state for the provision of services, works or goods, through price quotations, advertised competitive bidding processes or proposals;
- 2.5 "Broad-Based Black Economic Empowerment Act" means the Broad-Based Black Economic Empowerment Act, 2003 (Act No. 53 of 2003);
- 2.6 **"comparative price"** means the price after the factors of a non-firm price and all unconditional discounts that can be utilized have been taken into consideration;
- 2.7 "**consortium or joint venture**" means an association of persons for the purpose of combining their expertise, property, capital, efforts, skill and knowledge in an activity for the execution of a contract;
- 2.8 "contract" means the agreement that results from the acceptance of a bid by an organ of state;
- 2.9 **"EME"** means any enterprise with an annual total revenue of R5 million or less.
- 2.10 "Firm price" means the price that is only subject to adjustments in accordance with the actual increase or decrease resulting from the change, imposition, or abolition of customs or excise duty and any other duty, levy, or tax, which, in terms of the law or regulation, is binding on the contractor and demonstrably has an influence on the price of any supplies, or the rendering costs of any service, for the execution of the contract;
- 2.11 "functionality" means the measurement according to predetermined norms, as set out in the bid documents, of a service or commodity that is designed to be practical and useful, working or operating, taking into account, among other factors, the quality, reliability, viability and durability of a service and the technical capacity and ability of a bidder;
- 2.12 "non-firm prices" means all prices other than "firm" prices;
- 2.13 "person" includes a juristic person;



- 2.14 "**rand value**" means the total estimated value of a contract in South African currency, calculated at the time of bid invitations, and includes all applicable taxes and excise duties;
- 2.15 "**sub-contract**" means the primary contractor's assigning, leasing, making out work to, or employing, another person to support such primary contractor in the execution of part of a project in terms of the contract;
- 2.16 **"total revenue"** bears the same meaning assigned to this expression in the Codes of Good Practice on Black Economic Empowerment, issued in terms of section 9(1) of the Broad-Based Black Economic Empowerment Act and promulgated in the *Government Gazette* on 9 February 2007;
- 2.17 "**trust**" means the arrangement through which the property of one person is made over or bequeathed to a trustee to administer such property for the benefit of another person; and
- 2.18 "**trustee**" means any person, including the founder of a trust, to whom property is bequeathed in order for such property to be administered for the benefit of another person.

#### 3. ADJUDICATION USING A POINT SYSTEM

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

#### 4. POINTS AWARDED FOR PRICE

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

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

80/20 or 90/10



	$Ps \square 80 \square \square \square \_Pt \square Pmin \square \square$			or <i>Ps</i> <u>_</u> 90 <u>_</u> 1 <u>_</u>					
$P$ min $\Box$									
	Where			<i>P</i> min			<i>P</i> min		
	Ps	=	Points scored for	r compara	ative price of bid unde	er consid	eration		
	Pt	=	Comparative pric	ce of bid u	under consideration				
	Pmin	Pmin = Comparative price of lowest acceptable bid							

#### 5. Points awarded for B-BBEE Status Level of Contribution

5.1 In terms of Regulation 5 (2) and 6 (2) of the Preferential Procurement Regulations, preference points must be awarded to a bidder for attaining the B-BBEE status level of contribution in accordance with the table below:

B-BBEE Status Level of Contributor	Number of points (90/10 system)	Number of points (80/20 system)
1	10	20
2	9	18
3	8	14
4	5	12
5	4	8
6	3	6
7	2	4
8	1	2
Non-compliant contributor	0	0



- 5.2 Bidders who qualify as EMEs in terms of the B-BBEE Act must submit a certificate issued by an Accounting Officer as contemplated in the CCA or a Verification Agency accredited by SANAS or a Registered Auditor. Registered auditors do not need to meet the prerequisite for IRBA's approval for the purpose of conducting verification and issuing EMEs with B-BBEE Status Level Certificates.
- 5.4 A trust, consortium or joint venture, will qualify for points for their B-BBEE status level as a legal entity, provided that the entity submits their B-BBEE status level certificate.
- 5.5 A trust, consortium or joint venture will qualify for points for their B-BBEE status level as an unincorporated entity, provided that the entity submits their consolidated B-BBEE scorecard as if they were a group structure and that such a consolidated B-BBEE scorecard is prepared for every separate bid.
- 5.6 Tertiary institutions and public entities will be required to submit their B-BBEE status level certificates in terms of the specialized scorecard contained in the B-BBEE Codes of Good Practice.
- 5.7 A person will not be awarded points for B-BBEE status level if it is indicated in the bid documents that such a bidder intends sub-contracting more than 25% of the value of the contract to any other enterprise that does not qualify for at least the points that such a bidder qualifies for, unless the intended sub-contractor is an EME that has the capability and ability to execute the sub-contract.
- 5.8 A person awarded a contract may not sub-contract more than 25% of the value of the contract to any other enterprise that does not have an equal or higher B-BBEE status level than the person concerned, unless the contract is sub-contracted to an EME that has the capability and ability to execute the sub-contract.

#### 6. BID DECLARATION

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

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

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

#### 8 SUB-CONTRACTING

8.1 Will any portion of the contract be sub-contracted? YES / NO (delete which is applicable)

#### 8.1.1 If yes, indicate:

(i) what percentage of the contract will be subcontracted? .....%

								Ī
								1
								1
								1
Contractor Witnes	s 1 Witr	ess 2 Employer Witness 1	Witnes	\$ 2	J			
contractor withes	51 77101	less 2 Employer Williess I	withes	3 2				

(ii) the name of the sub-contractor?		
(iii) the B-BBEE status level of the sub-contractor?		(iv)
whether the sub-contractor is an EME?	YES / NO (delete which is not	applicable)

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

9.1 Name of firm :
9.2 VAT registration number :
9.3 Company registration number :.....

### 9.4 TYPE OF COMPANY/ FIRM

- Partnership/Joint Venture / Consortium
- □ One person business/sole propriety
- Close corporation
- □ Company
- (Pty) Limited
- [TICK APPLICABLE BOX]

#### 9.5 DESCRIBE PRINCIPAL BUSINESS ACTIVITIES

.....

.....

# 9.6 COMPANY CLASSIFICATION

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

#### 9.7 MUNICIPAL INFORMATION

Contractor Witness 1 Witness 2 Employer Witness 1 Witness 2

Municipality where business is situated

.....

#### Registered Account Number

.....

Stand Number

#### .....

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

.....

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

(e) forward the matter for criminal prosecution.

#### WITNESSES:

1. .....

2.			SIGNATURE(S) OF	F BIDDER(S)	
Contractor Witnes	s 1 Witness 2 Employer Witness 1 Witness 2	2			

DATE:
ADDRESS:



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

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

# 4. In order to give effect to the above, the following questionnaire must be completed and submitted with the bid.

ltem	Question	Yes	No
4.1	Is the bidder or any of its directors listed on the National Treasury's Database of Restricted Suppliers as companies or persons prohibited from doing business with the public sector?	Yes	No
	(Companies or persons who are listed on this Database were informed in writing of this restriction by the Accounting Officer/Authority of the institution that imposed the restriction after the <i>audi alteram partem</i> rule was applied).		
	The Database of Restricted Suppliers now resides on the National Treasury's website( <u>www.treasury.gov.za</u> ) and can be accessed by clicking on its link at the bottom of the home page.		
4.1.1	If so, furnish particulars:		
4.2	Is the bidder or any of its directors listed on the Register for Tender Defaulters in terms of section 29 of the Prevention and Combating of Corrupt Activities Act (No 12 of 2004)?	Yes	No
	The Register for Tender Defaulters can be accessed on the National Treasury's website ( <u>www.treasury.gov.za</u> ) by clicking on its link at the bottom of the home page.		
4.2.1	If so, furnish particulars:		



4.3	Was the bidder or any of its directors convicted by a court of law (including a court of law outside the Republic of South Africa) for fraud or corruption during the past five years?       Yes       N		No		
4.3.1	If so, furnish particulars:				
ltem	Question	Ye	es	No	
4.4	Does the bidder or any of its directors owe any municipal rates and taxes or municipal charges to the municipality / municipal entity, or to any other municipality / municipal entity, that is in arrears for more than three months?	Ye [	es ]	No	]
4.4.1	If so, furnish particulars:				
4.5	Was any contract between the bidder and the municipality / municipal entity or any other organ of state terminated during the past five years on account of failure to perform on or comply with the contract?	Ye [	es 	No	]
4.7.1	If so, furnish particulars:				

#### CERTIFICATION

I, THE UNDERSIGNED (FULL NAME) ..... CERTIFY THAT THE INFORMATION FURNISHED ON THIS DECLARATION FORM TRUE AND CORRECT.

I ACCEPT THAT, IN ADDITION TO CANCELLATION OF A CONTRACT, ACTION MAY BE TAKEN AGAINST ME SHOULD THIS DECLARATION PROVE TO BE FALSE.

Signature Date

Position

Name of Bidder

.....

Contractor Witness 1 Witness 2 Employer Witness 1 Witness 2

#### 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	MBD 9
I, the	e undersigned, in submitting the accompanying bid:	(Rid
	Number and Description)	_ (Bid
in re:	sponse to the invitation for the bid made by:	
	(Name of Municipality / Municipal Entity)	_
do h	ereby make the following statements that I certify to be true and complete in every res	spect:
l cer	tify, on behalf of:	
	that: (Nam	е
	of Bidder)	
1.	I have read and I understand the contents of this Certificate.	
2.	I understand that the accompanying bid will be disgualified if this Certificate is four	nd not to

3. I am authorized by the bidder to sign this Certificate, and to submit the accompanying bid, on behalf of the bidder.

be true and complete in every respect.

- Each person whose signature appears on the accompanying bid has been authorized by the 4. bidder to determine the terms of, and to sign, the bid, on behalf of the bidder.
- For the purposes of this Certificate and the accompanying bid, I understand that the word 5. "competitor" shall include any individual or organization, other than the bidder, whether or not affiliated with the bidder, who:
  - has been requested to submit a bid in response to this bid invitation; (a)
  - (b) could potentially submit a bid in response to this bid invitation, based on their qualifications, abilities or experience; and
  - provides the same goods and services as the bidder and/or is in the same line of (c) business as the bidder.
- The bidder has arrived at the accompanying bid independently from, and without 6. consultation, communication, agreement or arrangement with any competitor. However,



communication between partners in a joint venture or consortium<sup>3</sup> will not be construed as collusive bidding.

- 7. In particular, without limiting the generality of paragraphs 6 above, there has been no consultation, communication, agreement or arrangement with any competitor regarding:
  - (a) prices;
  - (b) geographical area where product or service will be rendered (market allocation);
  - (c) methods, factors or formulas used to calculate prices;
  - (d) the intention or decision to submit or not to submit a bid;
  - (e) the submission of a bid which does not meet the specifications and conditions of the bid; or
  - (f) bidding with the intention not to win the bid.
- 8. In addition, there have been no consultations, communications, agreements or arrangements with any competitor regarding the quality, quantity, specifications and conditions or delivery particulars of the products or services to which this bid invitation relates.
- 9. The terms of the accompanying bid have not been, and will not be, disclosed by the bidder, directly or indirectly, to any competitor, prior to the date and time of the official bid opening or of the awarding of the contract.

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

10. I am aware that, in addition and without prejudice to any other remedy provided to combat any restrictive practices related to bids and contracts, bids that are suspicious will be reported to the Competition Commission for investigation and possible imposition of administrative penalties in terms of section 59 of the Competition Act No 89 of 1998 and or may be reported to the National Prosecuting Authority (NPA) for criminal investigation and or may be restricted from conducting business with the public sector for a period not exceeding ten (10) years in terms of the Prevention and Combating of Corrupt Activities Act No 12 of 2004 or any other applicable legislation.

Signature	Date
Position	Name of Bidder

