



## BA-PHALABORWA MUNICIPALITY

### SUPPLY AND DELIVERY OF OUTDOOR RING MAIN UNIT (11KV)

**TENDER NUMBER: 03/20/21**

Closing Date: 30/11/2020

Time: 11h00

<b>Ba-Phalaborwa Municipality</b> Budget and Treasury Office: Contact: Mr. A.T Ndzimande Acting Chief Financial Officer Tel: (015) 780 6303 E-mail: Ndzimandet@ba-phalaborwa.gov.za	<b>Ba-Phalaborwa Municipality</b> Technical Services Department: Contact: C.J.Lourens Chief Electrical Engineer Tel: (015) 780 6414 E-mail: lourensc@ba-phalaborwa.gov.za
<b>Name of Tenderer</b> .....	
<b>TOTAL AMOUNT TENDERED</b> .....	
<b>ALL INCLUSIVE</b>	

# BA-PHALABORWAMUNICIPALITY

## Contents

### The Tender

#### Part T1: Tendering procedures

T1.1 Tender Notice and Invitation to Tender

T1.2 Tender Data

#### Part T2: Returnable documents

T2.1 List of Returnable Documents

T2.2 Returnable Schedules

### The Contract

#### Part C1: Agreement and Contract Data

C1.1 Form of Offer and Acceptance

C1.2 Contract Data

#### Part C2: Pricing data

C2.1 Pricing Instructions

C2.2 Activity Schedule and Bills of Quantities

#### Part C3: Scope of Work

C3 Scope of Work

#### Part C4: Project Specification

C4 Project Specification



## BA-PHALABORWA MUNICIPALITY

Ba-Phalaborwa Municipality hereby invites experienced and capable service providers, to tender for the following:

TENDER NUMBER	DESCRIPTION	COMPULSORY BRIEFING SESSION			FUNCTIONALITY	EVALUATION CRITERIA	CLOSING DATE AND TIME	CONTACT PERSON
		DATE	VENUE	COST				
03/20/21	Supply and Delivery of Outdoor Ring Main Unit (11KV)	05/11/2020 @11H00	Activity Hall	R 500.00 @ the municipality and Free on E-Tender and municipal website	Company Experience in applied field (50) Financial Capacity (30) Locality (20)	80/20	30/11/2020 @ 11H00	Mahumani S (015) 780 6300

All technical queries must be directed to Deputy Director: Electrical, Tel: 015 780 6414

All tender document queries must be directed to Head of Supply Chain, Tel: 015 780 6361/6362

Completed tender documents sealed in an envelope and marked ***"BID NO 03/20/21 Supply and Delivery of Outdoor Ring Main Unit (11KV)"***

The bids are to be deposited in the tender box of Ba-Phalaborwa Municipality Offices situated at CNR Mandela Drive & Sealene Street in Phalaborwa, by the closing date and time as above mentioned, where after they be opened in public. No late, telefaxed or Document found in any other place or proposal from service providers who have not attended the compulsory briefing session will not be considered

Bidders should take note of the following bidding conditions:

1. Ba-Phalaborwa Municipality Supply Chain Management Policy shall apply in the evaluation and awarding of the Tender.
2. Ba-Phalaborwa Municipality does not bind itself to accept the lowest tender, reserves the right to accept the whole or part of the Tender and reserves the right not to appoint.
3. The Bid validity shall be 90 (Ninety) days from the date of closure.
4. Bidders must provide proof of the following to avoid disqualification: CSD report (Printed between the date of advert and closing date, certified ID Copies of all directors, statement of municipal rates and taxes for both company and director (s) (not older than 3 months)/letter from traditional authority not older than 3 months/ lease agreement, key personnel/service team's experience (attach certified copies of qualifications and CV; CK/Company registration, Valid tax clearance or tax pin; Certified or original valid BBB-EE certificate or sworn affidavit, proof of work experience (attach relevant appointment letter). **All the relevant returnable documents are attached in the tender document,**
5. The minimum score for functionality will be 60% score and bidders who score below 60% will not be evaluated further on price and BBB-EE preference point scoring system.

MOAKAMELA MI  
MUNICIPAL MANAGER  
Notice No. 29/20

# BA-PHALABORWA MUNICIPALITY

## 1.1. DETAILED SCOPE OF WORK

The purpose of the project is to acquire the services of a suitably qualified electrical service provider for the supply and delivery to Ba-Phalaborwa Municipal Stores of the following:

- 2 x 4 way outdoor ring main unit (11kV)
- 2 x 3 way outdoor ring main unit (11kV)
- 2 x single unit (11kV)

All units to be of the lever operated isolator switch type (no Circuit breaker)

All units to be suitable for outdoor use

All transportation cost to be included. (Delivery to Ba-Phalaborwa Municipal Stores)

All units to comply with the attached specification

## 1.2. SPECIFICATION

### A. GENERAL CONDITIONS

These specifications apply to factory-built, RMU type, metal-enclosed indoor switchgears.

The equipment to be supplied shall come in the form of a compact switchboard and shall meet the following requirements:

- Compact
- Safe and easy to operate
- Low maintenance
- Easy to install

The supplier shall be capable of proving that he has extensive experience in the field of MV switchgears and shall provide proof that he has already supplied equipment of the equivalent type and brand which has been in operation for at least three years.

Upon the request, units shall be available either in standard compact range or in extensible versions. Details for extensibility design shall be provided including the basic principle and operations. Extensibility shall be easily possible on site by the customer, without SF6 handling, without any particular floor preparation and specific tools. When the switchgear is assembled, extensible units shall respect integral insulation and insensitivity to environment.

**B. STANDARDS**

Requirements and performances are expressed by reference to the following standards except where specifically defined otherwise:

IEC 62271-1	Common specification for high voltage switchgear and control gear
IEC 62271-200	AC metal-enclosed switchgear and control gear for rated voltages above 1 kV and up to and including 52 kV
IEC 62271-103	Switches for rated voltage above 1 kV and less than 52 Kv
IEC 62271-105	Alternating current switch-fuse combinations for rated voltages above 1 kV up to and including 52 kV
IEC 62271-102	High voltage AC disconnectors and earthing switches.
IEC 62271-100	High voltage AC circuit breakers.
IEC 60529	Degrees of protection procured by enclosures (IP code).
IEC 60255	Electrical relays

**C. SERVICE CONDITIONS**

The RMU shall be suitable for continuous operations under the basic service conditions indicated below:

- Altitude: maximum 1000 m above sea level
- Ambient air temperature: - 25 ° C to + 40 ° C
- Maximum ambient temperature average value during 24 h: 35 °C
- Maximum relative humidity: maximum 95%

As in conditions beyond above ‘basic service condition’, manufacturer shall declare whether current de-rating is necessary.

The RMU shall be capable of being exposed to high relative humidity and ambient air pollution.

The RMU shall be capable of being installed in either concrete indoor substations or in compact metal substations and kiosks with an IP54 rating. Manufacturer shall give all details regarding its solution for free-standing outdoor installations when requested.

**D. SYSTEM PARAMETERS**

<b>Type of construction</b>	Metal enclosed switchgear
<b>Insulating gas</b>	SF6
<b>Expected operating lifetime</b>	30 years
<b>Switchgear partition class</b>	PM
<b>Loss of service continuity class</b>	LSC2
<b>Degree of protection</b>	
High voltage live parts	IP67
Front face	IP3X
Low voltage control compartment	IP3X
Mechanism	IP2XC
Cable compartment	IP2XC
Outdoor enclosure	IP54
Protection against mechanical impact	IK07

<b>Rated voltage</b>	<b>Ur</b>	(kV)	12	17.5	24			
<b>Rated frequency</b>	<b>f</b>	(Hz)	50 / 60					
<b>Rated short-time withstand current</b>	<b>Ik</b>	(kA rms value)	21	25	21	12.5	16	20
	<b>Duration tk</b>	(s)	1	1 or 3	1 or 3			

<b>Making capacity of switch and earthing switch (by 50Hz)</b>	<b>I<sub>ma</sub></b>	(kA peak value)	52.5	62.5	52.5	31.25	40	50
<b>Short-circuit breaking capacity of circuit breaker</b>	<b>I<sub>sc</sub></b>	(kA)	21	25	21	12.5	16	20
<b>Industrial frequency withstand voltage (50 Hz 1min)</b>	<b>Insulation U<sub>d</sub></b> Phase-phase, phase-earth	(kV rms value)	28		38	50		
	<b>Isolation U<sub>d</sub></b> Across isolating distance	(kV rms value)	32		45	60		
<b>Lightening Impulse withstand voltage (1.2/50μs)</b>	<b>Insulation U<sub>p</sub></b> Phase-phase, phase-earth	(kV peak value)	75		95	125		
	<b>Isolation U<sub>p</sub></b> Across isolating distance	(kV peak value)	85		110	145		

<b>Number of phases</b>	Three
<b>Rated Current</b>	
Switch	630 A
Transformer feeder	Depends on the fuse installed
Branch circuit breaker feeder	630 A
<b>Rated current cable charging on switch</b>	110 A
<b>Rated current no-load transformer breaking capacity on switch</b>	16 A
Internal arc class	A-FL up to 20 kA 1 s (with option)
<b>Number of mechanical cycles</b>	
Switch and earthing switch	1000
Circuit breaker	2000

<b>Number of electrical cycles at rated current</b>	100
<b>Number of operations at rated short-circuit current on circuit breaker</b>	3 breaking operations

**E. FUNCTION REQUIREMENTS**

The following functions shall be available for the RMU:

- Switch-disconnector
- Disconnecting circuit breaker 630 A for network points
- Transformer protection feeder by disconnecting circuit breaker 200 A
- Transformer protection feeder by fuse-switch combination
- Bus coupler by switch-disconnector
- Bus coupler by disconnecting circuit breaker
- Direct cable connection to busbars
- MV Metering

**F. GENERAL STIPULATIONS REGARDING DESIGN AND DEVELOPMENT OF SWITCHGEAR**

**a) Introduction**

Maximum 5 MV function units could be combined in one metallic enclosure, extensible or compact, for connection, power supply and protection of transformer.

**b) Switchboards**

The switchgear and busbar shall all be contained in a stainless steel enclosure filled with SF6 at maximum 0.3 bar relative pressure to ensure the insulation and breaking functions. This compartment is a sealed pressure system, in accordance with the IEC 62271-1 standard, with a service life time of 30 years. In addition, manufacturer shall confirm that maximum leakage rate is lower than 0.1 % per year. No refilling of the gas shall be required during the whole service life time.

It shall provide full insulation, making the switchgear insensitive to the environment (temporary flooding, high humidity...). Assembled, the active parts of the switchgear shall be maintenance-free.



The tank shall be made of  $\geq 2$  mm AISI 304 unpainted stainless steel and be able to withstand an accidental internal overpressure of  $\geq 2.1$  bars (relative). The colour shall be RAL 9002 for the enclosure and RAL9005 for the mimic panel.

The switchboards shall be suitable for mounting on a trench or base. Each switchboard shall be identified by an appropriately sized label which clearly indicates the functional units and their electrical characteristics.

The switchgear and switchboards shall be designed so that the position of the different devices is visible to the operator on the front of the switchboard.

The switchboards shall be designed so as to prevent access to all live parts during operation without the use of tools.

**c) Dielectric medium**

SF6 gas is the preferred dielectric medium for MV RMUs. Oil filled switchgear will not be considered. SF6 gas used for the filling of the RMU shall be in accordance with IEC 60376.

It is preferable to fit an absorption material in the tank to absorb the moisture from the SF6 gas and to regenerate the SF6 gas following arc interruption.

The SF6 insulating medium shall be able to be constantly monitored via analog manometer or pressure switch. Pressure switch shall provide 2 levels of indication that are low level and critical level. Auxiliary contacts shall be provided with the pressure switch for remote indication or local electrical interlocking.

**d) Earthing of metallic parts**

There shall be continuity between the metallic parts of the switchboard and cables so that there is no electric field pattern in the surrounding air, thereby ensuring the safety of people. The main earthing connection point shall be designed for connection to substation frames without dismantling any bars.

**e) Earthing of the main circuit**

The cables shall be earthed by an earthing switch with short-circuit making capacity, in compliance with IEC 62271-102 standard. The earthing connection can only be operated when the switch is open.

The earthing switch shall be fitted with its own operating mechanism and manual closing shall be driven by a fast-acting mechanism, independent of operator action.

The moving contacts of the earthing switch shall be visible in the closed position through transparent covers.

**f) Switch-disconnector**

They shall be maintenance-free with breaking in low pressure SF6 gas. The position of the contacts shall be clearly visible on the front of the switchboard. The position indicator shall provide positive contact indication in accordance with IEC 62271-102 standard.

The switches shall be of the extended mechanical endurance in accordance with IEC 60265-162271-103 standard. The switch shall have 3 positions, open-disconnected, closed and earthed, and will be constructed in such a way that natural interlocking prevents unauthorized operations.

They shall be fully mounted and inspected in the factory.

Manual opening and closing will be driven by a fast-acting mechanism, independent of operator action.

Each switch can be fitted with an electrical operating mechanism in a special reserved location, without any modification of the operating mechanism and without de-energizing the switchboard.

**g) Transformer Protection**

The MV/LV tee-off transformer shall be protected by circuit-breaker, or by switch-fuse combination.

**h) Circuit breaker**

The circuit breakers shall be low pressure SF6 or vacuum interrupter type.

It shall be maintenance free. The position of the power and earthing contacts shall be clearly visible on the front of the switchboard. The position indicator shall provide positive contact indication in accordance with IEC 62271-102 standard.

The circuit breakers shall have 3 positions: open-disconnected, closed and earthed and shall be constructed in such a way that natural interlocks prevent all unauthorised operations.

They shall be fully mounted and inspected in the factory. They shall be fully mounted and inspected in the factory.

The rated current of circuit breaker as network points shall be of 630 A. The rated current of circuit breaker as transformer feeder shall be of 200 A.

An operating mechanism can be used to manually close the circuit breaker and charge the mechanism in a single movement. It shall be fitted with a local system for manual tripping by an integrated push button. There will be no automatic reclosing.

**i) Circuit-Breaker Protective Relay**

The circuit breaker shall be associated with an integrated electronic/ micro-processor type protection unit.

The system shall be self-power (from current sensors) for the basic overcurrent protection; i.e. Phase-phase and phase-earth overcurrent.

The current sensors, SE brand, shall be mounted on the bushings, in order to protect cable termination, and be independent of the MV cables.

The minimum activation current of the relay shall be:

- 15A for 630A feeder
- 10A for 200A feeder
- 5A for special application on small size transformer feeders

Each relay shall have following features:

- Phase-phase overcurrent protection
- Phase-earth overcurrent protection
- Display with indication of flow current, peak current
- Feature to neutralize the inrush current of power transformer (so as not to trip the phase-earth current)
- Trip indication, with origin of the fault

The complete system shall have Trip circuit supervision (ANSI 74TC).

The protection system shall be all mounted, wired, tested at factory.

As option the relay can have:

- Communication link (Modbus RS485)
- Thermal overload (ANSI49)

- Load history
- Breaking current history
- Event history
- External trip input
- Very sensitive earth fault

It is accepted that relay is dual powered for these additional options (i.e. self-power for basic protections and auxiliary powered for the options).

Protection relay and CT should be provided with same brand as cubicle.

**j) Transformer protection feeder by switch-fuse combination**

The switches in switch-fuse combination shall be of the maintenance-free, low pressure SF6 gas type. The position of the contacts shall be clearly visible on the front of the switchboard. The position indicator shall provide positive contact indication in accordance with IEC 62271-102 standard.

The switches shall have 3 positions, open-disconnected, closed and earthed, and will be constructed in such a way that natural interlocking prevents unauthorised operations.

The switches shall be fully mounted and inspected in the factory.

An operating mechanism can be used to manually close the switch and charge the mechanism in a single movement.

It shall be fitted with a local system for manual tripping by an integrated push button.

Fuses shall be installed in 3 individual sealed chambers metallised on the outside and detachable. They shall be mounted in series with the switch with the following operating mode: blowing of a fuse releases a striker pin which causes three-phase opening of the switch and prevents reclosing. The fuse chamber shall be able to be changed when needed.

**k) MV Metering**

MV Metering shall be carried out by a factory assembled air insulated cubicle with type-tested design.

This unit shall be totally closed, without any ventilation. Connection with adjacent cells will be direct through bus bar and MV cables shall not be used.

VTs could be plugged upstream or downstream of CT's and a fuse protection shall be possible.

The following configuration shall be available:

- 2 VTs phase-phase, 2 VTs phase-earth, 3 VTs phase-earth
- 2 or 3 CTs

**l) RMU bushings**

It is preferable to have all bushings accessible from the front of the RMU. Bushings along the sides or the rear of the RMU are not acceptable. The bushings should be conveniently located for working with cables specified and allow the termination of these cables in accordance with the instructions supplied.

The profiles of the cable connection bushings shall be in compliance with EN 50181 standard.

**m) RMU cable clamps**

A non ferro-magnetic cable clamp arrangement must be provided for all network cables terminated on the RMU.

**n) Padlocking facilities**

Circuit breakers, switches and earthing switches can be locked in the open or closed position by 1 to 3 pad locks.

**o) Voltage indicators and phase comparators**

Each function shall be equipped with a Voltage Presence Indicator System on the front cover to indicate whether there is voltage in the cables. The voltage indicator shall be in compliance with IEC 62271-206 standard. The capacitive dividers will supply low voltage power to the lamps. The lamps shall be of high performance LED technology to insure high visibility and long life duration. Three inlets will be used to check the phase concordance.

As an option, the voltage Presence Indicator shall be able to provide an analog output signal.

For all models, the lamp visibility shall not be altered by a fault on the connection to the phase concordance unit, even a short circuit.

It shall be possible to replace the voltage presence indicator while unit remains energized, guaranteeing the safety of people.

Manufacturer shall provide the phase concordance checking unit.

**p) Fault Passage Indicators**

Load break switch functions shall be equipped with a fault passage indicator (FPI), in order to detect and localise the faulty part of the network.

The FPI shall indicate short circuit and earth faults with a high performance red LED on the front panel. It shall indicate permanently the load currents of each phase and memorize the maxi-meters of each phase with a resolution of 1 A and the accuracy of 2%.

It indicates both phase-to -phase and phase-to earth faults.

In order to guarantee a fault validation on cable with low load value, a validation by voltage presence shall be provided.

In case of low value of earth fault current (compensated network), the FPI will discriminate the capacitive backward current.

The FPI shall be delivered with automatic setting mode. Nevertheless specific setting shall be possible.

The FPI fault detection core function shall be self-powered.

Dual power device with external power supply or built-in batteries, provide additional functionalities.

The FPI shall provide an output for external lamp gathering short circuit and earth fault remote indication as well as a relay or transistor output for SCADA interface.

The FPI degree of protection against mechanical impact shall be IK07.

The current sensors will be mounted onto the RMU bushing. Split core sensors shall be also available for retrofitting RMUs.

As an option, it shall be possible to add a serial line for communication in Modbus protocol.

The FPI shall indicate permanently that it is in operation, it could be by means of the permanent load indication.

**q) Load management**

Load break switch functions could be equipped with an ammeter to display permanently the load currents and memorise the maxi meters with a resolution of 1 A and the accuracy of 2%. The ammeter shall be self-powered, or it could be integrated into the FPI.

**r) Voltage detection**

Load break switch shall be able to be equipped with voltage detection device to provide information of the presence and the absence of voltage with 2 relays. The voltage signal shall be taken from the Voltage Presence Indicator System. The voltage detection device shall display the MV network voltage in percentage of the network service voltage. It is not allowed to use a voltage measuring tool to calibrate the device.

Presence of voltage is used for safety function such as earth switch locking, and absence of voltage is used for Automatic Transfer function.

Various combination of voltage detection shall be possible: Ph-N or Ph-Ph voltage and unbalanced voltage.

In case both fault passage indication and voltage detection functions are required, one single device integrating both functionalities shall be used.

s) **Safety of people**

Any accidental overpressure inside the sealed chamber will be limited by the opening of a pressure limiting device in the lower part of the enclosure. Gas will be released to the rear of the switchboard away from the operator.

t) **Operating lever**

An anti-reflex mechanism on the operating lever shall prevent any attempts to reopen immediately after closing of the switch or earthing switch. All manual operations will be carried out on the front of the switchboard.

The effort exerted on the lever by the operator should not be more than 250 N for the switch and 250 N for the circuit breaker.

u) **Front plate**

The front plate shall have an IP3X degree of protection. The front shall include a clear mimic diagram which indicates the different functions. The position indicators shall give a true reflection of the position of the main contacts. They shall be clearly visible to the operator.

The lever operating direction shall be clearly indicated in the mimic diagram. The manufacturer's plate shall include the switchboard's main electrical characteristics.

**v) Cable insulation testing**

It must be possible to test the core or the sheath insulation of the network cables while RMU remains energized at rated voltage, without access to cable compartments. It shall be possible to carry out the phase by phase testing through a built-in facility. The maximum test voltage shall be 42 kV DC for 10 minutes.

**w) Remote control of the RMUs**

Remote operation of the RMUs must be possible using motors fitted to the operating mechanism. It shall be possible to fit the motors either directly in manufacturing plant or on site when required. Installation on site shall be possible with the RMU fully energised and manufacturer should provide detailed instructions for installation to the control mechanism. Auxiliary contacts for remote indication of switch status are also required.

The fitting of the motors to the mechanism must not in any way impede or interfere with the manual operation. An auxiliary contact to prevent motorised operation of the mechanism while the operating handle is inserted into the operating point must also be provided

The tenderer may wish to advise of options and cost for remote telecontrol units of the RMU and MV network telecontrol system.

**x) Automatic Transfer System (ATS)**

- N/A

**y) Dimensions**

The overall dimensions shall not be greater than the followings:

RMU standard non-extensible:

	height	depth	width
1 functions	1150 mm	720 mm	580 mm
2 functions	1150 mm	720 mm	840 mm
3 functions	1150 mm	720 mm	1200 mm



4 functions	1150 mm	720 mm	1630 mm
5 functions	1150 mm	720 mm	2100 mm

RMU standard extensible:

	height	depth	width
1 function double-extensible	1150 mm	720 mm	640 mm

For RMU with 2, 3, 4 or 5 functional units: 30 mm more than non-extensible range on each extensible side.

RMU non-extensible with free choice of each functional unit:

	height	depth	width
2 functions	1150 mm	720 mm	1060 mm
3 functions	1150 mm	720 mm	1540 mm

For RMU with 2 or 3 functional units: 30 mm more than non-extensible range on each extensible side.

**z) Finishing**

The device shall be low-maintenance.

All metallic parts shall have rust protection. Operating mechanisms shall be able to operate after a 200 hours salt fog test as defined in IEC 60068-2-11.

Two lifting rings shall be installed on the top of the switchboards for handling.

**G. ROUTINE TESTS**

The routine tests carried out by the manufacturer shall be backed by test reports signed by the factory's quality control department. They shall include the following:

- Conformity with drawings and diagrams
- Measurement of closing and opening speeds
- Measurement of operating torque
- Checking of filling pressure
- Checking of gas-tightness
- Power frequency dielectric testing and main circuit resistance measurement

## H. QUALITY AND SUSTAINABLE DEVELOPMENT

When requested by the customer, the supplier shall provide proof of application of a quality procedure in compliance with the standard. This means:

- Use of a quality manual approved and signed by a top management representative
- Regular updating of the manual so that it reflects the quality control procedures in effect
- ISO 9001 certification
- Product Environmental Profiles file

### 3.3 EVALUATION CRITERIA

#### 3.3.1 Service Provider Prerequisites / Requirements

- All bidders must attend the compulsory briefing session
- The 80/20 evaluation criteria will be used to evaluate the tenders (where 80 will be price and the 20 BBB-EE)
- Bidders must sign all the attached MBD forms Including (MBD 4, 6.2,8 etc)
- Company registration certificate
- Original valid tax clearance certificate / letter from SARS with a valid pin code
- BBB-EE certificate (optional)
- Power of attorney/ letter of authority for signatory if applicable
- Joint venture agreements where applicable
- Certified ID copies of the directors/ members/ proprietors not older than three months
- Statement of Municipality Accounts as proof of residential address. If leasing, provide the lease agreement and the owner Municipal Account or the proof of residential address by a traditional authority in case of a non-ratable area for the business and all company directors (Not older than three months).
- Terms of reference fully completed and each page to be initialed.
- Latest registration report of Central Supplier Database (CSD) with valid reference number.  
**(Printed between the tender opening and closing date).**
- Proof of work experience. Attach appointment letters and/or Work orders (No referral letters)

#### 3.3.2 Functionality Evaluation Criteria

- Responsive bids will be evaluated using a point system which awards on the basis set out in the table below:

- The minimum score for functionality will be 60%, bidders who score below 60% will not be considered for further evaluation.
- The service Providers shall comply with the following specific key competencies /requirements

<b>BIDDER EVALUATION CRITERIA FOR FUNCTIONALITY</b>		<b>WEIGHTING</b>
<b>COMPANY EXPERIENCE IN APPLIED FIELD</b>		<b>MAX 50</b>
Proven track record with respect of supply, delivery and/or installation of Ring Main Units	<p>Bidder to submit proof of <b>number</b> of similar projects previously completed by the company. Proof of company experience only to be through <b>appointment letters and/or work orders.</b></p> <p><b>Number of projects completed:</b></p> <p>1 project :10 Points</p> <p>2 projects :20 Points</p> <p>3 Projects :30 Points</p> <p>4 Projects :40 Points</p> <p>5 projects : 50 Points</p> <p><i>* Please note referral letters will not be accepted as credible proof of company experience.</i></p> <p><i>**Similar projects refers to the supply, delivery and/or installation of Ring Main Units and any other electrical units/works.</i></p>	<b>50</b>
<b>FINANCIAL CAPACITY</b>		<b>Max 30</b>
Bidders must submit an original letter from the Bank not older than 3 months with rating allocated	<p><b>Bank Rating</b></p> <p>A to B :30 Points</p> <p>C :20 Points</p> <p>D :10 Points</p>	<b>30</b>
<b>LOCALITY (PROMOTION OF LOCAL COMPANIES).</b>		<b>Max 20</b>

Tenderer to submit proof of physical address of company (Not older than three months).	Business residing within the boundaries of The Ba-Phalaborwa Municipality	: 20 Points	20
	Business residing within the boundaries of the Mopani District Municipality	:10 Points	
	Business residing within the boundaries of the Limpopo Province.	:05 Points	
	Business residing outside the boundaries of the Limpopo Province.	:00 Points	
<p><i>** Statement of Municipality Accounts as proof of residential address.</i></p> <p><i>If leasing, provide the lease agreement and copy of the owner's statement of municipality account <b>OR</b> the proof of residential address by a traditional authority in case of a non-ratable area for the business and all company directors</i></p>			
<b>TOTAL</b>			<b>100</b>
<p><b>N.B:</b> A bidder that scores less than 60 points out of 100 in respect of “functionality” will be regarded as submitting a non-responsive quote and will be disqualified and will be not evaluated for price.</p>			

# **COMPULSORY MUNICIPAL BID DOCUMENTS**

INVITATION TO BID

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

BID NUMBER: ..... CLOSING DATE: ..... CLOSING TIME: .....  
DESCRIPTION.....

The successful bidder will be required to fill in and sign a written Contract Form (MBD 7).

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 CODE.....NUMBER.....

CELLPHONE NUMBER .....

FACSIMILE NUMBER CODE .....NUMBER.....

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 SOUTH AFRICAN NATIONAL ACCREDITATION SYSTEM (SANAS)
- A REGISTERED AUDITOR

(Tick applicable box)

**(A B-BBEE STATUS LEVEL VERIFICATION CERTIFICATE MUST BE SUBMITTED IN ORDER TO QUALIFY FOR PREFERENCE POINTS FOR B-BBEE)**

ARE YOU THE ACCREDITED REPRESENTATIVE  
IN SOUTH AFRICA FOR THE GOODS/SERVICES/WORKS OFFERED? YES/NO  
(IF YES ENCLOSE PROOF)

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 DIRECTED TO:**

**Municipality / Municipal Entity:** Ba-Phalaborwa Local Municipality

**Department:** Finance

**Contact Person:** Mr. AT Ndzimande

**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.**

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

DECLARATION OF INTEREST

- 1. No bid will be accepted from persons in the service of the state¹.
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.
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, hareholder²):.....

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. ....

.....

¹MSCM Regulations: "in the service of the state" means to be –

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

² Shareholder" means a person who owns shares in the company and is actively involved in the management of the company or business and exercises control over the company.

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

3.9.1 If yes, furnish particulars.....

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

3.10.1 If yes, furnish particulars.

.....  
.....

3.11 Are you, aware of any relationship (family, friend, other) between  
Any other bidder and any persons in the service of the state who  
May be involved with the evaluation and or adjudication of this bid? **YES / NO**

3.11.1 If yes, furnish particulars

.....  
.....

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

3.12.1 If yes, furnish particulars.

.....  
.....

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

3.13.1 If yes, furnish particulars.

.....  
.....

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

3.14.1 If yes, furnish particulars:

.....  
 .....

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

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 B-BBEE rating claims.**

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

**PREFERENCE POINTS CLAIM FORM IN TERMS OF THE PREFERENTIAL PROCUREMENT REGULATIONS 2017**

a)

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

**NB: BEFORE COMPLETING THIS FORM, BIDDERS MUST STUDY THE GENERAL CONDITIONS, DEFINITIONS AND DIRECTIVES APPLICABLE IN RESPECT OF B-BBEE, AS PRESCRIBED IN THE PREFERENTIAL PROCUREMENT REGULATIONS, 2017.**

**1. GENERAL CONDITIONS**

1.1 The following preference point systems are applicable to all bids:

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

1.2

- a) The value of this bid is estimated to exceed/not exceed R50 000 000 (all applicable taxes included) and therefore the ..... preference point system shall be applicable; or
- b) Either the 80/20 or 90/10 preference point system will be applicable to this tender (*delete whichever is not applicable for this tender*).

1.3 Points for this bid shall be awarded for:

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

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

	<b>POINTS</b>
<b>PRICE</b>	
<b>B-BBEE STATUS LEVEL OF CONTRIBUTOR</b>	
<b>Total points for Price and B-BBEE must not exceed</b>	<b>100</b>

1.5 Failure on the part of a bidder to submit proof of B-BBEE Status level of contributor together with the bid, will be interpreted to mean that preference points for B-BBEE status level of



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

Where

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

$P_t$  = Price of bid under consideration

$P_{\min}$  = Price of lowest acceptable bid

#### 4. POINTS AWARDED FOR B-BBEE STATUS LEVEL OF CONTRIBUTOR

4.1 In terms of Regulation 6 (2) and 7 (2) of the Preferential Procurement Regulations, preference points must be awarded to a bidder for attaining the B-BBEE status level of contribution in accordance with the table below:

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

#### 5. BID DECLARATION

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

#### 6. B-BBEE STATUS LEVEL OF CONTRIBUTOR CLAIMED IN TERMS OF PARAGRAPHS 1.4 AND 4.1

6.1 B-BBEE Status Level of Contributor: . = .....(maximum of 10 or 20 points)  
 (Points claimed in respect of paragraph 7.1 must be in accordance with the table reflected in paragraph 4.1 and must be substantiated by relevant proof of B-BBEE status level of contributor.

#### 7. SUB-CONTRACTING

7.1 Will any portion of the contract be sub-contracted?

(Tick applicable box)



YES	<input type="checkbox"/>	NO	<input type="checkbox"/>
-----	--------------------------	----	--------------------------

7.1.1 If yes, indicate:

- i) What percentage of the contract will be subcontracted.....%
- ii) The name of the sub-contractor.....
- iii) The B-BBEE status level of the sub-contractor.....
- iv) Whether the sub-contractor is an EME or QSE

**(Tick applicable box)**

YES	<input type="checkbox"/>	NO	<input type="checkbox"/>
-----	--------------------------	----	--------------------------

- v) Specify, by ticking the appropriate box, if subcontracting with an enterprise in terms of Preferential Procurement Regulations,2017:

<b>Designated Group: An EME or QSE which is at last 51% owned by:</b>	<b>EME</b>	<b>QSE</b>
	√	√
Black people		
Black people who are youth		
Black people who are women		
Black people with disabilities		
Black people living in rural or underdeveloped areas or townships		
Cooperative owned by black people		
Black people who are military veterans		
<b>OR</b>		
Any EME		
Any QSE		

**8. DECLARATION WITH REGARD TO COMPANY/FIRM**

8.1 Name of company/firm:.....

8.2 VAT registration number:.....

8.3 Company registration number:.....

**8.4 TYPE OF COMPANY/ FIRM**

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

[TICK APPLICABLE BOX]

**8.5 DESCRIBE PRINCIPAL BUSINESS ACTIVITIES**

.....  
.....  
.....  
.....

8.6 COMPANY CLASSIFICATION

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

8.7 MUNICIPAL INFORMATION

**Municipality where business is situated:** .....

**Registered Account Number:** .....

**Stand Number:**.....

8.8 Total number of years the company/firm has been in business:.....

8.9 I/we, the undersigned, who is / are duly authorised to do so on behalf of the company/firm, certify that the points claimed, based on the B-BBE status level of contributor indicated in paragraphs 1.4 and 6.1 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 paragraphs 1.4 and 6.1, 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 contributor has been claimed or obtained on a fraudulent basis or any of the conditions of contract have not been fulfilled, the purchaser may, in addition to any other remedy it may have –
  - (a) disqualify the person from the bidding process;
  - (b) recover costs, losses or damages it has incurred or suffered as a result of that person’s conduct;
  - (c) cancel the contract and claim any damages which it has suffered as a result of having to make less favourable arrangements due to such cancellation;
  - (d) recommend that the bidder or contractor, its shareholders and directors, or only the shareholders and directors who acted on a fraudulent basis, be restricted by the National Treasury 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 BIDDERS(S)

DATE: .....

ADDRESS .....

.....

.....

MBD 6.2

**DECLARATION CERTIFICATE FOR LOCAL PRODUCTION AND CONTENT**

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

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

1. General Conditions
  - 1.1. Preferential Procurement Regulations, 2011 (Regulation 9.(1) and 9.(3) make provision for the promotion of local production and content.
  - 1.2. Regulation 9.(1) prescribes that in the case of designated sectors, where in the award of bids local production and content is of critical importance, such bids must be advertised with the specific bidding condition that only locally produced goods, services or works or locally manufactured goods, with a stipulated minimum threshold for local production and content will be considered.
  - 1.3. Regulation 9.(3) prescribes that where there is no designated sector, a specific bidding condition may be included, that only locally produced services, works or goods or locally manufactured goods with a stipulated minimum threshold for local production and content, will be considered.
  - 1.4. Where necessary, for bids referred to in paragraphs 1.2 and 1.3 above, a two stage bidding process may be followed, where the first stage involves a minimum threshold for local production and content and the second stage price and B-BBEE.
  - 1.5. A person awarded a contract in relation to a designated sector, may not subcontract in such a manner that the local production and content of the overall value of the contract is reduced to below the stipulated minimum threshold.

1.6. The local content (LC) as a percentage of the bid price must be calculated in accordance with the SABS approved technical specification number SATS 1286: 201x as follows:

$$LC = 1 - \left( \frac{x}{y} \right) \times 100$$

Where

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

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

1.7. A bid will be disqualified if:

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

## 2. Definitions

2.1. **“bid”** includes advertised competitive bids, written price quotations or proposals;

2.2. **“bid price”** price offered by the bidder, excluding value added tax (VAT);

2.3. **“contract”** means the agreement that results from the acceptance of a bid by an organ of state;

2.4. **“designated sector”** means a sector, sub-sector or industry that has been designated by the Department of Trade and Industry in line with national development and industrial policies for local production, where only locally produced services, works or goods or locally manufactured goods meet the stipulated minimum threshold for local production and content;

2.5. **“duly sign”** means a Declaration Certificate for Local Content that has been signed by the Chief Financial Officer or other legally responsible person nominated in writing by the Chief Executive, or senior member / person with management responsibility (close corporation, partnership or individual).

2.6. **“imported content”** means that portion of the bid price represented by the cost of components, parts or materials which have been or are still to be imported (whether by the supplier or its subcontractors) and which costs are inclusive of the costs abroad, plus freight and other direct importation costs, such as landing costs, dock duties, import duty, sales duty or other similar tax or duty at the South African port of entry;

2.7. **“local content”** means that portion of the bid price which is not included in the imported content, provided that local manufacture does take place;

2.8. **“stipulated minimum threshold”** means that portion of local production and content as determined by the Department of Trade and Industry; and

2.9. **“sub-contract”** means the primary contractor’s assigning, leasing, making out work to, or employing another person to support such primary contractor in the execution of part of a project in terms of the contract.

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

**Description of services, works or goods      Stipulated minimum threshold**

_____	_____ %
_____	_____ %
_____	_____ %

4. Does any portion of the services, works or goods offered have any imported content? YES / NO

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

The relevant rates of exchange information is accessible on [www.reservebank.co.za](http://www.reservebank.co.za).

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

<b>Currency</b>	<b>Rates of exchange</b>
US Dollar	
Pound Sterling	
Euro	
Yen	
Other	

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

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

**IN RESPECT OF BID No.** .....

**ISSUED BY:** (Procurement Authority / Name of Municipality / Municipal Entity):

.....

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

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

The facts contained herein are within my own personal knowledge.

I have satisfied myself that the goods/services/works to be delivered in terms of the above-specified bid comply with the minimum local content requirements as specified in the bid, and as measured in terms of SATS 1286.

The local content has been calculated using the formula given in clause 3 of SATS 1286, the rates of exchange indicated in paragraph 4.1 above and the following figures:

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

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

(d) I accept that the Procurement Authority / Municipality /Municipal Entity has the right to request that the local content be verified in terms of the requirements of SATS 1286.

(e) I understand that the awarding of the bid is dependent on the accuracy of the information furnished in this application. I also understand that the submission of incorrect data, or data that are not verifiable as described in SATS 1286, may result in the Procurement Authority / Municipal / Municipal Entity imposing any or all of the remedies as provided for in Regulation 13 of the Preferential Procurement Regulations, 2011 promulgated under the Policy Framework Act (PPFA), 2000 (Act No. 5 of 2000).

**SIGNATURE:** \_\_\_\_\_ **DATE:** \_\_\_\_\_

**WITNESS No. 1** \_\_\_\_\_

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

**WITNESS No. 2** \_\_\_\_\_

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

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

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

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



4.2	Is the bidder or any of its directors listed on the Register for Tender Defaulters in terms of section 29 of the Prevention and Combating of Corrupt Activities Act (No 12 of 2004)? <b>The Register for Tender Defaulters can be accessed on the National Treasury's website (<a href="http://www.treasury.gov.za">www.treasury.gov.za</a>) by clicking on its link at the bottom of the home page.</b>	Yes <input type="checkbox"/>	No <input type="checkbox"/>
4.2.1	If so, furnish particulars:		
4.3	Was the bidder or any of its directors convicted by a court of law (including a court 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"/>
4.3.1	If so, furnish particulars:		
<b>Item</b>	<b>Question</b>	<b>Yes</b>	<b>No</b>
4.4	Does the bidder or any of its directors owe any municipal rates and taxes or municipal charges to the municipality / municipal entity, or to any other municipality / municipal entity, that is in arrears for more than three months?	Yes <input type="checkbox"/>	No <input type="checkbox"/>
4.4.1	If so, furnish particulars:		
4.5	Was any contract between the bidder and the municipality / municipal entity or any other organ of state terminated during the past five years on account of failure to perform on or comply with the contract?	Yes <input type="checkbox"/>	No <input type="checkbox"/>
4.7.1	If so, furnish particulars:		

**CERTIFICATION**

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

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

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

.....  
**Signature**

.....  
**Date**

.....  
**Position**

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

**CERTIFICATE OF INDEPENDENT BID DETERMINATION**

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

**<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.

**<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

**Form of Offer and Acceptance**

**C1.1 FORM OF OFFER AND ACCEPTANCE**

**C1.1.1: Form of Offer**

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

**SUPPLY AND DELIVERY OF OUTDOOR RING MAIN UNIT  
(11KV)**

**TENDER NUMBER:** .....

The tenderer, identified in the offer signature block, has examined the documents listed in the tender data and addenda thereto as listed in the returnable schedules, and by submitting this offer has accepted the conditions of tender.

By the representative of the tenderer, deemed to be duly authorized, signing this part of this form of offer and acceptance, the tenderer offers to perform all of the obligations and liabilities of the contractor under the contract including compliance with all its terms and conditions according to their true intent and meaning for an amount to be determined in accordance with the conditions of contract identified in the contract data.

**\*THE OFFERED TOTAL OF THE PRICES INCLUSIVE OF VALUE ADDED TAX IS:**

.....  
..... Rand (in words);  
**R** ..... (in figures)

This offer may be accepted by the employer by signing the acceptance part of this form of offer and acceptance and returning one copy of this document to the tenderer before the end of the period of validity stated in the tender data, whereupon the tenderer becomes the party named as the contractor in the conditions of contract identified in the contract data.

Signature Block: Tenderer	
Signature .....	Date .....
Name .....	
Capacity .....	
Name of organization .....	
Address of organization .....	
.....	
Signature of witness .....	Date .....
Name of witness .....	

**\* BIDDERS HAVE TO COMPLETE THE OFFERED TOTAL OF THE PRICES IN WORDS AS WELL AS IN FIGURES**

**C1.1.2: Form of Acceptance**

By signing this part of this form of offer and acceptance, the employer identified below accepts the tenderer's offer. In consideration thereof, the employer shall pay the contractor the amount due in accordance with the conditions of contract identified in the contract data. Acceptance of the tenderer's offer shall form an agreement between the employer and the tenderer upon the terms and conditions contained in this agreement and in the contract that is the subject of this agreement.

The terms of the contract, are contained in:

- Agreements and contract data, (which includes this agreement)
- Pricing data
- Scope of work.

Deviations from and amendments to the documents listed in the tender data and any addenda thereto as listed in the tender schedules as well as any changes to the terms of the offer agreed by the tenderer and the employer during this process of offer and acceptance, are contained in the schedule of deviations attached to and forming part of this agreement. No amendments to or deviations from said documents are valid unless contained in this schedule.

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) for delivery of any bonds, guarantees, proof of insurance and any other documentation to be provided in terms of the conditions of contract identified in the contract data. Failure to fulfil any of these obligations in accordance with those terms shall constitute a repudiation of this agreement.

Signature Block: Employer	
Signature .....	Date .....
Name .....	
Capacity .....	
<b>for the Employer</b>	Ba-Phalaborwa Local Municipality
Private Bag X01020, Phalaborwa, 1390	
Signature of witness .....	Date .....
Name of witness .....	

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 working 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.



**C1.1.3: Schedule of Deviations**

- 1      Subject: ..... Details:  
.....  
.....
- 2      Subject: ..... Details:  
.....  
.....
- 3      Subject: ..... Details:  
.....  
.....
- 4.     Subject: ..... Details:  
.....  
.....

By the duly authorised representatives signing this agreement, the employer and the tenderer agree to and accept the foregoing schedule of deviations as the only deviations from and amendments to the documents listed in the tender data and addenda thereto as listed in the tender schedules, as well as any confirmation, clarification or changes to the terms of the offer agreed by the tenderer and the employer during this process of offer and acceptance.

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

## **GENERAL CONDITIONS OF CONTRACT**

### **1. DEFINITIONS**

In the Contract, the following words and expressions shall have the meanings indicated, except where the context otherwise requires. Defined terms and words are signified in the text of the Contract by the use of capital initial letters.

#### **Contract**

The Contract signed by the Parties and of which these General Conditions of Contract form part.

#### **Contract Data**

Specific data, which together with these General Conditions of Contract, collectively describe the risks, liabilities and obligations of the contracting Parties and the procedures for the administration of the Contract.

#### **Contract Price**

The price to be paid for the performance of the Services in accordance with the Pricing Data.

#### **Day**

A calendar day.

#### **Defect**

A part of the Services, as performed, which does not comply with the requirements of the Contract.

#### **Deliverable**

Any measurable, tangible, verifiable outcome, result or item that must be produced or completed;

#### **Employer**

The contracting party named in the Contract who employs the Service Provider.

#### **Force Majeure**

An event which is beyond the reasonable control of a Party and which makes a Party's performance of its obligations under the Contract impossible or so impractical as to be considered impossible under the circumstances.

#### **Key Persons**

Persons who are named as such in the Contract Data who will be engaged in the performance of the Services.

#### **Others**

Persons or organizations who are not the Employer, the Service Provider or any employee, Subcontractor, or supplier of the Service Provider.

**Parties**

The Employer and the Service Provider.

**Period of Performance**

The period within which the Services are to be performed and completed.

**Personnel**

Persons hired by the Service Provider as employees and assigned to the performance of the Services or any part thereof.

**Personnel Schedule**

A schedule naming all Personnel and Key Persons.

**Pricing Data**

Data that establishes the criteria and assumptions that were taken into account when developing the Contract Price and the record of the components that make up the Contract price.

**Project**

The project named in the Contract Data for which the Services are to be provided.

**Scope of Work**

The document which defines the Employer's objectives and requirements and specifies the Services which must, or may, be provided under the Contract.

**Service Provider**

The contracting party named in the Contract Data who is employed by the Employer to perform the Services described in the Contract, and legal successors to the Service Provider and legally permitted assignees.

**Services**

The work to be performed by the Service Provider pursuant to the Contract as described in the Scope of Work.

**Subcontractor**

A person or body corporate who enters into a subcontract with the Service Provider to perform part of the Services.

**2. INTERPRETATION**

8.10 Unless inconsistent with the context, an expression which denotes :

- a) any gender includes the other genders;
- b) a natural person includes a juristic person and vice versa;
- c) the singular includes the plural and vice versa.

2.2 If there is any conflict between the provisions of these General Conditions of Contract and the Contract Data, the provisions of the Contract Data shall prevail.

2.3 The clause headings shall not limit, alter or affect the meaning of the Contract.

### **3. GENERAL**

#### **3.1 Governing law**

Law governing the Contract shall be the law of the Republic of South Africa.

#### **3.2 Change in legislation**

If after the commencement of the Contract, the cost or duration of the Services is altered as a result of changes in, or additions to, any statute, regulation or bye-law, or the requirements of any authority having jurisdiction over any matter in respect of the Project, then the Contract Price and time for completion shall be adjusted in order to reflect the impact of those changes, provided that, within 14 Days of first having become aware of the change, the Provider furnished the Employer with detailed justification for the adjustment to the Contract Price or Period of Performance (or both)..

#### **3.3 Language**

3.3.1 The language of the Contract and of all communications between the Parties shall be English.

3.3.2 All reports, recommendations and reports prepared by the Service Provider under the Contract shall be in English.

#### **3.4 Notices**

3.4.1 Any notice, request, consent, approvals or other communication made between the Parties pursuant to the Contract shall be in writing and forwarded to the address specified in the Contract Data. Such communication shall be deemed to have been made when delivered in person to an authorized representative of the Party to whom the communication is addressed, or one week after having been sent by registered post, or unless otherwise indicated in the Contract Data, when sent by e-mail or facsimile to such Party

3.4.2 A Party may change its address for receipt of communications by giving the other Party 30 Days advance notice of such change.

#### **3.5 Location**

The Services shall be performed at such locations as are specified in the Contract Data, and where the location of a particular task is not so specified, at such locations as the Employer may approve.

#### **3.6 Publicity and publication**

Unless otherwise stated in the Contract Data, the Service Provider shall not release public or media statements or publish material related to the Services or Project within two (2) years of completion of the Services without the written approval of the Employer, which approval by the Employer shall not be unreasonably withheld.

#### **3.7 Confidentiality**

Both parties shall keep all sensitive information obtained by them in the context of the Contract confidential and shall not divulge it without the written approval of the other Party.

### **3.8 Variations**

3.8.1 The Employer may, without changing the objectives or fundamental scope of the Contract, order variations to the Services in writing or may request the Service Provider to submit proposals, including the time and cost implications, for variations to the Services.

3.8.2 The reasonable cost of preparation and submission of such proposals and the incorporation into the Contract of any variations to the Services ordered by the Employer, including any change in the Contract Price, shall be agreed between the Service Provider and the Employer.

3.8.3 Where a variation is necessitated by default or breach of Contract by the Service Provider, any additional cost attributable to such variation shall be borne by the Service Provider.

### **3.9 Sole agreement**

The Contract constitutes the sole agreement between the Parties for the performance of the Services and any representation not contained therein shall be of any force or effect. No September amendments will be of any force or effect unless reduced to writing and signed by both Parties.

### **3.10 Indemnification**

The Service Provider shall, at his own expense, indemnify, protect and defend the Employer, its agents and employees, from and against all actions, claims, losses and damage arising from any negligent act or omission by the Service Provider in the performance of the Services, including any violation of legal provisions, or rights of others, in respect of patents, trade marks and other forms of intellectual property such as copyrights.

### **3.11 Penalty**

3.11.1 If due to his negligence, or for reasons within his control, the Service Provider does not perform the Services within the Period of Performance, the Employer shall without prejudice to his other remedies under the Contract or in law, be entitled to levy a penalty for every Day or part thereof, which shall elapse between the end of the period specified for performance, or an extended Period of Performance, and the actual date of completion, at the rate and up to the maximum amount stated in the Contract Data.

3.11.2 If the Employer has become entitled to the maximum penalty amount referred to in 3.11.1, he may after giving notice to the Service Provider :

- a) terminate the Contract
- b) complete the Services at the Service Provider's cost.

### **3.12 Equipment and materials furnished by the Employer**

3.12.1 Equipment and materials made available to the Service Provider by the Employer, or purchased by the Service Provider with funds provided by the Employer for the performance of the Services shall be the property of the Employer and shall be marked accordingly. Upon termination or expiration of the Contract, the Service Provider shall make available to the Employer an inventory of such equipment and materials and shall dispose of them in accordance with the Employer's instructions.

3.12.2 The Service Provider shall, at his own expense, insure the equipment and materials referred to in 3.12.1 for their full replacement value.

### **3 Illegal and impossible requirements**

The Service Provider shall notify the Employer immediately, on becoming aware that the Contract requires him to undertake anything which is illegal or impossible.

#### **3.14 Programme**

3.14.1 The Service Provider shall, within the time period set out in the Contract Data, submit to the Employer a programme for the performance of the Services which shall, *inter alia*, include:

- a) the order and timing of operations by the Service Provider and any actions required of the Employer and Others;
- b) the dates by which the Service Provider plans to complete work needed to allow the Employer and Others to undertake work required of them; and
- c) other information as required in terms of the Scope of Work or Contract Data.

3.14.2 The Employer may, during the course of the Contract, request the Service Provider to amend the programme. Where this is not practicable, the Service Provider shall advise the Employer accordingly and advise him of alternative measures, if any, which might be taken.

3.14.3 The Service Provider shall regularly update the programme to reflect actual progress to date and expected future progress.

### **4. EMPLOYER'S OBLIGATIONS**

#### **4.1 Information**

4.1.1 The Employer shall timeously provide to the Service Provider, free of cost, all available information and data in the Employer's possession which may be required for the performance of the Services.

4.1.2 The Employer shall provide the Service Provider with reasonable assistance required in obtaining other relevant information that the latter may require in order to perform the Services.

#### **4.2 Decisions**

The Employer shall, within a reasonable time, give his decision on any matter properly referred to him in writing by the Service Provider so as not to delay the performance of Services.

#### **4.3 Assistance**

4.3.1 The Employer shall co-operate with the Service Provider and shall not interfere with or obstruct the proper performance of the Services. The Employer shall as soon as practicable:

- a) authorise the Service Provider to act as his agent insofar as may be necessary for the performance of the Services;
- b) provide all relevant data, information, reports, correspondence and the like, which become available;
- c) procure the Service Provider's ready access to premises, or sites, necessary for the performance of the Services;
- d) assist in the obtaining of all approvals, licenses and permits from state, regional and municipal authorities having jurisdiction over the Project, unless otherwise stated in the Contract Data;

4.3.2 Unless otherwise communicated, the authorised and designated person named in the Contract Data has complete authority in giving instructions and receiving communications on the Employer's behalf and interpreting and defining the Employer's policies and requirements in regard to the Services.

#### **4.4 Services of Others**

The Employer shall, at his own cost, engage such Others as may be required for the execution of work not included in the Services, but which is necessary for the completion of the Project.

#### **4.5 Notification of material change or defect**

The Employer shall immediately advise the Service Provider on becoming aware of:

- a) any matter other than a change in legislation which will materially change, or has changed the Services; or
- b) a material defect or deficiency in the Services.

#### **4.6 Issue of instructions**

Where the Service Provider is required to administer the work or services of others, or any contract or agreement, on behalf of the Employer, then the Employer shall issue instructions related to such work, services, contract or agreement only through the Service Provider.

#### **4.7 Payment of Service Provider**

The Employer shall pay the Service Provider the Contract Price in accordance with the provisions of the Contract.

### **5 SERVICE PROVIDER'S OBLIGATIONS**

#### **5.1 General**

5.1.1 The Service Provider shall perform the Services in accordance with the Scope of Work with all reasonable care, diligence and skill in accordance with generally accepted professional techniques and standards.

5.1.2 If the Service Provider is a joint venture or consortium of two or more persons, the Service Provider shall designate one person to act as leader with authority to bind the joint venture or consortium. Neither the composition nor the constitution of the joint venture or consortium shall be altered without the prior consent in writing of the Employer, which shall not be unreasonably withheld.

#### **5.2 Exercise of authority**

The Service Provider shall have no authority to relieve Others appointed by the Employer to undertake work or services on the Project of any of their duties, obligations, or responsibilities under their respective agreements or contracts, unless expressly authorized by the Employer in response to an application by the Service Provider in writing to do so.

#### **5.3 Designated representative**

Unless otherwise communicated, the authorized and designated person named in the Contract Data has complete authority to receive instructions from and give information to the Employer on behalf of the Service Provider.

#### **5.4 Insurances to be taken out by the Service Provider**

5.4.1 The Service Provider shall as a minimum and at his own cost take out and maintain in force all such insurances as are stipulated in the Contract Data.

5.4.2 The Service Provider shall, at the Employer's request, provide evidence to the Employer showing that the insurance required in terms of Clause 5.4.1 has been taken out and

maintained in force.

### **5.5 Service Provider's actions requiring Employer's prior approval**

The Service Provider shall obtain the Employer's prior approval in writing before taking, inter alia, any of the following actions:

- a) Appointing Subcontractors for the performance of any part of the Services,
- b) Appointing Key Persons not listed by name in the Contract Data.
- c) Any other action that may be specified in the Contract Data.

### **5.6 Co-operation with Others**

If the Service Provider is required to perform the Services in co-operation with Others he may make recommendations to the Employer in respect of the appointment of such Others. The Service Provider shall, however, only be responsible for his own performance and the performance of Subcontractors unless otherwise provided for.

### **5.7 Notice of change by Service Provider**

On becoming aware of any matter which will materially change or has changed the Services, the Service Provider shall within 14 Days thereof give notice to the Employer.

## **6. CONFLICTS OF INTEREST**

### **6.1 Service Provider not to benefit from commissions, discounts, etc.**

The remuneration of the Service Provider under the Contract shall constitute the Service Provider's sole remuneration in connection with the Contract, or the Services, and the Service Provider shall not accept for his own benefit any trade commission, discount, or similar payment in connection with activities pursuant to the Contract, or in the discharge of his obligations under the Contract, and shall use his best efforts to ensure that the Personnel, any Subcontractors, and agents of either of them shall, similarly, not receive any additional remuneration.

### **6.2 Royalties and the like**

The Service Provider shall not have the benefit, whether directly or indirectly, of any royalty or of any gratuity or commission in respect of any patented or protected article or process used in or for the purposes of the Contract, or Project, unless so agreed by the Employer in writing.

### **6.3 Independence**

The Service Provider shall refrain from entering into any relationship which could be perceived as compromising his independence of judgement, or that of Subcontractors or Personnel.

## **7. SERVICE PROVIDER'S PERSONNEL**

### **7.1 General**

7.1.1 The Service Provider shall employ and provide all qualified and experienced Personnel required to perform the Services.



7.1.2 Where required in terms of the Contract, the Service Provider shall provide Key Persons as listed in the Contract Data to perform specific duties. If at any time, a particular Key Person cannot be made available, the Service Provider may engage a replacement who is equally or better qualified to perform the stated duty, subject to the Employer's approval, which approval shall not be unreasonably withheld.

7.1.3 Where the fees for the Services are time-based, the fee payable for a person provided as a replacement to a named Key Person shall not exceed that which would have been payable to the person replaced.

7.1.4 The Service Provider shall bear all additional costs arising out of or incidental to replacement of Personnel, except where such replacement is otherwise provided for in the Contract.

7.1.5 The Service Provider shall take all measures necessary and shall provide all materials and equipment necessary to enable Personnel to perform their duties in an efficient manner.

## **7.2 Provision of Personnel in terms of a Personnel Schedule**

7.2.1 The Service Provider shall, where required in terms of the Contract Data, provide appropriate Personnel for such time periods as required in terms of the Contract and enter all data pertaining to Personnel including titles, job descriptions, qualifications and estimated periods of engagement on the performance of the Services in the Personnel Schedule.

7.2.2 Where the Service Provider proposes to utilise a person not named in the Personnel Schedule, he shall submit the name, relevant qualifications and experience of the proposed replacement person to the Employer for approval. Should the Employer not object in writing within 10 Days of receipt of such notification, the replacement shall be deemed to have been approved by the Employer.

7.2.3 The Services shall be performed by the Personnel listed in the Personnel Schedule for the periods of time indicated therein. The Service Provider may, subject to the approval of the Employer, make such adjustments to the data provided in terms of Clause 7.2.1 above as may be appropriate to ensure the efficient performance of the Services, provided that the adjustments will not cause payments to exceed any limit placed on the Contract Price.

7.2.4 The Service Provider shall, if required in terms of Clause 7.2.1:

- a) forward to the Employer for approval, within 15 Days of the award of the Contract, the Personnel Schedule and a timetable for the placement of Personnel.
- b) inform the Employer of the date of commencement and departure of each member of Personnel during the course of the Project.
- c) submit to the Employer for his approval a timely request for any proposed change to Personnel, or timetables.

## **8. COMMENCEMENT, COMPLETION, MODIFICATION, SUSPENSION AND TERMINATION**

### **8.1 Commencement of Services**

The Service Provider shall commence the performance of the Services within the period stated in the Contract Data.

### **8.2 Completion**

8.2.1 Unless terminated in terms of the Contract, or otherwise specified in the Contract Data, the Contract shall be concluded when the Service Provider has completed all Deliverables in accordance with the Scope of Work.

8.2.2 The Service Provider may request an extension to the Period of Performance if he is or will be delayed in completing the Contract by any of the following causes:

- a) additional Services ordered by the Employer;
- b) failure of the Employer to fulfill his obligations under the Contract;
- c) any delay in the performance of the Services which is not due to the Service Provider's default;
- d) *Force Majeure*; or
- e) suspension.

8.2.3 The Service Provider shall within 14 Days of becoming aware that a delay may occur or has occurred, notify the Employer of his intention to make a request for the extension of the Period of Performance to which he considers himself entitled and shall within 30 days after the delay ceases deliver to the Employer full and detailed particulars of the request.

8.2.4 The Employer shall, within 30 Days of receipt of a detailed request, grant such extension to the Period of Performance as may be justified, either prospectively or retrospectively, or inform the Service Provider that he is not entitled to an extension. Should the Service Provider find the decision of the Employer to be unacceptable he shall, nevertheless, abide by such decision in the performance of the Services and the matter shall be dealt with as a dispute in terms of Clause 12.

### **8.3 Force Majeure**

8.3.1 The failure of a Party to fulfill any of its obligations under the Contract shall not be considered to be a breach of, or default under, this Contract insofar as such inability arises from an event of *Force Majeure*, provided that the Party affected by such an event has taken all reasonable precautions, due care and reasonable alternative measures in order to meet the terms and conditions of this Contract, and has informed the other Party as soon as possible about the occurrence of such an event.

8.3.2 in the event that the performance of the Services has to be suspended on the grounds of *Force Majeure*, the Period of Performance shall be extended by the extent of the delay plus a reasonable period for the resumption of work.

8.3.3 During the period of his inability to perform the Services as a result of an event of *Force Majeure*, the Service Provider shall be entitled to any payment due in terms of the Contract and shall be reimbursed for additional costs reasonably and necessarily incurred by him in suspending, delaying and re-activating the performance of the Services.

### **8.4 Termination**

8.4.1 The Employer may terminate the Contract:

- (a) where the Services are no longer required;
- (b) where the funding for the Services is no longer available;
- (c) if the Service Provider does not remedy a failure in the performance of his obligations under the Contract within thirty (30) Days after having been notified thereof, or within any further period as the Employer may have subsequently approved in writing;
- (d) if the Service Provider becomes insolvent or liquidated; or
- (e) if, as the result of *Force Majeure*, the Service Provider is unable to perform a material portion of the Services for a period of not less than sixty (60) Days;

8.4.2 The Employer shall give the Service Provider not less than thirty (30) Days written notice of any termination made in terms of 8.4.1 (a) or (b).

8.4.3 The Service Provider may terminate the Contract, by giving not less than thirty (30) Days written notice to the Employer after the occurrence of any of the following events:

- (a) if the Employer fails to pay any monies due to the Service Provider in terms of the Contract and not subject to dispute pursuant to Clause 12 within forty-five (45) Days after receiving written notice from the Service Provider that such payment is overdue; or
- (b) if, as the result of *Force Majeure*, the Service Provider is unable to perform a material portion of the Services for a period of not less than sixty (60) Days; or
- (c) when the Services have been suspended under Clause 8.5 and the period of suspension exceeds the period stated in the Contract Data, or it is clear to the Service Provider that it will be impossible or impractical to resume the suspended Services before the period of suspension has exceeded the period stated in the Contract Data; or
- (d) if the Employer is in material breach of a term of the Contract and fails to rectify such breach within 30 Days of the receipt of written notice requiring him to do so.

8.4.4 Upon termination of this Contract pursuant to Clauses 8.4.1 or 8.4.3, the Employer shall remunerate the Service Provider in terms of the Contract for Services satisfactorily performed prior to the effective date of termination and reimburse the Service Provider any reasonable cost incident to the prompt and orderly termination of the Contract, except in the case of termination pursuant to events (c) and (d) of Clause 8.4.1.

8.4.5 Should the Service Provider, being an individual or the last surviving principal of a partnership or body corporate, die or be prevented by illness or any other circumstances beyond his control from performing the obligations implied by the Contract, the Contract shall be terminated without prejudice to the accrued rights of either Party against the other.

## **8.5 Suspension**

8.5.1 The Employer may temporarily suspend all or part of the Services by notice to the Service Provider who shall immediately make arrangements to stop the performance of the Services and minimize further expenditure.

8.5.2 When Services are suspended, the Service Provider shall be entitled to pro-rata payment for the Services carried out and reimbursement of all reasonable cost incident to the prompt and orderly suspension of the Contract.

## **8.6 Rights and liabilities of the Parties**

Completion, suspension or termination of the Contract shall not prejudice or affect the accrued rights or liabilities of the Parties.

## **9. OWNERSHIP OF DOCUMENTS AND COPYRIGHT**

9.1 Copyright of all documents prepared by the Service Provider in accordance with the relevant provisions of the copyright Act (Act 98 of 1978) relating to Project shall be vested in the party named in the Contract Data. Where copyright is vested in the Service Provider, the Employer shall be entitled to use the documents or copy them only for the purposes for which they are intended in regard to the Project and need not obtain the Service Provider's permission to copy for such use. Where copyright is vested in the Employer, the Service Provider shall not be liable in any way for the use of any of the information other than as originally intended for the Project and the Employer hereby indemnifies the Service Provider against any claim which may be made against him by any party arising from the use of such documentation for other purposes.

9.2 The ownership of data and factual information collected by the Service Provider and paid for by the Employer shall, after payment by the Employer, lie with the Employer.

9.3 The Employer shall have no right to use any documents prepared by the Service Provider whilst the payment of any fees and expenses due to the Service Provider in terms of the Contract is overdue.

## **10. SUCCESSION AND ASSIGNMENT**

10.1 Except as defined in Clause 8.4.4 above, each Party binds itself and its partners, successors, executors, administrators, assigns and legal representatives to the other Party and to the other partners, successors, executors, administrators, assigns and legal representatives of the other Party in respect of all obligations and liabilities of the Contract.

10.2 An assignment shall be valid only if it is a written agreement, by which the Service Provider transfers his rights and obligations under the Contract, or part thereof, to others.

10.3 The Service Provider shall not, without the prior written consent of the Employer, assign the Contract or any part thereof, or any benefit or interest there under, except in the following cases:

- (a) by a charge in favour of the Service Provider's bankers of any monies due or to become due under the Contract; or
- (b) by assignment to the Service Provider's insurers of the Service Provider's right to obtain relief against any other person liable in cases where the insurers have discharged the Service Provider's loss or liability.

10.4 The approval of an assignment by the Employer shall not relieve the Service Provider of his obligations for the part of the Contract already performed or the part not assigned.

10.5 If the Service Provider has assigned his Contract or part thereof without authorization, the Employer may forthwith terminate the Contract and the third party will have no claim against the Employer resulting from such termination.

## **11. SUBCONTRACTING**

11.1 A Service Provider may not subcontract any work which he has the skill and competency to perform, unless otherwise permitted in the Contract Data.

11.2 A subcontract, where permitted in terms of the Contract Data, shall be valid only if it is a written agreement by which the Service Provider entrusts performance of a part of the Services to Others.

11.3 The Service Provider shall not subcontract to nor engage a Subcontractor to perform any part of the Services without the prior written authorization of the Employer. The services to be sub-contracted and the identity of the Subcontractor shall be notified to the Employer. The Employer shall, within 14 Days of receipt of the notification and a full motivation why such services are to be subcontracted, notify the Service Provider of his decision, stating reasons, should he withhold such authorization. If the Service Provider enters into a subcontract with a Subcontractor without prior approval, the Employer may forthwith terminate the Contract.

11.4 The Employer shall have no contractual relationships with Subcontractors. However, if a Subcontractor is found by the Employer to be incompetent; the Employer may request the Service Provider either to provide a Subcontractor with qualifications and experience acceptable to the Employer as a replacement, or to resume the performance of the relevant part of the Services himself.

11.5 The Service Provider shall advise the Employer without delay of the variation or termination of any subcontract for performance of all or part of the Services.

11.6 The Service Provider shall be responsible for the acts, defaults and negligence of Subcontractors and their agents or employees in the performance of the Services, as if they were the acts, defaults or negligence of the Service Provider, his agents or employees. Approval by the Employer of the subcontracting of any part of the Contract or of the engagement by the Service Provider of Subcontractors to

perform any part of the Services shall not relieve the Service Provider of any of his obligations under the Contract.

## **12. RESOLUTION OF DISPUTES**

### **12.1 Settlement**

12.1.1 The Parties shall negotiate in good faith with a view to settling any dispute or claim arising out of or relating to the Contract and may not initiate any further proceedings until either Party has, by written notice to the other, declared that such negotiations have failed.

12.1.2 Any dispute or claim arising out of or relating to the Contract which cannot be settled between the Parties shall in the first instance be referred by the Parties to either mediation or adjudication as provided for in the Contract Data.

### **12.2 Mediation**

12.2.1 If the Contract Data does not provide for dispute resolution by adjudication, not earlier than 14 Days after having advised the other Party, in terms of Clause 12.1, that negotiations in regard to a dispute have failed, an aggrieved Party may require that the dispute be referred, without legal representation, to mediation by a single mediator. The mediator shall be selected by agreement between the Parties, or, failing such agreement, by the person named for this purpose in the Contract Data. The costs of the mediation shall be borne equally by the Parties.

12.2.2 The mediator shall convene a hearing of the Parties and may hold separate discussions with any Party and shall assist the Parties in reaching a mutually acceptable settlement of their differences through means of reconciliation, interpretation, clarification, suggestion and advice. The Parties shall record such agreement in writing and thereafter they shall be bound by such agreement.

12.2.3 The mediator is authorised to end the mediation process whenever in his opinion further efforts at mediation would not contribute to a resolution of the dispute between the Parties.

12.2.4 If either Party is dissatisfied with the opinion expressed by the mediator or should the mediation fail, then such Party may require that the dispute be referred to arbitration or litigation in a competent civil court, as provided for in the Contract Data.

### **12.3 Adjudication**

12.3.1 If the Contract Data does not provide for dispute resolution by mediation, an aggrieved Party may refer the dispute to adjudication. Adjudication shall be in accordance with the latest edition of the separately published CIDB Adjudication Procedures.

12.3.2 The adjudicator shall be appointed in terms of the Adjudicator's Agreement bound in the Construction Industry Development Board's Adjudication Procedure.

12.3.3 The Adjudicator shall be any person agreed to by the parties or, failing such agreement, shall be nominated by the person named in the Contract Data. The Adjudicator shall be appointed in accordance with the Adjudicator's Agreement contained in the CIDB Adjudication Procedure.

12.3.4 If a Party is dissatisfied with the decision of the Adjudicator, the Party may give the other Party notice of dissatisfaction within 28 Days of the receipt of that decision and refer the dispute to arbitration or litigation in a competent civil court as provided for in the Contract Data. If no notice of dissatisfaction is given within the specified time, the decision shall be final and binding on the Parties.

### **12.4 Arbitration**

12.4.1 Arbitration, where provided for in the Contract Data, shall be by a single arbitrator in

accordance with the provisions of the Arbitration Act of 1965 as amended and shall be conducted in accordance with such procedure as may be agreed between the Parties or, failing such agreement, in accordance with the Rules for the Conduct of Arbitrations published by the Association or Arbitrators current at the date the arbitrator is appointed.

12.4.2 The arbitrator shall be mutually agreed upon or, failing agreement, to be nominated by the person named in the Contract Data.

## **13. LIABILITY**

### **13.1 Liability of the Service Provider**

13.1.1 The Service Provider shall be liable to the Employer arising out of or in connection with the Contract if a breach of Clause 5.1 is established against him.

13.1.2 The Service Provider shall correct a Defect on becoming aware of it. If the Service Provider does not correct a Defect within a reasonable time stated in a notification and the Defect arose from a failure of the Service Provider to comply with his obligation to provide the Services, the Service Provider shall pay to the Employer the amount which the latter assesses as being the cost of having such Defect corrected by Others.

13.1.3 All persons in a joint venture or consortium shall be jointly and severally liable to the Employer in terms of this Contract and shall carry individually the minimum levels of insurance stated in the Contract Data, if any.

### **13.2 Liability of the Employer**

The Employer shall be liable to the Service Provider arising out of or in connection with the Contract if a breach of an obligation of his in terms of the Contract is established. The Service Provider shall have no separate Legal right of action against the Employer.

### **13.3 Compensation**

If it is established that either Party is liable to the other, compensation shall be payable only on the following terms:

- (a) Compensation shall be limited to the amount of reasonably foreseeable loss and damage suffered as a result of the breach.
- (b) In any event, the amount of compensation will be limited to the amount specified in Clause 13.5.

### **13.4 Duration of Liability**

Notwithstanding the terms of the Prescription Act No. 68 of 1969 (as amended) or any other applicable statute of limitation neither the Employer nor the Service Provider shall be held liable for any loss or damage resulting from any occurrence unless a claim is formally made within the period stated in the Contract Data or, where no such period is stated, within a period of three years from the date of termination or completion of the Contract.

### **13.5 Limit of Compensation**

13.5.1 Unless otherwise indicated in the Contract Data, the maximum amount of compensation payable by either Party to the other in respect of liability under the Contract is limited to:

- a) the sum insured in terms of 5.4 in respect of insurable events; and
- b) the sum stated in the Contract Data or, where no such amount is stated, to an amount equal to twice the amount of fees payable to the Service Provider under the Contract, excluding reimbursement and expenses for items other than salaries of Personnel, in respect of non-insurable events.

13.5.2 Each Party agrees to waive all claims against the other insofar as the aggregate of

compensation which might otherwise be payable exceeds the aforesaid maximum amount payable.

13.5.3 If either Party makes a claim for compensation against the other Party and this is not established, the claimant shall reimburse the other for his reasonable costs incurred as a result of the claim or if proceedings are initiated in terms of Clause 12 for such costs as may be awarded.

### **13.6 Indemnity by the Employer**

Unless otherwise indicated in the Contract Data, the Employer shall indemnify the Service Provider against all claims by third parties which arise out of or in connection with the performance of the Services save to the extent that such claims do not in the aggregate exceed the limit of compensation in Clause 13.5, if applicable, or are covered by the insurances arranged under the terms of Clause 5.4.

### **13.7 Exceptions**

13.7.1 Clauses 13.5 and 13.6 shall not apply to claims arising from deliberate misconduct.

13.7.2 The Service Provider shall have no liability whatsoever for actions, claims, losses or damages occasioned by:

- a) the Employer omitting to act on any recommendation, or overriding any act, decision or recommendation, of the Service Provider, or requiring the Service Provider to implement a decision or recommendation with which the Service Provider disagrees or on which he expresses a serious reservation; or
- b) the improper execution of the Service Provider's instructions by agents, employees or independent contractors of the Employer.

## **14. REMUNERATION AND REIMBURSEMENT OF SERVICE PROVIDER**

The Employer shall remunerate and reimburse the Service Provider for the performance of the Services as set out in the Pricing Data. If not otherwise stated in the Pricing Data, the following shall apply:

14.1 The Service Provider shall be entitled to render interim monthly accounts for fees and reimbursements throughout the duration of the Contract. Interim amounts of lump sum fees due shall be based on progress.

14.2 Amounts due to the Service Provider shall be paid by the Employer within thirty (30) Days of receipt by him of the relevant invoices. If the Service Provider does not receive payment by the due date, he shall be entitled to charge interest on the unpaid amount, which is payable by the Employer, at the prime interest rate charged by his bank and certified by such bank, plus 2% per annum, and calculated from the due date of payment.

14.3 If any item or part of an item in an invoice submitted by the Service Provider is disputed by the Employer, the latter shall, before the due date of payment, give notice thereof with reasons to the Service Provider, but shall not delay payment of the balance of the invoice. Clause 14.2 shall apply to disputed amounts which are finally determined to be payable to the Service Provider.

14.4 In respect of Services charged for on a time basis and all other reimbursable expenses the Service Provider shall maintain records in support of such charges and expenses for a period of twenty four months after the completion or termination of the Contract. Within this period the Employer may, on not less than 14 Days' notice, require that a reputable and independent firm of accountants, nominated by him at his expense, audit any claims made by the Service Provider for time charges and expenses by attending during normal working hours at the office where the records are maintained.

## **15 AMOUNTS DUE TO THE EMPLOYER**

Amounts due to the Employer shall be paid by the Service Provider within thirty (30) Days of receipt by him of the relevant invoices. If the Employer does not receive payment by the due date, he shall be entitled to charge interest on the unpaid amount, which is payable by the Service Provider, at the rate stated in the Contract Data, calculated from the due date for payment.



## BA-PHALABORWA MUNICIPALITY

### Pricing Instructions

- 1 The Service Provider is required to provide the services in accordance with the Scope of Work. To provide the work in accordance with the Scope of Work embraces all things necessary and incidental to completing the *services*.
- 2 The Service Provider is required to price for providing the services relating to each activities provided in the Activity Schedule. If a particular activity is not identified, the cost to the Service Provider of doing the work shall be deemed to be included in, or spread across, the other prices in order to fulfill the obligation to complete the services for the tendered total of the prices.
- 3 The only basis for a change to the prices is as a result of the Employer giving an instruction to change the Scope of Work. The reasonableness of the changes in prices resulting from such a change shall be assessed in terms of recommended time based fees published by the relevant engineering councils.
- 4 The Service Provider is required to include all expenses in the activity schedule. No contract price adjustment for inflation is provided for.

# **BA-PHALABORWAMUNICIPALITY**

## **Bill of Quantities**

- 1) The Bill of Quantities (BOQ) must be completed in full. Where items are omitted, it will be deemed as included elsewhere
- 2) The BOQ is provisional, and may not be used to order material. The Contractor will only place orders from his own measurements, after confirmation by the Municipality.
- 3) The Municipality reserves the right to change any quantity in the bill according to final requirements, and the contractor will not be entitled to any claim due to such changes.
- 4) If the contractor find discrepancies between the BOQ and his own measurements, he will bring it under the attention of the Deputy Director: Electrical before placing an order for that item where the discrepancy exist. The Deputy Director: Electrical will rule on this.
- 5) The BOQ will be the format of claims. Only claims substantiated by the quantities in the Bill will be considered.
- 6) Where PC items, contingency and preliminary items are included in the BOQ, payment will only be made for such items if the Deputy Director: Electrical has given written instructions to that effect.
- 7) The Contractor will only be paid for actual work done and/or material supplied, and not as per the provisional BOQ.
- 8) All items in the BOQ is exclusive of VAT. VAT is only added at the end under the SUMMARY.

Item no	Description	Unit	Quantity	Rate	Total
1	4 way outdoor ring main unit (11kV)	each	2		
2	3 way outdoor ring main unit (11kV)	each	2		
3	Single unit (11kV)	each	2		

4 Subtotal

5 Plus VAT @ 15%

6 Total Tender Amount carried forward to form of tender

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**Program**

Total completion time for project from date of appointment:

weeks

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Signature of Tenderer

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Date:

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