

# HARRY GWALA DISTRICT MUNICIPALITY



**INVITATION FOR TENDERS FOR APPOINTMENT OF A SERVICE PROVIDER TO ASSESS, TEST, SITE, DRILL, EQUIP, REFURB OF EXISTING BOREHOLES, INSTALLATION OF SOLAR POWERED BOREHOLES, CONSTRUCTION MONITORING AND COMMISSIONING OF COMPLETED WORKS PER SPECIFICATION WITHIN IN UMZIMKHULU**

**BID NO.: HGDM 669/HGDM/2020/2**

**CIDB GRADE – 4CE or HIGHER**

**Enquiries: Mr. D.S Gqiba: Telephone (039) 834 3939/2485**

## **SUBMISSION OF TENDERS**

**Date: 30 JULY 2020**

**Time: 12h00**

**Venue: Harry Gwala District Municipality**

**40 Main Street**

**Ixopo**

**Contractors Name** : \_\_\_\_\_  
**Tender Sum** : \_\_\_\_\_  
**Postal Address** : \_\_\_\_\_  
: \_\_\_\_\_  
**Contact Person** : \_\_\_\_\_  
**Telephone No.** : \_\_\_\_\_  
**Fax No.** : \_\_\_\_\_  
**Email Address** : \_\_\_\_\_

## INVITATION TO BID

Harry Gwala District Municipality hereby request bids from competent service providers for the execution of the following services:

NO	PROJECT NAME	CIDB GRADING	TENDER NUMBER	CLOSING DATE
i.	TO ASSESS, TEST, DRILL, EQUIP, REFURBISHMENT OF EXISTING BOREHOLES: INSTALLATION OF SOLAR POWERED BOREHOLES, CONSTRUCTION MONITORING AND COMMISSIONING OF COMPLETED WORKS IN UMZIMKHULU	4CE OR HIGHER	Contract No. HGDM 699/HGDM/2020/2	30 July 2020@ 12h00

The Contract shall comprise the assessment, discharge yield-testing, quality testing of design, siting, drilling, equipping, refurbishment of boreholes, construction monitoring and commissioning of a solar-powered boreholes at, Madlathu, Pholanyoni, Reesdale, Ngunjini, Mqhokweni, Kromdraai, Nkampini, Paninkukhu, Fourteen. The project includes the supply of all labour, materials, workmanship, machinery, equipment, transport, attendance on others and everything stated or implied which is, or may be, necessary in and for the entire completion of all the following works:

- Assessment of existing infrastructure, designing and providing necessary drawings
- Carry out hydrogeological services and hydrogeological reports
- Siting, drilling, developing and equipping new boreholes.
- Site establishment and de-establishment.
- Refurbishment of existing boreholes as directed by the Client.
- Supply and install solar powered boreholes complete with pump, starter and necessary accessories as per the design and specifications.
- Trenching, supply of pipe material and pipe laying as per designs and specifications.
- Supply and installation of storage tanks (10 000Litres) plastic type on 6m steel stands.
- Supply and construct concrete palisade fencing for all boreholes with locked gates.
- Provide security of the project site during the construction until site hand over.
- Provide supervision and commission the project to client, and site hand over

This service will be over the duration of a period of 3 months. **All claims/ invoices should be accompanied by reports and photos of the work conducted and certified by the client.**

Only Bidders that have the required CIDB Grading listed on the table above will be considered. Joint Ventures are also eligible to submit Bids provided that every member of the Joint Venture is registered with the CIDB and a combined grade of Joint Venture calculated in accordance with the CIDB regulations is equal to or higher than the specified Contractor grading.

**Invalid or non-submission of the following documents will lead to immediate disqualification.**

- Central Supplier database registration
- JV Agreement (if applicable);
- A signed MBD4 form must be submitted with all bids ( available on our website or at reception)

**The following will apply in all the above bids:**

- Valid tax certificate or SARS pin
- Price(s) quoted must be firm and must be inclusive of VAT;
- A firm delivery period must be indicated;
- All tenders must be valid for 90 days after the tender closing date
- A certified and valid B-BBEE status level verification certificate or an original certified sworn affidavit for claiming preference points.
- 80/20 Preference point system will be used in Evaluation. Functionality will be calculated first.

#### **COLLECTION OF BID DOCUMENTS**

Bid documents may be collected from the **20 July 2020** between **09h00 and 16h00** at Harry Gwala District Municipality Offices, Finance Services Department, situated at Ixopo 40 Main Street, Ixopo 3276. Tender documents will be issued upon payment of a non-refundable cash fee of **R 500 each**. Documents can also be downloaded on municipal website: [www.harrygwaladm.gov.za](http://www.harrygwaladm.gov.za)

#### **CLOSING DATE**

The closing date for the bids is as per the table above. Bids must be enclosed in **SEALED ENVELOPES** and clearly labelled with the contract number and project name on the outside of the envelopes addressed to **The Municipal Manager**.

Bids must be deposited in the Bid Box at the reception area of Harry Gwala District Municipal, 40 Main Street, IXOPO before the closing date. Telegraphic, telexed or faxed bids will not be considered and late bids will not be accepted.

Harry Gwala District Municipality does not bind itself to accept the lowest or any Bid and reserves the right to accept the whole or any part of the bid.

#### **BID ENQUIRIES**

All bid enquiries and other matters shall be directed to the following during working hours on 039 834 3939: Executive Director: Water Services: Mr D Gqiba on [gqibad@harrygwaladm.gov.za](mailto:gqibad@harrygwaladm.gov.za)  
Mr S Ngcobo on [ngcobos1@harrygwaladm.gov.za](mailto:ngcobos1@harrygwaladm.gov.za)

**Mrs AN. Dlamini**  
**Municipal Manager**

## HARRY GWALA DISTRICT MUNICIPALITY

INVITATION FOR TENDERS FOR APPOINTMENT OF A SERVICE PROVIDER TO ASSESS, TEST, SITE, DRILL, EQUIP, REFURB OF EXISTING BOREHOLES, INSTALLATION OF SOLAR POWERED BOREHOLES, CONSTRUCTION MONITORING AND COMMISSIONING OF COMPLETED WORKS IN UMZIMKHULU

CONTRACT NO. HGDM 669/HGDM/2020/2

### CONTENTS:

1. SCOPE OF WORKS	"FORM A"	PAGE	5
2. FORM OF TENDER	"FORM B"	PAGE	6
3. CONDITIONS OF TENDER	"FORM C"	PAGE	7
4. BILL OF QUANTITIES		PAGE	8
5. TENDER CRITERIA	"FORM D"	PAGE	13
6. FORM OF ACCEPTANCE	"FORM E"	PAGE	17
7. CERTIFICATE OF MUNICIPAL SERVICES	"FORM F"	PAGE	19
8. MBD 4 FORM	"FORM G"	PAGE	20
9. MBD 8 FORM	"FORM H"	PAGE	24
10. MBD 6.1 FORM	"FORM I"	PAGE	27
11. MBD 6.2 FORM	"FORM J"	PAGE	29
12. HGDM SUPPLY CHAIN POLICY	"FORM K"	PAGE	34

## **Form "A"**

### **INVITATION FOR TENDERS FOR APPOINTMENT OF A SERVICE PROVIDER TO ASSESS, TEST, SITE, DRILL, EQUIP, REFURB OF EXISTING BOREHOLES, INSTALLATION OF SOLAR POWERED BOREHOLES, CONSTRUCTION MONITORING AND COMMISSIONING OF COMPLETED WORKS IN UMZIMKHULU**

#### **GENERAL SCOPE OF WORK**

##### **1. Providing civil, electrical, mechanical Service**

The Contract shall comprise the assessment, discharge yield-testing, quality testing of design, siting, drilling, equipping, refurbishment of boreholes, construction monitoring and commissioning of a solar-powered boreholes at, Madlathu, Pholanyoni, Reesdale, Ngunjini, Mqhokweni, Kromdraai, Nkampini, Paninkukhu, Fourteen. The project includes the supply of all labour, materials, workmanship, machinery, equipment, transport, attendance on others and everything stated or implied which is, or may be, necessary in and for the entire completion of all the following works:

- Assessment of existing infrastructure, designing and providing necessary drawings
- Carry out hydrogeological services and hydrogeological reports
- Siting, drilling, developing and equipping new boreholes.
- Site establishment and de-establishment.
- Refurbishment of existing boreholes as directed by the Client.
- Supply and install solar powered boreholes complete with pump, starter and necessary accessories as per the design and specifications.
- Trenching, supply of pipe material and pipe laying as per designs and specifications.
- Supply and installation of storage tanks (10 000Litres) plastic type on 6m steel stands.
- Supply and construct concrete palisade fencing for all boreholes with locked gates.
- Provide security of the project site during the construction until site hand over.
- Provide supervision and commission the project to client, and site hand over

This service will be over the duration of a period of 3 months. All claims/ invoices should be accompanied by reports and photos of the work conducted and certified by the client.

**INVITATION FOR TENDERS FOR APPOINTMENT OF A SERVICE PROVIDER TO ASSESS, TEST, SITE, DRILL, EQUIP, REFURB OF EXISTING BOREHOLES, INSTALLATION OF SOLAR POWERED BOREHOLES, CONSTRUCTION MONITORING AND COMMISSIONING OF COMPLETED WORKS IN UMZIMKHULU**

**Form of Tender**

Having examined the Tender Document and scope of work contained therein, I/we offer to enter into a Contract with the Harry Gwala District Municipality to render the above service as detailed in Appendix "A" appended at rear of this document, the sum of which is reflected as follows:

.....

Provision of Service to Harry Gwala District Municipality for a period of 3 months commencing from the date of the award.

I/We understand that you are not bound to accept the lowest or any tender that you may receive, and it is acknowledged that the Harry Gwala District Municipality reserves the rights to accept the whole or any part of the Tender, no reason for acceptance or rejection of any tender/quotation will be given.

.....

Signature

Name of individual submitting this Tender

Mr/Mrs/Ms .....

Duly authorized to sign on behalf of (name of organization/firm submitting Quotation)

.....

Address .....

.....

Date .....

Telephone No. ....

## FORM "C"

### INVITATION FOR TENDERS FOR APPOINTMENT OF A SERVICE PROVIDER TO ASSESS, TEST, SITE, DRILL, EQUIP, REFURB OF EXISTING BOREHOLES, INSTALLATION OF SOLAR POWERED BOREHOLES, CONSTRUCTION MONITORING AND COMMISSIONING OF COMPLETED WORKS IN UMZIMKHULU

#### CONDITIONS OF TENDER

1. The lowest or any Tender will not necessarily be accepted, and the Harry Gwala District Municipality reserves the rights to accept the whole or any part of the Tender, no reason for acceptance or rejection of any tender will be given.
2. The quantities called for in this Tender are an estimate quantity and the Harry Gwala District Municipality does not hold itself responsible for the exact extent of this contract. It is therefore the Tenderer's responsibility to ensure the full extent of the Contract.
3. This contract will be governed by the Harry Gwala District Municipality's "Conditions of Tender" only and not any conditions supplied by the tendered.
4. Only Tenders on Harry Gwala District Municipality official Tender document will be accepted and the original document must be returned, fully completed and signed, in the form presented. Failure to do so will invalidate such a Tender.
5. It must be clearly understood by the Tenderer that in the case where materials or services are required by the Harry Gwala District Municipality, that any claims will not be recognized unless a Harry Gwala District Municipality official order is issued. It is further understood that Harry Gwala District Municipality will not accept responsibility for any payment to the Tenderer unless the invoices for such goods or services, quotes the relevant order number and is sent to the Harry Gwala District Municipality, Financial Department, Private Bag X501, Ixopo, 3276
6. Any additional payment for extra work carried out on a contract will only be made provided that the Service Provider is issued with a variation order by Water Services HOD

7. Only Tenders received on or before the due time of 12h00 on the given closing date will be considered. No late Tenders will be accepted.
8. No telegraphic or faxed Tender will be accepted.
9. All prices quoted must include value-added tax, unless otherwise indicated



## BILL OF QUANTITIES:

**INVITATION FOR TENDERS FOR APPOINTMENT OF A SERVICE PROVIDER TO ASSESS, TEST SITE, DRILL, EQUIP, REFURB OF EXISTING BOREHOLES, INSTALLATION OF SOLAR POWERED BOREHOLES, CONSTRUCTION MONITORING AND COMMISSIONING OF COMPLETED WORKS PER SPECIFICATION WITHIN THE HARRY GWALA DISTRICT MUNICIPALITY**

ITEM	DESCRIPTION	UNIT	QTY	RATE	AMOUNT
<b>SECTION 1 : PRELIMINARY AND GENERAL ITEMS</b>					
<b>SANS 1200 A</b>					
<b>1.1 FIXED CHARGE RELATED ITEMS</b>					
<b>1.1.1</b>	<b>Contractual requirements to cover the Contractor's team including hydrological specialist costs for the sureties, insurance and other requirements as stated in the Tender Document.</b>				
1.1.1.1	Project Manager	Rate Only			
1.1.1.2	Hydrogeologist	Rate Only			
1.1.1.3	Geo-Technician	Rate Only			
1.1.1.4	Health and Safety Officer	Rate Only			
1.1.2	The Contractor to establish facilities on site as follows:				
1.1.2.1	Name boards as per the specification				
1.1.3	Facilities of the Contractor for the duration of the contract	No.	3		
1.1.3.1	Provide Offices and storage sheds as necessary for the duration of the contract	Sum	1		
1.1.3.2	Provide accommodations for the contractor	Sum	1		
1.1.3.3	Provide Ablution and latrine facilities as specified	Sum	1		
1.1.3.4	Supply tools and equipment as required	Sum	1		
1.1.3.5		Sum	1		

1.1.3.6	Provide water supplies, electric power and communications as necessary	Sum	1		
1.1.3.7	Dealing with water as prescribed in SANS 1200 A section 5.5	Rate Only			
1.1.3.8	Establish access road to site if necessary	Sum	1		
	Other fixed charge obligations by the Contractor that are relevant to the successful completion of the works				
1.1.4	The Contractor to de-stablish upon completion of the contract.	Sum	1		

ITEM	DESCRIPTION	UNIT	QTY	RATE	AMOUNT
<b>1.2 TIME RELATED ITEMS</b>					

<b>HYDROGEOLOGICAL PROFESSIONAL FEES</b>					
1.2.1	Desktop Assessment	Sum	1		
1.2.2	Site Assessment	No	10		
1.2.3	Supervision Drilling	No	10		
1.2.4	Supervision Test pumping	No	10		
1.2.5	Equipping Supervision	No	10		
1.2.6	Commissioning	No	10		
1.2.7	Reporting including Close Out Report and Progress Reports	Sum	1		
1.2.8	Project Management and Co-ordination	Sum	1		
1.2.9	Community Liaison Officers	Prov. Sum	1		
1.2.10	Contractor's Overheads and Profits on item 1.2.9	%			
1.2.11	Electrical / Solar Power connection to boreholes	Prov. Sum	1		
1.2.12	Contractor's Overheads and Profits on item 1.2.11	%			
<b>TOTAL PER SECTION 1</b>					

<b>ITEM</b>	<b>DESCRIPTION</b>	<b>UNIT</b>	<b>QTY</b>	<b>RATE</b>	<b>AMOUNT</b>
<b>SECTION 2 : BOREHOLE PUMPSTATION AND TANKS</b>					

**SANS 1200 A**

**2. PROFESSIONAL SERVICES**

<b>2.1</b>	<b>HYDRO-GEOLOGICAL, SERVICES, DRILLING, TESTING, EQUIP AND INSTALLATION</b>				
2.1.1	(a) Site, drill 40m – 150m deep, case new borehole as per below specification (Drilling diameters will be 152mm, 165mm, 203mm, 254mm and 305mm)	No	10		
	(b) Drilling 219mm from 0m – 60m	No	10		
	(c) Drilling 165mm from 0m – 150m	No	10		
	Any variation must be acceptable to the Client				
2.1.2	Pumped Yield Test Analysis and Supervision	Sum	10		
2.1.3	Water Test Sampling	Sum	10		
2.1.4	Percentage mark-up on item 2.1.2	%			
<b>2.2</b>	<b>BOREHOLE EQUIPPING</b>				
2.2.1	(a) Supply and install submersible borehole pump (5l/s – 2.2kW) complete with all necessary pipework, non-return valves, gate valves and fittings.	Rate Only			
2.2.2	(b) Provide Electrical power supply from Eskom for all pump stations complete with all accessories to the borehole pump stations with connection points.	Rate Only			
2.2.3	(c) Supply and install standby diesel engine, complete with all accessories to the borehole pump for all stations compatible with installed submersible pumps.	Rate Only			
2.2.4	(d) Supply and solar powered borehole submersible pump, motor, starter, design approved by the client.	No	10		
<b>2.3</b>	<b>PROTECTION OF MARKING OF BOREHOLES</b>				
2.3.1	Supply and install name plate inside the pump house on chromatic material showing:  Borehole number, depth of borehole, date drilled, recommended abstraction rate and client name	No	10		

<b>2.4</b>	<b>BOREHOLE PERIMETER FENCING</b>				
2.4.1	Supply and Erect concrete palisade fencing, inclusive of all stays and posts with a lockable access gate as approved by the municipality.	Sum	10		
<b>2.5</b>	<b>TANK INSTALLATION</b>				
2.5.1	Supply and install 10kl tank on elevated 1m – 6m high steel stand designed and certified by a professional structural engineer to support the tank inclusive of fittings, ladder, safety railing, disinfection and earthworks and all materials for a 6m high tank and stand.	No	10		
2.5.2	Allow for all necessary pipework, valves and connections	No	10		
2.5.3	Lockable steel box casing (to house the pump)	No	10		
2.5.4	80mm / 50mm Sensus WPD meter insert	No	10		
2.5.5	SANS 241 Small package Treatment Plant 50m3/h	Rate Only			
<b>TOTAL PER SECTION 2</b>					

<b>ITEM</b>	<b>DESCRIPTION</b>	<b>AMOUNT</b>
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<b>3.0 SUMMARY</b>		
1.0	PRELIMINARY AND GENERAL ITEMS	
1.1	FIXED CHARGE RELATED ITEMS	
1.2	TIME RELATED ITEMS	
2.0	PROFESSIONAL SERVICES	
2.1	HYDRO-GEOLOGICAL, SERVICES, DRILLING, TESTING, EQUIP AND INSTALLATION	
2.2	BOREHOLE EQUIPPING	
2.3	PROTECTION OF MARKING OF BOREHOLES	
2.4	BOREHOLE PERIMETER FENCING	
2.5	TANK INSTALLATION	
<b>Sub - Total</b>		
Contingencies 10%		
<b>Sub Total</b>		
<b>Add 15% VAT</b>		
<b>Grand Total</b>		

**A. BID EVALUATION CRITERIA****1. Evaluation Methodology**

Bids will be evaluated on the 80/20 system where 80 points is for price and 20 points for BBBEE level contributor.

**Stage 1:**

Assessment of functionality. Only service providers, who will achieve a minimum of 60% of the total available points, in accordance with the criteria will qualify for stage two of the evaluation.

The below formula will be used to calculate Functionality using the criteria mentioned below.

**1.1 EVALUATION OF THE PROPOSALS**

Functionality will first be evaluated using the following points:

<b>Criteria</b>	<b>Points allocation</b>	<b>Weight 5-1</b>	<b>Value 100%</b>
Assessment, Design, Drilling, Equipping of solar powered boreholes, water retic and supervision	1-2 Projects completed or of related work uninterrupted service	5	30%
	3-4 Projects completed or of related work uninterrupted service	10	
	5 or more Projects completed or of related work uninterrupted service	15	
Highest Value of related contract	Below R3 million	1	20%
	R3 million to below R6 million	5	
	R6 million to below R10 million	10	
	R10 million and above	15	
Proof of personnel (Team)	Provide proof of listed personnel and their qualifications	5	20%
Project Manager	Provide proof of Project Manager, Hydro-Geologist, Health and Safety or Geo-Techni. and their qualifications	3	
Geo-Technician Health and Safety Officer	Provide proof of at least Project Manager and any other related personnel qualifications	1	
Resources Available to the Company	Drilling Unit	6	30%
	Support Vehicles	3	
	Other Ancillary Plant	3	
	Testing Unit	5	
	Water Level Measuring Devices	3	



$$P_s = \frac{S_o}{M_s} \times 100$$

where:

Ps = percentage scored for functionality by bid under consideration

So = total score of bid under consideration

Ms = maximum possible score

**Points scored must be rounded off to the nearest two decimal places.**

### 1.2 Step 2: Calculation of Points for BBBEE status level of contributor.

Points must be awarded to the bidder for attaining BBBEE status level of contribution in accordance with the table below:-

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

### 2. Summary

In summary, the points system for the evaluation of the technical proposal in terms of Price and BBBEE level contributor systems is as below:-

- Price 80 points
- BBBEE 20 points

**B. AWARDING OF CONTRACT, COMPLETION AND PENALTIES**

1. The successful bidders will have to enter into Service Level Agreement with the Municipality.
2. The date of commencement of the Contract will be advised after adjudication of the Tender.
3. Tenderers shall furthermore note that goods or services will not be considered acceptable and consequently their obligations not fulfilled should goods or services fail to comply with the specifications in the Tender document.
4. Where the Service provider fails to render the services within the stipulated period, or should services rendered be deemed not to the satisfaction of the Harry Gwala District Municipality, this could result in the entire contract being reviewed or cancelled.

**C. TAX**

1. Tenderers are requested to attach the original tax clearance certificate from the revenue office to indicate their standing with regard to Tax matters.

**D. PAYMENTS**

1. Payments will be made within 30 days of the certified invoice date.
2. Tenders must clearly state all settlement and trade discounts.
3. Any additional payment for extra work carried out on a contract will only be made provided that the contractor is issued with a variation order by Water Services HOD.
4. The Harry Gwala District Municipality hereby indemnifies itself from any claims whatsoever, which may arise as a result of loss of income suffered by the Tenderer for any reason directly or indirectly during the course of this Tender and the Harry Gwala District Municipality reserves the right to consider compensation at its own terms.

**FORM "E"**

**INVITATION FOR TENDERS FOR APPOINTMENT OF A SERVICE PROVIDER TO ASSESS, TEST, SITE, DRILL, EQUIP, REFURB OF EXISTING BOREHOLES, INSTALLATION OF SOLAR POWERED BOREHOLES, CONSTRUCTION MONITORING AND COMMISSIONING OF COMPLETED WORKS PER SPECIFICATION WITHIN THE HARRY GWALA DISTRICT MUNICIPALITY.**

**FORM OF ACCEPTANCE**

The Municipal Manager  
Harry Gwala Municipality  
Private Bag X 501  
Ixopo  
3276

I \_\_\_\_\_ the undersigned, having examined the Specification, hereby offer to supply the Harry Gwala District Municipality with the requirements called for on Municipalities Form of Tender, Form "B" attached, in accordance with the conditions of this Tender.

I/We further undertake that this offer shall not be retracted or withdrawn from the closing date of this Tender up to the order date.

I/We further undertake, in the event of the acceptance of this Tender, either wholly or in part, to enter into a formal contract, for the due fulfilment of the contract to the satisfaction of the Harry Gwala District Municipality.

I/We also agree:

- a) that if our Tender is accepted, the acceptance may be communicated to us by letter through the post or by telegraph and that in such a case the Post Office or Telegraph Office, as the case may be, shall be regarded as our agents and delivery of such acceptance to the Post or Telegraph Office shall be treated as delivery to us;
- b) Municipality chooses as his "domicilium citandi et executandi" for the purpose of the contract, the following address:  
40 Main Street, Ixopo, 3276
- c) the law of South Africa will govern the contract created by acceptance of our Tender, we agree to submit to the jurisdiction of the South African Courts;
- d) that if our Tender is accepted by the Harry Gwala District Municipality either wholly or in part, and the acceptance be notified to us, we undertake to be bound by the terms of the agreement constituted by our said Tender and the acceptance thereof by the Harry Gwala District Municipality, until a formal contract has been executed between us and the Harry Gwala District Municipality and that if we are not required by the Harry Gwala District Municipality to execute such formal contract, we undertake to be bound by the terms of the agreement constituted by our said Tender and the acceptance thereof by the said Municipality.

**It is hereby declared that the signatory below, has acquainted himself/herself with the entire contents of this document, guarantees the information to be correct and is an authorized signatory to sign on behalf of the Tenderer**

DATED THIS \_\_\_\_\_ DAY OF \_\_\_\_\_ 2020

SIGNED \_\_\_\_\_

NAME IN BLOCK LETTERS \_\_\_\_\_

WITNESS (1) \_\_\_\_\_

NAME IN BLOCK LETTERS \_\_\_\_\_

WITNESS (2) \_\_\_\_\_

NAME IN BLOCK LETTERS \_\_\_\_\_

FOR AND ON BEHALF OF

NAME OF COMPANY  
\_\_\_\_\_

ADDRESS  
\_\_\_\_\_  
\_\_\_\_\_  
\_\_\_\_\_  
\_\_\_\_\_



**Please note:**

**Even if the requested information is not applicable to the Bidder, the table above should be endorsed NOT APPLICABLE and THIS DECLARATION MUST STILL BE SIGNED**

**FORM "G"**

**MBD 4**

**DECLARATION OF INTEREST**

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

3.1 Full Name of bidder or his or her representative: .....

3.2 Identity Number: .....

3.3 Position occupied in the Company (director, trustee, shareholder<sup>2</sup>): .....

3.4 Company Registration Number: .....

3.5 Tax Reference Number: .....

3.6 VAT Registration Number: .....

3.7 The names of all directors / trustees / shareholders members, their individual identity Numbers and state employee numbers must be indicated in paragraph 4 below.

3.8 Are you presently in the service of the state? **YES / NO**

3.8.1 If yes, furnish particulars.....  
.....

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

- (a) a member of –
  - (i) any municipal council;
  - (ii) any provincial legislature; or
  - (iii) the national Assembly or the national Council of provinces;

- (b) a member of the board of directors of any municipal entity;

- (c) an official of any municipality or municipal entity;
- (d) an employee of any national or provincial department, national or provincial public entity or constitutional institution within the meaning of the Public Finance Management Act, 1999 (Act No.1 of 1999);
- (e) a member of the accounting authority of any national or provincial public entity; or
- (f) an employee of Parliament or a provincial legislature.

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

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

3.9.1 If yes, furnish particulars.....

.....

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

3.10.1 If yes, furnish particulars.

.....  
 .....

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

3.11.1 If yes, furnish particulars

.....  
.....

3.12 Are any of the company's directors, trustees, managers, Principle shareholders or stakeholders in service of the state? **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:

.....  
.....





MBD 8

## 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><i>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?</i></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>audialterampartem</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**

## MBD 6.1

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

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 R 30 000 and value of up to R50 000 000 (all applicable taxes included); and
- the 90/10 system for requirements with value above R50 000 000 (all applicable taxes included).

1.2 The value of this bid is estimated to no exceed R50 000 000 (all applicable taxes included) and therefore the 80/20 system shall be applicable.

1.3 Preference points for this bid shall be awarded for:

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

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

	<b>POINTS</b>
<b>1.3.1.1 PRICE</b>	<b>80</b>
<b>1.3.1.2 B-BBEE STATUS LEVEL OF CONTRIBUTION</b>	<b>20</b>
<b>Total points for Price and B-BBEE must not exceed</b>	<b>100</b>

1.4 Failure on the part of a bidder to fill in and/or to sign this form and submit a B-BBEE Verification Certificate from a Verification Agency accredited by the South African Accreditation System (SANAS) or a Registered Auditor approved by the Independent Regulatory Board of Auditors (IRBA) or an Accounting Officer as

contemplated in the Close Corporation Act (CCA) together with the bid, will be interpreted to mean that preference points for B-BBEE status level of contribution are not claimed.

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

## 2. DEFINITIONS

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

- 2.16 “**total revenue**” bears the same meaning assigned to this expression in the Codes of Good Practice on Black Economic Empowerment, issued in terms of section 9(1) of the Broad-Based Black Economic Empowerment Act and promulgated in the *Government Gazette* on 9 February 2007;
- 2.17 “**trust**” means the arrangement through which the property of one person is made over or bequeathed to a trustee to administer such property for the benefit of another person; and
- 2.18 “**trustee**” means any person, including the founder of a trust, to whom property is bequeathed in order for such property to be administered for the benefit of another person

**FORM “J”**

MBD 6.2

### **DECLARATION CERTIFICATE FOR LOCAL PRODUCTION AND CONTENT FOR DESIGNATED SECTORS**

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 1286:2011 (Edition 1) and the Guidance on the Calculation of Local Content together with the Local Content Declaration Templates [Annex C (Local Content Declaration: Summary Schedule), D (Imported Content Declaration: Supporting Schedule to Annex C) and E (Local Content Declaration: Supporting Schedule to Annex C)].

#### **1. General Conditions**

- 1.1. Preferential Procurement Regulations, 2011 (Regulation 9) makes 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. Where necessary, for bids referred to in paragraph 1.2 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.
- 1.4. A person awarded a contract in relation to a designated sector, may not sub-contract 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.
- 1.5. The local content (LC) expressed as a percentage of the bid price must be calculated in accordance with the SABS approved technical specification number SATS 1286: 2011 as follows:

$$LC = [1 - x / y] * 100$$

Where

x is the imported content in Rand

y is the bid price in Rand 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 of advertisement of the bid as required in paragraph 4.1 below.

**The SABS approved technical specification number SATS 1286:2011 is accessible on [http://www.thedti.gov.za/industrial development/ip.jsp](http://www.thedti.gov.za/industrial%20development/ip.jsp) at no cost.**

1.6. A bid may be disqualified if –

- (a) this Declaration Certificate and the Annex C (Local Content Declaration: Summary Schedule) are not submitted as part of the bid documentation; and
- (b) the bidder fails to declare that the Local Content Declaration Templates (Annex C, D and E) have been audited and certified as correct.

## 2. Definitions

- 2.1. **“bid”** includes written price quotations, advertised competitive bids 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 (this includes labour and intellectual property costs), 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 (refer to Annex A of SATS 1286:2011) for this bid is/are as follows:**

<u>Description of services, works or goods</u>	<u>Stipulated minimum threshold</u>
_____	_____ %
_____	_____ %
_____	_____ %

**4. Does any portion of the services, works or goods offered have any imported content?  
(Tick applicable box)**

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

4.1 If yes, the rate(s) of exchange to be used in this bid to calculate the local content as prescribed in paragraph 1.5 of the general conditions must be the rate(s) published by the SARB for the specific currency at 12:00 on the date of advertisement 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 (refer to Annex A of SATS 1286:2011):

<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.

**5. Were the Local Content Declaration Templates (Annex C, D and E) audited and certified as correct?  
(Tick applicable box)**

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

- 5.1. If yes, provide the following particulars:
- (a) Full name of auditor: .....
  - (b) Practice number: .....
  - (c) Telephone and cell number: .....
  - (d) Email address: .....

(Documentary proof regarding the declaration will, when required, be submitted to the satisfaction of the Accounting Officer / Accounting Authority)

6. Where, after the award of a bid, challenges are experienced in meeting the stipulated minimum threshold for local content the dti must be informed accordingly in order for the dti to verify and in consultation with the Accounting Officer / Accounting Authority provide directives in this regard.

**LOCAL CONTENT DECLARATION**  
**(REFER TO ANNEX B OF SATS 1286:2011)**

**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

1 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.

2 Guidance on the Calculation of Local Content together with Local Content Declaration Templates (Annex C, D and E) is accessible on <http://www.thedti.gov.za/industrialdevelopment/ip.jsp>. Bidders should first complete Declaration D. After completing Declaration D, bidders should complete Declaration E and then consolidate the information on Declaration C. **Declaration C should be submitted with the bid documentation at the closing date and time of the bid in order to substantiate the declaration made in paragraph (c) below.** Declarations D and E should be kept by the bidders for verification purposes for a period of at least 5 years. The successful bidder is required to continuously update Declarations C, D and E with the actual values for the duration of the contract.

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

- (a) The facts contained herein are within my own personal knowledge.
- (b) I have satisfied myself that
  - (i) 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 1286:2011; and

(ii) the declaration templates have been audited and certified to be correct.

(c) The local content percentages (%) indicated below has been calculated using the formula given in clause 3 of SATS 1286:2011, the rates of exchange indicated in paragraph 4.1 above and the information contained in Declaration D and E which has been consolidated in Declaration C;

Bid price, excluding VAT (y)	R
Imported content (x), as calculated in terms of SATS 1286:2011	R
Stipulated minimum threshold for local content (paragraph 3 above)	
Local content %, as calculated in terms of SATS 1286:2011	

**If the bid is for more than one product, the local content percentages for each product contained in Declaration C shall be used instead of the table above. The local content percentages for each product has been calculated using the formula given in clause 3 of SATS 1286:2011, the rates of exchange indicated in paragraph 4.1 above and the information contained in Declaration D and E.**

(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 1286:2011.

(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 1286:2011, 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 Preferential Policy Framework Act (PPPFA), 2000 (Act No. 5 of 2000).

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

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

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

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

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

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

**HARRY GWALA DISTRICT MUNICIPALITY – SUPPLY CHAIN POLICY ABSTRACT**

**Subcontracting as a condition of tender**

9.(1) If feasible to subcontract for a contract , an organ of state must apply subcontracting to advance designated groups.

(2) If an organ of state applies subcontracting as contemplated in sub regulation (1), the organ of state must advertise the tender with a specific tendering condition that the successful tenderer must subcontract a minimum of threshold of the value of the contract as follows:

- Subcontracting to start from R5 million to be 5%
- Appoint 2 sub-contractors between R10 million to R20 million at R1.5 million each
- Appoint 3 sub-contractors for R30 million at R3 million each
- Sub-contractors to be mentored and capacitated by main contractor

The subcontractors are to be from the following designated groups: an EME or OSE;

28 No . 40553 GOVERNMENT GAZETTE, 20 JANUARY 2017

- (b) an EME or QSE which is at least 51% owned by black people;
- (c) an EME or QSE which is at least 51% owned by black people who are youth ;
- (d) an EME or QSE which is at least 51% owned by black people who are women;
- (e) an EME or QSE which is at least 51% owned by black people with disabilities ;
- (f) an EME or QSE which is 51% owned by black people living in rural or underdeveloped areas or townships;
- (g) a cooperative which is at least 51% owned by black people;
- (h) an EME or QSE which is at least 51% owned by black people who are military veterans; or
- (i) more than one of the categories referred to in paragraphs (a) to (h).

(3) The organ of state must make available the list of all suppliers registered on a database approved by the National Treasury to provide the required goods or services in respect of the applicable designated groups mentioned in subregulation (2) from which the tenderer must select a supplier.