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Barkly – West  
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Email:  
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# DIKGATLONG LOCAL MUNICIPALITY

## REQUEST FOR FORMAL WRITTEN PRICE QUOTATIONS SERVICES

### SUPPLY, DELIVERY AND INSTALLATION OF WINDOW BARGLARS AND VERTICAL BLINDS AT BARKLY WEST MAIN BUILDING.

Kindly furnish me with a written quote for the supply of the services as detailed in the enclosed schedule.

The following conditions will apply:

- Rates quoted must be valid for at least ninety (90) days from date of your offer.
- Rates quoted must be firm.
- A firm delivery period must be indicated.
- This quotation will be evaluated in terms of the 80/20 preference point system as prescribed in the Preferential Procurement Policy Framework Act (No 5 of 2000) and for this purpose the enclosed forms MBD 1, MBD 2, MBD 3.3, MBD 4, MBD 6.1, MBD 6.11, MBD 8 and MBD 9 must be scrutinized, completed and submitted together with your quotation
- The successful provider will be the one scoring the highest points.
- The Council is not bound to accept the lowest or any quote.

The following documents to be submitted together with the quotation:

- Certified or Original Copy of BBBEE
- Copies of the Registration of firm
- Valid Tax clearance certificate
- Company profile entailing previous relevant/similar experience to the project

Enquiries relating to the quotation must be addressed to Ms Ida Van Wyk Tel No. (053) 531 6500 respectively.

Quotation may only be submitted on the quotation document as advertised on the municipal website until closing date and time.

The closing time for receipt of Quotations is **12:00 on Thursday, 19<sup>th</sup> May 2016**. Sealed quotations marked "**Quotation MBS 19/05/2016**" must be placed in the **quotation box at office at the Technical Department**.

**Telegraphic, telephonic, telex, facsimile, e-mail and late quotations will not be accepted. Council is not bound to accept the lowest or any quotation. Quotations shall be adjudicated**

**in accordance with preference procurement policy of Dikgatlong Local Municipality.**

Service providers not registered on the Council's vendor database must log on to [www.dikgatlong.gov.za](http://www.dikgatlong.gov.za) or visit Ms Ida Van Wyk at the Technical Department to complete the necessary documentation and to submit a completed application prior to submitting the quotation

Failure to comply with these conditions may invalidate your offer.

Yours faithfully

**KGOTSO MOEKETSI**  
**ACTING MUNICIPAL MANAGER**

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**MBD 1: REQUEST FOR A FORMAL WRITTEN PRICE QUOTATION – FIRM FIXED PRICE****(Over R10 000.00 up to a transaction value of R200 000.00 VAT included)****YOU ARE HEREBY INVITED TO BID FOR REQUIREMENTS OF THE STEVE TSHWETE LOCAL MUNICIPALITY**

BID NUMBER: Q19/05/2016      CLOSING DATE: 19/05/2016 CLOSING TIME: 12H00.

DESCRIPTION: SUPPLY, DELIVERY AND INSTALLATION OF VERTICAL BLINDS AT NASHUA BUILDING.

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

Bid documents may be posted to:

Dikgatlong Municipality  
 Barkly West Technical Building  
 PO BOX X5  
 Barkly West  
 8345

or deposited in the bid box situated at:

Dikgatlong Municipality  
 Barkly West Technical Building

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

07H30 TO 16H00 hours Monday to Thursday &amp; 07H30 TO 13H00 hours Friday

ALL BIDS MUST BE SUBMITTED ON THE OFFICIAL FORMS – (NOT TO BE RE-TYPED)

THIS BID IS SUBJECT TO THE GENERAL CONDITIONS OF CONTRACT (GCC) AND, IF APPLICABLE, ANY OTHER SPECIAL CONDITIONS OF CONTRACT

THIS BID WILL BE EVALUATED AND ADJUDICATED ACCORDING TO THE FOLLOWING CRITERIA:

1. Relevant specifications
2. Value for money
3. Capability to execute the contract
4. PPPFA and associated criteria

**NB: NO QUOTATIONS WILL BE CONSIDERED FROM PERSONS IN THE SERVICE OF THE STATE**

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

Name of Bidder: .....

Postal Address: .....

Street Address:  
.....

Telephone Number:  
Code.....Number.....

Cellphone Number:  
.....

Facsimile Number:  
Code ..... Number.....

Vat Registration Number:  
.....

Has an original tax clearance certificate been attached (MBD 2)? Yes / No

Are you the accredited representative in South Africa for the services offered by you? Yes / No

SIGNATURE OF BIDDER: .....

DATE: .....

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

**TOTAL BID PRICE CARRIED OVER FROM MBD 3.3: R .....**

**ANY ENQUIRIES REGARDING THE BIDDING PROCEDURE MAY BE DIRECTED TO:**

**Municipality:** Dikgatlong Municipality

**Department:** Acting Chief Financial officer

**Contact Person:** Mr CB Mokeng

**Tel:** (053) 531 6500 Cell: 082 572 7695

**Fax:** (053) 531 0624

## **TERMS OF REFERENCE**

### **1. Background information**

This project entails installation of window security frames and vertical blinds, supply of equipment, materials at Barkly West Main Building.

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### **2. Scope of Works of the services required**

**All work shall be undertaken in accordance with all Acts, Codes, regulations and “SABS” Standards ISO 9001, 14001 and 18001.**

#### **Extent of Works**

##### **Windows**

- Window Burglars at four (4) Offices with 3m X 2m window frames

##### **Blinds**

- Pearl blackout vertical blinds.

##### **General**

- No site construction work is to commence prior to site handover by the employer.

All work is to be carried out by suitably licensed contractors in a tradesman-like manner.

The site is to be left clean and tidy to the entire satisfaction of the municipality or the nominated representative. The soft fall area is to be clear of construction debris.

## **SPECIAL CONDITIONS OF CONTRACT AND SPECIFICATIONS:**

### **CLAUSE 1:**

- For the purpose of this Sub clause, the Special Conditions of Contract, the “CONTRACT PRICE” is not the quotation sum entered in the form of quotation, but is the value of the works determined as described in Sub clause 1.1 to 1.3 hereunder:
  - 1.1 The quantities set out in the Drawings are the estimated quantities of the work and they are not to be taken as the actual and final quantities of the Works to be executed by the Contractor in fulfilment of his obligations under the Contract.
  - 1.2 The Employer shall ascertain and determine the value of the Works but, when required to do so by the Employer, the Contractor shall measure the work executed during each month and the materials on Site and shall deliver to the Employer a supporting statement with his monthly statement in showing the said measurements and the relevant amounts paid or payable by him for such materials and all other particulars required by the Engineer.
  - 1.3 The Employer shall, when he wishes to make any measurement on the Site or requires any parts of the Works to be measured in his presence, give notice of that fact and of the date and time at which he will be present, to the Contractor who shall
    - (a) Attend or send a qualified agent to assist the Employer in making such measurement or to make such measurement in the presence of the Engineer, and



(b) Furnish all particulars required by the Employer

- 1.4 If the Contractor, despite being required to do so, fails
- (a) To submit a supporting statement in terms of Sub clause 1.2
  - (b) To attend or send his agent when given such notice in terms of Sub clause 1.3,

Then the measurement made by the Employer or approved by him shall be taken to be the correct measurement of the work for the purpose of the payment certificate in respect of which the measurement has been made.

- 1.5 All the work shall be measured in accordance with the directions in the Specifications, unless otherwise agreed in special cases.

**CLAUSE 2 : CONTRACT PRICE BASIS**

2.1 In terms of this sub-clause the CONTRACT PRICE is based on the following:

- **Contract Price Adjustment**

The CONTRACT PRICE is fixed and firm and not subject to CONTRACT PRICE ADJUSTMENT.

2.2 The CONTRACT PRICE shall not under any circumstances exceed a fixed budget amount, which shall be disclosed to the CONTRACTOR at the commencement of the contract. The precise content and extent of the works shall be determined by the Employer at the commencement of the contract, based on the CONTRACTORS rates. The extent of the works will be adjusted from time to time during the course of the contract, as underground conditions become known with certainty, and as any valid claims from the CONTRACTOR, including requests for extension of time, are received, evaluated and accepted by the Employer. No such claim for additional payment will even be considered, unless:

2.2.1 Written notice has been given by the CONTRACTOR to the EMPLOYER of his intention to submit a claim within 48 hours of the occurrence giving rise to the claim; and

2.2.2 The claim has been submitted by the CONTRACTOR, to the EMPLOYER, in a fully substantiated form, together with supporting documents and calculations as well as such further documents and/or particulars as may be requested by the EMPLOYER, within at least 28 days of the occurrence giving rise to the claim, or such shorter time as may be necessary towards the end of the contract.

2.3 The CONTRACTOR shall take note of the fact that the budget may not be exceeded, and the works may not be left in an unsafe or uncompleted condition. The CONTRACTOR is responsible for finishing within budget, and shall take care not to open up any new section of works/grounds if there is a risk of the final measurement for payment, inclusive of CVI's and claims, exceeding the budget. Should such a situation arise, the excess measurement and claims will be for the Contractor's account.

- **Safety and Health**

The CONTRACT PRICE allows for the CONTRACTOR to arrange a site meeting with the EMPLOYER, prior to establishing site, to review all of the CONTRACTOR'S

and the EMPLOYER'S safety aspects, to ensure that the CONTRACTOR understands and accepts the safety rules, procedures and specifications pertaining to the SITE and to ensure that the EMPLOYER finds acceptable the CONTRACTOR'S standard procedures relating to the safe operation and maintenance on SITE of all equipment pertaining to the Contract, and for the CONTRACTOR to designate for the duration of the Contract a person to be responsible for safety matters.

Compliance with the above will not in any way relieve or limit the CONTRACTOR'S responsibility or liability in terms of the Contract or in law, or the Minerals Act and Regulation or the Occupational Health and Safety Act and Regulations (OHS Act).

- **Contract Variations**

The CONTRACTOR undertakes to furnish to the EMPLOYER the impact of all Contract Variations on the time and cost aspects of the Contract.

- **Monthly Cash Flow Forecasts**

The CONTRACTOR undertakes to provide the EMPLOYER with accurate and reliable monthly cash flow forecasts based on the Contract schedule, milestones, bills of quantities, work performed, Gantt charts and activity networks or any other appropriate documentation or applicable records and must incorporate all changes and variations.

- **Site Conditions**

The CONTRACTOR must take all geotechnical or other relevant information into account. Where the existence of adverse or hazardous conditions is made known to the CONTRACTOR prior to the submission of the quotation, allowance must be made for these conditions in quotation.

- **Drawings**

The Contract PRICE:

- (a) Includes the cost of detail DRAWINGS.
- (b) Allows for all DRAWINGS not to be necessarily issued with the Contract but that DRAWINGS may be issued from time to time during the Contract.

- **Accommodation**

The CONTRACTOR shall provide accommodation for his employees at his cost.

- **Water**

The contractor will provide water for the use of the CONTRACT WORKS as well as potable water at the site.

- **Change House Facilities**

The CONTRACTOR shall provide change house facilities for his workmen.

- **Communication**

- (a) Language

All correspondence, manuals, DRAWINGS, Specifications etc. relating to the

Contract shall be in the English language.

The Contractor shall at all times liaison with the Project Manager or it's representatives in writing, prior to the commencement of work on site, with and work to be executed that may vary from the scope of work or work that needs any clarification.

The contractor shall in no way directly communicate with other municipal personnel or Managers unless directed to do so by the Project Manager or it's representatives

The Contractor neither shall nor make any decisions on behalf of the client without notifying or discussions with the client.

Any such discussions done that may cause damage, loss and increase in price of works will be for the account of the contractor.

- **Site Instruction Books**

The CONTRACTOR shall supply and have available at all times on the SITE, an approved triplicate carbon book with detachable sheets for receiving and recording instructions issued by the EMPLOYER.

- **Day Book**

The Contract PRICE allows for the CONTRACTOR to maintain a suitable "Day Book" in his SITE office in which all circumstances that may affect the progress of the Contract are to be recorded, by either the EMPLOYER or the contractor, e.g. weather conditions, labour difficulties, non-receipt of materials, etc. This book shall be available for daily scrutiny by the EMPLOYER.

- **Records**

The CONTRACTOR shall maintain written records providing details of:-

- (a) Date and quantity of materials delivered.
- (b) Date upon which each portion of the CONTRACT WORKS was constructed, fabricated or erected as the case may be.
- (c) Daily weather conditions including rainfall measurement and maximum and minimum temperatures.
- (d) Nature of samples taken and tests made together with relevant dates and the portion of the CONTRACT WORKS represented by such sample or test.
- (e) Those sections of the CONTRACT WORKS, which are not measurable from the Contract DRAWINGS.
- (f) Daily resources allocated against work undertaken by the CONTRACTOR on a Day works basis.
- (g) Record of actual man hours expended.
- (h) Labour return.

### **CLAUSE 3: VARIATIONS TO THE CONTRACT**

3.1 In terms of this sub-clause the following procedure shall apply:

The CONTRACTOR will supply a Contract Variation Instruction (CVI) Book, which shall be available at all times on the SITE.

All instructions to the CONTRACTOR must be registered by means of an official C.V.I. whether or not a financial change is involved.

The Contract Variation Instruction forms the basis of Contract Variation notice for design or field changes or extra work. It can be conditionally originated by the:

(a) EMPLOYER

C.V.I.'s will be prepared in a self-carbon book and the top white copy given to the CONTRACTOR.

#### **CVI Procedure**

The originator of a change or variation will notify the EMPLOYER and provide him with all necessary details, drawings, specifications, etc.

The EMPLOYER will initiate the execution of this change by the issue of a C.V.I. to the CONTRACTOR and at that time will determine the maximum value of the C.V.I. in conjunction with the CONTRACTOR.

The maximum value recorded on the C.V.I. is estimated by the CONTRACTOR and approved by the EMPLOYER, either through his judgement or after discussion with the CONTRACTOR. It is not intended at this stage that the EMPLOYER in any way negotiates a price for the work. The maximum value is required to establish at which level approval is required for the work to proceed.

3.2 No increase or decrease in the quantity of any work scheduled, where such increase or decrease is not the result of a variation order given under this clause but is the result of the quantities exceeding or being less than those stated in the Drawings, shall be deemed to be a variation to which this clause applies and no order in writing shall be required therefore.

### **CLAUSE 4 : INSPECTION, TESTING AND QUALITY CONTROL**

4.1 In terms of this sub-clause:

It is a requirement that the CONTRACT WORKS are to be inspected by the Employer. On receipt of the CONTRACT the CONTRACTOR shall contact the EMPLOYER to establish the surveillance programme and quality documentation requirements.

**N: B** The CONTRACTOR warrants that the equipment & material will meet and fulfil the technical performance requirements as specified in the Contract and should this not be achieved any additional work, modifications or additions necessary as a consequence thereof shall be done at the CONTRACTOR'S expense.

When an inspection point is being approached, the CONTRACTOR shall give the EMPLOYER 48 hours notice of his required attendance.

Should additional inspection by the EMPLOYER and/or the appointed inspection

authority be necessitated by the CONTRACTOR'S deficiencies in quality, design, material or workmanship, the cost of such additional inspection shall be for the CONTRACTOR'S account and shall not be recoverable from him by the EMPLOYER.

When inspection during manufacture or fabrication has been performed by or on behalf of the EMPLOYER, the CONTRACTOR shall obtain a clearance certificate before such items are delivered to SITE failing which he will be responsible for any extra costs or damages arising from such failure.

#### **CLAUSE 5 : ORDER OF EXECUTION OF THE CONTRACT WORKS**

In terms of this sub-clause:

The CONTRACTOR is expected to execute his duties in accordance with the timing of the overall projected programme, and to regulate his resources accordingly.

The CONTRACTOR shall submit the following programme information at time of the quotation:

- (i) A programme in bar chart format, indicating all expected interface dates with other CONTRACTORS.
- (ii) The CONTRACTOR shall consider his resources available and schedule his activities within the constraints thereby imposed.
- (iii) Where applicable, the programme shall show dates where the CONTRACTOR requires information from the EMPLOYER and/or when the CONTRACTOR shall supply information to the EMPLOYER.
- (iv) The programme information shall be presented as follows:
- (v) The programme shall be drawn on standard metric drawing sheets;
- (vii) all major assumptions, such as time units used, etc., shall be indicated;
- (viii) The longest time unit to be used shall be the calendar week, and certain activities will require one-day or half-day units. Imposed dates and Contractual dates shall be shown as calendar dates.

#### **CLAUSE 6 : PENALTY FOR DELAY**

6.1 In terms of this sub-clause:

- 6.1.1 Should the CONTRACTOR fail to complete the Works or part thereof by or before the date of completion stated in the Contract, the CONTRACTOR shall be liable to pay the EMPLOYER a sum of money equal to  $1/2\%$  (half per cent) of that part of the Contract Price which is properly attributable to such portion of the Works as cannot in consequence of the said failure be put to full beneficial use by the

aforesaid completion date for each week of delay from such completion date to the actual date of completion, provided that the penalty shall in no case exceed 10% (ten per cent) of the total Contract Price.

6.1.2 Notwithstanding the foregoing, it is expressly agreed by the CONTRACTOR that in the event of the damages which the EMPLOYER may sustain as a result of delayed completion as aforesaid being likely in the opinion of the EMPLOYER to exceed the penalty stipulation the EMPLOYER may, as provided for in Section 2 (1) of the Conventional Penalties Act No. 15 of 1962, or any substitution thereof, claim the amount of damages actually sustained instead of enforcing the penalty stipulation.

## **7. Clause 7: General**

- 7.1 Quotation prices will be fixed (no escalation) and will include all materials, labour and other costs.
- 7.2 Should the Employer supply the Contractor with materials for any portion of the work to be executed, therefore the Contractor will be responsible for that material. The Employer will claim from the contractor any loss incurred for such material due to negligence.
- 7.3 Sessions with regard to materials will not be allowed.
- 7.4 The contractor must have a valid bank account.
- 7.5 The contractor must comply with all labour legislation as well as health and safety act. Proof in this regard will be required before construction commences.
- 7.6 A record of all labour and sub-contractors utilised on site must be kept and submitted at weekly intervals.
- 7.7 The contractor will be liable for any damages incurred to the works due to his negligence.
- 7.8 The contractor will be fully responsible for security at the site until final handover.
- 7.9 Final handover will only be approved when the site has been cleared of all materials, rubble and all existing finishes has been made.
- 7.10 5% retention of the total construction cost will be kept for six months.
- 7.11 Only SABS approved materials will be used and all works will be carried out in accordance with the National Building Regulations.
- 7.12 It is a specific requirement for this quotation that only local labour be employed for the duration of the contract.
- 7.13 The contractor must complete the project within 4 (Four) weeks from the date of issue of an official order.
- 7.14 Steve Tshwete local Municipality is not obliged to accept the lowest or any quotation and reserves the right to accept any quote, part of any quote, or more than one quote.
- 7.15 Quotation offers shall be adjudicated in accordance with preference procurement policy of Steve Tshwete local Municipality.80/20

## **MBD 2: TAX CLEARANCE CERTIFICATE REQUIREMENTS**

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

1. In order to meet this requirement bidders are required to complete in full form TCC001 "Application for a Tax Clearance Certificate" and submit it to any SARS branch office nationally. The Tax Clearance Certificate Requirements are also applicable to foreign bidders / individuals who wish to submit bids. Copies of the TCC 001 "Application for a Tax Clearance Certificate" form are available from any SARS branch office nationally or on the website [www.sars.gov.za](http://www.sars.gov.za).
2. SARS will then furnish the bidder with a Tax Clearance Certificate that will be valid for a period of 1 (one) year from the date of approval.
3. The original Tax Clearance Certificate must be submitted together with the bid. Failure to submit the original and valid Tax Clearance Certificate will result in the invalidation of the bid. Certified copies of the Tax Clearance Certificate will not be acceptable.
4. In bids where Consortia / Joint Ventures / Sub-contractors are involved, each party must submit a separate Tax Clearance Certificate.
5. Applications for the Tax Clearance Certificates may also be made via 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.



**MBD 3.3: PRICING SCHEDULE – FIRM PRICES (SERVICES)**

Name of Bidder:.....	Bid Number: Q19/05/2016
Closing Time: <b>12:00</b>	Closing Date: 19 May 2016

**The following Schedule will be the basis of the quote.**

Bidder(s) are not permitted to change the basis upon which they have been asked to tender. Any variation from the Pricing Instructions will invalidate this tender.

**Prices to include Material and Labour (unless specified)**

ITEM	TASK	UNIT	QUANTITY	RATE	AMOUNT
<b>1</b>	<b>PRELIMINARIES AND GENERAL</b>				
	Contractual Requirements, Site Establishment and Health and Safety	Sum	1		
<b>2</b>	<b>BLINDS AND WINDOW PANELS</b>				
	Removal of existing and Supply, deliver and install 127mm Pearl blackout vertical blinds.	m <sup>2</sup>	300		
<b>3</b>	<b>SITE CLEANING</b>				
	Cleaning of the building and cart-away substances.	Item	1		
	<b>SUBTOTAL:</b>				
	<b>ADD 14% VAT:</b>				
	<b>TOTAL AMOUNT CARRIED FORWARD TO FORM OF OFFER</b>				

**DECLARATION OF INTEREST**

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

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

- 3.1 Full Name: .....
- 3.2 Identity Number: .....
- 3.3 Company Registration Number: .....
- 3.4 Tax Reference Number: .....
- 3.5 VAT Registration Number: .....

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

3.6.1 If so, furnish particulars.

.....  
 .....

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

3.7.1 If so, furnish particulars.

.....

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

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

.....

**3.8 Do you, have any relationship (family, friend, other) with persons in the service of the state and who may be involved with the evaluation and or adjudication of this bid?**

**YES / NO**

3.8.1 If so, furnish particulars.

.....

.....

**3.8 Are you, aware of any relationship (family, friend, other) between a 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**

3.9.1 If so, furnish particulars

.....

.....

**3.10 Are any of the company's directors, managers, principal shareholders or stakeholders in service of the state?**

**YES / NO**

3.10.1 If so, furnish particulars.

.....

.....

**3.11 Are any spouse, child or parent of the company's directors, managers, principal shareholders or stakeholders in service of the state?**

**YES / NO**

3.11.1 If so, furnish particulars.

.....

.....

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

Full Name	Identity Number	State Employee Number

**CERTIFICATION**

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

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

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

.....  
Signature

.....  
Date

.....  
Position

.....  
Name of Bidder

**MBD 6.1**

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

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

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

**1. GENERAL CONDITIONS**

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

- the 80/20 system for requirements with a Rand value of up to R1 000 000 (all applicable taxes included); and
- the 90/10 system for requirements with a Rand value above R1 000 000 (all applicable taxes included).

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

1.3 Preference points for this bid shall be awarded for:

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

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

	POINTS
<b>1.3.1.1 PRICE</b>	80.....
<b>1.3.1.2 B-BBEE STATUS LEVEL OF CONTRIBUTION</b>	20.....
<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 **“all applicable taxes”** includes value-added tax, pay as you earn, income tax, unemployment insurance fund contributions and skills development levies;
- 2.2 **“B-BBEE”** means broad-based black economic empowerment as defined in section 1 of the Broad-Based Black Economic Empowerment Act;
- 2.3 **“B-BBEE status level of contributor”** means the B-BBEE status received by a measured entity based on its overall performance using the relevant scorecard contained in the Codes of Good Practice on Black Economic Empowerment, issued in terms of section 9(1) of the Broad-Based Black Economic Empowerment Act;

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

### 3. ADJUDICATION USING A POINT SYSTEM

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

- 3.5 However, when functionality is part of the evaluation process and two or more bids have scored equal points including equal preference points for B-BBEE, the successful bid must be the one scoring the highest score for functionality.
- 3.6 Should two or more bids be equal in all respects, the award shall be decided by the drawing of lots.

**4. POINTS AWARDED FOR PRICE**

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

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

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

Where

- P<sub>s</sub> = Points scored for comparative price of bid under consideration
- P<sub>t</sub> = Comparative price of bid under consideration
- P<sub>min</sub> = Comparative price of lowest acceptable bid

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

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

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

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

**6. BID DECLARATION**

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

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

7.1 B-BBEE Status Level of Contribution: ..... = .....(maximum of 10 or 20 points)

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



**8 SUB-CONTRACTING**

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

8.1.1 If yes, indicate:

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

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

9.1 Name of firm : .....

9.2 VAT registration number : .....

9.3 Company registration number : .....

9.4 TYPE OF COMPANY/ FIRM

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

[TICK APPLICABLE BOX]

9.5 DESCRIBE PRINCIPAL BUSINESS ACTIVITIES

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

9.6 COMPANY CLASSIFICATION

- Manufacturer
- Supplier
- Professional service provider
- Other service providers, e.g. transporter, etc.

[TICK APPLICABLE BOX]

9.7 MUNICIPAL INFORMATION

Municipality where business is situated .....

Registered Account Number .....

Stand Number .....

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

.....

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

- (i) The information furnished is true and correct;

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

**WITNESSES:**

1. ....

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

2. ....

DATE:.....

ADDRESS:.....

.....

.....

.....

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

1. This Municipal Bidding Document must form part of all bids invited.
2. It serves as a declaration to be used by municipalities and municipal entities in ensuring that when goods and services are being procured, all reasonable steps are taken to combat the abuse of the supply chain management system.
3. The bid of any bidder may be rejected if that bidder, or any of its directors have:
  - a) abused the municipality's / municipal entity's supply chain management system or committed any improper conduct in relation to such system;
  - b) been convicted for fraud or corruption during the past five projects;
  - c) willfully neglected, reneged on or failed to comply with any government, municipal or other public sector contract during the past five projects; 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>	<p>Yes</p> <input type="checkbox"/>	<p>No</p> <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 projects?	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 projects 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 9****CERTIFICATE OF INDEPENDENT BID DETERMINATION**

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

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

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

**MBD 9**

**CERTIFICATE OF INDEPENDENT BID DETERMINATION**

I, the undersigned, in submitting the accompanying bid:

\_\_\_\_\_

(Bid Number and Description)

in response to the invitation for the bid made by:

\_\_\_\_\_

(Name of Municipality / Municipal Entity)

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

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

(Name of Bidder)

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

**MBD 9**

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.**



**MBD 9**

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) projects 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

**GENERAL CONDITIONS OF CONTRACT**

The General Conditions of Contract is not included in this document and may be downloaded from the following website:

<http://www.treasury.gov.za/legislation/pfma/public%20entities/PFMA%20GCC%20July%202010.pdf>