



ENVELOPE 1: TECHNICAL PROPOSAL

uMHLATHUZE MUNICIPALITY

SECTION A

INVITATION TO TENDER

YOU ARE HEREBY INVITED TO TENDER FOR THE FOLLOWING REQUIREMENTS OF THE uMHLATHUZE MUNICIPALITY

PLEASE NOTE

THIS TENDER CLOSING DATE : **12:00**

CLOSING DATE : **17 September 2019**

TENDER NO. : **8/2/1/UMH557_19/20**

DESCRIPTION : Procurement of Transaction Advisor to conduct a Feasibility Study for the Proposed Relocation and Redevelopment of the Richards Bay Airport for the uMhlathuze Municipality

CONTRACT PERIOD : **6 months**

VALIDITY PERIOD FOR ACCEPTANCE : **120 days**

NAME OF TENDERER : _____

DOCUMENTS DELIVERED BY HAND MUST BE DEPOSITED IN THE TENDER BOX SITUATED AT THE CIVIC CENTRE FOYER RICHARDS BAY:

uMhlathuze Municipality Private Bag X1004 RICHARDS BAY 3900	THE TENDER BOX IS AVAILABLE ON THE FOLLOWING DAYS AND TIMES:
5 Mark Strasse Central Business District	MONDAYS TO FRIDAYS 08:00 - 16:00

Technical enquiries can be directed to Ms Brenda Strachan at telephone number 035-9075415 or email: strachanb@umhlathuze.gov.za or alternatively to Ms Nontsundu Ndonga at telephone number 035-9075033 or email: ndongan@umhlathuze.gov.za

CITY OF uMHLATHUZE

ADVERTISEMENT

TENDER 8/2/1/UMH557-19/20: PROCUREMENT OF TRANSACTION ADVISOR TO CONDUCT A FEASIBILITY STUDY FOR THE PROPOSED RELOCATION AND REDEVELOPMENT OF THE RICHARDS BAY AIRPORT FOR THE UMHLATHUZE MUNICIPALITY

Tenderers are hereby invited from suitably qualified service providers for the following:

Bid Number	Bid Descriptions	No-Refundable Tender Fee (incl. 15% VAT)	Preferential point system	Opening Date for Bid Document Collection	Compulsory Briefing Session Date, Time and Venue	Bid Closing Date and time
TENDER 8/2/1/557-19/20	Procurement of a Transaction Advisor To Conduct A Feasibility Study for the Proposed Relocation and Redevelopment of the Richards Bay Airport for the uMhlathuze Municipality	592.99	Price=80 Equity=20	5 August 2019	<u>Date:</u> 16 August 2019 <u>Time:</u> 10:00 <u>Venue:</u> Executive Committee Room (1 st floor, Richards Bay Civic Complex)	17 September 2019 at 12:00

Note: Mandatory requirements for tenders:

- **Regulation 44 of the Supply Chain Management Regulations** states that the Municipality may not make any award to a person who is in the service of the state (government), and if that person is not a natural person, of which any Director, Manager, Principal, Shareholder or Stakeholder is a person in the service of the state; or who is an advisor or consultant contracted with the municipality or municipal entity.
- All bids are subject to the terms and conditions contained herein and in the bid documentation as stipulated by various legislations governing public procurement including City of uMhlathuze's policies
- uMhlathuze Municipality does not bind itself to accept the lowest or any tender, and reserves the right to accept any tender in whole or in part.

Submission of bids

- Two envelope bid procedure applied.
- Sealed bids, **clearly endorsed:** "TENDER NO : 8/2/1/UMH 557_19/20" must be placed in the Tender/Bid box at the Foyer of **Civic Centre, 5 Mark Strasse, Richards Bay before 12:00 noon on 17 September 2019.**
- The Tenderers **details and return address** must be indicated on the back of the sealed envelope in which the Tender is deposited, this is required for the purposes of returning tenders in cases where it may be require.

Tender Documents will be available at the Customer Service Desk, Civic Centre, 5 Mark Strasse, Richards Bay, as from **5 August 2019, up to the day before the site meeting. Please note that in order to obtain a Tender Document payment of the non- refundable deposit can be made at: Rates Hall-Civic, Richards Bay or payment may also be made directly into Council's bank account: ABSA Richards Bay Account number 215000095.**

Reference: "Tender No 8/2/1/UMH557_19/20 Name of Company:"

No documents will be handed out unless the tenderer or his representative produces a receipt for the deposit. Only Bank guaranteed cheques, EFT or cash will be accepted as payment method and cheques will be made in favour of uMhlathuze Municipality. It should be noted that the Rates Hall closes at 15:00 on weekdays for receipt of payments.

Should use be made of a Courier Company to collect tender documents on behalf of your company, proof of payment and arrangement for the collection of the tender documents must be emailed to the following officials at the Customer Services Desk: Lungi.Mbatha@umhlathuze.gov.za , Wendy.Wilke@umhlathuze.gov.za , Faith.Mkhwanazi@umhlathuze.gov.za and ShabalalaNT@umhlathuze.gov.za

Council will not accept responsibility for the late delivery of Tenders by courier services or any other means that are not placed in the tender box on or before the date and time of closing of the tender.

Technical enquiries can be directed to Ms Brenda Strachan at telephone number 035-9075415 or email: strachanb@umhlathuze.gov.za or alternatively to Ms Nontsundu Ndonga at telephone number 035-9075033 or email: ndongan@umhlathuze.gov.za

It is the requirement of this tender that the successful bidder must implement a successful Corporate Social Investment (CSI).

Tenderers who have not been contacted within 120 days after the closing date of this tender must accept that their tender was unsuccessful.

**Civic Offices
Private Bag X1004
RICHARDS BAY
3900**

**DR N J Sibeko
MUNICIPAL MANAGER**

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SECTION B

SPECIAL INSTRUCTIONS AND NOTICES TO TENDERERS REGARDING THE COMPLETION OF TENDERING FORMS

PLEASE NOTE THAT THIS TENDER IS SUBJECT TO THE MUNICIPAL SUPPLY CHAIN MANAGEMENT REGULATIONS.

NB!! The Tenderers details and return address must be indicated on the back of the sealed envelope in which the Tender is deposited, this is required for the purposes of returning tenders in cases where it may be required.

1. Unless inconsistent with or expressly indicated otherwise by the context, the singular shall include the plural and visa versa and with words importing the masculine gender shall include the feminine and the neuter.
2. Under no circumstances whatsoever may the tender forms be retyped or redrafted. Photocopies of the original tender documentation may be used, but an original signature must appear on such photocopies.
3. The tenderer is advised to check the number of pages and to satisfy himself that none are missing or duplicated.
4. Tenders submitted must be complete in all respects. If this provision is not complied with, such tender shall be rejected as being invalid.
5. Tenders shall be lodged at the address indicated not later than the closing time specified for their receipt, and in accordance with the directives in the tender documents.
6. Each tender shall be addressed in accordance with the directives in the tender documents and shall be lodged in a separate sealed envelope, with the name and address of the tendered, the tender number and closing date indicated on the envelope. The envelope shall not contain documents relating to any tender other than that shown on the envelope. If this provision is not complied with, such tenders shall be rejected as being invalid.
7. All tenders received in sealed envelopes with the relevant tender numbers on the envelopes are kept unopened in safe custody until the closing time of the tenders. Where, however, a tender is received open, it shall be sealed. If it is received without a tender number on the envelope, it shall be opened, the tender number ascertained, the envelope sealed and the tender number written on the envelope.
8. A Tender box, situated in the main Foyer Civic Centre Richards Bay is provided for the receipt of tenders, and no tender found in any other box or elsewhere subsequent to the closing date and time of tender will be considered.
9. No tender sent through the post will be considered.
10. No tender submitted by telefax, telegraphic or other electronic means will be considered.
11. Tendering documents must not be included in packages containing samples. If this provision is not complied with, such tenders shall be rejected as being invalid.
12. Any alteration made by the tenderer must be initialled.
13. Use of correcting fluid is prohibited.
14. Tenders will be opened in public as soon as practicable after the closing time of tender.
15. Where practical, prices are made public at the time of opening tenders.

16. If it is desired to make more than one offer against any individual item, such offers should be given on a photocopy of the page in question. Clear indication thereof must be stated on the schedules attached.
17. It is a requirement that the Successful Tenderer, enter into a Service Level Agreement with Council.
18. Method of evaluation: 80:20 and two envelope system.
19. It is solely the responsibility of Tenderer, who completes this document to familiarise themselves with all applicable contents of the legislation and the City of uMhlathuze Supply Chain Management Policy requirements of this Tender, and to comply with its conditions by completing and attaching all relevant evidence as required.
20. **In order for your bid to be consider you must have register with Central Supplier Database (CSD) system and attached your number starting with MAAA.** From 01 July 2016, Municipalities and Municipal Entities must use the Central Database System supplier number starting with (MAAA) which is auto generated by the Central Database System after successful registration and validation of the prospective provider as mandatory requirement as part of listing criteria for accrediting prospective provider in line with Section 14(1)(b) of the Municipal Supply Chain Management Regulations. Please go to www.csd.gov.za to register.

SECTION C
SPECIFICATIONS AND RETURNABLE DOCUMENTS

TERMS OF REFERENCE for the Procurement of Transaction Advisor to conduct a Feasibility Study for the Proposed Relocation and Redevelopment of the Richards Bay Airport for the uMhlathuze Municipality.

Contents

1. Introduction and Background
2. Scope of work
3. Deliverables
4. Transaction advisor skill, experience, remuneration and management by the COU
5. Rules of bidding, bid submission requirements and bid evaluation

1. Introduction and Background

The City of uMhlathuze Local Municipality is concerned about the long term sustainability of the Richards Bay airport and has undertaken the prefeasibility study primarily in response to this concern. The situation has been exacerbated by ongoing difficulties presented by the current Concession arrangement under which the airport is operated and managed, which is scheduled to end in about 2020. On a technical level, the chief concerns relate to the ability of the airport to meet the International Civil Aviation Organisation (ICAO) requirements for compliance of new aircraft types to be introduced on feeder routes in South Africa during the analysis period. Consultations with stakeholders have indicated that this is unlikely, owing to physical restrictions the current site presents for new-generation regional jet aircraft such as the Embraer 190, already in service with SA Airlink Airways, and the Canadair CRJ 700/900 series aircraft, which are planned to form the backbone of the SA Express fleet in future.

The current site offers neither sufficient runway extension opportunities nor options to increase the lateral safety strips that these aircraft require to operate at full loads. The airport is currently located between the Birdwood and Mandlazini residential areas and, while it is accessible to the Richards Bay Town and Industrial areas, it has poor accessibility to the national road network and other key transport infrastructure required to develop any significant activity nodes around the airport. The Airport access road runs through residential areas. Informal settlement activities have been encroaching on the airport buffer area, limiting future expansion of the area and impeding safety. A significant challenge to the growth and development of the current Richards Bay airport is its spatial location. Therefore, in order to consider a more robust and sustainable airport that can better serve the interests of the King Cetshwayo District and, more particularly, the Empangeni – Richards Bay conurbation, the uMhlathuze Municipality has identified a potential site for relocation of the airport.

A prefeasibility study has been undertaken, establishing the appropriate site or location of a regional Airport within the District, and estimate figures for the potential economic returns that may be accrued through the growing numbers of visitors that may use the facility. The Municipality is keen to know precisely what the conservative and realistic cost of the establishment of such a facility would be, and other relevant direct and indirect costs that may be incurred. The City of uMhlathuze Local Municipality has resolved to pursue a PPP (public private partnership) option which will provide the best technical, financial and legal solution in delivering the project to further investigate the feasibility and affordability of the project to relocate and redevelop the Richards Bay airport.

To achieve this, the municipality intends to procure the services of an experienced transaction advisor, to assist in conducting a feasibility study and compiling a comprehensive feasibility study report that will demonstrate affordability, value for money and risk transfer for the project, and procure the project if applicable, in compliance with Municipal Systems Act, Municipal Services Delivery and PPP Guidelines and Municipal Finance Management Act, with which potential transaction advisors are required to be familiar.

This project is for the provision of a feasibility study of the viability and demand side of the proposed relocation of Richards Bay airport. A pre-feasibility study has already been undertaken and provides the foundation from where further work will be undertaken. Amongst others, this comprehensive study is to indicate feasibility in terms of:-

- assess / establish the degree of demand side and sustainability thereof;
- linkages with other airports, nearby and distant;
- estimates in cost;
- possible ownership and /or operational structures; and
- identification of possible potential funders/investors; and direct and indirect benefits.

The Transaction Advisor will comprise a team with Technical Advisor(s), Financial Advisor(s) and Legal Advisor(s), managed by a single Lead Advisor. The members of the team will have the skill and experience necessary to undertake the range of tasks set out in these terms of reference. Each individual on the team must be personally available to do the work as and when required. The Lead Advisor will be held accountable, in terms of the transaction advisor contract, for ensuring project deliverables and for the professional conduct and integrity of the team.

The municipality is determined to achieve its objective, i.e. to be in procurement phase by the end of estimated period i.e. January 2020. Potential transaction advisors should take note of and provide for this tight timeline in their resource allocation and price proposal, taking due cognisance that the project will still be delivered in a prudent and diligent manner.

2. Scope of Work

2.1 Part 1: Feasibility Study

The transaction advisor will be required to produce a comprehensive feasibility study for the airport relocation.

The feasibility study must enable the City of uMhlathuze to determine:

- Full life cycle project costs
- Affordability limits
- Identifications of all risks and their costs
- Recommendations with regards to allocation of each risks
- Optimal value for money methods of delivery

2.2 Part 2: Procurement

If, on the basis of the feasibility study, a particular procurement solution is decided upon, the transaction advisor will be required to provide the necessary technical, environmental and financial advisory support for the procurement of the project. The City of uMhlathuze reserves the right to terminate the appointment of the transaction advisor or to require the lead advisor to terminate any member of the transaction advisory team at any stage either during Phase 1 or 2 (outlined hereunder).

3. Deliverables

Pre-Feasibility Study

It should be noted that the municipality has done a detailed technical assessment for this project, both National and Provincial Treasury are satisfied with the work done and do not envisage any further technical work required during the feasibility study stage. It is advisable that the prospective bidders acquaint themselves with the work done on this report or use the resources of the technical team that undertook such assessment.

3.1 Phase 1: Feasibility Study Deliverables

The advisor is required to produce, in close liaison with the Municipality, a comprehensive feasibility study for the Airport relocation demand side; various options for operational structure; potential project financiers or investors and revenue enhancement options in terms of other services in the airport, e.g. retail spaces, offices, etc.

The feasibility study needs to clearly demonstrate affordability for the full project cycle and, where applicable propose the optimal value-for-money solution for the Municipality to achieve its desired outcomes. The determination of the applicability of a value-for-money assessment in the feasibility study, and the feasibility study itself, is to be conducted in compliance with *National Treasury's Municipal PPP manual*, available on www.treasury.gov.za or from the PPP Unit.

3.1.1 Contents of the Feasibility Study

In line with *National Treasury's Municipal PPP Manual, Module 4: PPP Feasibility Study*, the feasibility study must include the following:

a. Introduction

Submission requirements

- Covering letter from the accounting officer requesting TVR I, where applicable
- Executive Summary
- Introduction
- Project background
- Approach and methodology to the feasibility study, including, as appropriate, methodology for meeting all MSA 'internal' and 'external' mechanism assessments as well as MFMA requisites

b. Section 1: Needs Analysis

Submission requirements

- Explain the strategic and operational benefits to the municipality in terms of its strategic objectives and other government policies
- Detailed specification and evaluation of options for the proposed institutional arrangements
- Ownership arrangements, including the ownership of the proposed site on which the airport is to be constructed
- Institutional arrangements for financing

- Arrangements for operating the airport
- Project management arrangements for overseeing the construction
- Arrangement for overseeing the project management
- Demonstrate that the institution has the necessary capacity and budget to undertake the project
- Anticipated BEE and social development targets
- List all the risks that might arise from the institutional arrangement including an assessment of the institutional capacity to undertake the various functions

c. Section 2 : Technical Solutions Options Analysis

Submission requirements

- Technical options considered
- Evaluation and assessment of each technical option
- Summary of evaluation and assessment of all technical options considered
- Recommendation of a preferred technical option

d. Section 3 : Service Delivery Options Analysis

Submission requirements

- Evaluation and assessment of each delivery option
- Summary of evaluation and assessment of all delivery options considered
- Recommendation of a preferred delivery option(s)

e. Section 4: Project Due Diligence

Submission requirements

- Legal aspects
- Use rights
- Regulatory matters
- Site enablement
- Socio-economic and BEE

f. Section 5: Value Assessment

Submission requirements

- Determination of the necessity to undertake an 'internal assessment' – i.e. construct a Public Sector Comparator (PSC)
- PSC model, if required
- Technical definition of project
- Discussion on costs (direct and indirect) and assumptions made on cost estimates
- Discussion on revenue (if relevant) and assumptions made on revenue estimates
- BEE targets
- Discussion on all model assumptions made in the construction of the model, including inflation rate, discount rate, depreciation, budgets and MTEF, as appropriate
- As appropriate, summary of results from the base PSC model: NPV
- External reference model
- Technical definition of project
- Discussion on costs (direct and indirect) and assumptions made on cost estimates

- Discussion on revenue (if relevant) and assumptions made on revenue estimates
- Discussion on proposed PPP type
- BEE targets
- Proposed PPP project structure and sources of funding
- Payment mechanism
- Discussion on all model assumptions made in the construction of the model, including inflation rate, discount rate, depreciation, tax and VAT
- Summary of results from the External reference model: NPV
- Risk assessment
- Comprehensive risk matrix for all project risks
- Summary of the municipality's retained and transferable risks
- The NPV of all risks (retained and transferable) to be added onto the base PSC model, as relevant
- The NPV of all retained risks to be added to the External reference model
- Risk-adjusted PSC model, as relevant
- Summary of results: NPV
- Risk-adjusted External reference
- Summary of results: NPV, key indicators
- Sensitivity analyses
- Statement of affordability
- Statement of value for money, if appropriate
- Recommended procurement choice
- Information verification
- Summary of documents attached in Annexure 1 to verify information found in the feasibility study report

g. Section 6

Statement of compliance with the MSA section 78(3) (a) public notice requirement and of the comments and representations received in response to MFMA section 120(6) (b) invitation to comment, as appropriate

h. Section 7

Statement of views and recommendations received in response to any required MFMA section 120(6)(c) solicitation

i. Section 8: Procurement Plan

Submission requirements

Annexures

- Annexure 1: Statements for information verification and sign off from each advisor to the project
- Annexure 2: Letter of concurrence from CFO of municipality
- Annexure 3: PSC model, if applicable
- Annexure 4: External reference model
- Annexure 5: Risk assessment and comprehensive risk matrix
- Annexure 6: Document list (list of all documents related to the project, where they are kept, and who is responsible for ensuring that they are updated)
- Annexure 7, 8: Attach as annexures summaries of comments or representations received in terms of the MFMA section 120(6)(b) public notice and in terms of the MFMA section 120(6)(c) request for views and recommendations.

3.1.2 Presentation of the Feasibility Study

The feasibility study, comprising all the above deliverables, must be compiled in a single report in Word format (with relevant annexures), and delivered as both electronic and hard copy documents. All financial models must be in Excel format, and clearly set out all assumptions made, sensitivity analyses carried out, and model outputs. The financial models must be sufficiently adaptable for use by others at later stages. The feasibility study must be presented with a thorough executive summary and must be accompanied by a PowerPoint presentation that encapsulates all the key features of the study. The executive summary and PowerPoint presentation must be compiled in such a manner that they can be used by the Municipality's management for decision-making purposes.

3.2 Submission requirements for the Feasibility Study report and request for Treasury Views and Recommendations: 1

If the Municipality decides to pursue a PPP solution for the Regional Airport Operation, the feasibility study must be of a standard that will be accepted by National Treasury for the purposes of the Municipality obtaining Treasury Views and Recommendations: 1 (TVR 1) in terms of Treasury Regulation 309 to the MFMA. The advisor is therefore advised to be fully familiar with the requirements of the PPP Unit as set out in *Module 4: PPP Feasibility Study of National Treasury's Municipal PPP Manual*.

3.3 PPP Procurement Deliverables (if applicable)

If the Municipality decides on a PPP procurement solution, the advisor is required to work with the Municipality to manage the procurement process for securing contracts with an external private party. All this needs to be in accordance with the systems and standards set out for PPPs in Treasury Regulation 309 and using *National Treasury's Municipal PPP Manual*.

The advisor will then have to deliver the following:

3.3.1 Treasury Views and Recommendation: 2 and Administration of the Bidding Process

The advisor must prepare a complete set of procurement documents, complying with public sector procurement law, policies and guidelines and in accordance with the tendering systems of the Municipality. The documentation must be consistent with the results of the feasibility study and enable the Municipality to obtain Treasury Views and Recommendations 2 in terms of Treasury Regulation 309.

The advisor must also give the Municipality all the necessary drafting, bidder communication and administrative support necessary for the entire procurement process to be conducted in accordance with law and policy, and to the highest standards of efficiency, quality and integrity.

a. Request for proposals (RFP)

The advisor must prepare an RFP document in accordance with best industry practice and *National Treasury's Municipal PPP Manual*, consistent with the results of the feasibility study. The RFP must concisely set out:

- the output specifications of the Municipality
- requirements for compliant bids
- a risk profile as established in the feasibility study
- the payment mechanism
- BEE targets
- the bid process
- evaluation criteria
- bidder communication systems.

b. A draft PPP agreement

The advisor must prepare a draft PPP agreement, based on National Treasury's *Standardised PPP Provisions*. Close liaison with the Municipality management and the PPP unit of the relevant treasury is required during drafting.

c. Treasury Views and Recommendations: 2

The advisor must compile all the documentation necessary for the Municipality to obtain Treasury Views and Recommendations: 2 in terms of Treasury Regulation 309 to the MFMA to enable the procurement process to begin.

d. Administration of the Bidding Process

The advisor is to provide all necessary administrative support to the Municipality for the efficient and professional management of the bidding process. This includes managing a data room, facilitating structured engagement between the Municipality and bidders, helping the Municipality communicate effectively with bidders, and receiving bids.

3.3.2 Evaluation of Bids, Demonstrating Value for Money

a. Evaluation of Bids

The authorised staff of the Municipality, helped by the advisor, must open the bids at the time, date and location specified in the bidding documents, or as specified if the deadline has been extended. Representatives of bidders should be invited to attend the event where the names and addresses of bidders are announced and recorded.

A best and final offer (BAFO) process may be required. When costing this phase of work the advisor must allow for the possibility of administering BAFO processes. If there is no BAFO process, the advisor's remuneration will be adjusted accordingly.

b. The Value Assessment Report

As directed, value for money must be demonstrated by comparing the net present value (NPV) of the bids received with the NPV of the PSC for Airport relocation project with a suitable adjustment for risk assumed.

The results of the bidding and evaluation of bids must be presented in a single value assessment report (with relevant annexures) that demonstrates clearly how value for money will be achieved with the preferred bidder. The report must clearly indicate the preferred and second-ranked bidders and provide motivations.

3.3.3 Agreement Negotiations, PPP Agreement Management Plan and Treasury Views and Recommendations: 3

The advisor must assist the Municipality in final negotiations with the preferred bidder. This will involve preparing suitable negotiations teams, categorising issues appropriately, developing timelines for completion, and planning negotiation tactics and processes for reaching agreement. The advisor must ensure that all agreements reached are incorporated into all the financial, commercial and legal documentation, and must assist with drafting the necessary and related correspondence.

The final terms of the agreements, each as negotiated with the preferred bidder, must be submitted by the Municipality, along with the PPP agreement management plan for the Regional Airport project, for Treasury Views and Recommendations: 3 in terms of Treasury Regulation 309. The advisor is responsible for compiling the necessary submissions for the Municipality to obtain this approval.

The advisor must, in close liaison with the Municipality, draft a comprehensive PPP agreement management plan for the Municipality. This will be in accordance with the provisions of the PPP agreement and with the relevant guidelines issued by National Treasury's PPP Unit.

The advisor must ensure that a comprehensive legal due diligence of the accounting officer has been completed. This will relate to legal compliance, competence and capacity to enter into the PPP agreement.

3.3.4 Agreement Signature, close-out report and case study, and financial closure

The advisor must help the Municipality with all functions related to signing the final agreement, including obtaining the approval of Council required by MFMA section 33 for contracts of a prescribed term.

The advisor must also compile a comprehensive close-out report and case study. These must follow the formats prescribed in *Module 5: PPP Procurement of National Treasury's Municipal PPP Manual*, and must incorporate any additional factors that may be required by the Municipality.

The close-out report will be a confidential document of the Municipality, and will also be logged with National Treasury. The case study will become a public document, made available on various government websites.

Financial closure signifies that all the procurement deliverables have been successfully completed, and that the advisor's work is finished, if applicable.

4. Advisor skill, experience, remuneration and management by the Municipality

4.1 Necessary Advisor Skills and Experience

The advisor may comprise a team, managed by a single lead advisor. The members of the team will have both the skill and experience necessary to undertake the range of tasks set out in these terms of reference. Each individual on the team must be personally available to do the work as and when required. The lead advisor will be held accountable, in terms of the advisor contract, for ensuring project deliverables and for the professional conduct and integrity of the team. (See Annexure B: Draft advisor contract/Service Level Agreement.)

The skills and experience required in the advisor are as follows:

- financial analysis, with relevant PPP, corporate and project finance experience
- PPP procurement and structuring
- legal, with relevant South African experience in the drafting and negotiating of PPP agreements
- planning management
- facilities management
- relevant expertise in technical, tourism, environmental, airport and aviation
- relevant expertise economic development opportunities
- BEE expertise with relevant PPP experience
- negotiations
- contract management
- Project management.

4.2 Remuneration Schedule and Disbursement Arrangements

Bidders are advised to allocate resources according to the remuneration schedule below.

Remuneration of the advisor will be payable in South African Rands, on a fixed price for each of 2.1 and 2.2 above (corresponding to Phase II: PPP feasibility study and Phase III: Procurement of the project cycle). The procurement portion of the work may or may not transpire at the end of the feasibility study, and should be costed accordingly.

4.2.1 Remuneration schedule

The following remuneration schedule is set for each part of the contract. Bidders should adhere to these in their proposals, within the total budget given.

Table 1: Phase 1 (Feasibility study)

Deliverable	Percentage	Amount
Signing of Transaction Advisor contract as a mobilisation allowance	10	
Completion of Needs Analysis <ul style="list-style-type: none">• Strategic objectives• Budget• Institutional analysis• Output specification• Project scope	25	
Completion of Project Due Diligence	20	

<ul style="list-style-type: none"> • Legal and regulatory issues • Site enablement issues • BEE and other socioeconomic issues 		
Completion of Value Assessment <ul style="list-style-type: none"> • Property valuation • Business model • Affordability • Value-for-money • Economic assessment 	25	
Procurement plan	10	
Completion the of Feasibility Study Report to the satisfaction of the Client, and a decision by National Treasury about TVR:I	10	
Total	100	

Phase 2 (PPP Procurement)

Deliverable	Percentage	Amount
Completion of RFP documentation to the satisfaction of the Municipality, including the draft PPP Agreement.	20	
A decision by National Treasury in respect of TVR:IIA	10	
Completion of the Value-for-Money report to the satisfaction of the Municipality	20*	
A decision by National Treasury in respect of TVR:IIB	10*	
Completion of the TVR:III report and Council Resolution.	20	
A decision by National Treasury in respect of TVR:III	10	
Close-out report and Case study	10	
TOTAL	100	
BAFO allowance (if applicable) will be 15% of * (For budgeting purposes only)		
TOTAL including BAFO allowance		

Deliverables completed per the remuneration schedule will be approved by the project officer, after which invoices may be submitted for payment as per the remuneration schedule. The Municipality will pay within 30 days of receiving the approved invoice.

4.2.2 Disbursement arrangements

Bidders are required to propose a ceiling for disbursements in context of their knowledge of tasks required to complete the study and the proposed work plan.

4.3 Management of Advisor by the Municipality

The advisor will be appointed by the Municipal Manager.

The Municipal Manager will take full responsibility for managing the advisor's work and for ensuring delivery on the project.

The project officer has established a project team to regularly engage with the advisor for efficiently completing the various delivery items. The project team will meet at least monthly and the advisor will report progress to these meetings, as instructed by the project officer.

The project officer will confirm that the advisor has satisfactorily completed each deliverable before invoices can be submitted to the Municipality for payment.

5. Rules of bidding, bid submission requirements and bid evaluation

5.1 Rules of Bidding

- i. The advisor must be a single legal entity with all other necessary expertise secured via subcontract, in line with the requirements of Clause 4(1)(c) of the Preferential Procurement Policy, and under a joint venture arrangement. The Municipality will enter into a single contract with a single firm for the delivery of the work set out in these terms of reference.
- ii. Tax clearance certificates dated within 6 months of the closing date of this bid must be submitted by all South African firms submitting bids as part of a consortium or joint venture.
- iii. Foreign firms providing proposals must become familiar with local conditions and laws, and take them into account in preparing their proposals.
- iv. Bids must be submitted in South African Rands, on a fixed price basis.
- v. The costs of preparing bids and of negotiating the contract will not be reimbursed.
- vi. The Municipality is not bound to accept any of the bids submitted, and reserves the right to call for best and final offers from short-listed bidders before final selection.
- vii. The Municipality reserves the right to call interviews with short-listed bidders before final selection.
- viii. The Municipality reserves the right to negotiate price with the preferred bidder.
- ix. Firms may ask for clarification on these terms of reference or any of its annexures up to close of business 48 hours before the deadline for the submission of bids. Any request for clarification must be submitted by email to the project officer at strachanb@umhlathuze.gov.za. Copies of questions and answers will be emailed to all firms that register at the briefing session, without revealing the identity of the source of the questions.
- x. The Municipality may extend the tender deadline following the procedure as set out in the Municipality's Supply Chain Management Policy.
- xi. The Municipality reserves the right to return late bid submissions unopened.
- xii. Firms may not contact the Municipality or the relevant treasury on any matter pertaining to their bid from the time when bids are submitted to the time the advisor contract is awarded. Any effort by a bidder to influence bid evaluation, bid comparisons or bid award decisions in any manner, may result in rejection of the bid concerned.
- xiii. All bids are subject to the terms and conditions contained herein and in the bid documentation as stipulated by various legislations governing public procurement including City of uMhlathuze's policies

5.2 Bid Submission Requirements

Advisors are required to submit their proposals in **two envelopes** in the following format:

5.2.1 Envelope 1: Technical and BEE proposal

Marked with the name of the advisor.

Titled: “Technical Proposal: Tender 8/2/1/UMH557_19/20: Procurement of Transaction Advisor to conduct a Feasibility Study for the Proposed Relocation and Redevelopment of the Richards Bay Airport for the uMhlathuze Municipality”

This envelope must contain at least the following:

- a. Covering letter signed by the lead advisor, among others:
 - Accepting the rules of bidding, evaluation of bids, and bid evaluation criteria set out in the terms of reference
 - Attaching a tax clearance certificate from South African Revenue Services for the lead advisor firm and all South African firms to be subcontracted to it for this assignment, or all South African firms participating in a joint venture for purposes of this bid
 - Providing full contact details for the lead advisor.
- b. Information on and motivation for the lead advisor, attaching his or her curriculum vitae, and setting out his or her personal, and his or her firm's:
 - Suitability for this assignment
 - Relevant skills and experience: For each relevant experience cited, outline the precise role the lead advisor played, the role of the firm, contract duration, contract outcomes, and contract value
 - Availability to perform the work: This must be substantiated by listing the lead advisor's other known professional commitments for the forthcoming two years
 - The BEE shareholder equity in the lead advisor company.
- c. Names and BEE status of all proposed team members, and their firms, setting out:
 - The professional role that each person will play in the assignment. This must be cross-referenced to each deliverable set out in this terms of reference;
 - The suitability of each person for the proposed roles in terms of their relevant skills and experience;
 - Their availability to perform the work;
 - One-page resumes of each person highlighting responsibilities held for experience relevant to this assignment in the last 5 years;
 - Summary of the percentage of black South African professionals on the team, clearly showing the roles they will play in the advisor.
- d. The Empowerment proposal, setting out:
 - The number and percentage of black professionals playing leading roles in the advisor consortium
 - The percentage of black equity in the consortium
 - Demonstrated understanding of skill and experience within the team on concluding effective black participation in PPPs
 - Skills transfer plan within the consortium to directly benefit black professionals.

- e. Project comprehension and project management plan, setting out:
- The advisor's understanding of the terms of reference, and any proposals for amendments to the terms of reference that would enhance desired outcomes
 - How the advisor proposes to manage the set of deliverables outlined in the terms of reference
 - A proposed outline work plan with timetable for delivery
 - How the advisor members will be supervised
 - How reporting to the project officer will take place
 - Any innovative ideas for how the whole assignment can best achieve its objectives.

The technical envelope must not include any price proposal.

5.2.2 Envelope 2: Financial proposal

Marked with the name of the advisor.

Titled: "Financial Proposal: Tender 8/2/1/UMH557_19/20: Procurement of Transaction Advisor to conduct a Feasibility Study for the Proposed Relocation and Redevelopment of the Richards Bay Airport for the uMhlathuze Municipality"

This envelope must contain:

- a. Proposed remuneration for professional fees:
- A remuneration proposal in the remuneration format outlined at 4.2.1 above, giving professional cost per deliverable item and total for each part as indicated.
 - VAT must be specified as a separate total for each of the feasibility study and PPP procurement parts. While VAT will be paid pro rata for each delivery item in each part of the assignment, it should be indicated as a total sum per part for purposes of this submission.
- b. Itemisation of fees payable to each member of the advisor, specifically showing fees payable to black members of the consortium.
- c. An estimation of anticipated disbursement costs per part of work. This information will not be used as a criterion for the evaluation of bids, and the successful bidder will not be held to this amount.
- d. A marked-up version of the draft advisor contract (attached here as Annexure B), including the proposed remuneration set out in a draft proposed payments schedule to the contract.

5.3 Compulsory Briefing Session

The Municipality will hold a briefing session on the terms of reference. All potential advisors are required to attend and to register their interest in submitting bids. The list of attendees will be circulated to all present to encourage the formation of appropriate consortia. No party registering interest is, however, bound to submit a bid.

Date: 16 August 2019

Time: 10h00

Venue: Executive Committee Room (1st floor, Richards Bay Civic Complex)

Please confirm attendance by email to: Ms Brenda Strachan: strachanb@umhlathuze.gov.za

5.4 Address and deadline for submission of bids

Both the Technical and Financial proposal envelopes (each marked as such) shall be inserted into a third envelope clearly marked:

TENDER 8/2/1/UMH557-19/20: PROCUREMENT OF TRANSACTION ADVISOR TO CONDUCT A FEASIBILITY STUDY FOR THE PROPOSED RELOCATION AND REDEVELOPMENT OF THE RICHARDS BAY AIRPORT FOR THE UMHLATHUZE MUNICIPALITY

The bid must be hand delivered to:

The bid box

City of uMhlathuze local Municipality
Civic Centre
5 Mark Strasse
Richards Bay
3900

By no later than 12:00 on 17 September 2019

The Municipality will record all bids received by the deadline.

5.5 Bid Evaluation

The uMhlathuze Bid Evaluation Committee will evaluate all transaction advisor bids received by the deadline, according to the criteria indicated here. It will make a recommendation to the Bid Adjudication Committee of the municipality on the appointment of the preferred advisor.

The municipality reserves the right to call bidders to complete any outstanding elements of their bids, make presentations of their bids, and/or present best and final offers if required. The decision of the Municipality will be final.

The price proposal envelopes of each bid received will be locked away until the technical and Empowerment proposals have been evaluated by the Bid Evaluation Committee. The price proposals of only those bids whose technical and Empowerment proposals meet or better the technical and Empowerment threshold scores set out in the bid evaluation criteria (section 5.6 below) will be considered. Those bids that do not meet the technical and Empowerment threshold scores will have their price proposal envelopes returned unopened and will not be further considered for selection.

Bidders that have met the minimum threshold of 70%, i.e. 84 points in respect of the Technical Evaluation outlined in Table 2 will be invited to present their detailed project work plan, project management approach, timetable and empowerment proposal to the Bid Evaluation Committee.

5.6 Bid evaluation Criteria Format

Amongst others, bids will only be accepted from bidders that attended the compulsory briefing session and submitted bids according to the submission requirements.

Functionality evaluation

Bids will be evaluated strictly according to the bid evaluation criteria stipulated in this section of the terms of reference as follows:

- a) *Table 2: Technical evaluation* – Bidders must, as part of their bid documents, submit supportive documentation for all technical requirements as indicated 5.2.1. The Bid Evaluation Committee will verify all documents submitted by the bidders and score all responsive bids, as per criteria set out in Table 2, based on their submissions and the information provided. A minimum score of 70% must be achieved to be considered for the PPPFA phase. Bidders will not rate themselves, but need to ensure that all information is supplied as required.
- b) *Table 3: Empowerment proposal evaluation* - Bidders must, as part of their bid documents submit an Empowerment proposal as per section 5.2.1 for the purposes of evaluation as per criteria set out in Table 3.

As already noted, bidders that have met the minimum threshold of 70%, i.e. 84 points in respect of the Technical Evaluation outlined in Table 2 will be invited to present their detailed project work plan, project management approach, timetable and empowerment proposal to the Bid Evaluation Committee.

Price evaluation as per PPPFA as detailed in Section H

Evaluation will be solely based on the information provided by each bidder. Committee members will individually evaluate the responses received against the criteria set out below. The bidders' total functionality score for the area of work that they are offering services for will be an aggregated of their score for the Finance advisor, Legal advisor, Technical skills appropriate to the project, PPP procurement and structuring, Quality of project comprehension demonstrated in proposals, Quality of proposed work plan, project management approach and timetable for the project and Lead advisor's availability for the work.

5.6.1 Table 2: Technical evaluation criteria

Key Aspect of Criterion	Basis for Points Allocation	Score	Max Points	Points	Verification Method (if applicable)
Relevant Project Experience of the Bidder (Name of traceable reference with contact details to be included for verification)	3 or more similar projects, in terms of technical scope, completed. Tenderer to submit name of traceable references with contact details for verification.	Good	20		Name of traceable references with contact details plus letters confirming the completion of the projects issued by the previous employers/clients.
	2 similar projects, in terms of technical scope,	Fair	15		Name of traceable references with

	completed. Tenderer to submit name of traceable reference with contact details for verification.				contact details plus letters confirming the completion of the projects issued by the previous employers/clients.
	1 similar project completed. Tenderer to submit name of traceable reference with contact details for verification.	Poor	10		Name of traceable reference with contact details plus letters confirming the completion of the projects issued by the previous employers/clients.
Relevant Registration and Experience of Project Manager/Leader	Relevant Professional registration and at least 15 years or more proven relevant experience – post registration.	Good	20		Relevant Professional registration; Curriculum Vitae with at least 3 traceable references.
	Relevant Professional registration and at least 10 years or more proven relevant experience – post registration	Fair	15		Relevant Professional registration; Curriculum Vitae with at least 3 traceable references.
	Relevant Professional registration with less than 10 years proven relevant experience – post registration.	Poor	10		Relevant Professional registration; Curriculum Vitae with at least 3 traceable references.
Relevant Qualification, Registration and Experience of Financial Advisor Required Experience: - Project Structuring - Investment Analysis - Financial Planning and	Relevant Qualification, Professional registration and at least 15 years or more proven relevant experience –post registration.	Good	20		Relevant Qualification, Professional registration; Curriculum Vitae with at least 3 traceable references.
	Relevant Qualification, Professional registration and at least 10 years or more proven relevant experience – post registration	Fair	15		Relevant Qualification, Professional registration; Curriculum Vitae with at least 3

- modelling - PPP - procurement - Contract negotiations					traceable references.
	Relevant Qualification, Professional registration with less than 10 years proven relevant experience –post registration.	Poor	10		Relevant Qualification, Professional registration; Curriculum Vitae with at least 3 traceable references.
Relevant Qualification, Registration and Experience of the Legal Advisor	Relevant Qualification, Professional registration and at least 15 years or more proven relevant experience –post registration.	Good	20		Relevant Qualification, Professional registration; Curriculum Vitae with at least 3 traceable references.
Required Experience: - Advisory services in drafting and negotiating commercial agreements between government and the private sector or a mix of Design, Build, Finance, Operate (DBFO) projects.	Relevant Qualification, Professional registration and at least 10 years or more proven relevant experience – post registration	Fair	15		Relevant Qualification, Professional registration; Curriculum Vitae with at least 3 traceable references.
	Relevant Qualification, Professional registration with less than 10 years proven relevant experience –post registration.	Poor	10		Relevant Qualification, Professional registration; Curriculum Vitae with at least 3 traceable references.
Relevant Qualification, Registration and Experience of the Technical Advisor	Relevant Qualification, Professional registration and at least 15 years or more proven relevant experience –post registration.	Good	20		Relevant Qualification, Professional registration; Curriculum Vitae with at least 3 traceable references.
Required Experience: - Airport related engineering professional services incl. needs analysis, engineering	Relevant Qualification, Professional registration and at least 10 years or more proven relevant experience – post registration	Fair	15		Relevant Qualification, Professional registration; Curriculum Vitae with at least 3

design, construction planning and procurement.					traceable references.
	Relevant Qualification, Professional registration with less than 10 years proven relevant experience –post registration.	Poor	10		Relevant Qualification, Professional registration; Curriculum Vitae with at least 3 traceable references.
Quality of proposed work plan, project management approach and timetable for the project.	Detailed project approach/ methodology with an indication of all project related activities, time frames and critical path.	Good	20		Detailed programme critical path is depicted in MS Project, excel or similar software.
	Less detailed project approach/ methodology, activities and time frames.	Fair	15		Work programme does not show detailed information.
	Poor project approach/ methodology.	Poor	10		Work programme not detailed.
MAXIMUM POINTS			120		

Note: Bidders must meet the minimum threshold of 70%, i.e. 84 points, to be considered for PPPFA evaluation

5.6.2 Table 3: Empowerment proposal evaluation criteria

Key Aspect of Criterion	Basis for points allocation	Max. Points	Points awarded	Verification methods
A credible plan for skills transfer to benefit officials inexperienced in PPPs within the organisation.	Provision of at least examples of skills transfer undertaken in related projects. Traceable references have to be provided	1 example = 10		Measurable inputs and or outcomes related to referenced skills transfer processes to be presented.
		2 examples = 20		
		3 examples = 30		

Bidders that have met the minimum threshold of 70%, i.e. 84 points in respect of the Technical Evaluation outlined in Table 2 will be invited to present their detailed project work plan, project management approach, and timetable as well as empowerment proposal (outlined in Table 3 above) to the Bid Evaluation Committee.

5.7 Envelope 2: Price proposal

Having concluded the above process, the remaining bids will be allocated Financial Proposal points pro-rata in accordance with the formula prescribed in the regulations promulgated in terms of the Preferential Procurement Policy Framework Act.

Appendix A: Background and supporting documentation

Appendix B: Draft advisor contract/Service Level Agreement

RETURNABLE DOCUMENTS' CHECK LIST

BBBEE CERTIFICATE OR SWORN AFFIDAVIT (original or certified copy)	
DECLARATON OF INTEREST (must be filled in full and signed)	
VALID TAX CLEARANCE CERTIFICATE OR PIN	
PROJECT SCHEDULE	
RELEVANT LETTER OF GOOD STANDING (Compensation for Occupational Injuries and Diseases Act)	
LATEST MUNICIPAL ACCOUNTS of business and all shareholders and directors / SWORN AFFIDAVIT for businesses and shareholders and directors with no Municipal Accounts (not older than 3 months)	
JOINT VENTURE AGREEMENT (if tendered as a Joint Venture)	
REGISTRATION CERTIFICATE OF AN ENTITY – Proof of company registration (CIPC)	
PROOF OF COMPANY CENTRAL SUPPLIER DATABASE (CSD REGISTRATION)	
LATEST ANNUAL FINANCIAL STATEMENTS (applicable if the bid exceeds R10mil)	

FAILURE TO SUBMIT THE ABOVE DOCUMENTATION MAY LEAD TO DISQUALIFICATION OF THE TENDERER

Any other returnable document which form part of this tender
(Specify)

SECTION D

ORIGINAL OR CERTIFIED COPY OF VALID BBBEE CERTIFICATE OR SWORN AFFADAVIT TO BE ATTACHED TO THIS PAGE

SECTION E

DECLARATION OF INTEREST MBD 4

1. No bid will be accepted from persons in the service of the state¹.
2. Any person, having a kinship with persons in the service of the state, including a blood relationship, may make an offer or offers in terms of this invitation to bid. In view of possible allegations of 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, shareholder²): _____

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
(Mark appropriate block with "X")

3.8.1 If yes, furnish particulars

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

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

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

3.9 Have you been in the service of the state for the past twelve months?

Yes No
(Mark appropriate block with "X")

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
(Mark appropriate block with "X")

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
(Mark appropriate block with "X")

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
(Mark appropriate block with "X")

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
(Mark appropriate block with "X")

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
(Mark appropriate block with "X")

3.14.1 If yes, furnish particulars:

.....
.....

4.Full details of directors / trustees / members / shareholders.

Full Name	Identity Number	State Employee Number

DATE

SIGNATURE

CAPACITY

NAME OF BIDDER

SECTION F

SCHEDULE OF PRICES

(To be completed by tenderer)

TENDER NUMBER: _____

IMPORTANT
Mark appropriate block with "X"

- | | | | |
|----|---|--|---------------------------------------|
| 1. | HAVE ANY ALTERATIONS BEEN MADE?
(if yes, complete section L) | Yes
<input type="checkbox"/> | No
<input type="checkbox"/> |
| 2. | HAS AN ALTERNATIVE TENDER BEEN SUBMITTED?
(if yes, complete section L) | Yes
<input type="checkbox"/> | No
<input type="checkbox"/> |

NAME OF COMPANY: _____

DATE

SIGNATURE

SECTION G

CONTRACTUAL OBLIGATIONS / QUESTIONNAIRE REPLIES

- 1. Are the prices/rates quoted firm? **Yes** **No** *(Mark appropriate block with "X")*
(if not firm please state base and escalation formula in section H).

- 2. Is the delivery period stated firm? **Yes** **No** *(Mark appropriate block with "X")*

- 3. How will delivery be affected?

- 4. Guarantee period

- 5. Are you the accredited agents in the RSA for the manufacture/supply of the goods offered by you?
Yes **No**
(Mark appropriate block with "X")

- 6. What is the address in the RSA (preferably in the province of KwaZulu-Natal) where a machine/goods as offered by you can be inspected under working conditions?
.....

- 7. What is the approximate value of spares carried in stock in the RSA for this particular make and model of machine?
.....

- 8. Where is stock held?

- 9. What facilities exist for the servicing of the machine/goods offered?
.....

- 10. Where are these facilities available?

- 11. What are the names and addresses of the factories where the goods will be manufactured and, if required, inspected?
.....
.....

- 12. Is a special import permit required? **Yes** **No**
(Mark appropriate block with "X")

SIGNATURE OF TENDERER

DATE

N.B.: THIS FORM IS ONLY TO BE INCLUDED AND COMPLETED WHEN APPLICABLE TO THE TENDER

SECTION I

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 the attached form TCC 001 "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.

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 Valid and Original Tax Clearance Certificate or Pin Number must be submitted together with the bid. Failure to submit the original and valid Tax Clearance Certificate or Pin Number 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 or where applicable a Joint Tax Clearance Certificate for the Consortia/Joint Ventures/Sub Contractors.

5 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.

6 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 *eFiling* through the website www.sars.gov.za

NB !!! .VALID ORIGINAL TAX CLEARANCE CERTIFICATE OR PIN NUMBER TO BE ATTACHED TO THIS PAGE

SECTION J

AUTHORITY TO SIGN A TENDER

A. COMPANIES

If a Tenderer is a company, a certified copy of the resolution by the board of directors, personally signed by the chairperson of the board, authorising the person who signs this tender to do so, as well as to sign any contract resulting from this tender and any other documents and correspondence in connection with this tender and/or contract on behalf of the company must be submitted with this tender, that is before the closing time and date of the tender.

AUTHORITY BY BOARD OF DIRECTORS

Resolution passed by the Board of Directors on20....., Mr/Ms (whose signature appears below) has been duly authorised to sign all documents in connection with tender/contract on behalf of (Name of Company)

.....

SIGNED ON BEHALF OF COMPANY : _____

PRINT NAME : _____

IN HIS/HER CAPACITY AS : _____

SIGNATURE OF SIGNATORY : _____ **DATE :** _____

PRINT NAME : _____

WITNESSES: 1. _____

2. _____

B. SOLE PROPRIETOR (ONE - PERSON BUSINESS)

I, the undersigned ID Number hereby confirm that I am the sole owner of the business trading as:

SIGNATURE

DATE

C. PARTNERSHIP

The following particulars in respect of every partner must be furnished and signed by every partner:

Full name of partner	Residential address	ID Number	Signature
.....
.....
.....
.....
.....

We, the undersigned partners in the business trading as, hereby authorise..... to sign this tender as well as any contract resulting from the tender and any other documents and correspondence in connection with this tender and /or contract on behalf of

SIGNATURE

SIGNATURE

SIGNATURE

DATE

DATE

DATE

D. CLOSE CORPORATION

In the case of a close corporation submitting a tender, a certified copy of the Founding Statement of such corporation shall be included with the tender, together with the resolution by its members authorising a member or other official of the corporation to sign the documents on their behalf.

By resolution of members at a meeting on _____/20__ at _____ Mr/Ms _____, whose signature appears below, has been authorised to sign all documents in connection with this tender on behalf of (Name of close corporation).

SIGNED ON BEHALF OF CLOSE CORPORATION

IN HIS/HER CAPACITY AS: _____ DATE: _____

SIGNATURE OF SIGNATORY _____

WITNESSES: 1. _____

2. _____

SECTION L

SCHEDULE OF VARIATIONS FROM SPECIFICATIONS

(This form is to be used whenever it is applicable)

Should the Tenderer wish to make any departure from or modifications in the Special Conditions of Contract, Specifications, Schedule list of Prices/Quantities/Drawings or to qualify the tender in any way, he/she shall indicate the proposals clearly hereunder or alternatively make photocopies of the original tender documentation.

SECTION	PAGE	VARIATION: CLAUSE OR ITEM

SIGNATURE OF TENDERER

DATE

SECTION N

DECLARATION BY TENDERER(S)

(Mark appropriate block with "X")

1. Is the tenderer or any of its directors listed in the National Treasury's database as a person prohibited from doing business with the public sector?

Yes <input type="checkbox"/>	No <input type="checkbox"/>
--	---------------------------------------

2. Are any municipal rates and taxes or municipal service charges owed by the tenderer or any of its directors to the municipality or to any other municipality or municipal entity, in arrears for more than three months?

Yes <input type="checkbox"/>	No <input type="checkbox"/>
--	---------------------------------------

3. Has the tenderer or any of its directors failed to perform satisfactorily on a previous contract with the municipality or any other organ of state after written notice was given to the tenderer or any of its directors that the performance was unsatisfactory?

Yes <input type="checkbox"/>	No <input type="checkbox"/>
--	---------------------------------------

4. The tenderer understands and acknowledges that an affirmative answer to any of the above 3 (three) questions or discovery of proof indicating an affirmative answer in respect hereof, will result in the disqualification or rejection of the tender.

SIGNATURE OF TENDERER

DATE

NAME OF TENDERER

SECTION O

GENERAL CONDITIONS OF CONTRACT

1. CESSION OF CONTRACTS

- 1.1 The Contract is personal to the Contractor who shall not sublet, assign, cede or make over the Contract or any part thereof, or any share of interest therein, to any other person without the written consent of uMhlathuze Municipality, and on such conditions as it may approve.
- 1.2 uMhlathuze Municipality reserves the right to require the Contractor to submit, for noting, the names of any subcontractors, if applicable.

2. DISCREPANCIES

Should there appear to be any discrepancies, ambiguities or want of agreement in description, dimensions, qualities or quantities in the Contract, the Contractor shall be obliged to refer the matter to uMhlathuze Municipality's Representative for a decision, before proceeding to execute the Contract or part thereof in respect of which the said discrepancies, ambiguities or want of agreement appear to exist.

3. QUALITY AND GUARANTEE

- 3.1 All Goods supplied shall be equal in all respects to samples, patterns or specifications where such are provided. No changes to quality or brand will be considered.
- 3.2 Should uMhlathuze Municipality, after the award of the Contract and/or during the manufacture of the goods specified, decide on a variation or alteration to the specification, either at the suggestion of the Contractor or otherwise, which will be to uMhlathuze Municipality's satisfaction. Any variation in the Contract Price arising there from shall be subject to agreement between uMhlathuze Municipality and the Contractor.
- 3.3 The Contractor shall not be relieved of his obligations with respect to the sufficiency of the materials and workmanship and the quality of the goods supplied by the reason of no objection having been taken thereto by uMhlathuze Municipality's Representative at the time the Goods were delivered.
- 3.4 If at any time, as per the guarantee period specified in section G (4), uMhlathuze Municipality shall prove that the Goods or any part thereof are defective on account of materials being faulty or of inferior quality of workmanship or bad design, or are not strictly in accordance with the Contract, the Contractor shall immediately remedy the said defect free of cost to uMhlathuze Municipality. Should the Contractor delay remedial work in excess of time stipulated by uMhlathuze Municipality's Representative, uMhlathuze Municipality may have such remedial work executed at the Contractor's expense. Should uMhlathuze Municipality decide that the defect is such that it cannot be remedied, the Goods may be rejected. Such rejected goods shall be held at the risk and expense of the Contractor and shall, on request of uMhlathuze Municipality, be removed by him immediately on receipt of notification of rejection. The Contractor shall be responsible for any loss uMhlathuze Municipality may sustain by reason of such action as uMhlathuze Municipality may take, in terms of this clause.
- 3.5 The risk in respect of the Goods purchased by uMhlathuze Municipality under the Contract shall remain with the Contractor until such goods have been delivered to uMhlathuze Municipality.
- 3.6 The principle feature of the Goods and Service are described in Section C (Specifications), but the information contained therein does not purport to indicate every detail of construction, fabrication or arrangements of Goods and Services necessary to meet the requirements. Omission from the section C specification information, shall not relieve the Contractor of his responsibility for carrying out the Work as required under the Contract.
- 3.7 If any dispute arises between uMhlathuze Municipality and the Contractor in connection with the quality and guarantee of the Goods, either party may give the other notice in writing of the existence of such dispute, and the same shall thereupon be referred to arbitration in South Africa by a person mutually agreed upon

by both parties, or if the parties cannot agree, a person appointed by the Chairman of the Board of Arbitrators. The submission shall be deemed to be a submission to arbitration within the meaning of the terms of the arbitration laws in force in the Republic of South Africa.

4. FAILURE TO COMPLY WITH CONDITIONS AND DELAYED EXECUTION

- 4.1 If a tenderer amends or withdraws his/her/their tender after the closing time but before the tenderer is notified that his/her/their tender has been accepted, or when notified that his/her/their tender has been accepted, he/she/they fail/fails, within the period stipulated in the conditions of tender or such extended period as the Bid Adjudication Committee may allow, to sign a contract or to provide security when requested to do so, he/she/they shall, unless the Bid Adjudication Committee decides otherwise, and without prejudice to any other right which uMhlathuze Municipality may have under paragraphs 4.2 and 4.4, including the right to claim damages if a less favourable tender is accepted or less favourable arrangements are to be made, forfeit any deposit which may have been made with the tender.
- 4.2 Should the contractor fail to comply with any of the conditions of the contract, uMhlathuze Municipality shall be entitled, without prejudice to any of its other rights, to cancel the contract.
- 4.3 Upon any delay beyond the contract period in the case of a supplies contract, uMhlathuze Municipality shall, without cancelling the contract, be entitled forthwith to purchase supplies of a similar quality and up to the same quantity in substitution of the goods not supplied in conformity with the contract and to return any supplies delivered later at the contractor's expense and risk, or forthwith to cancel the contract and buy such supplies as may be required to complete the contract, and without prejudice to its rights, be entitled to claim damages from the contractor.
- 4.4 Upon any delay beyond the contract period in the case of a service contract, uMhlathuze Municipality shall, without prejudice to any other right and without cancelling the contract, be entitled forthwith to arrange the execution of the service not rendered in conformity with the contract or to cancel the contract, and without prejudice to its other rights, be entitled to claim damages from the contractor.
- 4.5 In the event of uMhlathuze Municipality availing itself of the remedies provided for in paragraph 4.2:
 - 4.5.1 the contractor shall bear any adverse difference in price of the said supplies services and these amounts plus any other damages which may be suffered by uMhlathuze Municipality, shall be paid by the contractor to uMhlathuze Municipality immediately on demand, or uMhlathuze Municipality may deduct such amounts from moneys (if any) otherwise payable to the contractor in respect of supplies or services rendered or to be rendered under the contract or under any other contract or any other amounts due to the contractor; or
 - 4.5.2 if the contractor fails to supply the goods or render the service within the period stipulated in the contract, uMhlathuze Municipality shall have the right, in its sole discretion, to claim any damages or loss suffered.
- 4.6 No damages shall be claimed in respect of any period of delay which the contractor can prove to be directly due to a state of war, sanctions, strikes, lockouts, damage to machinery as a result of accidents, fire, flood or tempest or act of God, which could not be foreseen or overcome by the contractor, or to any act or omission on the part of persons acting in any capacity on behalf of uMhlathuze Municipality.
- 4.7 If the delivery of the supplies or the rendering of the service is likely to be delayed or is in fact being delayed on account of any of the reasons mentioned in paragraph 4.6, full particulars of the circumstances shall be reported forthwith in writing to uMhlathuze Municipality and at the same time the contractor shall indicate the extension of the delivery period which is desired.

5. PATENTS

The Contractor shall pay all royalties and expenses and be liable for all claims in respect of the use of patent rights, trademarks or other protected rights, and hereby indemnifies uMhlathuze Municipality against any claims arising there from.

6. PACKAGING, MARKING AND DELIVERY

- 6.1 All goods shall be crated, packed or battened securely in such a manner as to prevent damage during loading, transport and off-loading. Unless otherwise specified, packing cases and packing materials are included in the Contract Price, and shall be and remain the property of uMhlathuze Municipality.
- 6.2 All goods shall be clearly marked in the manner stated in the Goods or Services Information.
- 6.3 Goods shall be delivered to the uMhlathuze Municipality Stores department situated at the end of Betastraal, Alton, Richards Bay.
- 6.4 Goods shall be delivered on Weekdays between 08:00 and 15:30, free of all charges, only when ordered upon an official letter or form of order issued by uMhlathuze Municipality.
- 6.5 Goods delivered shall in all cases be accompanied by delivery notes in duplicate, one which will be retained by the Municipality. The Contractor shall be responsible for the safe delivery as to the quality, quantity and condition of the goods.
- 6.6 Delivery, will be as specified in Schedule F (Schedule of prices). The Contractor shall advise uMhlathuze Municipality of an order in writing of any anticipated delays, citing reasons therefore and put forward a new anticipated delivery date. uMhlathuze Municipality may then extend the delivery date, if and as it deems fit.
- 6.7 Should the Contractor fail to supply the material within the time stated in his tender, or within the extended time allowed to him in terms of clause 6.6 hereof, uMhlathuze Municipality reserves the right (after giving the Contractor seven days' notice in writing) to cancel the contract and purchase the materials elsewhere and the tenderer shall refund to uMhlathuze Municipality any extra cost incurred over and above the contract price. No liability shall, however, be attached to the Contractor if delivery of materials is rendered impossible or delayed by reason of circumstances beyond the Contractor's control, as per clause 4.6 above.
- 6.8 If the Contractor cannot produce proof satisfactory to uMhlathuze Municipality that the delay was due to circumstances beyond his control, as per clause 4.6, no price increase after the due date will be recognised.
- 6.9 If at any time uMhlathuze Municipality ascertains that, due to negligence of the Contractor or for reasons beyond his control:
- 6.9.1 No work on the order has been commenced and in the opinion of uMhlathuze Municipality, there is little or no prospect of work being commenced in reasonable time;
- 6.9.2 Delivery of any materials is being or is likely to be delayed beyond the delivery date promised; and/or
- 6.9.3 There is little or no prospect of the order being completed within a reasonable time after the promised date, uMhlathuze Municipality may, by notice to the Contractor in writing, cancel as from the future date specified in such notice, the whole or any part of the order in respect of which material has not been delivered by that date without incurring any liability by reasons of such cancellation. The cases where circumstances beyond the control of the Contractor have delayed commencement or completion of the order, cancellation of the order will be effected by mutual arrangements or where this is not possible by the decision of uMhlathuze Municipality. The Contractor shall then as soon as possible after such date deliver to uMhlathuze Municipality that

part of the order which has been completed, and payment is to be effected is for the part performance on a proportional basis, subject to the uncompleted part not being an integral or essential part of the contract.

7. PAYMENT

Payments for goods will be made by uMhlathuze Municipality, within 30 days from receipt of a valid tax invoice.

8. INVOICE

All invoices submitted by the Contractor must be Tax Invoices indicating quantity ordered and quantity delivered, the amount of tax charged and the total invoice amount.

9. CONTRACT PRICE ADJUSTMENT

Firm Contract Prices shall not be subject to adjustment. Contract Prices which are not firm shall be increased or reduced as stated in Section H.

10. REMEDIES IN THE CASE OF DEATH, SEQUESTRATION, LIQUIDATION OR JUDICIAL MANAGEMENT

10.1 In the event of the death of a contractor or the provisional or final sequestration of his/her/their estate or of his/her/their cession or transfer of a contract without the approval of the Bid Adjudication Committee of uMhlathuze Municipality or of the surrender of his/her/their estate or of his/her/their reaching a compromise with his/her/their creditors or of the provisional or final liquidation of a contractor's company/closed corporation or the placing of its affairs under judicial management, uMhlathuze Municipality may, without prejudice to any other rights it may have, exercise any of the following options :

10.1.1 cancel the contract and accept any of the tenders which were submitted originally with that of the contractor or any offer subsequently received to complete the contract. In such a case the estate of the contractor shall not be relieved of liability for any claim which has arisen or may arise against the contractor in respect of supplies not delivered or work not carried out by the contractor, under the contract.

10.1.2 Allow the executor, trustee, liquidator or judicial manager, as the case may be, for and on behalf of and at the cost and expense of the estate of the contractor to carry on with and complete the contract.

10.1.3 For and on behalf of and at the cost and expense of the estate of the contractor, itself carry on with and complete the contract and in that event uMhlathuze Municipality may take over and utilize, without payment, the contractor's tools, plant and materials in whole or in part until the completion of the contract.

10.2 Should uMhlathuze Municipality elect to act in terms of paragraph 10.1.3 it shall give notice of its requirements to the executor, trustee, liquidator or judicial manager of the contractor's estate and should the said executor, trustee, liquidator or judicial manager fail within 14 days of the dispatch of such notice to make provision to the satisfaction of uMhlathuze Municipality for the fulfillment of such requirements, or should no trustee, liquidator or judicial manager be appointed within 14 days of the occurrence mentioned in paragraph 10.1, uMhlathuze Municipality may apply any remedy open to it in terms of the contract as if a breach thereof had taken place.

10.3 Should uMhlathuze Municipality act in terms of paragraph 10.1.3 the contractor must leave the premises immediately and may not occupy such premises on account of retention or any other right.

11. LAW TO APPLY

The Contract shall in all respects be construed in accordance with the law of the Republic of South Africa, and any difference that may arise between uMhlathuze Municipality and the Contractor in regard to the Contract, shall be settled in the Republic of South Africa.

12. OFFERING OF COMMISSION OR GRATUITY

If the Contractor, or any person employed by him, is found to have either directly or indirectly offered, promised or given to any office bearer of uMhlathuze Municipality or person in the employ of uMhlathuze Municipality, any commission, gratuity, gift or other consideration, uMhlathuze Municipality shall have the right, summarily and without recourse to law and without prejudice to any other legal remedy which it may have in regard to any loss or additional cost or expenses, to cancel the Contract without paying any compensation to the Contractor.

13. PREFERENCES

13.1. Preferences will be granted in terms of Council's Preferential Procurement Policy. It is solely the responsibility of the tenderer to familiarize themselves of its contents, and to comply with its conditions, to be able to make a claim for preference. *Copies of the Preferential Procurement Policy may be obtained from the Supply Chain Management Unit, End of Beta Straal, Alton Richards Bay or downloaded from Council's Web Site www.umhlathuze.gov.za.*

13.2. Should the Contractor apply for preferences in the submission of his/her tender, and it is found at a later stage that these applications were incorrect or made under false pretences, uMhlathuze Municipality may, at its own right:-

13.2.1 Recover from the Contractor all costs, losses or damages incurred or sustained by uMhlathuze Municipality as a result of the award of the Contract; and / or

13.2.2 Cancel the contract and claim any damages which uMhlathuze Municipality may suffer by having to make less favourable arrangements after such cancellation.

14. WEIGHTS AND MEASURES

The quantities of goods offered or delivered shall be according to South African standard weights and measures.

15. ORDERS

15.1 Goods shall be delivered and services rendered only upon receipt of a written official order or the signing of a contract with uMhlathuze Municipality, and accounts shall be rendered as indicated on the official order or in the contract, as the case may be.

15.2 uMhlathuze Municipality reserves the right to call upon any Contractor during the contract period to confirm details of orders placed.

16. EXPORT LICENCES

16.1 When orders are placed for goods in respect of which an export licence from the country of origin of supplies is required, the Contractor shall:

16.1.1 Not incur any direct or indirect costs in connection with the supply or despatch of such supplies before he has obtained such licence.

16.1.2 If the government of the country from which the supplies are to be exported refuses, or fails to grant such licence within three months of the placing of the order, the order shall be considered to be cancelled and no liability will be accepted for any loss or expenses irrespective of the nature

thereof, including loss or expenditure suffered or incurred by the Contractor or any other person in respect of the production, supply, transportation or delivery of such supplies.

17. INSURANCE

Any insurance policies taken out by a Contractor to cover goods delivered for a contract must be taken out with a company registered in South Africa in terms of relevant insurance and companies acts.

18. INSPECTION, TESTS AND ANALYSES

- 18.1 Tenderers and Contractors must allow reasonable access to premises to officials from the department inviting the tender, or person specially appointed by uMhlathuze Municipality to carry out inspection or tests. There are two main categories: Firstly, where the tender conditions call for goods to be inspected during the contract period. Secondly, where the inspection results are to be submitted with the tender document.
- 18.2 If it is a tender condition that goods to be produced should at any stage during production or on completion be subject to inspection, the premises of the Contractor shall be open, at all reasonable hours, for inspection by a representative of uMhlathuze Municipality or of an organisation acting on its behalf.
- 18.3 Inspections tests and analyses may be carried out prior to despatch in regard to such contract goods as may be deemed necessary by uMhlathuze Municipality, and the Contractor shall provide, if required, all the required facilities for the inspection, tests and analyses of the goods free of charge and shall, if required, provide all the materials, samples and labour and available apparatus which may be required for the purposes of such inspection, tests and analyses free of charge, unless otherwise specified.
- 18.4 If there are no inspection requirements in the tender documents and no mention thereof is made in the letter of acceptance, but during the contract it is decided that inspections shall be carried out, uMhlathuze Municipality shall itself make the necessary arrangements, including payment arrangements, with the testing authority concerned. The premises of the Tenderer Contractor must be open and accessible at all reasonable times for the purposes of these tests.
- 18.5 If the inspection, tests and analyses show the goods or service to be in accordance with contract requirements, the cost of the inspection, tests and analyses shall be defrayed by uMhlathuze Municipality. Where the supplies or services do not comply with the contract, the costs shall be defrayed by the Contractor and uMhlathuze Municipality shall have the right, without prejudice to any other legal remedy it may have, to deduct such costs from payments due to the Contractor under the contract or under any other contract.
- 18.6 Goods and services which do not comply with the contract requirements may be rejected.
- 18.7 Any goods may on or after delivery be inspected, tested or analysed and may be rejected if found not to comply with the requirements of the contract, and such rejected goods shall be held at the cost and risk of the Contractor who shall, when called upon, remove them immediately at his own cost and forthwith substitute them for goods which do comply with the requirements of the contract, failing which such rejected goods shall be returned at the Contractor's cost and risk. Should the Contractor fail to provide the substitute goods forthwith, uMhlathuze Municipality may, without giving the Contractor a further opportunity to substitute the rejected goods, purchase such supplies as may be necessary at the expense of the Contractor, for example, the transport costs and other expenses regarding the rejected goods must be refunded by the Contractor.
- 18.8 Where imported goods are to be inspected before delivery, the Contractor shall notify his suppliers abroad of the conditions applicable to inspections.
- 18.9 Provisions contained in sub-clause 18.1 to 18.8 shall not prejudice the right of uMhlathuze Municipality to cancel the contract on account of a breach of the conditions thereof.

19. RESTRICTION OF TENDERING

Without prejudice on any other legal remedies, uMhlathuze Municipality may impose restrictions on a Tenderer in terms of which tenders to uMhlathuze Municipality will not be accepted for such period as determined by uMhlathuze Municipality. This information may be passed to other provinces or State organisations in the Republic of South Africa. These restrictions may be imposed in terms of the breach of any of the requirements to be met in terms of the accepted tender or contract.

20. CONTRACTOR'S LIABILITY

20.1 In the event of the contract being cancelled by uMhlathuze Municipality in the exercise of its rights in terms of conditions, the Contractor shall be liable to pay to uMhlathuze Municipality any losses sustained and/ or additional costs or expenditure incurred as a result of such cancellation, and uMhlathuze Municipality shall have the right to recover such losses, damages or additional costs by means of set-off from moneys due or which may become due in terms of the contract or any other contract or from guarantee provided for the due fulfilment of the contract and, until such time as the amount of such losses, damages or additional costs have been determined, to retain such moneys or guarantee or any deposit as security for any loss which uMhlathuze Municipality may suffer or may have suffered.

20.2 The Contractor may be held responsible for any consequential damages and loss sustained which may be caused by any defect, latent or otherwise, in supply or service rendered or if the goods or service as a result of such defect, latent or otherwise, does not conform to any condition or requirement of the contract.

21. PRICE LISTS

Price lists which are part of the contract shall not be amended without the approval of uMhlathuze Municipality, unless the amendment is in accordance with Section H (Price escalations).

22. SUBMISSION OF CLAIMS

22.1 Claims must be submitted within 90 days of the delivery date of items, but the delivery date will be calculated according to the delivery period stipulated in terms of the contract, unless an extension for late delivery has been granted by uMhlathuze Municipality.

22.2 For period contracts, no price increase will be granted within the first 180 days of the contract period. No price increase applications which are submitted later than 90 days after the contract period expired, will be considered. The claims shall be accompanied by documentary proof and, if required, an auditor's report sustaining the claim shall be provided.

22.3 Claims referring to formulae and indices must be clearly set out in terms of indices or formulae values used to calculate the tender price, and the adjusted indices or values.

23. uMHLATHUZE MUNICIPALITY'S PROPERTY IN POSSESSION OF A CONTRACTOR

23.1 uMhlathuze Municipality's property supplied to a Contractor for the execution of a contract remains the property of uMhlathuze Municipality and shall at all times be available for inspection by uMhlathuze Municipality or its representatives. Any such property in the possession of the Contractor on the completion of the contract shall, at the Contractor's expense, be returned to uMhlathuze Municipality forthwith.

23.2 The Contractor shall be responsible at all times for any loss or damages to uMhlathuze Municipality's property in his possession and, if required, he shall furnish such security for the payment of any such loss or damages as uMhlathuze Municipality may require.

24. RIGHTS TO PROCURE OUTSIDE THE CONTRACT

24.1 uMhlathuze Municipality reserves the right to procure goods outside the contract in cases of urgency or emergency or if the quantities are too small to justify delivery costs, or if the goods are obtainable from another organ of Municipality or if the Contractor's point of supply is not situated at or near the place where the goods are required or if the Contractor's goods are not readily available.

24.2 No provision in a contract shall be deemed to prohibit the obtaining of goods or services from uMhlathuze Municipality.

25. AMENDMENT OF CONTRACT

No agreement to amend or vary a contract or order or the conditions, stipulations or provisions thereof shall be valid and of any force and effect unless such agreement to amend or vary is entered into in writing and signed by the contracting parties. Any waiver of the requirement that the agreement to amend or vary shall be in writing.

SECTION P

DECLARATION FOR PROCUREMENT ABOVE R10 MILLION (VAT INCLUDED)

For all procurement expected to exceed R10 million (VAT included), bidders must complete the following questionnaire (Mark appropriate block with "X"):

1. Are you by law required to prepare annual financial statements for auditing? **Yes** **No**

1.1 If yes, submit annual financial statements for the past three years or since the date of establishment if established during the past three years.

2. Do you have any outstanding undisputed commitments for municipal services towards a municipality or any other service provider in respect of which payment is overdue for more than 30 days? **Yes** **No**

2.1 If no, this serves to certify that the bidder has no undisputed commitments for municipal services towards a municipality or any other service provider in respect of which payment is overdue for more than 30 days.

2.2 If yes, provide particulars.

3. Has any contract been awarded to you by an organ of state during the past five years, including particulars of any material non-compliance or dispute concerning the execution of such contract? **Yes** **No**

3.1 If yes, furnish particulars.

4. Will any portion of goods or services be sourced from outside the Republic, and, if so, what portion and whether any portion of payment from the municipality / municipal entity is expected to be transferred out of the Republic? **Yes** **No**

4.1 If yes, furnish particulars.

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

SECTION Q

MBD 9

CERTIFICATE OF INDEPENDENT BID DETERMINATION

- 1 This Municipal Bidding Document (MBD) must form part of all bids¹ 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).² 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:

¹ Includes price quotations, advertised competitive bids, limited bids and proposals.

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

CERTIFICATE OF INDEPENDENT BID DETERMINATION

I, the undersigned, in submitting the accompanying bid:

(Bid Number and Description)

in response to the invitation for the bid made by: uMhlathuze Municipality

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

I certify, on behalf of: _____ that:

(Name of Bidder)

1. I have read and I understand the contents of this Certificate;
2. I understand that the accompanying bid will be disqualified if this Certificate is found not to be true and complete in every respect;
3. I am authorized by the bidder to sign this Certificate, and to submit the accompanying bid, on behalf of the bidder;
4. Each person whose signature appears on the accompanying bid has been authorized by the bidder to determine the terms of, and to sign, the bid, on behalf of the bidder;
5. For the purposes of this Certificate and the accompanying bid, I understand that the word "competitor" shall include any individual or organization, other than the bidder, whether or not affiliated with the bidder, who:
 - (a) has been requested to submit a bid in response to this bid invitation;
 - (b) could potentially submit a bid in response to this bid invitation, based on their qualifications, abilities or experience; and
 - (c) provides the same goods and services as the bidder and/or is in the same line of business as the bidder
6. The bidder has arrived at the accompanying bid independently from, and without consultation, communication, agreement or arrangement with any competitor. However communication between partners in a joint venture or consortium³ will not be construed as collusive bidding.

³ 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.

CERTIFICATE OF INDEPENDENT BID DETERMINATION

7. In particular, without limiting the generality of paragraphs 6 above, there has been no consultation, communication, agreement or arrangement with any competitor regarding:
 - (a) prices;
 - (b) geographical area where product or service will be rendered (market allocation);
 - (c) methods, factors or formulas used to calculate prices;
 - (d) the intention or decision to submit or not to submit, a bid;
 - (e) the submission of a bid which does not meet the specifications and conditions of the bid; or
 - (f) bidding with the intention not to win the bid.

8. In addition, there have been no consultations, communications, agreements or arrangements with any competitor regarding the quality, quantity, specifications and conditions or delivery particulars of the products or services to which this bid invitation relates.

9. The terms of the accompanying bid have not been, and will not be, disclosed by the bidder, directly or indirectly, to any competitor, prior to the date and time of the official bid opening or of the awarding of the contract.

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

SIGNATURE

DATE

POSITION

NAME OF BIDDER

SECTION R

COPY OF LATEST MUNICIPAL ACCOUNTS TO BE ATTACHED TO THIS PAGE

Council's Supply Chain Management Policy Clause 29 (1) (c) states that:

- (1) The bid evaluation committee must:
 - (c) check in respect of the recommended bidder whether municipal rates and taxes and municipal service charges are not in arrears

Clause 13. General

A written quotation or bid may not be considered unless the provider/ bidder who submitted the quotation or bid:

(a) has furnished the municipality with that provider's:

.....

(iv) statement(s) proving that water, electricity, rates and business levy accounts of the owners **and/ or** directors of the company, **including** the business are up to date or **formal payment arrangement have been made**; and

Clause 38(1)(d) states that :

- (1) The accounting officer must–
 - (d) reject any bid from a bidder–
 - (i) if any municipal rates and taxes or municipal service charges owed by that bidder **and/ or** any of its directors to the municipality, or to any other municipality or municipal entity, are in arrears for more than three months;

NB !! If Tenderer has more than one Municipal account, copies of all accounts to be attached.

SECTION S

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	Mark appropriate block with "X"	
4.1	Is the bidder or any of its directors listed on the National Treasury's database as a company or person prohibited from doing business with the public sector? (Companies or persons who are listed on this database were informed in writing of this restriction by the National Treasury after the <i>audi alteram partem</i> rule was applied).	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)? (To access this Register enter the National Treasury's website, www.treasury.gov.za, click on the icon "Register for Tender Defaulters" or submit your written request for a hard copy of the Register to facsimile number (012) 3265445).	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:		

Item	Question	Mark appropriate block with "X"	
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 IS 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

Js367bW

SECTION T

VENDOR REGISTRATION

1. It is a requirement that all Vendors are registered on Council's Vendor Database, before any orders may be placed.

If you are not currently registered, you are hereby requested to download a copy of the Vendors application form available from Council's Website (www.umhlathuze.gov.za), and forward to Council's Supply Chain Management Unit, Private Bag X 1004, Richards Bay, 3900.

Should you require any assistance in this regard you may contact Ms Bonisile Zungu on telephone number: 035 907 5773.

2. With effect from 01 July 2016 Municipalities must use and award suppliers that have been vetted by Central Supplier Database in terms of MFMA Circular 81: Web Based Central Supplier Database (CSD).

Prospective Service Providers must visit www.csd.gov.za to register. Proof of registration, including the CSD supplier number starting with (MAAA) to be attached to this page.

SECTION V

OCCUPATIONAL HEALTH AND SAFETY SPECIFICATIONS FOR PROJECTS AND MAINTENANCE



CITY OF UMHLATHUZE

OCCUPATIONAL HEALTH AND SAFETY

HEALTH & SAFETY SPECIFICATIONS

FOR

CONSULTANTS AND SERVICE PROVIDERS

MANAGED ON BEHALF OF

**CITY OF UMHLATHUZE
MUNICIPALITY**

(THE "CLIENT")

**PROJECT: PROCUREMENT OF TRANSACTION ADVISOR TO CONDUCT A
FEASIBILITY STUDY FOR THE PROPOSED RELOCATION AND
REDEVELOPMENT OF THE RICHARDS BAY AIRPORT FOR THE
UMHLATHUZE MUNICIPALITY**

MANAGEMENT AND SUPERVISION BY CITY OF UMHLATHUZE:

Mrs. - Brenda Strachan

MANAGEMENT AND SUPERVISION BY SERVICE PROVIDER/COSULTANT:

SERVICE PROVIDER/ CONSULTANT

Mr./Ms./Me (Add full details particulars of Service Provider / Consultant)

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INDEX

- 1. Introduction**
- 2. Purpose**
- 3. Definitions**
- 4. Administrative Requirements**
- 5. Responsibilities**
- 6. Communication**
- 7. Reports**
- 8. Training**
- 9. Non-compliance of safety standards**
- 10. Documents to be attached**

1. Introduction

This Health and Safety Specifications document is governed by the Occupational Health and Safety Act, 1993 (Act No. 85 of 1993), hereinafter referred to as The Act. Notwithstanding this, cognisance should be taken of the fact that no single Act or its set of Regulations can be read in isolation. Furthermore, although the definition of Health and Safety Specifications stipulates a documented specification of all health and safety requirements pertaining to associated works on a construction site or workplace, so as to ensure the health and safety of persons it is required that the entire scope of the Labour legislation, including the Basic Conditions of Employment Act be considered as part of the legal compliance system. With reference to this specification document this requirement is limited to all health, safety and environmental issues pertaining to the site of the project as referred to here-in.

2. Purpose

The purpose of this specification document is to provide the relevant Service Provider / Consultants with an understanding of the requirements of the Client from a health and safety point of view, as required in terms of the Act and the Regulations made there-under. These Specifications should be read in conjunction with the Act and all other Regulations and Safety Standards which were or will be promulgated under the Act or incorporated into the Act and be in force or come into force during the effective duration of the project.

City of uMhlathuze Municipality is obligated to implement measures to ensure the health and safety of all people and properties affected under its custodianship or contractual commitments, and is further obligated to monitor that these measures are structured and applied according to the requirements of these Health and Safety Specifications.

City of uMhlathuze municipality has to comply with provision of section 9 of Occupational health and safety Act 85 of 1993 which states "Every employer shall conduct his undertaking a manner as to ensure as far as reasonably practicable, that a persons other than those in his employment who may be directly affected by his activities are not thereby exposed to hazard to their health and safety."

3. Definitions

"The Act" .

Means the Occupational Health and Safety Act, 1993 and its Regulations (Act No.85 Of 1993).

"Client" .

Means any person for whom construction work is performed;

"Health and Safety Specification" .

Means a site, activity or project specific document prepared by the client pertaining to all health and safety requirements related to work to be performed.

“Consultant” –

A person who provides expert advice professionally.

“Service Provider” -

Organization, business or individual which offers service to other in exchange of payment.

“Health and safety plan”-

Means a site, activity or project specific documented plan in accordance with the client's health and safety specification.

“Risk assessment”-

Means a documented process of collecting, organizing, analysing, interpreting, communicating and implementing information in order to consider identify the probable frequency, magnitude and nature of any major incident which could occur at major hazard installation and the measures required to remove, reduce or control the potential causes of such incidents.

4. Administrative Requirements

4.1 Valid Letter of Good Standing

4.2 Mandatory Agreement

4.3 Appointment Letter

4.4 Proof of Consulting Competency

4.5 Proof of Registration with Statutory Board (where applicable)

4.6 Health and Safety Plan

4.7 Risk assessments

4.8 Personal Protective Clothing/Equipment Register(where necessary)

4.9 List of companies where similar work has been performed by appointed Service Provider/ Consultant.

4.10 Maintenance record for machinery/equipment (where applicable)

4.11 Valid medical Certificate (where applicable)

5. Responsibilities

5.1 The appointed Consultant or Service Provide must ensure they comply with Occupational health and Safety Act 85 of 1993

5.2 The Consultant / Service Provider shall provide and demonstrate to the Client a suitable and sufficiently documented health and safety plan based on this Specification and the Act which shall be applied from the date of commencement of and for the duration of execution of the works. This plan shall, as appendices, include the health and safety plans of all Sub-contractors for which he has to take responsibility in terms of this contract.

5.3 Appointed Consultant / Service Provider will take reasonable steps to ensure that the health and safety plan is implemented and maintained.

5.4 The Consultant / Service Provider must ensure that his employees are wearing full PPE at all times when performing duties within City of uMhlathuze municipality.

6. Communication

6.1 Communication may be directly to the Client, verbally or in writing, as and when the need arises.

6.2 Sources of communication that will be used:

- Planned and unplanned meetings
- Electronic Mails
- Tel/Cell phone calls: and any other business acceptable form of communication method accessible at that time.

7. Reports

7.1 The Consultant / Service Provider shall report all incidents where an employee is injured on duty to the extent that he/she:

- * dies
- * becomes unconscious
- * loses a limb or part of a limb
- * is injured or becomes ill to such a degree that he/she is likely either to die or to suffer a permanent physical defect or likely to be unable for a period of at least 14 days either to work or continue with the activity for which he/she was usually employed

OR where:

- * A major incident occurred
- * The health or safety of any person was endangered
- * Where a dangerous substance was spilled
- * The uncontrolled release of any substance under pressure took place
- * Machinery or any part of machinery fractured or failed resulting in flying, falling or uncontrolled moving objects
- * Machinery ran out of control,

These must be reported to the Provincial Director of the Department of Labour within seven days and at the same time to the Client (City of uMhlathuze Municipality) and all incidents must be investigated.

(Refer in this regard to Section 24 of the Act & General Administrative Regulation 8)

NB: ALL INCIDENTS MUST BE REPORTED INCLUDING NEAR MISSES.

8. Training

8.1 General Induction Training

All Service Providers and Consultant must be in possession of proof of General Induction training.

8.2 Site Specific Induction Training

The consultants and service providers must ensure that aware of all the hazards and risks that they may be exposed to through site specific induction training before they perform any task.

8.3 Other Training

The consultants and service provide must ensure that all their employees or sub . contractors are trained with the task they are going to perform and are trained with all the hazard and risk they might be exposed to.

9. Non - Compliance to Health and Safety Standards

9.1 The client will prevent the Consultants/ Service provider from commencing or continuing with work should the Consultants /Service Provider at any stage in the execution of the works be found to:

- Have failed to have complied with any of the administrative measures required by the Act.
- Have failed to implement or maintain their health and safety plan;

9.2 According to section 38(1) of Occupational Health and Safety Act 85 of 1993 Any person not complying with legal requirement can suffer penalties of:

- R50 000
- 1 year imprisonment or
- Both

10. Documents

The listed documents must be attached to the tender document:

- Valid Letter of good standing
- Proof of competency for Professional Specialists (where applicable)
- Proof of registration with statutory board (where applicable)
- List of companies where similar work has been performed by appointed Service Provider/ Consultant.



ENVELOPE 2: FINANCIAL PROPOSAL

uMHLATHUZE MUNICIPALITY

SECTION A

INVITATION TO TENDER

YOU ARE HEREBY INVITED TO TENDER FOR THE FOLLOWING REQUIREMENTS OF THE uMHLATHUZE MUNICIPALITY

PLEASE NOTE

- THIS TENDER CLOSING DATE** : **12:00**
- CLOSING DATE** : **17 September 2019**
- TENDER NO.** : **8/2/1/UMH557_19/20**
- DESCRIPTION** : Procurement of Transaction Advisor to conduct a Feasibility Study for the Proposed Relocation and Redevelopment of the Richards Bay Airport for the uMhlathuze Municipality
- CONTRACT PERIOD** : **6 months**
- VALIDITY PERIOD FOR ACCEPTANCE** : **120 days**
- NAME OF TENDERER** : _____

DOCUMENTS DELIVERED BY HAND MUST BE DEPOSITED IN THE TENDER BOX SITUATED AT THE CIVIC CENTRE FOYER RICHARDS BAY:

uMhlathuze Municipality Private Bag X1004 RICHARDS BAY 3900 5 Mark Strasse Central Business District	THE TENDER BOX IS AVAILABLE ON THE FOLLOWING DAYS AND TIMES: MONDAYS TO FRIDAYS 08:00 - 16:00
--	---

Technical enquiries can be directed to Ms Brenda Strachan at telephone number 035-9075415 or email: strachanb@umhlathuze.gov.za or alternatively to Ms Nontsundu Ndonga at telephone number 035-9075033 or email: ndongan@umhlathuze.gov.za

SECTION K

SECTION K (1)

FORM OF OFFER AND ACCEPTANCE

OFFER

Bidder: _____

The Tenderer, identified in the Offer signature block below, has examined the documents listed in the Tender Data and addenda thereto as listed in the Tender Schedules, and by submitting this Offer has accepted the Conditions of Tender. By signing this part of this Form of Offer and Acceptance, the Tenderer offers to perform all of the obligations and liabilities of the Contractor under the Contract including compliance with all its terms and conditions according to their true intent and meaning for an amount to be determined in accordance with the Conditions of Contract identified in the Contract Data.

THE OFFERED TOTAL OF THE PRICES INCLUSIVE OF VALUE ADDED TAX IS

.....
.....
..... (In words);R.....(in figures)

Name: _____

Signature: _____

Capacity: _____

Date: _____

Witness 1: _____

Signature: _____

Witness 2: _____

Signature: _____

ACCEPTANCE

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

Employer: uMhlathuze Local Municipality

Signatures: _____

Capacity: _____

Name: _____

Date: _____

Witness 1: _____

Signature: _____

Witness 2: _____

Signature: _____

SECTION K (2)

FORM OF TENDER

1. I/ We hereby tender to supply all or any of the supplies and/or to render all or any of the services described in the attached documents to uMhlathuze Municipality on the terms and conditions and be in accordance with the specifications stipulated in the tender documents (and which shall be taken as part of and be incorporated into this tender) at the prices and on the terms regarding time for delivery and/or execution inserted therein.
2. I/ We agree that:
 - a) The offer herein shall remain binding upon me and open for acceptance by uMhlathuze Municipality during the validity period indicated and calculated from the closing time of the tender, as specified in Section A.
 - b) This tender and its acceptance shall be subject to the Municipal Finance Management Act, No. 56 of 2003, the Municipal Supply Chain Management Regulations promulgated in terms thereof, the uMhlathuze Municipality's Supply Chain Management Policy, with which I/We am fully acquainted.
 - c) If I/we withdraw my tender within the period for which I/we have agreed that the tender shall remain open for acceptance, or fail to fulfil the contract when called upon to do so, uMhlathuze Municipality may, without prejudice to its other rights, agree to the withdrawal of my tender or cancel the contract that may have been entered into between me and uMhlathuze Municipality. I/We will then pay to uMhlathuze Municipality any additional expenses incurred by uMhlathuze Municipality having either to accept any less favourable tender or, if fresh tenders have to be invited, the additional expenditure incurred by the invitation of fresh tenders and by the subsequent acceptance of any less favourable tender. uMhlathuze Municipality shall have the right to recover such additional expenditure by set-off against monies which may be due to me under this or any other tender or contract or against any guarantee or deposit that may have been furnished by me or on my behalf for the due fulfilment of this or any other tender or contract and pending the ascertainment of the amount of such additional expenditure to retain such monies, guarantee or deposit as security for any loss uMhlathuze Municipality may sustain by reason of my default.
 - d) If my tender is accepted, the acceptance may be communicated to me by registered post, and that the South African Post Office Limited shall be treated as delivery agent to me.
 - e) The law of the Republic of South Africa shall govern the contract created by the acceptance of my tender and I choose *domicilium citandi et executandi* in the Republic at (full physical address):
3. I/ We furthermore confirm that I/we have satisfied myself as to the correctness and validity of my tender: that the price(s), rate(s) and preference quoted cover all of the work/item(s) and my obligations under a resulting contract, and I accept that any mistakes regarding the price(s) and calculations will be at my risk.
4. I/ We hereby accepts full responsibility for the proper execution and fulfilment of all obligations and conditions devolving on my under this agreement, as the Principal(s) liable for the due fulfilment of this contract.
5. I/ We agree that any action arising from this contract may in all respects be instituted against me and I/we hereby undertake to satisfy fully any sentence or judgement which may be pronounced against me as a result of such action.
6. I/ We confirm that I/we have declared all and any interest that I or any persons related to my business has with regard to this tender or any related tenders by completion of the Declaration of Interest Section.

7. CERTIFICATION OF CORRECTNESS OF INFORMATION SUPPLIED IN THIS DOCUMENT

I/ we, the undersigned, who warrant that I am duly authorised to do so on behalf of the tenderer, certify that the information supplied in terms of this document is correct and true, that the signatory to this document is duly authorised and acknowledge that:

- a. The tenderer will furnish documentary proof regarding any tendering issue to the satisfaction of uMhlathuze Municipality, if requested to do so.
- b. If the information supplied is found to be incorrect and/or false then uMhlathuze Municipality, in addition to any remedies it may have, may:
 - (i) Recover from the contractor all costs, losses or damages incurred or sustained by uMhlathuze Municipality as a result of the award of the contract, and/or
 - (ii) Cancel the contract and claim any damages which uMhlathuze Municipality may suffer by having to make less favourable arrangements after such cancellation.

SIGNED ON THIS _____ DAY OF _____ 20 ____ AT _____

SIGNATURE OF TENDERER OR DULY
AUTHORISED REPRESENTATIVE

NAME IN BLOCK LETTERS

ON BEHALF OF (TENDERER'S NAME): _____

CAPACITY OF SIGNATORY: _____

NAME OF CONTACT PERSON (IN BLOCK LETTERS, PLEASE)

POSTAL ADDRESS

TELEPHONE NUMBER: _____ FAX NUMBER: _____

CELLULAR PHONE NUMBER: _____

E-MAIL ADDRESS: _____

SECTION M

SCHEDULE OF ALTERNATIVE TENDERS

Consideration will be given to alternative offers which the tenderer may wish to submit. Such offers shall be described, measured and priced in sufficient detail to enable uMhlatuze Municipality to evaluate the alternative. He/she shall set out his/her proposal clearly hereunder or alternatively make photocopies of the original tender documentation.

SECTION	PAGE	ITEM

SIGNATURE OF TENDERER

DATE

SECTION U

CONTRACT FORM - RENDERING OF SERVICES

MBD 7.2

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

1 PART 1 (TO BE FILLED IN BY THE SERVICE PROVIDER)

1. I hereby undertake to render services described in the attached bidding documents to (name of the institution) _____ in accordance with the requirements and task directives / proposals specifications stipulated in Bid Number _____ at the price/s quoted. My offer/s remain binding upon me and open for acceptance by the Purchaser during the validity period indicated and calculated from the closing date of the bid.
2. The following documents shall be deemed to form and be read and construed as part of this agreement:
 - (i) Bidding documents, viz
 - Invitation to bid;
 - Tax clearance certificate;
 - Pricing schedule(s);
 - Filled in task directive/proposal;
 - Preference claims for Broad Based Black Economic Empowerment Status Level of Contribution in terms of the Preferential Procurement Regulations 2017;
 - Declaration of interest;
 - Declaration of Bidder's past SCM practices;
 - Certificate of Independent Bid Determination;
 - Special Conditions of Contract;
 - (ii) General Conditions of Contract; and
 - (iii) Other (specify)
3. I confirm that I have satisfied myself as to the correctness and validity of my bid; that the price(s) and rate(s) quoted cover all the services specified in the bidding documents; that the price(s) and rate(s) cover all my obligations and I accept that any mistakes regarding price(s) and rate(s) and calculations will be at my own risk.
4. I accept full responsibility for the proper execution and fulfilment of all obligations and conditions devolving on me under this agreement as the principal liable for the due fulfillment of this contract.
5. I declare that I have no participation in any collusive practices with any bidder or any other person regarding this or any other bid.

6. I confirm that I am duly authorised to sign this contract.

NAME (PRINT) _____
CAPACITY _____
SIGNATURE _____
NAME OF FIRM _____
DATE _____

WITNESSES	
1	_____
2	_____
DATE: _____	

CONTRACT FORM - RENDERING OF SERVICES

2 PART 2 (TO BE FILLED IN BY THE PURCHASER)

1. I _____ in my capacity as _____ accept your bid under reference number _____ dated _____ for the rendering of services indicated hereunder and/or further specified in the annexure(s).
2. An official order indicating service delivery instructions is forthcoming.
3. I undertake to make payment for the services rendered in accordance with the terms and conditions of the contract, within 30 (thirty) days after receipt of an invoice.

DESCRIPTION OF SERVICE	PRICE (ALL APPLICABLE TAXES INCLUDED)	COMPLETION DATE	B-BBEE STATUS LEVEL OF CONTRIBUTION	MINIMUM THRESHOLD FOR LOCAL PRODUCTION AND CONTENT (if applicable)

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

SIGNED AT _____ ON _____

NAME (PRINT) _____

SIGNATURE _____

OFFICIAL STAMP

WITNESSES

1 _____

2 _____

DATE: _____

SECTION W

**PRICING SCHEDULE
(Professional Services)**

Name of Bidder: _____	Bid Number: _____
Closing Time: _____	Closing Date: _____

OFFER TO BE VALID FOR _____ DAYS FROM THE CLOSING DATE OF BID.

ITEM NO	DESCRIPTION	BID PRICE IN RSA CURRENCY	**(ALL APPLICABLE TAXES INCLUDED)
---------	-------------	---------------------------	-----------------------------------

1. The accompanying information must be used for the formulation of proposals.
2. Bidders are required to indicate a ceiling price based on the total estimated time for completion of all phases and including all expenses inclusive of all applicable taxes for the project. R_____
3. PERSONS WHO WILL BE INVOLVED IN THE PROJECT AND RATES APPLICABLE (CERTIFIED INVOICES MUST BE RENDERED IN TERMS HEREOF)

4. PERSON AND POSITION	HOURLY RATE	DAILY RATE
_____	R_____	_____
_____	R_____	_____
_____	R_____	_____
_____	R_____	_____
_____	R_____	_____

5. PHASES ACCORDING TO WHICH THE PROJECT WILL BE COMPLETED, COST PER PHASE AND MAN-DAYS TO BE SPENT

_____	R_____	_____ days
_____	R_____	_____ days
_____	R_____	_____ days
_____	R_____	_____ days
_____	R_____	_____ days

- 5.1 Travel expenses (specify, for example rate/km and total km, class of airtravel, etc). Only actual costs are recoverable. Proof of the expenses incurred must accompany certified invoices.

DESCRIPTION OF EXPENSE TO BE INCURRED	RATE	QUANTITY	AMOUNT (ZAR)
			R
			R
			R
			R
			R

DESCRIPTION OF EXPENSE TO BE INCURRED	RATE	QUANTITY	AMOUNT (ZAR)
			R
			R
			R
			R
			R
			R

**"all applicable taxes" includes value-added taxes, pay as you earn, income tax, unemployment insurance fund contributions and skills development levies.

5.2 Other expenses, for example accommodation (specify, eg. Three star hotel, bed and breakfast, telephone cost, reproduction cost, etc.). On basis of these particulars, certified invoices will be checked for correctness. Proof of the expenses must accompany invoices.

DESCRIPTION OF EXPENSE TO BE INCURRED	RATE	QUANTITY	AMOUNT (ZAR)
			R
			R
			R
			R
			R
			R
			R
TOTAL			R

6. Period required for commencement with project after acceptance of bid

7. Estimated man-days for completion of project

8. Are the rates quoted firm for the full period of contract? _____ *YES/ NO.

9. If not firm for the full period, provide details of the basis on which adjustments will be applied for, for example consumer price index

*Delete if not applicable