

MSUNDUZI MUNICIPALITY

CONTRACT No. SCM 28 OF 11/12

**PROPOSAL CALL TO FUND THE MSUNDUZI MUNICIPALITY'S PLANT AND MOTOR
VEHICLE PURCHASES FOR THE 2011/2012 FINANCIAL YEAR**

TENDER NOTICE

In terms of the Municipal Finance Management Act No. 56 of 2003, the Msunduzi Municipality hereby invites proposals from Financial Institutions to provide quotations including amortization schedules, to fund its Plant and Motor Vehicle purchases for the 2011/2012 Financial Year, as follows:-

R 10, 000, 000.00 (Ten Million Rand), fixed term of 5 years, NACH/NACS (Bi-annual payments)

Financial Institutions shall be required to indicate in their proposals, any social upliftment programmes, grants, or sponsorships offered by the Institution to the Msunduzi Municipality. Methods on how the Institution will assist Emerging Contractors and/or Small Medium and Micro Enterprises (SMMEs) within the Msunduzi Municipality's area of jurisdiction with securing Sureties/Performance Guarantees for contracts must also be detailed in the proposal for adjudication purposes.

The Msunduzi Municipality's boundary is described in Proclamation No. LG 67 and published in the KwaZulu Natal Provincial Gazette dated 01 February 1995 (as amended).

Further information may be obtained from Mr Mahendra Sahibdeen on direct Telephone No. 033 - 392 2242.

Sealed tenders endorsed on the envelope "**CONTRACT No. SCM 28 OF 11/12**" must reach Mr Mahendra Sahibdeen of the Finance Business Unit, 8th Floor, Professor Nyembezi Building, 341 Church Street, Pietermaritzburg, 3201, not later than **16h00, on Thursday, 09 February 2012**. Only proposals submitted to the above Unit on or before the stipulated closing date and time will be accepted.

Tender Validity Period: Ninety (90) days commencing from the closing date of tender.

Tender Evaluation / Adjudication Criteria: The Evaluation and Adjudication of the tender will be done in line with the Msunduzi Municipality's approved Supply Chain and Preferential Procurement Policies on a **90/10 Points System**. The allocation of Points will be in line with the B-BBEE as prescribed in terms of the Preferential Procurement Regulations of 2011 issued in terms of the Preferential Procurement Policy Framework Act No. 5 of 2000. The proposals will be adjudicated based on the following criteria:-

1. Interest Rate (Maximum 30 Points)

Pricing - Fixed Rate

- (a) The swap offer rate as at 11h00 on Thursday, 02 February 2012 quoted on a NACS basis. (Maximum 5 Points)

- (b) The margin* over the swap offer rate as quoted in (a) above.
(Maximum 25 Points)

*The margin should be all-in fully inclusive margin including, but not limited to internal funding costs, credit spread, liquid assets costs, reserving costs, stamps and other, quoted on a NACS basis. No other fees or margins/commissions/expenses etc. will be accepted by the Municipality other than those included in the quoted all-in margins, clearly identified and quantified.

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| 2. | Social Upliftment | (Maximum 20 Points) |
| 3. | Social Upliftment Area | (Maximum 10 Points) |
| 4. | Assistance to SMMEs | (Maximum 20 Points) |
| 5. | Draw Down Facilities | (Maximum 10 Points) |
| 6. | B-BBEE Status Level of Contribution | (Maximum 10 Points) |

The Msunduzi Municipality does not bind itself to accept the lowest or any tender, and reserves the right to accept the whole or any part of a tender. Each tenderer will be informed of the tender result.

The Msunduzi Municipality expects businesses within the Pietermaritzburg and Midlands Region to support its contract and BEE/SMME initiatives.