

# THE MSUNDUZI MUNICIPALITY



**EXECUTIVE: SUPPLY CHAIN MANAGEMENT (ACTING)**

**MR R SINGH**

Private Bag X205, Pietermaritzburg, 3200  
Tel: 033-392 2472, Fax: 033-392 2532

**SPECIALISED QUOTATION No: Q 29 OF 10/11**

**BINDING OF NEWSPAPERS AND PERIODICALS FOR THE BESSIE HEAD  
LIBRARY**

|                   |
|-------------------|
| Tenderer's Name : |
| Postal Address :  |
|                   |
|                   |
|                   |
| Telephone No.     |
| Fax No.           |
| E-Mail address :  |
| Contact Person :  |

Sealed tenders made out on the enclosed tender form and duly signed by the tenderer and marked with the following endorsement: **“SPECIALISED QUOTATION No: Q 29 OF 10/11”** must be placed in the Tender Box located in the Foyer, Ground Floor, City Hall, 169 Chief Albert Luthuli (Commercial) Road, Pietermaritzburg, 3201, not later than **14h15 on 04 February 2011.** Only Tenders placed in the Tender Box will be accepted.

**THE MSUNDUZI MUNICIPALITY**

**SPECIALISED QUOTATION No: Q 29 OF 10/11**

**BINDING OF NEWSPAPERS AND PERIODICALS FOR THE BESSIE HEAD LIBRARY**

**TENDER NOTICE**

Tenders are hereby invited from suitably qualified and experienced service providers to provide the binding of newspapers and periodicals for the Bessie Head Library.

Tender documents shall be available from the Supply Chain Unit, 5<sup>th</sup> Floor, AS Chetty Building, 333 Church Street, Pietermaritzburg, from Friday, 28 January 2011. A non-refundable tender fee in the amount **R24.30** per document shall be levied. Only cash or bank guaranteed cheques will be accepted.

Further information may be obtained from Shanitha Bhim on direct Telephone No. 033 - 392 2639.

**Sealed tenders endorsed on the envelope "Quotation No: Q 29 of 10/11" must be placed in the Tender Box located in the Foyer, Ground Floor, City Hall, 169 Chief Albert Luthuli Street, Pietermaritzburg, not later than 14h15 on Friday, 04 February 2011. Only tenders placed in the tender box shall be accepted.**

The validity period for which the tender is to hold firm is a period of ninety (90) days from closing date of tender.

Evaluation and adjudication of the tender will be done in line with the Msunduzi Municipality's approved Supply Chain and Preferential Procurement Policies on an 80/20 point system. Adjudication criteria will be as per the tender document.

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.

**THE MSUNDUZI MUNICIPALITY**

**SPECIALISED QUOTATION No: Q 29 OF 10/11**

**BINDING OF NEWSPAPERS AND PERIODICALS FOR THE BESSIE HEAD LIBRARY**  
**STANDARD CONDITIONS OF TENDER**

**1. DOCUMENTS**

This document comprises Standard Conditions of Tender, Standard Conditions of Contract, Special Conditions of Contract (if any), Legislation, Specifications, Schedule of Unit Prices, Tender Form, drawings (if any), Data Sheets and Annexures thereto.

**2. SUBMISSION OF TENDERS**

Tenders must be made out on the Tender Form annexed hereto. Tenderers are advised that this document must be completed and submitted in its entirety. Failure to comply with this condition shall result in the tender being disqualified.

Only original hand priced tender documents will be considered. Tenders submitted by telegram, telex or facsimile shall not be considered. ***The use of correction fluid is strictly prohibited.*** All corrections are to be countersigned.

Tenderers using Courier Companies or any other mode of transport to deliver their tender documents must ensure that the tender documents are delivered to the City Hall, 169 Chief Albert Luthuli Street (Commercial Road), Pietermaritzburg, 3201, and placed in the tender box situated in the Foyer, Ground Floor. The Council shall not be held liable for any tender document which is not timeously delivered, mislaid or incorrectly delivered due to the negligence of the Courier Company or any other party involved in the delivery of the tender documents including any employee of the Council.

Sealed tenders addressed endorsed with the appropriate contract number, must reach the City Hall, Pietermaritzburg not later than the date and time stated in the public advertisement inviting tenders, when they will be opened in public. Under no circumstances will any extension of time be allowed for tendering. Tenders shall remain open for three (3) calendar months from the date of opening, except for the initial five working days grace period within which period a tender may be permitted to withdraw a tender subject to an application with good and sufficient reasons being submitted in writing to the approval and at the sole discretion of the Procurement Manager.

All literature submitted must be securely attached to the tender. The Council shall not be held liable for any loss or damages sustained due to the Tenderer's failure to comply with this condition.

In the case of a Tenderer withdrawing his tender after the expiry of the grace period, the Council may refuse to receive or consider for such period as it may think fit, any further tenders from that Tenderer.

**3. COMMUNICATION WITH MEMBERS OF THE COUNCIL OR COUNCIL EMPLOYEES**

Without detracting from any prevailing law, no tenderer shall offer, promise or give any person or persons connected with the tender or the awarding of a contract, any gratuity, bonus, discount or consideration of any kind in connection with the obtaining of a contract, nor communicate with any member of the Council or a Council employee on a question affecting the awarding of a contract which is the subject of a tender, during the period between the date of closing of tenders and the date of notification of the successful tenderer; provided always that the Procurement Manager may obtain additional information from a tenderer to enable him to formulate his recommendation to the Council.

Any attempt to contravene this condition which is brought to the notice of the Procurement Manager may result in the disqualification of the tender.

Prospective Tenderers are further advised that s118 of the Municipal Finance Management Act prohibits the interference, by any person, with the supply chain management system of the Municipality and the amendment or tampering with any tender, quotation, contract or bid after their submission.

**4. IMPORT PERMITS**

The Council will not undertake to secure any import permits or currency for the import of any goods or materials required for the execution of this contract. The tenderer must apply direct for any import permits or currency needed, but the Council will furnish the successful tenderer with a supporting statement if required.

**5. PRICES**

Subject to paragraph 4 of the Standard Conditions of Contract, prices shall be based on payment being made within 30 days of receipted delivery and quoted net in South African currency and shall include for all costs whatsoever including materials, plant, labour, patent rights, royalties, freight, insurance, customs, railage and delivery to the place or places nominated in the tender documents, unless the Tenderer states otherwise on Annexure "A" hereto attached.

**6. VALUE ADDED TAX AND TAX CLEARANCE CERTIFICATE**

All prices and rates shall be quoted net in South African currency and shall be exclusive of Value Added Tax.

Tenderers shall be required to submit together with the tender document a valid original Tax Clearance Certificate. In terms of Regulation 16 of the Preferential Procurement Regulations, 2001, no contract may be awarded to a person who has failed to submit an original valid Tax Clearance Certificate issued by the South African Revenue Services (SARS). Tenderers who do not possess the above Certificate at the time of tender must submit a written motivation obtainable from SARS in support of their tender for adjudication purposes.

Failure to comply with this condition shall disqualify the Tenderer.

Further to the above, Tenderers are to note that the Tax Clearance Certificate must be valid for the full duration of the tender validity period i.e. three months commencing from

the closing date of tender. Should the validity of the Tax Clearance Certificate expire prior to the final award of the contract being made, the Council reserves the right to request the Tenderer to submit a further valid Tax Clearance Certificate. In this instance, the Tenderer shall be given seven (7) days written notice in which to comply.

Should the Tenderer fail to comply with the above request, the Council further reserves the right to make no award to the Tenderer and the Council shall not be held liable for any loss or damages sustained by the Tenderer.

Tenderers who have already submitted an original valid Tax Clearance Certificate to the Council for any other contract or for registration on the Council's Supplier's Database, need not comply with the above provided that the Tax Clearance Certificate is still valid for the full duration of the validity period for this contract. In this instance, the Tenderer will be required to indicate below the Contract No. or the Council's Supplier Database Registration No. in order to qualify their tender.

Contract No. \_\_\_\_\_

Supplier Database Registration No. \_\_\_\_\_

**7. PERIOD FOR DELIVERY**

Unless otherwise specified in these documents, the tenderer shall state the period within which the complete delivery of all items described in these tender documents and covered by this contract is offered. Such period(s) shall form part of the Conditions of Contract and may be taken into consideration in the adjudication of tenders.

**8. INCOMPLETE TENDERING**

Tenders may be rejected if they show any additional, conditional or incomplete offers, irregularities of any kind in either the Tender Form or the Price Schedule or if the prices tendered in the Schedule are not market related i.e. the tendered rates does not conform to current day prices.

Partial awards may be made where this is perceived by the Procurement Manager or the Engineer to be in the best interests of the Council. Council reserves the right to take into account the principal of the distribution of works in order to empower SMME's and BEE's.

Should there be any difference or discrepancy between the prices or particulars contained in the Tender Form and those contained in any covering letter from the tenderer, the prices or particulars contained in the Tender Form shall prevail.

**9. ACCEPTANCE OF ANY TENDER**

The Council 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.

Where less than three tenders are received for items the Procurement Manager reserves the right to purchase such items on the open market notwithstanding the acceptance of an offer.

The procedure which will be followed with the acceptance of a tender is as follows:

No formal agreement will be signed.

A letter of acceptance stipulating which rate/s have been accepted will be sent by the Procurement Manager to the tenderer and the tender, together with the letter, shall constitute a binding agreement between the tenderer and the Council.

Unless otherwise stipulated in the letter covering the tender, the tenderer shall have waived, renounced and abandoned any conditions printed or written upon any stationery used for the purpose of or in connection with the submission of the tender, which are in conflict with the Council's conditions of Tender and the Standard Conditions of Contract. The tenderer is warned that any material divergence from the official conditions or specification may render the tender liable to disqualification.

**10. DOMICILIUM CITANDI ET EXECUTANDI**

For the purpose of the service of all documents and the giving of notice as may be required in terms of this contract or as a result of any action arising in conjunction with it, the Council chooses City Hall, 169 Chief Albert Luthuli Street (Commercial Road), Pietermaritzburg.

The tenderers domicilium citandi et executandi shall be held to be whatever street address given in the Tender Form attached hereto.

Either party may at any time give one month's notice in writing of a change of its domicilium citandi et executandi provided such address shall be within the Republic of South Africa.

**11. SAMPLES FOR ADJUDICATION**

Samples may be required at the tender stage for adjudication purposes. If so, they are to be supplied at the tenderer's expense and in accordance with the specifications.

**12. DATA SHEETS**

Tenderer's shall be required to complete all Data Sheets and the Tender Form attached hereto in their entirety for adjudication purposes. Failure to comply with these provisions will render the offer unresponsive (invalid).

**13. SUB-CONTRACTING THE WORK**

Should the goods or services required under this contract be subjected to the Tenderer sub-contracting the work, the Tenderer shall be required **(for adjudication purposes)** to submit together with the tender a letter of undertaking from the Sub-Contractor indicating the Sub-Contractor's willingness to supply the Tenderer the goods or services required for the full duration of the contract period. Failure to comply with this condition may prejudice the tender.

Further to the above, it must be noted that the Council shall not be held liable for any payments whatsoever to the Sub-Contractor and such arrangements shall rest between the Tenderer and the Sub-Contractor.

**14. MUNICIPAL FEES**

All Tenderers are to sign the Declaration herein where they declare that their Municipal Fees are in order, or proper arrangements have been made with the Council, and include the relevant account numbers in the declaration.

**15. APPEALS AND/OR OBJECTIONS**

Any Tenderer aggrieved by decisions or actions taken by the Municipality may lodge within fourteen (14) calendar days of the date of the decision or action, a written objection or complaint to the Municipal Manager.

In the event of the above case, the following procedure shall apply:-

The Tenderer shall be required to pay an appeal/objection fee in the amount of half percent (0.5%) of the total contract sum including VAT or R2 000.00, whichever is the greater. The fee is to be paid in cash or by bank guarantee cheque on or before the expiration of the above period and proof of such payment is to be submitted together with the letter of appeal/objection to the Municipal Manager. No appeal/objection will be addressed should the afore-mentioned condition not be adhered to and the Municipality shall not be held liable for any loss or damage sustained by the Tenderer due to the Tenderer's failure to adhere to the above condition.

**16. PREFERENTIAL PROCUREMENT POLICY**

The Tenderer is required to complete Annexure „C“ hereto in its entirety. Failure to do so, the Council reserves the right to award no points whatsoever. The Council shall not be liable for any damages or loss whatsoever due to the above.

Tenderers claiming Preference Points must submit together with the tender document, full details of documents of incorporation or establishment such as Founding Statements, partnership agreements and the like. Should they fail to do so, the Council reserves the right to award no points and/or declare the tender void.

Where the Tenderer obtained preference fraudulently the Tenderer shall pay the Council penalties in the amount of one and half (1.5) times the number of points claimed and

awarded under false pretenses, expressed as a percentage of the total contract sum excluding VAT, but including any escalation, at the time of the award of the contract.

In addition to the above, the Tenderer shall be liable to prosecution and disqualification from future Council tenders for a period not exceeding 10 (ten) years. The Council shall also be entitled to exercise its rights in terms of Regulation 15 of the Preferential Procurement Regulations, which include the cancellation of the agreement.

Partial awards may be made where this is perceived by the Strategic Executive Manager/Procurement Manager to be in the best interests of the council.

The council reserves the right but is not obliged to take into account the principle of the distribution of work in order to empower SMME'S and BEE'S. Such distribution may take place with reference to items, sections as indicated in the price schedule or such other bases the council may decide.

The Council 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.



**THE MSUNDUZI MUNICIPALITY**

**SPECIALISED QUOTATION No: Q 29 OF 10/11**

**BINDING OF NEWSPAPERS AND PERIODICALS FOR THE BESSIE HEAD LIBRARY**

**DEFINITIONS**

The following definitions apply :-

|                                   |                                                                                                                                                                                                                                                                                                                                                                                          |
|-----------------------------------|------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------|
| "Council"                         | means the Msunduzi Municipality.                                                                                                                                                                                                                                                                                                                                                         |
| "Procurement Manager"             | means the Procurement Manager of the day of the Msunduzi Municipality or the Manager's duly appointed Representative.                                                                                                                                                                                                                                                                    |
| "Chief Financial Officer"         | means the the Strategic Executive Manager: Finance of the day of the Msunduzi Municipality or the Manager's duly appointed Representative.                                                                                                                                                                                                                                               |
| "Service Provider or Contractor"  | means the person, firm, service provider or company whose tender has been accepted by The Msunduzi Municipality and includes the Contractor's heirs, executors, administrators, trustees, judicial managers or liquidators, as the case may be, but not, except with the written consent of the Council, any assignee of the Contractor.                                                 |
| "Contract Document"               | means the Conditions of Tender, Scope of Contract. Terms of Reference, these Definitions, Special Conditions (if any), Equipment Specifications, Rates, Percentages and Prices, Tender Form and Annexures thereto. Any amendments to the contract document agreed to by the Council and the Service Provider, Provisional Letter of Acceptance and the final Letter of Final Acceptance. |
| "Goods"                           | means the equipment, plant, vehicles, service or materials to be supplied in accordance with the Contract.                                                                                                                                                                                                                                                                               |
| "The Tender"                      | means the written offer made by the tenderer to the Council.                                                                                                                                                                                                                                                                                                                             |
| "Preferential Procurement Policy" | means the Preferential Procurement Policy Framework Act, 2000 ( Act No 5 of 2000).                                                                                                                                                                                                                                                                                                       |
| "SARS"                            | Means the South African Revenue Services.                                                                                                                                                                                                                                                                                                                                                |

## **THE MSUNDUZI MUNICIPALITY**

### **SPECIALISED QUOTATION No: Q 29 OF 10/11**

#### **BINDING OF NEWSPAPERS AND PERIODICALS FOR THE BESSIE HEAD LIBRARY**

##### **1. SCOPE OF WORKS**

This Contract Calls for the binding of newspapers and periodicals for the Bessie Head Library.

##### **DETAIL SPECIFICATION**

##### **2.1 The contract is for the binding of volumes of newspapers and periodicals,**

- Newspapers full binding with gold foiling
- Periodicals full binding with gold foiling.

##### **2.2 *An inspection of Newspapers and Periodicals at the Library is required to ensure that work carried out is correct. Further information may be obtained from Manisha Bhim on direct Telephone No. 033 - 392 2639***

##### **3.0 CONTRACT PERIOD**

Not applicable.

##### **4.0 PLACE OF DELIVERY**

Prices shall include for the delivery of the materials as detailed in the specifications.

The Contractor shall be responsible for all damages or breakages in transit until the materials have been accepted by the Engineer at the delivery site.

Immediately after forwarding any materials, an advice note shall be sent in duplicate to the Engineer, Private Bag X205, Pietermaritzburg, 3200, giving the size and mass of each article, where applicable, and the date of despatch.

All ordered materials shall be delivered within the period stated in the tender. If a tenderer is unable to comply with this clause, the delivery period offered must be stated.

##### **5.0 COMPLIANCE WITH ANY LEGISLATION, BYLAWS, ETC.**

The contract shall be carried out subject to and in conformity with any law, regulation or By-law which is of application thereto and shall be conditional upon any necessary consent required by law being obtained.

##### **6.0 ESCALATION**

The price is subject to remain firm for the contract period.

##### **7.0 EVALUATION CRITERIA**

|                           |           |
|---------------------------|-----------|
| Preferential Point System |           |
| Price                     | 80 Points |
| HDI                       | 10 Points |
| Women Ownership           | 5 Points  |
| Locality                  | 5 points  |

**TOTAL**                      **100 Points**

**THE MSUNDUZI MUNICIPALITY**

**SPECIALISED QUOTATION No: Q 29 OF 10/11**

**BINDING OF NEWSPAPERS AND PERIODICALS FOR THE BESSIE HEAD LIBRARY**

**PRICE SCHEDULE**

| <b><u>NO</u></b> | <b><u>Description</u></b>                                                                                                                                                                                                                                                | <b><u>QTY</u></b> | <b><u>Unit Price</u></b> |
|------------------|--------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------|-------------------|--------------------------|
| 1.               | <ul style="list-style-type: none"><li>Newspapers full binding with gold foiling</li></ul>                                                                                                                                                                                | 1                 |                          |
|                  | <ul style="list-style-type: none"><li>Periodicals full binding with gold foiling.</li></ul> <p>The price must include the collection and the delivery to the Bessie Head Library.</p> <p><b>NB: The order will be done subject to available of material to bind.</b></p> | 1                 |                          |
| <b>SUB TOTAL</b> |                                                                                                                                                                                                                                                                          |                   |                          |
| <b>VAT</b>       |                                                                                                                                                                                                                                                                          |                   |                          |
| <b>TOTAL</b>     |                                                                                                                                                                                                                                                                          |                   |                          |

Full Name of Signatory.....

Capacity of Signatory.....

I.D. Number.....

Duly Authorised to sign on behalf of :- .....

Physical Address.....

.....

.....

SIGNATURE.....DATES.....

**THE MSUNDUZI MUNICIPALITY**

**SPECIALISED QUOTATION No: Q 29 OF 10/11**

**BINDING OF NEWSPAPERS AND PERIODICALS FOR THE BESSIE HEAD LIBRARY**

**DATA SHEET 1 - STATEMENT OF PREVIOUS EXPERIENCE**

The nomination of works, preferably of a similar nature to the works in this contract and which the tenderer has successfully completed is required for adjudication purposes.

Please list in full the Employer's name and address, and the name of the professional person responsible for supervising the works. Where the project has been supervised by a Consultant, the name and address of the firm should also be listed.

Failure to comply with either of these requirements may prejudice the tender.

| <b>NAME OF ORGANISATION</b> | <b>NATURE OF WORKS</b> | <b>CONTACT PERSON</b> | <b>CONTACT No.</b> |
|-----------------------------|------------------------|-----------------------|--------------------|
|                             |                        |                       |                    |
|                             |                        |                       |                    |
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**THE MSUNDUZI MUNICIPALITY**

**SPECIALISED QUOTATION No: Q 29 OF 10/11**

**BINDING OF NEWSPAPERS AND PERIODICALS FOR THE BESSIE HEAD LIBRARY**

**DATA SHEET 2 – DECLARATION OF MUNICIPAL FEES**

I/We do hereby declare that the Municipal Fees of \_\_\_\_\_  
Is/are, as at the date of the tender closing, fully paid up, or arrangements have been concluded with  
the Municipality to pay the said Fees:-

**Description**

**Account No.**

|             |       |
|-------------|-------|
| Electricity | _____ |
| Water       | _____ |
| Rates       | _____ |

I/We acknowledge that should it be found that the Municipal Fees are not up to date, the Council  
may take such remedial action as it required, including termination of contract, and any income due  
to the Contractor shall be utilised to offset any monies due to the Council.

Full Name of Signatory.....

Capacity of Signatory.....

I.D. Number.....

Duly Authorised to sign on behalf of :- .....

Physical Address.....

.....

.....

**SIGNATURE.....DATE.....**

**THE MSUNDUZI MUNICIPALITY**

**SPECIALISED QUOTATION No: Q 29 OF 10/11**

**BINDING OF NEWSPAPERS AND PERIODICALS FOR THE BESSIE HEAD LIBRARY**

**DATA SHEET 3 – DECLARATION OF INTEREST**

1. Legal person, including persons employed by the principal, or persons having a kinship with persons employed by the principal, 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 employed by the principal, or to persons connected with or related to them, it is required that the bidder or his/her authorised representative declare his/her position in relation to the evaluating/adjudicating authority and/or take an oath declaring his/her interest, where-

- the bidder is employed by the principal; and/or
- the legal person on whose behalf the bidding document is signed, has a relationship with persons/a person who are/is involved in the evaluation and/or adjudication of the bid(s), or where it is known that such a relationship exists between the person or persons for or on whose behalf the declarant acts and persons who are involved with the evaluation and or adjudication of the bid.

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

- 2.1 Are you or any person connected with the bidder, employed by the principal?

YES / NO

2.1.1 If so, state particulars.

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- 2.2 Do you, or any person connected with the bidder, have any relationship (family, friend, other) with a person employed by the principal and who may be involved with the evaluation and or adjudication of this bid?

YES / NO

2.2.1 If so, state particulars.

---

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- 2.3 Are you, or any person connected with the bidder, aware of any relationship (family, friend, other) between the bidder and any person employed by the principal who may be involved with the evaluation and or adjudication of this bid?

YES / NO

2.3.1 If so, state particulars.

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**DECLARATION**

I, the undersigned, hereby certify that the information furnished above is true and correct.

I accept that the principal may act against me in accordance with the terms and conditions of this Contract should this declaration prove to be false.

Full Name of Signatory.....

Capacity of Signatory.....

I.D. Number.....

Duly Authorised to sign on behalf of :- .....

Physical Address.....

.....

.....

**SIGNATURE.....DATE.....**

**THE MSUNDUZI MUNICIPALITY**

**SPECIALISED QUOTATION No: Q 29 OF 10/11**

**BINDING OF NEWSPAPERS AND PERIODICALS FOR THE BESSIE HEAD LIBRARY**

**DATA SHEET 4 - BUSINESS PARTICULARS**

All tenderers including each member of a joint venture are required to provide the following information in the form of signed binding declarations for adjudication purposes.

- (i) The form of business, for example, partnership, sole proprietor, close corporation;
- (ii) Percentage ownership of the business by Priority Population Group individuals other South African and non-South Africans;
- (iii) Percentage ownership of the business by South African women;
- (iv) Percentage of disabled employees;
- (v) Written documentation regarding affirmative action policies;
- (vi) Local status - where is the business located?
- (vii) Emerging Status - When was the business started?
- (viii) Affirmative action policies and practices.

Tenderer submitting false information will be regarded as committing a fraudulent act and may be subject to prosecution or such other remedy as the Council may decide.



**THE MSUNDUZI MUNICIPALITY**

**SPECIALISED QUOTATION No: Q 29 OF 10/11**

**BINDING OF NEWSPAPERS AND PERIODICALS FOR THE BESSIE HEAD LIBRARY**

**AUTHORITY TO SIGN DOCUMENT**

I/We\*, the undersigned, am/are\* duly authorised to sign the Tender on behalf of

.....

by virtue of the Articles of Association/Resolution of the Board of Directors\*, of which a

certified copy is attached, or .....

**Signature** : .....

**Date** : .....

**Witnesses** :

1) : .....

2) : .....

\* Delete whichever is inapplicable or complete as indicated if none are applicable.

**THE MSUNDUZI MUNICIPALITY**

**SPECIALISED QUOTATION No: Q 29 OF 10/11**

**BINDING OF NEWSPAPERS AND PERIODICALS FOR THE BESSIE HEAD LIBRARY**

**TENDER FORM**

The Municipal Manager  
City Hall  
PIETERMARITZBURG  
3201

Sir,

Having examined the Tender Document, I/we offer to execute the said Works in conformity with the aforesaid documentation at the price/s detailed below,

R \_\_\_\_\_

(Words) \_\_\_\_\_

\_\_\_\_\_

I/We are registered VAT vendors and the price/s above **INCLUDES VAT**.

I/We undertake to complete and deliver the whole of the Works comprised in the Contract within the time stated.

I/We confirm that I am/We are fully acquainted with the current South African laws and regulations applicable to this contract including inter alia those laws to which my/our attention has been drawn in the Legislation Section of this document.

I/We are formally associated by written agreement with the following firms, corporations or companies:-

\_\_\_\_\_  
(enter Nil if no affiliations)

I/We are fully paid up members in good standing of the following organisation(s):-

\_\_\_\_\_  
(enter Nil if no affiliations)

My/Our VAT vendor registration number is:- \_\_\_\_\_

My/Our tender fee receipt number as issued by the Council is : \_\_\_\_\_

I/We bank at the \_\_\_\_\_ branch of \_\_\_\_\_

where I/we have a \_\_\_\_\_ account.

It is agreed and understood that this tender is valid for three (3) months from the date hereof and

that it, together with your final letter of acceptance, shall constitute a binding Contract between us.

I/We understand that the Council is not bound to accept the lowest or any tender and reserves the right to accept the whole or any part of a tender received.

I/We understand that the Council is not bound to accept the lowest or any tender and acknowledge that the Procurement Manager may, if in his absolute discretion good and sufficient grounds are brought to his attention in writing within five working days from the date hereof, decline to consider my/our offer.

I/we the Undersigned, Warrants That I Am/ We Are Duly Authorised to Do So on Behalf of the Enterprise, Certifies That the Enterprise Complies with All Statutory and Municipal Requirements and That the Information Supplied in Terms of this Documents with Additional Information is Correct and Accurate and Acknowledges That if the information supplied is found to be incorrect then the Msunduzi Municipality in addition to any remedies, it may have: may

- i Recover from the Enterprise all costs, losses or damages incurred or sustained by the Municipality as result of the award of the contract, and /or
- ii Cancel the contract and claim any damages which the Municipality may suffer by having to make less favourable arrangements after such cancellations, and/or
- iii Impose a penalty on the Enterprise as provided in the Tender Document, and/or
- iv Take any other action as may be deemed necessary.

I/we further undertake to submit documentary proof regarding any tendering issue to the Council when so required.

Full Name of Signatory.....

Capacity of Signatory.....

I.D. Number.....

Duly Authorised to sign on behalf of:- .....

Physical Address.....

.....

SIGNATURE.....

DATE.....

**THE MSUNDUZI MUNICIPALITY**

**SPECIALISED QUOTATION No: Q 29 OF 10/11**

WRITTEN AGREEMENT BETWEEN THE MSUNDUZI MUNICIPALITY (EMPLOYER/ MANDATOR,) AND

.....(CONTRACTOR/MANDATARY) AS ENVISAGED BY SECTION 37(2) OF THE OCCUPATIONAL HEALTH & SAFETY ACT, NO. 85 OF 1993, AS AMENDED.

I/we ..... representing (Mandatory) do hereby acknowledge that .....(Mandatory) is an employer in its own right with duties as prescribed in the Occupational Health & Safety Act, No. 85 of 1993, as amended. I/we agree to ensure that all work will be performed and/or machinery and plant will be used in accordance with the provisions of the said Act. I/we furthermore agree to comply with the arrangements and procedures contained in the documents attached hereto for the full duration of the contract including the defects liability period.

\_\_\_\_\_(Signature)

Signed this ..... day of ..... 2007 at .....

for and on behalf of ..... (Mandatory).

\_\_\_\_\_(Signature)

Signed this ..... day of ..... 2007 at .....

for and on behalf of the Msunduzi Municipality (Employer/Mandator).

**General information for Mandataries:**

1. The Occupational Health & Safety Act comprises Sections 1 to 50 and all unrepealed Regulations promulgated in terms of the former Machinery & Occupational Safety Act No. 6 of 1983, as amended, as well as other Regulations which may be promulgated in terms of the new Act.
2. "Mandatory" is defined as including an agent, a contractor or a subcontractor for work, but without derogating from his status in his own right as an employer or user of plant or machinery.
3. Section 37 of the Occupational Health & Safety Act potentially punishes employers (principals) for the unlawful acts or omissions of mandataries (contractors), save where a written agreement between the parties has been concluded containing arrangements and procedures to ensure compliance with the said Act by the mandatory.
4. All documents attached or referred to in the above Agreement form an integral part of the Agreement.
5. To perform in terms of this Agreement, mandataries must be familiar with the relevant provisions of the Act.
6. Mandataries who utilise the services of their own mandataries (sub-contractors) are advised to conclude a similar written Agreement.
7. Be advised that this Agreement places the onus on the mandatory to contact the employer in the event of inability to perform as per this Agreement. The employer, however, reserves the right to unilaterally take any steps as may be necessary to enforce this Agreement.
8. Mandataries are advised that any acts or omissions on the part of the mandatory, that are a breach of the Act may cause this contract to become null and void.

**THE MSUNDUZI MUNICIPALITY**

**PROCUREMENT UNIT**

**THE MSUNDUZI MUNICIPALITY’S PREFERENTIAL PROCUREMENT POLICY**

The Msunduzi Municipality has adopted the Preference Point System as stipulated in the Preference Procurement Policy Regulations 2001, pertaining to the Preferential Procurement Policy Framework Act: No 5 of 2000.

**1. DEFINITIONS**

- (1) **“Act”** means the Preferential Procurement Policy Framework Act: No 5 of 2000;
- (2) **“Disability”** means, in respect of a person, a permanent impairment of a physical, intellectual, or sensory function, which results in restricted, or lack of, ability to perform an activity in the manner, or within the range, considered normal for a human being;
- (3) **“Historically Disadvantaged Individual (HDI)”** means a South African citizen who:-
  - (a) due to the apartheid policy that had been in place, had no franchise in national elections prior to the introduction of the Constitution of the Republic of South Africa, 1983 (Act No 110 of 1983) or the Constitution of the Republic of South Africa, 1993 (Act No 200 of 1993) (“the Interim Constitution”); and/or;
  - (b) is a female; and /or,
  - (c) has a disability:

Provided that a person who obtained South African citizenship on or after the coming to effect of the Interim Constitution, is deemed not to be a HDI;
- (4) **“Management”** in relation to an enterprise or business, means an activity inclusive of control and performed on a daily basis, by any person who is a principal executive officer of the company, by whatever name that person may be designated, and whether or not that person is a director;
- (5) **“Person”** includes reference to a juristic person;
- (6) **“Small, Medium & Micro Enterprises (SMMEs)”** bears the same meaning assigned to this expression in the National Small Business Act, 1996 (Act No 102 of 1996);
- (7) **“Sub-Contracting”** means the primary contractor’s assigning or leasing or making out work to, or employing, another person to support such primary contractor in the execution of part of a project in terms of a contract;
- (8) **“Local Contractor”** means a firm based within the jurisdiction of the Msunduzi Municipality. No points will be awarded to non based Pietermaritzburg firms in order to support the local economy;

- (9) **“Women Equity Ownership (WEO)”** means the percentage of an enterprise or business owned by women or, in respect of a company, the percentage of a company’s shares that are owned by women, who are actively involved in the management of the enterprise or business and exercise control over the enterprise, commensurate with their degree of ownership at the closing date of the tender.
- (10) **“Affirmable Business Enterprise (ABE)”** means a business which adheres to statutory labour practices, is a legal entity, registered with the South Africa Revenue Services and a continuing and Independent Enterprise for profit, providing a Commercially Useful Function, and:-
- (a) Which is at least two thirds owned by one or more Historically Disadvantaged Individuals or, in the case of a company, at least two thirds of the shares are owned by one or more Historically Disadvantaged Individuals; and,
  - (b) Whose management and daily business operations are in the control of one or more Historically Disadvantaged Individuals who effectively own it provided, however that the annual average turnover excluding VAT and any turnover generated in respect of work performed by other parties in a joint venture or a consortium, of the business during the lesser of the period for which the business has been operating, or the previous three financial years, does not exceed:-
    - i) R25 million in respect of Contractors who generate more than 75% of their turnover as Prime Contractors;
    - ii R10 million in respect of Contractors who generate less than 75% of their turnover as Prime Contractors;
    - iii R2.5 million in respect of labour-only Contractors;
    - iv R10 million in respect of manufacturers;
    - v) R15 million in respect of Suppliers;
    - vi) R2.5 million, exclusive of any turnover generated in respect of outsourced activities which the enterprise does not have the in-house competence and expertise to perform, in respect of professional service providers, and,
    - vii) R2.5 million in respect of other service providers eg. Transporters,

And that the sum of the annual average turnovers over the same period of all the business concerns under the control of Historically Disadvantaged Individuals within the business entity or Affiliated Entities does not exceed 1.5 times the maximum allowable annual average turnover for the particular category of enterprises as set out in (10.b) above, seeking ABE status.

A business entity which has been classified as an ABE at the commencement of the contract and loses such classification for any reason, may not be re-classified as an ABE for the purpose of the contract.

- (11) **“Contract Participation Goal (CPG)”** means an amount equal to the sum of the portion of the Award Value of goods, services and works for which the Contractor contracts to engage ABE’s in the performance of the contract, expressed as a percentage of the Award Value of the contract.
- (12) **“Rand Value”** means the value of the contract at the time, inclusive of ***Provisional Sums, Contingency Amounts and Escalation Allowances provided by the Employer, and VAT.***

## **2. REGULATIONS**

- 2.1 The Msunduzi Municipality identified the following categories for empowerment as contemplated in Regulation 17 of the Preferential Procurement Regulations 2001:-
- (a) Promotion of Historically Disadvantaged Individuals (**HDI**’s);
  - (b) Promotion of Sub-Contracting work to Affirmable Business Enterprises (**ABE**’s);
  - (c) Promotion of Women Equity Ownership (**WEO**) and/or Disabled Equity Ownership (**DEO**);
  - (d) Promotion of **Local Businesses** and **Local Contractors** within the jurisdiction of the Msunduzi Municipality.
- 2.2 Points scored will be rounded off to the nearest two decimals.
- 2.3 The points scored by a tenderer in respect of specific goals under consideration, will be added to the points scored for tender price to determine the tenderer’s overall score.
- 2.4 The tenderer with the highest number of combined total points scored will be selected, subject to the tender being considered responsive in terms of all the Conditions of Tender.

## **3. GENERAL CONDITIONS AND PRINCIPLES**

- 3.1 Only a tenderer who has completed and signed the declaration part of the tender will be considered for procurement preference points.
- 3.2 Preference points may not be claimed in respect of individuals who are not actively involved in the management of an enterprise or business and who do not exercise control over an enterprise or business commensurate with their degree of ownership.
- 3.3 Preference points may not be claimed and cannot be awarded to public companies and tertiary institutions.

- 3.4 Equity claims for a Trust will only be allowed in respect of those persons who are both trustees and beneficiaries and who are actively involved in the management of the Trust. Documentation to substantiate the validity of the credentials of the trustees must be submitted with such preference claims.
- 3.5 A Consortium or Joint Venture may, based on the percentage of the contract value managed or executed by their HDI members, be entitled to equity ownership in respect of an HDI. The number of points scored by the Consortium/Joint Venture will be added to the number of points scored for achieving specified goals, which will be added to the points scored for price, in order to establish the total number of points scored.
- 3.6 The Council may, before the tender is adjudicated or at any time, require a tenderer to substantiate claims it has made with regard to preference.

#### 4. **THE 80 / 20 PREFERENCE POINT SYSTEM**

The Procurement Preference Points in respect of tenders with a Rand value up to R 500 000 will be calculated in accordance with the breakdown of points as reflected hereunder:-

##### 4.1 **Price Points : 80 Points Maximum**

The following formula will be used to calculate the points for price in respect of tenders for minor works with a Rand value of up to R 500,000:-

$$Ps = 80 \left\{ 1 - \frac{(Pt - Pmin)}{Pmin} \right\}$$

Where:-

- Ps** = Points scored for price of tender under consideration.
- Pt** = Rand value of tender under consideration.
- Pmin** = Rand value of lowest acceptable tender.

##### 4.2 **HDI Status:** A maximum of **10 Points (NOP)** will be allocated for **HDI Equity**, calculated in accordance with the formula:-

$$NEP = NOP \times \frac{EP}{100}$$

Where:-

- NEP** = Points awarded for equity ownership by an HDI.
- NOP** = The maximum number of points awarded for equity ownership by an HDI. (**NOP = 10**).



**EP** = The percentage of equity ownership by an HDI within the enterprise or business, as determined in accordance with clause 1.(3).

**and/or** for subcontracting work to an ABE with a contract participation goal being 10% minimum and 40% maximum, calculated in accordance with the formula:-

$$\text{CPGPT} = \text{CPGA} \times \frac{\text{CPP}}{40}$$

Where:-

**CPGPT** = Points scored for subcontracting to an ABE.

**CPGA** = The maximum number of points awarded for subcontracting to an ABE.

**CPP** = The percentage of value of work subcontracted to an ABE.

**4.3 Women Equity:** A Maximum of 5 Points will be allocated for Women Equity Ownership

**Disabled Equity:** (**WEO**) and/or Disabled Equity Ownership (**DEO**) calculated in accordance with the formula:-

$$\text{WEO} = \text{NOW} \times \frac{\text{WEP}}{100} \quad \text{and/or} \quad \text{DEO} = \text{NOD} \times \frac{\text{DEP}}{100}$$

Where:-

**WEO** = Points awarded for women equity ownership.

**DEO** = Points awarded for disabled equity ownership.

**NOW** = Max Points awarded for women equity ownership (**NOW** = **5**)

**NOD** = Max Points awarded for disabled equity ownership (**NOD** = **5**)

**WEP** = The percentage of equity ownership by women.

**DEP** = The percentage of equity ownership by disabled persons.

**4.4 Local Firms:** A maximum of **5 Points** will be allocated for firms based within the jurisdiction of the Msunduzi Municipality. **Nil points** for firms based elsewhere.

#### 4.5 Example of Adjudication Schedule

Project Cost Estimate = R 125,000

| STAGE 1          | STAGE 2         | STAGE 3                | STAGE 4                   | STAGE 5                   | STAGE 6                  | STAGE 7            | STAGE 8          | STAGE 9                                    | STAGE 10                                    | STAGE 11                  | STAGE 12                |
|------------------|-----------------|------------------------|---------------------------|---------------------------|--------------------------|--------------------|------------------|--------------------------------------------|---------------------------------------------|---------------------------|-------------------------|
| Name of Tenderer | Price Tendered  | Is Tenderer Responsive | Has Tenderer got Capacity | Proposed Execution Method | Proposed Contract Period | Is Price Realistic | Points for Price | Points for HDI Equity or Sub-contr. to HDI | Points for Women/ Disabled Equity Ownership | Local Business Enterprise | Total Points (Position) |
| A                | R70,000         | Yes                    | Yes                       | Acceptable                | 6 Months                 | No                 | N.A.             | N.A.                                       | N.A.                                        | N.A.                      | N.A.                    |
| B                | R115,000        | Yes                    | Yes                       | Acceptable                | 5 Months                 | Yes                | 80               | 0                                          | 0                                           | 0                         | 80.00 (4)               |
| <b>C</b>         | <b>R120,000</b> | <b>Yes</b>             | <b>Yes</b>                | <b>Acceptable</b>         | <b>6 Months</b>          | <b>Yes</b>         | <b>76.52</b>     | <b>6</b>                                   | <b>0</b>                                    | <b>5</b>                  | <b>87.52 (1)</b>        |
| D                | R126,000        | Yes                    | Yes                       | Acceptable                | 7 Months                 | Yes                | 72.35            | 8                                          | 2                                           | 5                         | 87.35 (2)               |
| E                | R135,000        | Yes                    | Yes                       | Acceptable                | 5 Months                 | Yes                | 66.09            | 5                                          | 0                                           | 0                         | 71.09 (5)               |
| F                | R143,000        | Yes                    | Yes                       | Acceptable                | 6 Months                 | Yes                | 60.52            | 10                                         | 5                                           | 5                         | 80.52 (3)               |
| G                | R150,000        | No                     | N.A.                      | Not Accept.               | 6 Months                 | Yes                | N.A.             | N.A.                                       | N.A.                                        | N.A.                      | N.A.                    |

**Tenderer “C” is therefore the Preferred Contractor.**

| Calculation of Price Points - Tenderer (C)                                                                                                                                                                                                                              | Calculation of Development Points - Tenderer (C)                                                                 |
|-------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------|------------------------------------------------------------------------------------------------------------------|
| $Np = 80 \left( 1 - \frac{(Pt - Pmin)}{Pmin} \right)$ $Np = 80 \times \left\{ 1 - \frac{(120,000 - 115,000)}{115,000} \right\}$ $Np = 80 \times \left\{ 1 - \left( \frac{5000}{115,000} \right) \right\}$ $Np = 80 \{ 1 - 0.043 \}$ $Np = 80 \times 0.957$ $Np = 76.52$ | <p><b>Equity owned by HDI + Women Equity Ownership + Local Contractor</b></p> <p>=&gt; 6 + 0 + 5 = 11 points</p> |
| <b>TOTAL ADJUDICATION POINTS = 76.52 + 11 = 87.52 POINTS</b>                                                                                                                                                                                                            |                                                                                                                  |

#### 5. THE 90/10 PREFERENCE POINT SYSTEM

##### 5.1 Price Points: 90 Points Maximum

The following formula will be used to calculate the points for price in respect of tenders for major works with a Rand value greater than R 500,000:-

$$Ps = 90 \left\{ 1 - \left( \frac{Pt - Pmin}{Pmin} \right) \right\}$$

Where:-

- Ps** = Points scored for price of tender under consideration
- Pt** = Rand value of offer tender consideration
- Pmin** = Rand value of lowest acceptable tender”

- 5.2 HDI Status:** A maximum of **5 Points (NOP)** will be allocated for **HDI Equity**, calculated in accordance with the formula:-

$$NEP = NOP \times \frac{EP}{100}$$

Where:-

**NEP** = Points awarded for equity ownership by an HDI.

**NOP** = The maximum number of points awarded for equity ownership by an HDI. **(NOP = 5).**

**EP** = The percentage of equity ownership by an HDI within the enterprise or business, as determined in accordance with clause 1.(3).

**and/or** for subcontracting work to an ABE with a contract participation goal being **10% minimum and 40% maximum**, calculated in accordance with the formula:-

$$CPGPT = CPGA \times \frac{CPP}{40}$$

Where:-

**CPGPT** = Points scored for subcontracting to an ABE.

**CPGA** = The maximum number of points awarded for subcontracting to an ABE. **(CPGA = 5).**

**CPP** = The percentage of value of work subcontracted to an ABE.

- 5.4 Local Firms:** A maximum of **5 Points** will be allocated for firms based within the jurisdiction of the Msunduzi Municipality. **Nil points** for firms based elsewhere.

### **5.5 Example of Adjudication Schedule**

Project Cost Estimate = R 1,250,000

| STAGE 1          | STAGE 2           | STAGE 3                | STAGE 4                   | STAGE 5                   | STAGE 6                  | STAGE 7            | STAGE 8          | STAGE 9                                    | STAGE 10                                    | STAGE 11                  | STAGE 12                |
|------------------|-------------------|------------------------|---------------------------|---------------------------|--------------------------|--------------------|------------------|--------------------------------------------|---------------------------------------------|---------------------------|-------------------------|
| Name of Tenderer | Price Tendered    | Is Tenderer Responsive | Has Tenderer got Capacity | Proposed Execution Method | Proposed Contract Period | Is Price Realistic | Points for Price | Points for HDI Equity or Sub-contr. to HDI | Points for Women/ Disabled Equity Ownership | Local Business Enterprise | Total Points (Position) |
| A                | R700,000          | Yes                    | Yes                       | Acceptable                | 8 Months                 | No                 | N.A.             | N.A                                        | N.A.                                        | N.A                       | N.A.                    |
| B                | R1,150,000        | Yes                    | Yes                       | Acceptable                | 7 Months                 | Yes                | 90               | 0                                          | N.A.                                        | 0                         | 90.00 (3)               |
| <b>C</b>         | <b>R1,200,000</b> | <b>Yes</b>             | <b>Yes</b>                | <b>Acceptable</b>         | <b>8 Months</b>          | <b>Yes</b>         | <b>86.09</b>     | <b>3</b>                                   | <b>N.A.</b>                                 | <b>5</b>                  | <b>94.09 (1)</b>        |
| D                | R1,260,000        | Yes                    | Yes                       | Acceptable                | 9 Months                 | Yes                | 81.39            | 4                                          | N.A.                                        | 5                         | 90.39 (2)               |
| E                | R1,350,000        | Yes                    | Yes                       | Acceptable                | 7 Months                 | Yes                | 74.35            | 2.5                                        | N.A.                                        | 0                         | 76.85 (5)               |
| F                | R1,430,000        | Yes                    | Yes                       | Acceptable                | 8 Months                 | Yes                | 68.09            | 5                                          | N.A.                                        | 5                         | 78.09 (4)               |
| G                | R1,500,000        | No                     | N.A.                      | Not Accept.               | 8 Months                 | Yes                | N.A.             | N.A.                                       | N.A.                                        | N.A.                      | N.A.                    |

**Tenderer "C" is therefore the Preferred Contractor.**

| Calculation of Price Points - Tenderer (C)                                                                                                                                                                                                                                                      | Calculation of Development Points - Tenderer (C)                                   |
|-------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------|------------------------------------------------------------------------------------|
| $Np = 90 \left\{ 1 - \left( \frac{Pt - Pmin}{Pmin} \right) \right\}$ $Np = 90 \left\{ 1 - \left( \frac{1,200,000 - 1,150,000}{1,150,000} \right) \right\}$ $Np = 90 \left\{ 1 - \left( \frac{50,000}{1,150,000} \right) \right\}$ $Np = 90 \{ 1 - 0.043 \}$ $Np = 90 \times 0.957$ $Np = 86.09$ | <p><b>Equity owned by HDI + Local Contractor</b></p> <p>=&gt; 3 + 5 = 8 points</p> |
| <b>TOTAL ADJUDICATION POINTS = 86.09 + 8 = 94.09 POINTS</b>                                                                                                                                                                                                                                     |                                                                                    |

## 6. EXPLANATORY NOTES RELATED TO ADJUDICATION SCHEDULES

|                                                                                                                                                       |                                                                                                                                                                                 |
|-------------------------------------------------------------------------------------------------------------------------------------------------------|---------------------------------------------------------------------------------------------------------------------------------------------------------------------------------|
| <p><b><u>Stage 1:</u> Name of Tenderer</b></p> <p>Name of Company / Firm / Etc.</p>                                                                   | <p><b><u>Stage 7:</u> Is Price Realistic</b></p> <p>Is the tender price within +-25% of Estimated Cost?</p>                                                                     |
| <p><b><u>Stage 2:</u> Price Tendered</b></p> <p>Tender price inclusive of PC Sums, Contingencies, Escalation (if applicable)</p>                      | <p><b><u>Stage 8:</u> Points for Price</b></p> <p>Points scored for price as calculated in terms of Clause 4.1 or 5.1 as applicable.</p>                                        |
| <p><b><u>Stage 3:</u> Is Tenderer Responsive?</b></p> <p>Has the Tenderer met all tender requirements as scheduled on the Submission Check List ?</p> | <p><b><u>Stage 9:</u> Points for HDI Equity or Sub-contracted to ABE</b></p> <p>Points scored for HDI Equity as calculated in terms of Clause 4.2 or 5.2 as applicable.</p>     |
| <p><b><u>Stage 4:</u> Has Tenderer Got Capacity?</b></p> <p>Tenderer experience, expertise and resources to undertake the scope of works.</p>         | <p><b><u>Stage 10:</u> Points for Women/Disabled Equity Ownership</b></p> <p>Points scored for Women and/or Disabled Equity Ownership as calculated in terms of Clause 4.3.</p> |
| <p><b><u>Stage 5:</u> Proposed Execution Method</b></p> <p>Proposed method of project execution<br/>(if applicable to project)</p>                    | <p><b><u>Stage 11:</u> Points for Local Business Enterprise</b></p> <p>Points scored for enterprises based within the area of jurisdiction of the Msunduzi Municipality.</p>    |
| <p><b><u>Stage 6:</u> Proposed Contract Period</b></p> <p>Period stipulated for Completion of Project.</p>                                            | <p><b><u>Stage 12:</u> Total Points</b></p> <p>Calculate Total Points Scored : Stages 8 to 11</p>                                                                               |

**THE MSUNDUZI MUNICIPALITY**

**PROCUREMENT UNIT**

**ABE/PRINCIPAL CONTRACTOR DECLARATION AFFIDAVIT**

**1.0      BUSINESS PARTICULARS**

1.1    Name of Business as registered with the Registrar of Companies/Close Corporations

\_\_\_\_\_

1.2    Name of Business used for TRADING purposes. If different from 1.1 or name of Business if Business is not registered with the Registrar

\_\_\_\_\_

1.3    Registration No. as registered with the Registrar of Companies/Close Corporations (if applicable)

\_\_\_\_\_

1.4    Physical address \_\_\_\_\_

\_\_\_\_\_ Code \_\_\_\_\_

**1.1**    Postal address \_\_\_\_\_

\_\_\_\_\_ Code \_\_\_\_\_

1.6    Telephone No. (        )                      Fax No. (        ) \_\_\_\_\_

1.7    Person/s Nominated for Handling the Affairs of the Business \_\_\_\_\_

1.8    VAT Registration No.[if applicable]: \_\_\_\_\_

1.9    Unemployment Insurance Fund No.[if applicable] \_\_\_\_\_

1.10   Compensation Commissioner Registration No.[if applicable] \_\_\_\_\_

1.11   Income Tax Reference No. \_\_\_\_\_

***NB.: Insert personal income tax number if a one person business [sole trader] and personal income tax numbers of all partners in a partnership***

1.12   P.A.Y.E. [if applicable] \_\_\_\_\_

***NB.: An Original Tax Clearance Certificate as required in terms of Regulation 16 of the Preferential Procurement Regulations, 2001, and issued by the South Africa Revenue Services (SARS) must be submitted together with this document for registration purposes.***

## 2.0 **TYPE OF BUSINESS**

2.1 Tick Whichever Block is Applicable to Your Business and **ATTACH THE RELEVANT CERTIFIED COPY** .

| Type of Business          | Tick | Information Required                                   |
|---------------------------|------|--------------------------------------------------------|
| Public Company Ltd        |      | Certified copy of Certificate of Incorporation [CM3]   |
| Private Company [Pty] Ltd |      | Certified copy of Certificate of Incorporation [CM3]   |
| Close Corporation cc      |      | Certified copy of CK1 Document and CK2 [if applicable] |
| Sole Proprietor           |      | Certified copy of I.D. Document                        |
| Partnership               |      | Certified copy of Partnership Agreement                |
| Trust                     |      | Certified copy of Trust Document                       |

## 3.0 **COMPANY CLASSIFICATION** (Tick one box)

- ☐ Contractor who generates more than 75% of turnover as a Prime Contractor
- ☐ Contractor who generates less than 25% of turnover as a Prime Contractor
- ☐ Labour-only sub-contractors
- ☐ Manufacturer
- ☐ Supplier
- ☐ Professional service provider
- ☐ Other service providers e.g. transporter

## 4.0 **PREVIOUS BUSINESS INFORMATION**

4.1 Did Your Business Exist Under a Previous Name? (Please Tick)      Yes ☐      No ☐

4.2 If “Yes “What Was The Previous Business Name? \_\_\_\_\_

4.3 Why Was It Changed? \_\_\_\_\_

4.4 Who were the previous Owners, Partners, Members or Shareholders?

| Name | Capacity | HDI<br><u>Yes/No</u> | Woman<br><u>Yes/No</u> |
|------|----------|----------------------|------------------------|
|      |          |                      |                        |
|      |          |                      |                        |
|      |          |                      |                        |
|      |          |                      |                        |

## 5.0 **PRINCIPAL BUSINESS ACTIVITIES** (Please Specify Hereunder)

\_\_\_\_\_

- 5.1 Detail hereunder all trade Associations/Professional Bodies/Business Associations in which you have Membership.

- 5.2 What is the Enterprise/s annual average turnover (excl vat) during the lesser of the period for which the business has been operating or the previous three financial years

| <b>Rand Value of Average Annual Turnover</b> |                    |                    |                    |
|----------------------------------------------|--------------------|--------------------|--------------------|
| <b><i>Financial Ranges</i></b>               | <b><i>2008</i></b> | <b><i>2009</i></b> | <b><i>2010</i></b> |
| R0 to R30 000                                | R                  | R                  | R                  |
| R30 000 to R100 000                          | R                  | R                  | R                  |
| R100 000 to R150 000                         | R                  | R                  | R                  |
| R150 000 to R200 000                         | R                  | R                  | R                  |
| Over R200 000                                | R                  | R                  | R                  |

- 5.3 If the Business is established during the present year, please indicate hereunder the date the Business was established and registered with the South African Revenue Services.

## **6.0 PREVIOUS EXPERIENCE**

List the last four (4) contracts successfully completed by your Business. (Attached a separate sheet if necessary)

| <b>Employer</b> | <b>Contact Person</b> | <b>Contact No.</b> | <b>Value of Work</b> | <b>Year</b> | <b>Nature of Works Undertaken</b> |
|-----------------|-----------------------|--------------------|----------------------|-------------|-----------------------------------|
|                 |                       |                    | R                    |             |                                   |
|                 |                       |                    | R                    |             |                                   |
|                 |                       |                    | R                    |             |                                   |
|                 |                       |                    | R                    |             |                                   |

## **7.0 SERVICE PROVIDER'S AUDITORS DETAILS**

| <b>Service</b> | <b>Name of Company</b> | <b>Telephone No.</b> |
|----------------|------------------------|----------------------|
| Auditing       |                        |                      |
| Accounting     |                        |                      |

## 8.0 **BUSINESS OWNERSHIP**

List all persons who are OWNERS in the Business/Trust, and indicate their involvement in the management/operation of the Business/Trust. In cases of Handicapped Persons, proof of disability by a recognized related Institution must be submitted for registration purposes. If insufficient space, copies of this page may be made and attached to this Form.

| Full Name | I D Number | SA Citizen<br>Before<br>27/4/94<br><br>Yes/No | Capacity:<br><br>Member/Partner/<br>Proprietor/Share<br>Holder/Trustee/<br>Beneficiary | % Ownership/<br>Partnership/<br>trust/Interest | Male/<br>Female | Disabled<br><br>Yes/No | HDI<br><br>Yes/N<br>o | (*)<br><br>Race<br><br>W/B/I/<br>C/Other | %<br>of Time<br>Devoted To<br>The<br>Business |
|-----------|------------|-----------------------------------------------|----------------------------------------------------------------------------------------|------------------------------------------------|-----------------|------------------------|-----------------------|------------------------------------------|-----------------------------------------------|
|           |            |                                               |                                                                                        |                                                |                 |                        |                       |                                          |                                               |
|           |            |                                               |                                                                                        |                                                |                 |                        |                       |                                          |                                               |
|           |            |                                               |                                                                                        |                                                |                 |                        |                       |                                          |                                               |
|           |            |                                               |                                                                                        |                                                |                 |                        |                       |                                          |                                               |
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(\*) *NB: The request for the Race of a person herein is required for STATISTICAL PURPOSES ONLY and is not intended to prejudice any Business in any manner whatsoever.*

### **LEGEND**

(W) - White      (B) - Black      (I) - Indian      (C) - Coloured



## **9.0 VERIFICATION OF INFORMATION SUPPLIED**

I/we the undersigned, warrants that I am/ we are duly authorized to do so on behalf of the Principal Contractor, certifies that the Business complies with all statutory and Municipal requirements and that the information supplied in terms of this document with additional information is correct and accurate and acknowledges that if the information supplied is found to be incorrect then the Council in addition to any remedies it may have, shall,

- i recover from the Business all costs, losses or damages incurred or sustained by the Council as a result of breach of the contract;
- ii cancel the contract and claim any damages which the Council may suffer by having to make less favourable arrangements after such cancellations;
- iii impose the penalties on the Business as provided for herein, and/or
- iv take any other action as may be deemed necessary.

I/we further undertake to submit any other documentary proof to the Council as and when required.

Full Name of Signatory.....

Capacity of Signatory .....

I.D Number.....

Duly Authorised to sign on behalf of:.....

Physical Address.....

.....

Telephone No.....Fax No.....

Signature.....

Signed and sworn to before me at.....

on this the .....day of.....

200....., by the Deponent, who has acknowledge that she/he knows and understands the contents of this document, that it is true and correct to the best of his/her knowledge and that he/she has no objection to taking the prescribe oath, and that the prescribed oath shall be binding on his/her conscience.

Full Name .....

Capacity.....

Commissioner of Oaths.....

**NOTE : All pages of this Affidavit must be initialed by both the Deponent and the Commissioner of Oaths**

UNDERTAKING FROM AN ABE TO PERFORM AS A SUB-  
CONTRACTOR/SUPPLIER/MANUFACTURER/SERVICE PROVIDER AFFIDAVIT

Employer : .....

Contract Description : .....

Contract Number : .....

1.1 Name of Business as registered with the Registrar of Companies/Close Corporations

\_\_\_\_\_

1.2 Name of Business used for TRADING purposes. If different from 9.1 or name of Business if Business is not registered with the Registrar

\_\_\_\_\_

1.3 Registration No. as registered with the Registrar of Companies/Close Corporations (if applicable)

\_\_\_\_\_

1.4 Physical address of the Business

\_\_\_\_\_ Code

\_\_\_\_\_

1.2 Postal address of Service Provider's Business

\_\_\_\_\_ Code

\_\_\_\_\_

1.6 Telephone No. ( ) \_\_\_\_\_ Fax No. ( )  
\_\_\_\_\_

1.7 Person/s Nominated for Handling the Affairs of the Business

1.10 VAT Registration No. [if applicable]: \_\_\_\_\_

1.11 Unemployment Insurance Fund No. [if applicable] \_\_\_\_\_

1.12 Compensation Commissioner Registration No. [if applicable] \_\_\_\_\_

1.13 Income Tax Reference No. \_\_\_\_\_

1.14 P.A.Y.E. [if applicable] \_\_\_\_\_

## 2.0 TYPE OF BUSINESS

2.1 Tick Whichever Block is Applicable to Your Business and ATTACH THE RELEVANT CERTIFIED COPY for Registration Purposes.

| Type of Business          | Tick | Information Required                                   |
|---------------------------|------|--------------------------------------------------------|
| Public Company Ltd        |      | Certified copy of Certificate of Incorporation [CM3]   |
| Private Company [Pty] Ltd |      | Certified copy of Certificate of Incorporation [CM3]   |
| Close Corporation cc      |      | Certified copy of CK1 Document and CK2 [if applicable] |
| Sole Proprietor           |      | Certified copy of I.D. Document                        |
| Partnership               |      | Certified copy of Partnership Agreement                |
| Trust                     |      | Certified copy of Trust Document                       |

## 3.0 COMPANY CLASSIFICATION (Tick one box)

- ☐ Contractor who generates more than 75% of turnover as a Prime Contractor
- ☐ Contractor who generates less than 25% of turnover as a Prime Contractor
- ☐ Labour-only sub-contractors
- ☐ Manufacturer
- ☐ Supplier
- ☐ Professional service provider
- ☐ Other service providers e.g. transporter

## 4.0 PRINCIPAL BUSINESS ACTIVITIES (Please Specify Hereunder)

-----  
-----

4.1 Detail hereunder all trade Associations/Professional Bodies/Business Associations in which you have Membership.

\_\_\_\_\_

4.2 What is the Enterprise/s annual average turnover (excl vat) during the lesser of the period for which the business has been operating or the previous three financial years?

| Rand Value of Average Annual Turnover |             |             |             |
|---------------------------------------|-------------|-------------|-------------|
| <i>Financial Ranges</i>               | <i>2008</i> | <i>2009</i> | <i>2010</i> |
| R0 to R30 000                         | R           | R           | R           |
| R30 000 to R100 000                   | R           | R           | R           |
| R100 000 to R150 000                  | R           | R           | R           |
| R150 000 to R200 000                  | R           | R           | R           |
| Over R200 000                         | R           | R           | R           |

4.3 If the Business is established during the present year, please indicate hereunder the date the Business was established and registered with the South African Revenue Services.

## 5.0 BUSINESS OWNERSHIP

List all persons who are OWNERS in the Business/Trust, and indicate their involvement in the management/operation of the Business/Trust. In cases of Handicapped Persons, proof of disability by a recognized related Institution must be submitted for registration purposes. If insufficient space, copies of this page may be made and attached to this Form.

| Full Name | I D Number | SA<br>Citizen<br>Before<br>27/4/94<br><br>Yes/No | Capacity:<br><br>Member/Partner/<br>Proprietor/Share<br>Holder/Trustee/<br>Beneficiary | % Ownership/<br>Partnership/<br>trust/Interest | Male/<br>Female | Disabled<br><br>Yes/No | HDI<br><br>Yes/<br>No | (*)<br><br>Race<br><br>W/B//<br>C/Other | %<br>of Time<br>Devoted<br>To The<br>Business |
|-----------|------------|--------------------------------------------------|----------------------------------------------------------------------------------------|------------------------------------------------|-----------------|------------------------|-----------------------|-----------------------------------------|-----------------------------------------------|
|           |            |                                                  |                                                                                        |                                                |                 |                        |                       |                                         |                                               |
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(\*) NB: The request for the Race of a person herein is required for STATISTICAL PURPOSES ONLY and is not intended to prejudice any Business in any manner whatsoever.

LEGEND

(W) - White      (B)- Black      (I) - Indian      (C)- Coloured

6.0 From : [Name and address of ABE].....

To : [Name and address of Prime Contractor/Joint Venture/Sub-Contractor].....

.....

The undersigned undertakes to perform .....% of the work/provide services/supply goods in connection with the above contract as a close corporation/one person business [sole trader]/partnership/company [delete whichever is inapplicable] and is prepared to perform the following work/provide the following services/supply the following goods in connection with the above-named contract should the above-named Prime Contractor/Joint Venture/Sub-Contractor be awarded the Contract (Attach separate sheet if necessary)

.....

.....

for an estimated amount of R.....excluding VAT subject to the terms of any agreement made between the afore-mentioned parties for the purposes of the Contract. *(NB: No preference points will be awarded should the percentage of work to be undertaken not be indicated)*

The status of the undersigned as a ABE is confirmed herein.

Name of Signatory..... Signature.....

Designation of Signatory.....Date.....

who duly warrants that he/she is authorised to sign this undertaking.

Signed and sworn to before me at.....



On this the .....day of..... 200....., by the Deponent, who has acknowledge that she/he knows and understands the contents of this document, that it is true and correct to the best of his/her knowledge and that he/she has no objection to taking the prescribe oath, and that the prescribed oath shall be binding on his/her conscience.

Full Name.....

Capacity.....

Commissioner of Oaths.....

***NOTE : All pages of this Affidavit must be initialed by both the Deponent and the Commissioner of Oaths***

**THE MSUNDUZI MUNICIPALITY**

**PROCUREMENT UNIT**

**PROCUREMENT PREFERENCE CLAIMED**

Tenderers must complete this schedule and supporting affidavits in its entirety. Enter **Nil** if no points are to be claimed under the relevant headings. Failure to complete this schedule together with the required supporting documentation may result in no points being taken into consideration during the adjudication process.

| NAME OF TENDERER<br>and (if applicable)<br>SUB-CONTRACTOR | POINTS CLAIMED FOR RELEVANT GOALS                 |                                      |                            |
|-----------------------------------------------------------|---------------------------------------------------|--------------------------------------|----------------------------|
|                                                           | Equity Ownership or<br>Sub-contracted to a<br>HDI | Women / Disabled<br>Equity Ownership | Local<br>Contractor        |
|                                                           | Note 1                                            | Note 2                               | Note 3                     |
| <b><u>80/20 Point System</u></b>                          | <b><u>10 Points Max</u></b>                       | <b><u>5 Points Max</u></b>           | <b><u>5 Points Max</u></b> |
| .....                                                     | .....                                             | .....                                | .....                      |
| .....                                                     | .....                                             | .....                                | .....                      |
| .....                                                     | .....                                             | .....                                | .....                      |
| <b><u>90/10 Point System</u></b>                          | <b><u>5 Points max</u></b>                        | <b><u>N.A.</u></b>                   | <b><u>5 Points Max</u></b> |
| .....                                                     | .....                                             | ..... <b>X</b> .....                 | .....                      |
| .....                                                     | .....                                             | ..... <b>X</b> .....                 | .....                      |
| .....                                                     | .....                                             | ..... <b>X</b> .....                 | .....                      |

**Note 1:** In the event of the Principal Contractor Sub-Contracting any portion of the contract to a firm owned by an HDI, the Sub-Contractor shall be required to complete a separate Declaration Affidavit for Sub-Contractors. Details of the portion/s of the contract to be sub-contracted are to be clearly stated in the Affidavit.

**Note 2:** tenderers claiming preference points for Women/Disabled Equity Ownership must clearly indicate the percentage of Women/Disabled Equity Ownership in the relevant Affidavits.

**Note 3:** A tenderer who merely has a postal address within the Msunduzi Municipal's Area of jurisdiction shall not be legible to claim points in his category. The physical address of a tenderer claiming "Local Status "will be verified against the address indicated in the Tender Form.

TENDERER : \_\_\_\_\_

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