

CHIEF ALBERT LUTHULI MUNICIPALITY



APPOINTMENT OF SERVICE PROVIDERS FOR SERVICE AND MAINTENANCE OF SEVERS, CISCO SWITCHES AND UPS

Contract No. ALMT05/2021

R 716,48

Chief Albert Luthuli Municipality PO Box 24 CAROLINA 1185 Contact for Administration: Name: Mr JA Nkosi Telephone. (017) 843 4025	Chief Albert Luthuli Municipality PO Box 24 CAROLINA 1185 Contact for Technical: Name: Mr. Marcus Manyelo Telephone. (017) 843 4012
Tenderer _____	
Registration Number: _____	
Total of amount inclusive of Value Added Tax: R _____	

CLOSING DATE & TIME: 26 AUGUST 2021 @ 12:00

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MBD 1

PART A INVITATION TO BID

YOU ARE HEREBY INVITED TO BID FOR REQUIREMENTS OF THE CHIEF ALBERT LUTHULI MUNICIPALITY					
BID NUMBER:	ALMT05/2021	CLOSING DATE:	26 AUGUST 2021	CLOSING TIME:	12:00
DESCRIPTION	SERVICE AND MAINTENANCE OF SERVERS, CISCO SWICTH AND UPS				
THE SUCCESSFUL BIDDER WILL BE REQUIRED TO FILL IN AND SIGN A WRITTEN CONTRACT FORM (MBD7).					

BID RESPONSE DOCUMENTS MAY BE DEPOSITED IN THE BID BOX
SITUATED AT:

**28 Kerk Street
CAROLINA
1185**

SUPPLIER INFORMATION

NAME OF BIDDER					
POSTAL ADDRESS					
STREET ADDRESS					
TELEPHONE NUMBER	CODE		NUMBER		
CELLPHONE NUMBER					
FACSIMILE NUMBER	CODE		NUMBER		
E-MAIL ADDRESS					
VAT REGISTRATION NUMBER					
TAX COMPLIANCE STATUS	TCS PIN:		OR	CSD No:	
B-BBEE STATUS LEVEL VERIFICATION CERTIFICATE [TICK APPLICABLE BOX]	<input type="checkbox"/> Yes <input type="checkbox"/> No		B-BBEE STATUS LEVEL SWORN AFFIDAVIT		<input type="checkbox"/> Yes <input type="checkbox"/> No

[A B-BBEE STATUS LEVEL VERIFICATION CERTIFICATE/ SWORN AFFIDAVIT (FOR EMES & QSEs) MUST BE SUBMITTED IN ORDER TO QUALIFY FOR PREFERENCE POINTS FOR B-BBEE]

ARE YOU THE ACCREDITED REPRESENTATIVE IN SOUTH AFRICA FOR THE GOODS /SERVICES /WORKS OFFERED?	<input type="checkbox"/> Yes <input type="checkbox"/> No [IF YES ENCLOSE PROOF]	ARE YOU A FOREIGN BASED SUPPLIER FOR THE GOODS /SERVICES /WORKS OFFERED?	<input type="checkbox"/> Yes <input type="checkbox"/> No [IF YES, ANSWER PART B:3]
TOTAL NUMBER OF ITEMS OFFERED		TOTAL BID PRICE	R
SIGNATURE OF BIDDER	DATE	
CAPACITY UNDER WHICH THIS BID IS SIGNED			

BIDDING PROCEDURE ENQUIRIES MAY BE DIRECTED TO:		TECHNICAL INFORMATION MAY BE DIRECTED TO:	
DEPARTMENT	Finance	CONTACT PERSON	M Manyelo
CONTACT PERSON	JA Nkosi	TELEPHONE NUMBER	017 843 4012
TELEPHONE NUMBER	017 843 4025	FACSIMILE NUMBER	017 843 4001
FACSIMILE NUMBER	017 843 4001	E-MAIL ADDRESS	marcus@albertluthuli.gov.za
E-MAIL ADDRESS	nkosija@albertluthuli.gov.za		

PART B
TERMS AND CONDITIONS FOR BIDDING

1. BID SUBMISSION:

- 1.1. BIDS MUST BE DELIVERED BY THE STIPULATED TIME TO THE CORRECT ADDRESS. LATE BIDS WILL NOT BE ACCEPTED FOR CONSIDERATION.
- 1.2. **ALL BIDS MUST BE SUBMITTED ON THE OFFICIAL FORMS PROVIDED-(NOT TO BE RE-TYPED) OR ONLINE**
- 1.3. THIS BID IS SUBJECT TO THE PREFERENTIAL PROCUREMENT POLICY FRAMEWORK ACT AND THE PREFERENTIAL PROCUREMENT REGULATIONS, 2017, THE GENERAL CONDITIONS OF CONTRACT (GCC) AND, IF APPLICABLE, ANY OTHER SPECIAL CONDITIONS OF CONTRACT.

2. TAX COMPLIANCE REQUIREMENTS

- 2.1 BIDDERS MUST ENSURE COMPLIANCE WITH THEIR TAX OBLIGATIONS.
- 2.2 BIDDERS ARE REQUIRED TO SUBMIT THEIR UNIQUE PERSONAL IDENTIFICATION NUMBER (PIN) ISSUED BY SARS TO ENABLE THE ORGAN OF STATE TO VIEW THE TAXPAYER'S PROFILE AND TAX STATUS.
- 2.3 APPLICATION FOR THE TAX COMPLIANCE STATUS (TCS) CERTIFICATE OR PIN MAY ALSO BE MADE VIA E-FILING. IN ORDER TO USE THIS PROVISION, TAXPAYERS WILL NEED TO REGISTER WITH SARS AS E-FILERS THROUGH THE WEBSITE WWW.SARS.GOV.ZA.
- 2.4 FOREIGN SUPPLIERS MUST COMPLETE THE PRE-AWARD QUESTIONNAIRE IN PART B:3.
- 2.5 BIDDERS MAY ALSO SUBMIT A PRINTED TCS CERTIFICATE TOGETHER WITH THE BID.
- 2.6 IN BIDS WHERE CONSORTIA / JOINT VENTURES / SUB-CONTRACTORS ARE INVOLVED, EACH PARTY MUST SUBMIT A SEPARATE TCS CERTIFICATE / PIN / CSD NUMBER.
- 2.7 WHERE NO TCS IS AVAILABLE BUT THE BIDDER IS REGISTERED ON THE CENTRAL SUPPLIER DATABASE (CSD), A CSD NUMBER MUST BE PROVIDED.

3. QUESTIONNAIRE TO BIDDING FOREIGN SUPPLIERS

- 3.1. IS THE ENTITY A RESIDENT OF THE REPUBLIC OF SOUTH AFRICA (RSA)? YES NO
- 3.2. DOES THE ENTITY HAVE A BRANCH IN THE RSA? YES NO
- 3.3. DOES THE ENTITY HAVE A PERMANENT ESTABLISHMENT IN THE RSA? YES NO
- 3.4. DOES THE ENTITY HAVE ANY SOURCE OF INCOME IN THE RSA? YES NO
- 3.5. IS THE ENTITY LIABLE IN THE RSA FOR ANY FORM OF TAXATION? YES NO

IF THE ANSWER IS "NO" TO ALL OF THE ABOVE, THEN IT IS NOT A REQUIREMENT TO REGISTER FOR A TAX COMPLIANCE STATUS SYSTEM PIN CODE FROM THE SOUTH AFRICAN REVENUE SERVICE (SARS) AND IF NOT REGISTER AS PER 2.3 ABOVE.

**NB: FAILURE TO PROVIDE ANY OF THE ABOVE PARTICULARS MAY RENDER THE BID INVALID.
NO BIDS WILL BE CONSIDERED FROM PERSONS IN THE SERVICE OF THE STATE.**

SIGNATURE OF BIDDER:

CAPACITY UNDER WHICH THIS BID IS SIGNED:

DATE:

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

The following conditions will apply:

- Price(s) of the bid must be valid for at least ninety (90) days from date of your offer.
- Price(s) of the bid must be firm and must be inclusive of VAT.
- Submission of an Original Valid Tax Clearance Certificate from SARS.
- This bid will be evaluated in terms of the 90/10 preference point system as prescribed in the Preferential Procurement Policy Framework Act (No 5 of 2000) and for this purpose the enclosed forms MBD 6.2, MBD6.3, MBD 6.9, MBD 6.10, and MBD 6.11 must be scrutinized, completed and submitted together with your bid. **Please refer to Bid Forms numbered 9.4. to 9.9 in this document.**

The onus lies with applicant to supply proof for any of the criteria in the abovementioned forms. Please note that if no information is supplied, the bidder will score “0” for the applicable section.

- The successful service provider will be the one scoring the highest points.
- No telegraphic or facsimile proposals will be considered.
- The service providers must provide clearance from the municipality where they are based indicating that they are not in arrears with regard to their respective municipal services accounts.

Failure to comply with these conditions will invalidate your offer.

NB: No bids will be considered from persons in the service of the state¹

¹ * MSCM Regulations: “in the service of the state” means to be –

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

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

NAME OF BIDDER

POSTAL ADDRESS

STREET ADDRESS

TELEPHONE NUMBER CODE.....NUMBER.....

CELLPHONE NUMBER

FACSIMILE NUMBER CODE NUMBER.....

VAT REGISTRATION NUMBER

HAS AN ORIGINAL TAX CLEARANCE CERTIFICATE BEEN ATTACHED (MBD 2)? YES/NO

ARE YOU THE ACCREDITED REPRESENTATIVE
IN SOUTH AFRICA FOR THE GOODS/SERVICES OFFERED BY YOU?
YES/NO
(IF YES ENCLOSE PROOF)

SIGNATURE OF BIDDER

DATE

CAPACITY UNDER WHICH THIS BID IS SIGNED

TOTAL BID PERCENTAGE.....

ANY ENQUIRIES REGARDING THE BIDDING PROCEDURE MAY BE DIRECTED TO:

Municipality / Municipal Entity: Chief Albert Luthuli Local Municipality

Department: Supply Chain Management Unit

Contact Person: Mr JA Nkosi

Tel: 017 843 4025

Fax: 017 843 4001

ANY EQUIRIES REGARDING TECHNICAL INFORMATION MAY BE DIRECTED TO:

Contact Person: Mr Marcus Manyelo

Tel: 017 843 4012

Fax: 017 843 4001

2. TERMS OF REFERENCE (TOR)

PROSPECTIVE BIDDERS ARE HEREBY INVITED TO SUBMIT PROPOSALS FOR SERVICE AND MAINTENANCE OF SERVERS

1. General Information:

Purpose

The Municipality is soliciting proposals from professional service providers for the above mentioned project

Type of contract

The successful bidder will be expected to sign contract/SLA with the municipality

Submission of proposals

A single Envelope System will be used. Bidders must submit their proposals in one envelopes marked clearly **MUNICIPAL MANAGER, CHIEF ALBERT LUTHULI MUNICIPALITY, BID ALMT05/2021, "SERVICE AND MAINTENANCE OF SERVERS,CISCO SWITCH AND UPS"**.

The sealed tenders must be deposited in the Tender Box of the Municipality on or before the closing date of 26 August 2021 at 12:00 where after they will be opened in public. Late proposals will not be accepted\considered as well as those submitted via facsimile or email.

Proposals must be accompanied by:

- completed tender documents
- a company profiles,
- curriculum vitae of proposed members of the team,
- Copy of tax Certificate or TCS Pin
- Municipal Rates Account not in arrears more than three months and not older than 3 months
- Certified ID copies of Company Directors
- B-BBEE status level Verification Certificates

Failure to submit all required documents will lead to disqualification of the tender.

Proposals must be signed by an authorized agent to bind the service provider to its provisions.

Oral presentation

Finalists may be invited to present their proposals in a meeting with the municipality at a date to be advised.

B. Background:

The project area is the area of jurisdiction of Chief Albert Luthuli Municipality

1. Project Objectives

The main objective for the project is to service and maintain municipal servers, Cisco switches, ups and generator as and when required for Chief Albert Luthuli Municipality.

2. Scope of Works\Deliverables

The consulting service required is split into the following stages:

- **Areas of focus will be as follows:**

1. Incident Management

All incidents relating to all services in scope must be logged with the helpdesk and the service provider will ensure resolution with minimum impact to the users. Incident Management concentrates on restoring the service to users as quickly as possible, in order to minimize business impact.

2. Problem Management

The service provider must have a support team with required expertise to support the specific environment, including systems and applications that are vital to the successful running of the specified area within the limitation of hardware and software.

The following activities are in scope:

- Fault diagnosis, testing and replacing of faulty hardware where necessary
- Basic application functionality testing

3. Change Management

All changes must be handled through the municipality change process and relevant documentation to be completed for each change.

4. Configuration Management

Configuration Management ensures that selected components of a complete service, system or product (the configuration) are identified, base lined and maintained and that changes to them are controlled.

The service provider shall load patches and upgrades as per management of change

5. Availability Management

The service provider shall be responsible to monitor system uptime and provide report of system uptime statistics in a performance management meeting to be held with the municipality.

6. Capacity Management

As part of monitoring support, the service provider must ensure that current and future capacity is planned in a cost effect manner.

7. IT Service Continuity (Disaster Recovery)

This service is classified as less critical to business and therefore recovery of the system will follow after critical systems have been recovered.

8. Server Support (Hardware and Operating system)

The service provider shall provide support for configuration of server hardware and software.

9. Backup and Restore Management

The service provider shall ensure that backups of relevant systems are performed

The scope of server support for ALM ICT is listed in the table below:

10. *Virtual Servers Design*

Virtual Server Machines Logical Design

The municipality's server configuration consists of a virtual environment using two G9 servers running guest operating system standardized on win 2016 platform. The virtualized environment caters for the following application servers:

No	Logical Node Name	Logical Node Description
1	MS Active Directory 2016 Server	Directory services server to be used for enterprise authentication services.
2	MS Exchange 2016 Server	Email server to be used for email services across the organization.
3	HR System (VIP Payroll) Server	Server to host the existing Human Resource application called VIP Payroll.
4	Financial Management System Server	Server to host the existing Financial Management System application.
5	MS SQL Database Server	New server to host the existing RDBMS software and files.
6	Document Management System Server	New server to host the existing document management system.
7	SMTP (Email) Server	Server to host SMTP server for sending and receiving email.
8	GIS Server	New server to host Graphical Information Systems server
9	WSUS Server	Windows software updates services server
10	DR Exchange Server	Secondary email server that will act as a disaster recovery server for email.
11	Backup server	Used to host internal backup for users
12	Print Server	Used to host Network printers
13	Veam server backup	Used to backup all servers

The physical structure setup of the servers consists of two servers with the following specifications. The first server is as follows:

No	Node Name	Description	Hardware Configuration
1	Host Server 1	CALM1	HP Proliant DL380 G9 16 CPU x Intel Xeon(R) CPU E5-2620 V4 @ 2.10GHz Storage: 6.36 TB Memory:127.87 GB

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The second servers is as follows:

1	Host Server 2	Calm2	HP Proliant DL380 G9 16 CPU x Intel Xeon(R) CPU E5-2620 V4 @ 2.10GHz Storage: 3 TB Memory:127.87 GB
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The physical structure setup of the UPS and Generator

- MP3000(20KVA)- server room
- ME-600-BK- Across all Municipal Buildings where there is server cabinet
- Volvo(GKV-265)- outside the building head office(Carolina)

11. ICT network support requirements

1. Overview:

The Network Infrastructure for the Chief Albert Luthuli municipality is based on a class-c network IP structure using Cisco Network Architectural Design practice. Connectivity across all working areas is based on Cisco and 3Com devices.

Remote access to the network, secure connections for remote end users is established via the Internet by the use of a secure Internet Protocol Security (IPsec) Virtual Private Network (VPN) tunnel to the municipal Network.

Users within the Municipal Internal Network have restricted/monitored Internet Connection via the Sophos Firewall that is connected to the Internet via the intermediary of an Internet Service Provider (ISP) Router.

The scope of network equipment covered under this support requirement includes the following:

Item Code and Description	Location	Quantity
Cisco Catalyst 3750 Series Switch	Server room	3
Cisco Catalyst 2950	Server room	1
Sophos -Firewall	Server Room	1
3-Com Cisco Switch	Server Room	3
Cisco 2800 Series Router	Server Room	1
Cisco Catalyst 2950 Series	Branches	4
Cisco Catalyst 2950 Series	Silobela	1
Cisco Catalyst 2950	Technical	4
Cisco Catalyst 2950	Padkamp	1
Cisco Catalyst 2950	Head office (Carolina)–first floor	1
Cisco Catalyst 2950	Head office(Carolina)-ground floor	1
Cisco Catalyst 2950	Traffic	1

2. Availability Requirements:

Availability of all systems must average 99%.

Any system failure must be rectified in accordance with normal contractual SLAs.

Proposals are invited from a single service provider or consortia. In the event that no single service provider or consortium meets the capacity requirements, the **MUNICIPALITY** reserves the right to request service providers who meet other evaluation criteria to form a consortium for the purpose of this project.

4. Methodology

The service provider will be required to specify the methodology, process and approach to undertake this work.

5. Required expertise, skills and formal qualifications of team members

The team proposed by the service provider must possess the following expertise, skills and formal qualifications:

- Bidders must possess relevant qualifications and experience in ICT management

6. Project Management

The service provider will be expected to provide **progress reports** on a **monthly** basis to the **MUNICIPALITY** and attend a **monthly Project Steering Committee meeting**, where progress as well as challenges will be discussed.

The service provider will designate one member of its team as a Project Manager who will be the single point of contact for the **MUNICIPALITY** on a regular basis.

7. Evaluation criteria

A. Adjudication during the bidding process will be subject to:-

- Functionality
- Price
- B-BBEE Level status

4.2 Second Stage of Evaluation

Assessment on Functionality of functionality with a minimum overall threshold of 70% that must be attained by the bidder before the bid can be taken to the next stage of the evaluation.

Values: 0 – Poor; 1 – Acceptable; 2 – Good; 3 – Very Good; 4 – Excellent.

No	Element	Criteria	Weight (A)	Values (B)	Weighted Score	Score
----	---------	----------	------------	------------	----------------	-------

					<u>A X B4</u>	
1	Financial Strength	Bidder to submit Bank rating certificate/letter	30	4 = Rating A 3 = Rating B 2 = Rating C 1 = Rating D & below 0 = No Rating		
2	Similar successful Work and experience	Attach copies of reference letters from current and former clients	40	4 = 5 Letters 3 = 3 Letters 2 = 2 Letters 1 = 1 Letter 0 = No experience		
3	Team	Attached Qualification	30	30 Points		
TOTAL			100			

B. Point Systems:

- The 80/20 point system will apply for projects with a fee value up to R50 000,000.

8. Project Duration

The project duration will be three years starting from the date of formal appointment.

For more information contact :

Person: Marcus Manyelo Contact no: 017 843 4012

Fax no: 017 843 4001

E-mail: marcus@albertluthuli.gov.za

1. SPECIAL CONDITIONS OF CONTRACT

1. Tenders are hereby invited to submit proposals for professional and constructions services providers to assist the municipality.
2. Price(s) of the bid, which must be firm and VAT inclusive, must be valid for at least ninety (90) days from date of your offer.
3. The successful service provider, who must be registered as a service provider with the applicable professional body, will be the one scoring the highest points.
4. The successful service providers must provide clearance from the where municipality they are based indicating that they are not in arrears with regard to their respective municipal services accounts.
5. Bidders must initial all the pages of the Bid document and sign the Bidder particulars page in full.
6. Bidders must complete the original Bid document in black ink, and notice must be taken that tip-ex may not be used in the document.

The original Bid document must be submitted together with the Technical Proposal.

8. The transaction shall be subject to any stipulations in any Act, Ordinance or By-law pertaining thereto.
9. No proposals by any person that is not competent to enter into an agreement will be considered and if it is established that it is the case, the contract agreement in this regard will be considered null and void by Council.

Disputes must be settled by means of mutual consultation, mediation (with or without legal representation) or when unsuccessful, in a South African court of law on an attorney and client scale.

Should any legal action be deemed necessary to determine any aspect arising out of these conditions or to enforce any rights in terms of these conditions, then and in that

event the parties hereto agree categorically to the jurisdiction of the Magistrate's Court to hear such action and to pass judgment notwithstanding the fact that the cause of action is beyond the jurisdiction of the Court: Provided always that Council shall have the right in its sole discretion to take action in any competent higher court in any matter exceeding the ordinary jurisdiction of the Magistrate's Court.

Council reserves the right to accept any cost proposal in a tender submitted or part thereof and will not be obliged to accept the lowest tender price submitted in a tender OR any cost proposal submitted.

1. BID FORMS

9.1. MBD 2- TAX CLEARANCE

TAX CLEARANCE REQUIREMENTS

IT IS A CONDITION OF BIDDING THAT –

2. The taxes of the successful bidder must be in order, or that satisfactory arrangements have been made with the Receiver of Revenue to meet his / her tax obligations.
3. The attached form “Application for Tax Clearance Certificate (in respect of bidders)”, must be completed in all respects and submitted to the Receiver of Revenue where the bidder is registered for tax purposes. The Receiver of Revenue will then furnish the bidder with a Tax Clearance Certificate that will be valid for a period of twelve (12) months from date of issue. This Tax Clearance Certificate must be submitted in the original together with the bid. Failure to submit the original and valid Tax Clearance Certificate may invalidate the bid. _
4. In bids where Consortia / Joint Ventures / Sub-contractors are involved each party must submit a separate Tax Clearance Certificate. Copies of the Application for Tax Clearance Certificates are available at any Receiver’s Office.

**PRICING SCHEDULE
PURCHASES**

Name of Bidder:..... **Bid Number:**
ALMT05/2021

Closing Date: 26 August 2021

Closing Time: 12h00

Item	Description	Rate Per Hour
1	Sever Engineer	
1	Network Engineer	
1	Senior Network Engineer	
1	MS Exchange Engineer	
1	Cabling Technician	
1	Microsoft Specialist	
1	Project Administrator	
1	Project Manager	
Sub Total		
VAT @15%		
Total Amount		

MBD 4- DECLARATION OF INTEREST

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

3.1 Full Name:

3.2 Identity Number:

3.3 Company Registration Number:

3.4 Tax Reference Number:

3.5 VAT Registration Number:

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

3.6.1 If so, furnish particulars.

.....

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

3.7.1 If so, furnish particulars.

.....

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

3.8.1 If so, furnish particulars.

.....

.....

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

3.9.1 If so, furnish particulars

.....

.....

3.10 Are any of the company's directors, managers, principle shareholders or YES/NO

stakeholders in service of the state?

3.10.1 If so, furnish particulars.

.....
.....

3.11 Are any spouse, child or parent of the company's directors, managers, principle shareholders or stakeholders in service of the state? YES/NO

3.11.1 If so, furnish particulars.

.....
.....

Full details of directors / trustees / members / shareholders.

Full Name	Identity Number	State Employee Number

.....
Signature

.....
Date

.....
Capacity

.....
Name of Bidder

**PREFERENCE POINTS CLAIM FORM IN TERMS OF THE PREFERENTIAL
PROCUREMENT REGULATIONS 2001**

NB: BEFORE COMPLETING THIS FORM, BIDDERS MUST STUDY THE GENERAL CONDITIONS, DEFINITIONS AND DIRECTIVES APPLICABLE IN RESPECT OF EQUITY OWNERSHIP BY HISTORICALLY DISADVANTAGED INDIVIDUALS (HDIs), AS PRESCRIBED IN THE PREFERENTIAL PROCUREMENT REGULATIONS, 2001.

1. GENERAL CONDITIONS

- 1.1 The following preference point systems are applicable to all bids:
- the 80/20 system for the procurement of services with a Rand value of up to R1000 000; and
 - the 90/10 system for the procurement of services with a Rand value above R1000 000.
- 1.2 The value of this bid is estimated to exceed R1000 000 and therefore the 90/10 system shall be applicable.
- 1.3 Preference points for this bid shall be awarded for:
- (a) Price (90 points)
 - (b) Criteria as specified in the form. (10 points)

1.3.1 The points for this bid are allocated as follows:

1.3.1.2 Direct Preferencing 10

Points will be awarded to a Tenderer for attaining their B-BBEE status level contributor in accordance with the table below:

B-BBEE Status Level of Contributor	Number of Points
1	20
2	18
3	14
4	12
5	8
6	6
7	4
8	2
Non-Compliant	0

Total points for Price and B-BBEE status level must not exceed 100.

1.4 Failure on the part of a bidder to fill in and/or to sign this form may be interpreted to mean that preference points are not claimed.

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

2. GENERAL DEFINITIONS

2.1 “**Acceptable bid**” means any bid which, in all respects, complies with the specifications and conditions of bid as set out in the bid document.

2.2 “**Bid**” means a written offer in a prescribed or stipulated form in response to an invitation by an organ of state for the provision of goods, works or services.

2.3 “**Comparative price**” means the price after the factors of a non-firm price and all unconditional discounts that can be utilized have been taken into consideration.

2.4 “**Consortium or joint venture**” means an association of persons for the purpose of combining their expertise, property, capital, efforts, skills and knowledge in an activity for the execution of a contract.

2.5 “**Contract**” means the agreement that results from the acceptance of a bid by an organ of state.

2.6 “**Specific contract participation goals**” means the goals as stipulated in the Preferential Procurement Regulations 2001.

2.6.1 In addition to above-mentioned goals, the Regulations [12.(1)] also make provision for organs of state to give particular consideration to procuring locally manufactured products.

2.7 “**Control**” means the possession and exercise of legal authority and power to manage the assets, goodwill and daily operations of a business and the active and continuous exercise of appropriate managerial authority and power in determining the policies and directing the operations of the business.

2.8 “**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.

2.9 “**Equity Ownership**” means the percentage ownership and control, exercised by individuals within an enterprise.

2.10 “**Historically Disadvantaged Individual (HDI)**” means a South African citizen

(1) who, 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

(2) who is a female; and/or

(3) who 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;

2.11 **“Management”** 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.

2.12 **“Owned”** means having all the customary elements of ownership, including the right of decision-making and sharing all the risks and profits commensurate with the degree of ownership interests as demonstrated by an examination of the substance, rather than the form of ownership arrangements.

2.13 **“Person”** includes reference to a juristic person.

2.14 **“Rand value”** means the total estimated value of a contract in Rand denomination that is calculated at the time of bid invitations and includes all applicable taxes and excise duties.

2.15 **“Small, Medium and Micro Enterprises (SMMEs)”** bears the same meaning assigned to this expression in the National Small Business Act, 1996 (No 102 of 1996).

2.16 **“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 the contract.

2.17 **“Trust”** means the arrangement through which the property of one person is made over or bequeathed to a trustee to administer such property for the benefit of another person.

2.18 **“Trustee”** means any person, including the founder of a trust, to whom property is bequeathed in order for such property to be administered for the benefit of another person.

3. ESTABLISHMENT OF HDI EQUITY OWNERSHIP IN AN ENTERPRISE

3.1 Equity ownership shall be equated to the percentage of an enterprise which is owned by individuals classified as HDIs, or in the case of a company, the percentage shares that are owned by individuals classified as HDIs, who are actively involved in the management and daily business operations of the enterprise and exercise control over the enterprise, commensurate with their degree of ownership.

3.2 Where individuals are not actively involved in the management and daily business operations and do not exercise control over the enterprise commensurate with their degree of ownership, equity ownership may not be claimed.

4. ADJUDICATION USING A POINT SYSTEM

4.1 The bidder obtaining the highest number of points will be awarded the contract.

4.2 Preference points shall be calculated after prices have been brought to a comparative basis.

4.3 Points scored will be rounded off to 2 decimal places.

4.4 In the event of equal points scored, the bid will be awarded to the bidder scoring the highest number of points for specified goals.

5. POINTS AWARDED FOR PRICE

5.1 THE 80/20 OR 90/10 PREFERENCE POINT SYSTEMS

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

80/20

or

90/10

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

P_s = Points scored for price of bid under consideration

P_t = Rand value of bid under consideration

P_{\min} = Rand value of lowest acceptable bid

6. MUNICIPAL INFORMATION

Municipality where business is situated:

Registered Account No:

Stand No:

7. TOTAL NUMBER OF YEARS THE FIRM HAS BEEN IN BUSINESS?

.....

9.8 MBD 8- DECLARATION OF BIDDER'S PAST SUPPLY CHAIN MANAGEMENT PRACTICES

- 1 This Municipal Bidding Document must form part of all bids invited.
- 2 It serves as a declaration to be used by municipalities and municipal entities in ensuring that when goods and services are being procured, all reasonable steps are taken to combat the abuse of the supply chain management system.
- 3 The bid of any bidder may be rejected if that bidder, or any of its directors have:
 - a. abused the municipality's / municipal entity's supply chain management system or committed any improper conduct in relation to such system;
 - b. been convicted for fraud or corruption during the past five years;
 - c. willfully neglected, reneged on or failed to comply with any government, municipal or other public sector contract during the past five years; or
 - d. been listed in the Register for Tender Defaulters in terms of section 29 of the Prevention and Combating of Corrupt Activities Act (No 12 of 2004).
- 4 **In order to give effect to the above, the following questionnaire must be completed and submitted with the bid.**

Item	Question	Yes	No
4.1	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	Yes	No
4.4	Does the bidder or any of its directors owe any municipal rates and taxes or municipal charges to the municipality / municipal entity, or to any other municipality / municipal entity, that is in arrears for more than three months?	Yes <input type="checkbox"/>	No <input type="checkbox"/>
4.4.1	If so, furnish particulars:		
4.5	Was any contract between the bidder and the municipality / municipal entity or any other organ of state terminated during the past five years on account of failure to perform on or comply with the contract?	Yes <input type="checkbox"/>	No <input type="checkbox"/>
4.7.1	If so, furnish particulars:		

CERTIFICATION

I, THE UNDERSIGNED (FULL NAME)

CERTIFY THAT THE INFORMATION FURNISHED ON THIS DECLARATION FORM TRUE AND CORRECT.

I ACCEPT THAT, IN ADDITION TO CANCELLATION OF A CONTRACT, ACTION MAY BE TAKEN AGAINST ME SHOULD THIS DECLARATION PROVE TO BE FALSE.

.....
Signature

.....
Date

.....
Position

.....
Name of Bidder

CERTIFICATE OF INDEPENDENT BID DETERMINATION

I, the undersigned, in submitting the accompanying bid:

(Bid Number and Description)

in response to the invitation for the bid made by:

(Name of Municipality / Municipal Entity)

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

I certify, on behalf of: _____ that:
(Name of Bidder)

1. I have read and I understand the contents of this Certificate;
2. I understand that the accompanying bid will be disqualified if this Certificate is found not to be true and complete in every respect;
3. I am authorized by the bidder to sign this Certificate, and to submit the accompanying bid, on behalf of the bidder;
4. Each person whose signature appears on the accompanying bid has been authorized by the bidder to determine the terms of, and to sign, the bid, on behalf of the bidder;
5. For the purposes of this Certificate and the accompanying bid, I understand that the word "competitor" shall include any individual or organization, other than the bidder, whether or not affiliated with the bidder, who:
 - a) has been requested to submit a bid in response to this bid invitation;
 - b) could potentially submit a bid in response to this bid invitation, based on their qualifications, abilities or experience; and
 - c) provides the same goods and services as the bidder and/or is in the same line of business as the bidder
6. The bidder has arrived at the accompanying bid independently from, and without consultation, communication, agreement or arrangement with any competitor. However, communication between partners in a joint venture or consortium will not be construed as collusive bidding.
7. In particular, without limiting the generality of paragraphs 6 above, there has been no consultation, communication, agreement or arrangement with any competitor regarding:
 - a) prices;
 - b) geographical area where product or service will be rendered (market allocation)
 - c) methods, factors or formulas used to calculate prices;

-
- d) the intention or decision to submit or not to submit, a bid;
 - e) the submission of a bid which does not meet the specifications and conditions of the bid; or
 - f) bidding with the intention not to win the bid.

- 8. In addition, there have been no consultations, communications, agreements or arrangements with any competitor regarding the quality, quantity, specifications and conditions or delivery particulars of the products or services to which this bid invitation relates.
- 9. The terms of the accompanying bid have not been, and will not be, disclosed by the bidder, directly or indirectly, to any competitor, prior to the date and time of the official bid opening or of the awarding of the contract.
- 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