



Ditsobotla Local Municipality

BID NO: DLM/SCM/48/2017/Z3

TENDER OF REFUSE REMOVAL@ ITSOSENG ZONE 3 FOR PERIOD OF 36 MONTHS.

NAME OF SUPPLIER: _____

ADDRESS: _____

TEL NO: _____

**ISSUED BY
DITSOBOTLA LOCAL MUNICIPALITY
P.O.BOX 7
LICHTENBURG
2740
Tel: 018 632 3800
Fax: 018 632 5247**

The following documents must be completed and signed where applicable and submitted as a complete set:

1. FORM "A" - Form of Tender
2. FORM "B" - General Undertakings by the Tenderer
3. FORM "C" - General Tender Conditions and Directions
4. FORM "D" - General Contractual Undertakings
5. FORM "E" - Specification
6. FORM "F" - Variations and Omissions
7. FORM "G" - Schedule of Prices
8. ANNEXURE "A" - Procurement Form of Tender

NAME OF TENDERER :

TEL NUMBER :

TENDER NUMBER :

**DITSOBOTLA LOCAL MUNICIPALITY
FORM "A"
FORM OF TENDER**

CONTRACT FOR TENDER NUMBER: DLM/SCM/48/2017/Z3

THE RENDERING OF COMPREHENSIVE REFUSE REMOVAL SERVICES WITH SUITABLE VEHICLES FOR THE REMOVAL OF HOUSEHOLD REFUSE, ILLEGAL DUMPING AND STREET CLEANING AS APPROVED BY THE ACTING MUNICIPAL MANAGER OR HIS NOMINEE WITH A CAPACITY NOT LESS THAN 19 M³ THAT CAN DISCARD REFUSE MECHANICALLY AND 1 M² FRONT END LOADER (TLB) VEHICLE/S FOR THE REMOVAL OF DOMESTIC, BUSINESS AND ILLEGALLY DUMPED REFUSE, QUALIFIED DRIVER AND GENERAL WORKFORCE AT THE SPECIFIED AREA OF DITSOBOTLA LOCAL MUNICIPALITY AS WELL AS INFORMAL AREAS AS SPECIFIED FOR A YEAR **THREE YEAR (36 months)** PERIOD IN ACCORDANCE WITH THE DETAILED SPECIFICATIONS, AS SETOUT HEREUNDER **DITSOBOTLA LOCAL MUNICIPALITY.**

DECLARATION:

To: The Acting Municipal Manager
DITSOBOTLA Local Municipality
PO Box 7
LICHTENBURG
2740

Sir/Madam,
I/We, the undersigned:

- (a) *tender to supply and deliver to DITSOBOTLA LOCAL MUNICIPALITY [hereafter "DLM"] all or any of the supplies and to render all or any of the articles, goods, materials, services or the like described both in this and the other Schedules to this Contract;*
- (b) *agree that we will be bound by the specifications, prices, terms and conditions stipulated in those Schedules attached to this tender document, regarding delivery and execution;*
- (c) *further agree to be bound by those conditions, set out in Forms A,B,C,D,E,F,G and Annexure "A", attached hereto, should this tender be accepted in whole or in part;*
- (d) *confirm that this tender may only be accepted by DLM by way of a duly authorised Letter of Acceptance; and,*
- (e) *declare that we are fully acquainted with the Procurement Form and Schedules, and the contents thereof and that we have signed the Schedule of Prices – Form "G" and completed the Procurement Form, attached hereto.*
- (f) *declare that, each page of the tender document and amendments thereto will be initialled by the relevant authorised person in order for the document to constitute a proper contract between DLM and the undersigned, on acceptance of a tender by the DLM.*

Signed at.....this.....day of..... 2017

Signature : _____

Name of Firm: _____

Address : _____

Date : _____

As witness : 1. _____

2. _____

State in cases where the tenderer is a Company, Corporation or Firm by what authority the person signing does so, whether by Articles of Association, Resolution, Power of Attorney or otherwise.

I/We the undersigned, am/are authorized to enter into this contract on behalf of:

by virtue of _____

dated _____ an original or certified copy of which is attached to this Tender.

Signature of authorised person: _____

Name of Firm : _____

Postal Address : _____

Date : _____

As witnesses :1. _____

2. _____

PLEASE NOTE:

The prices at which tenderers are prepared to supply the goods and materials or perform the services must be placed in the column on the Form provided for that purpose.

Tenderers must sign this Form of Tender as well as Form "G" (Schedule of Prices) attached to this tender document, and on acceptance of a tender by DLM, the Conditions of Contract, Special Conditions, Specifications and Schedule of prices, attached hereto shall be deemed to be the conditions of Contract between the parties.

FAILURE TO COMPLETE ALL BLANK SPACES IN THE FORMS AND TO ATTEND TO THE OTHER DETAILS MENTIONED THEREIN WILL RENDER THE TENDER LIABLE TO REJECTION.

BANK ACCOUNT DETAILS OF TENDERER:

Bank : _____

Branch : _____

Branch Code : _____

Account Number : _____

Type of Account : _____

RSC REGISTRATION NUMBER: _____ (PROOF THAT LEVIES ARE PAID IN FULL TO DATE TO BE ATTACHED)

PROOF THAT MUNICIPAL ACCOUNT IS PAID IN FULL TO BE ATTACHED (ARRANGEMENTS MADE WITH COUNCIL WILL BE TAKEN INTO CONSIDERATION).

NOTE: ANY ALTERATIONS TO THE TENDER DOCUMENT MUST BE SIGNED IN FULL BY THE AUTHORISED SIGNATORY

PLEASE NOTE:

ANY COMPLETION OF THE TENDER DOCUMENT IN ERASABLE INK WILL NOT BE ACCEPTED. ALL RETURNABLE DOCUMENTS MUST BE FILED IN A SEPARATE FOLDER

DITSOBOTLA LOCAL MUNICIPALITY

FORM "B"

GENERAL UNDERTAKINGS BY THE TENDERER:

GENERAL UNDERTAKINGS BY THE TENDERER:

1 1.1 Definitions:

- 1.1.1 "*Contract*" shall include **the General Conditions of Contract**, Special Conditions of Contract Form of Tender, Schedule of Prices, the specifications including any schedules, drawings, patterns, samples attached to the specification and any agreement entered into in terms of DLM's General Conditions of Contract and all other Schedules hereto;
- 1.1.2 "*Contractor(s)*" means the tenderer whose tender has been accepted by the DLM;
- 1.1.3 "*Cost of materials*" means the cost of components, parts or materials which are intended for the production, manufacturing or assembling of the goods tendered for and which are not produced, manufactured or assembled in the factory where the production, manufacture or assembly of such goods occurs, including freight, landing costs, port charges, import duties and other import costs of such components, parts or materials and all costs in connection with the handling and transport thereof prior to delivery at that factory;
- 1.1.4 "*D*" shall mean the *Director* of the Department in DLM responsible for this tender or her/his duly authorised representative;
- 1.1.5 "*Final delivery certificate*" means the document issued by DLM confirming that all the known defects have been rectified and that the works, goods or services appear in good order and have been accepted;
- 1.1.6 "*letter of acceptance*" means the written communication by the DLM to the Contractor recording the acceptance by the DLM of the Contractor's tender subject to the further terms and conditions to be included in the contract;
- 1.1.7 "*Local contents*" means the portion of the tender price of local goods not constituting the cost of materials imported into the Republic;
- 1.1.8 "*Local goods*" means goods wholly or partly produced or manufactured and assembled in the Republic;
- 1.1.9 "*DLM*" or "*Council*" shall mean DITSOBOTLA LOCAL MUNICIPALITY;
- 1.1.10 "*Order(s)*" means an official document issued by DLM calling for the supply of goods pursuant to a contract or tender;
- 1.1.11 "*Signature date*" and in relation to any contract, means the date of the letter of acceptance;
- 1.1.12 "*Tender*" means an offer to supply goods and services to DLM at a specified price;
- 1.1.13 "*Tenderer*" means any person or body corporate offering to supply goods to DLM;

- 1.1.14 "termination date" - in relation to any contract means the date therein indicated as the termination date, or the final delivery certificate, cancellation of a contract or the completion certificate or the occupancy certificate which ever is the latter;
- 1.1.15 "Value added" means that portion of the tender price not constituting the cost of materials;
- 1.1.16 "Warranties" - means collectively any and all warranties (if any) given by the Tenderer in terms of this agreement.
- 1.1.17 "SDC" ("SDC") shall mean Service Delivery Centre
- 1.1.18 "MM" shall mean Municipal Manager or Acting Municipal Manager of DLM appointed in terms of Section 82 of the Local Government: Municipal Structures Act 117 of 1998 and Municipal Systems Amendment Act.

1.2 Interpretation:

- 1.2.1 In this agreement clause headings are for convenience and shall not be used in its interpretation and, unless the context clearly indicates a contrary intention:-
- 1.2.2 An expression which denotes-
 - 1.2.2.1 any gender includes the other genders;
 - 1.2.2.2 a natural person includes an artificial or juristic person and vice versa;
 - 1.2.2.3 the singular includes the plural and vice versa;
- 1.2.3 Any reference to any statute, regulation or other legislation or official policy shall be a reference to that statute, regulation or other legislation or national policy as at the signature date, and as amended or re-enacted from time to time;
- 1.2.4 When any number of days is prescribed, such shall be reckoned exclusively of the first and inclusively of the last day, unless the last day falls on a day which is not a business day, in which case the last day shall be the next succeeding day which is a business day;
- 1.2.5 Where any term is defined within a particular clause, other than the interpretation clause, that term shall bear the meaning ascribed to it in that clause wherever it is used in this agreement.

2 2.1 I/we hereby tender:

- 2.1.1 to supply all or any of the supplies and/or to render all or any of the services described in the attached documents [Forms, Schedule(s) and/or Annexure(s)] to DLM;
- 2.1.2 on the terms and conditions and in accordance with the specifications stipulated in the tender documents (and which shall be taken as part of and incorporated into, this tender);
- 2.1.3 at the prices and on the terms regarding time for delivery and/or execution inserted therein.

2.2 I/we agree further that:

- 2.2.1 the offer herein shall remain binding upon me/us and open for acceptance by the DLM during the validity period indicated and calculated from the closing time of the tender.
- 2.2.2 this tender and its acceptance shall be subject to the terms and conditions contained in the Forms, Schedule(s) and/or Annexure(s) attached hereto with which I am/we are fully acquainted.

- 2.2.3 notwithstanding anything to the contrary in the Forms, Schedule(s) and/or Annexure(s) attached hereto:
- 2.2.3.1 if I/we withdraw my/our tender within the period for which I/we have agreed that the tender shall remain open for acceptance, or fail to fulfil the contract when called upon to do so, the DLM may, without prejudice to its other rights, agree to the withdrawal of my/our tender or cancel the contract that may have been entered into between me/us and the DLM;
- 2.2.3.2 in such event, I/we will then pay to the DLM any additional expense incurred by the DLM for having either to accept any less favourable tender or, if fresh tenders have to be invited, the additional expenditure incurred by the invitation of fresh tenders and by the subsequent acceptance of any less favourable tender;
- 2.2.3.3 the DLM shall also have the right in these circumstances, to recover such additional expenditure by set-off against monies which may be due or become due to me/us under this or any other tender or contract or against any guarantee or deposit that may have been furnished by me/us or on my/our behalf for the due fulfilment of this or any other tender or contract;
- 2.2.3.4 pending the ascertainment of the amount of such additional expenditure the DLM may retain such monies, guarantee or deposit as security for any loss the DLM may sustain, as determined hereunder, by reason of my/our default.
- 2.2.4 any legal proceedings arising from this tender may in all respects be launched or instituted against me/us and I/we hereby undertake to satisfy fully any sentence or judgement which may be obtained against me/us as a result of such legal proceedings and I/WE undertake to pay the DLM's legal costs on an attorney and own client basis.
- 2.2.5 if my/our tender is accepted that acceptance may be communicated to me/us by letter or facsimile and that proof of delivery of such acceptance to SA Post Office Ltd or the production of a document confirming that a fax has been sent, shall be treated as delivery to me/us.
- 2.2.6 the law of the Republic of South Africa shall govern the contract created by the acceptance of this tender.
- 2.2.7 I/we have satisfied myself/ourselves as to the correctness and validity of this tender, that the price(s) and rate(s) quoted cover all the work/item(s) specified in the tender documents and that the price(s) and rate(s) cover all my/our obligations under a resulting contract and that I/we accept that any mistakes regarding price(s) and calculations will be at my/our risk.
- 2.2.8 I/we accept full responsibility for the proper execution and fulfilment of all obligations and conditions defaulting on me/us under this agreement as the principal(s) liable for the due fulfilment of this contract.
- 2.2.9 Notwithstanding the amount or cause of action involved I hereby consent to the jurisdiction of the Magistrate Court for the district of the relevant SDC in respect of any action whatever arising from this contract.
- 2.3 I/we declare that I/we have participation/no participation¹ in the submission of any other offer for the supplies/ services described in the attached documents. **If your answer here is in the affirmative, please state the name(s) of the other Tenderer(s) involved:**

DITSOBOTLA LOCAL MUNICIPALITY FORM “C”

GENERAL TENDER CONDITIONS & DIRECTIONS

- 3 All Tenderers are hereby advised that in the event that any tender or part thereof be accepted by the Ditsobotla Local Municipality all conditions and stipulations set out in this tender and in all Forms, Schedule(s) or Annexure(s) hereto, will be deemed to have been incorporated into the contract between the Tenderer and the Ditsobotla Local Municipality.
- 4 It is a condition of all requests or invitations to tender that Tenderers accept, as a condition of tendering, that the obligation rests, without exception, on the Tenderer/s to fully acquaint themselves with all requirements and conditions of a request, including, but not limited to, compliance with all policies to which the Ditsobotla Local Municipality adheres.
- 5 Without limiting the generality of the provisions of Clause 4 above, Tenderers are required to acquaint themselves and to comply in their tender with the following policy documents of the Ditsobotla Local Municipality:
 - 5.1 PROCUREMENT POLICY AND STRATEGY TERMS OF REFERENCE DOCUMENT;
 - 5.2 POLICY FOR THE EXECUTION OF PROJECTS. (IF APPLICABLE)
 - 5.3 PREFERENTIAL PROCUREMENT REGULATIONS CONTAINED IN GOVERNMENT NOTICE 725 IN GOVERNMENT GAZETTE NO. 7134 OF 10 AUGUST 2001. (IF APPLICABLE)

Tenderers are expressly required to acquaint themselves with the requirements and standards of these and all other applicable policy documents prior to completing and submitting any tenders as these policies are deemed to be incorporated into the Conditions of all the Ditsobotla Local Municipality's Requests for Tenders.
- 6 Tender documents are only available in English.
- 7 The attention of Tenderers is expressly drawn to the fact that the Conditions of Tender issued by the different Departments of the Ditsobotla Local Municipality may differ from Request to Request.
- 8 **Failure on the part of the Tenderer to sign this tender for and thus to acknowledge and accept the conditions in writing or to complete the attached forms, questionnaires and specifications in all respects, may - in the sole discretion of the Ditsobotla Local Municipality - invalidate the tender.**
- 9 If any of the conditions on this tender form are in conflict with any special conditions, stipulations or provisions incorporated in the tender, such special conditions, stipulations or provisions shall apply.
- 10 Where security is required particulars thereof are indicated in the Special Conditions of Tender documents.
- 11 **Tender prices must be submitted on the official tender Form “G” – “Schedule of Prices” form, which must be filled in and completed in all respects.**
- 12 Tenders must be submitted in sealed envelopes.
- 13 Separate envelopes must be used for each tender invitation.
- 14 The address, tender number and closing date must appear on the front of the envelope.
- 15 The name and address of the Tenderer must appear on the back of the envelope.

- 16 Each tender document is allocated with a certain tender box number in which the tender documents must be deposited and no tender document found to be deposited in the wrong tender box as specified, subsequent to the closing date and time of the tender, will be considered.
- 17 Posted tender documents will not be considered, unless they were received and deposited in the correct tender box, by a Council representative, before the closing date and time of the tender.
- 18 18.1 All Tenderers are advised that it is an express Condition of tender that all Tenderers will be required to show, as part of their tender, that:
- 18.1.1 they are in good standing with the Receiver of Revenue;
 - 18.1.2 they are, where appropriate, duly registered for purposes of paying District levies in terms of the Regional Services Act, 109 of 1985, or in the event of the repeal of this Act - any successor legislation.
 - 18.1.3 the Tenderer, or in the case of an artificial or juristic person - including its trustees, members or directors as the case may be - are in good standing in respect of any levy, rates, fine, service charge or the like due to the Ditsobotla Local Municipality and/or any SDC located within the area of jurisdiction of the Ditsobotla Local Municipality;
- 18.2 In the event of the Tenderer/Contractor not being in good standing and that the Tenderer/Contractor is indebted to the Ditsobotla Local Municipality, and/or any SDC located within the area of jurisdiction of the DLM, as contemplated in this clause which arises after the signature date and before final payment has been made to the Contractor, the Contractor hereby consents to the Ditsobotla Local Municipality deducting from the amount of the tender awarded such amount/s as may be lawfully owing to the Ditsobotla Local Municipality and/or to any SDC located within the area of jurisdiction of the Ditsobotla Local Municipality.
- 18.3 The books and records of the Ditsobotla Local Municipality, or any extracts there from certified by the City Manager or other officer authorised thereto by the Ditsobotla Local Municipality shall, for the purposes of this clauses be prima facie evidence of the amounts lawfully owing to the Ditsobotla Local Municipality.
- 18.4 For purposes of this clause, the provisions of sub clause 18.3 shall apply to the books and records of any of the SDCs within the area of jurisdiction of the Ditsobotla Local Municipality, with the necessary changes.
- 18.5 For purposes of this clause the term "*in good standing*" means that the Tenderer shall not be in any way lawfully indebted to the Ditsobotla Local Municipality and/or to any SDC located within the area of jurisdiction of the Ditsobotla Local Municipality, and/or that such indebtedness shall not be older than thirty (30) days and/or that the Tenderer has concluded an agreement or compromise to settle the indebtedness and is not in breach of such agreement or compromise;
- 19 The Ditsobotla Local Municipality shall not be obliged to accept the lowest or any tender. The Ditsobotla Local Municipality reserves the right to negotiate additional conditions with the Tenderer and/or to award a tender, where it deems appropriate, to more than one (1) Contractor/Tenderer.
- 20 The Tenderer undertakes that it will make itself and its members, officials, employees and agents, aware of the appropriate regulations and by-laws of the Ditsobotla Local Municipality that might have application on the Tenderer's activities in terms hereof.
- 21 Neither the Ditsobotla Local Municipality nor any official in the Ditsobotla Local Municipality will be held responsible for loss of a potential opportunity to tender due to the failure of the Tenderer to comply with any of the requirements of these instructions, including, but not limited to, the failure to properly describe and/or categorise any requirements.

22 DETAILS OF OFFERS MADE

- 22.1 Although the tender documents shall constitute the tender, **it must be accompanied by covering letter fully detailing all offers made with clear reference to all drawings (if applicable) and other matter submitted with the tender;**
- 22.2 The covering letter or other matter submitted with the official tender document may explain, amplify or illustrate, but not replace any part of the official document or the information furnished therein;
- 22.3 The main offer shall be in accordance with the specifications and alternative offers shall be adequately and clearly described and differentiated, if necessary, by submitting additional schedules or a separate tender document.

22.4 ADJUDICATION OF TENDERS

Tenderers' attention is drawn to the fact that the adjudication of tenders will be based on a point system as indicated on Annexure "A" - "Procurement Form", included in this tender document which must be completed by tenderers and submitted together with their tender documents by the closing date and time of the tender.

23. VARIATIONS AND OMISSIONS

Where offers depart from requirements of the specification, such departure shall be fully described on the official tender Form "F" – "Variations and Omissions" document.

FORM "D"

GENERAL CONTRACTUAL UNDERTAKINGS

24 QUALITY OF GOODS

Notwithstanding anything to the contrary in this agreement:

- 24.1 The goods to be supplied under the contract are to be, in all aspects, of the best description and according to the sample and specifications provided.
- 24.2 In every case the goods shall be subject to the inspection and approval of the D or his duly authorised representative, who shall be at liberty to reject them and in cases of such rejection, the Tenderer agrees to be bound by the rejection of the D or his duly authorised representative.
- 24.3 In the event of the approval of the goods by the said D or his duly authorised representative and if it is later discovered that the goods are in any way defective, the Ditsobotla Local Municipality may reject same, in spite of such approval by its D or his duly authorised representative.
- 24.4 Tests and analyses may be made as deemed necessary and the cost thereof shall be borne by the Ditsobotla Local Municipality provided that the goods are of the stipulated quality, failing which cost shall be defrayed by the Tenderer; the Ditsobotla Local Municipality to have the right to deduct such cost from payments due to the Tenderer, or otherwise to recover the same from him.
- 24.5 No second-hand/refurbished materials/parts will be used in the final goods to be delivered by the Tenderer, only new materials/parts bearing the SABS mark of quality will be considered.

25 INDEMNITY

25.1 Without prejudice to any of the rights of the Ditsobotla Local Municipality arising from any of the provisions of this agreement, the Tenderer indemnifies and holds the Ditsobotla Local Municipality harmless against all loss, liability, damage, claim, proceeding or expense of any nature whatever (including without limiting the generality of the foregoing all party and party and attorney and client costs incurred by the Ditsobotla Local Municipality) which the Ditsobotla Local Municipality may suffer as a result of or which may:

25.1.1 be attributable to-

- 25.1.1.1 any liability of the Tenderer, whether actual or contingent;
- 25.1.1.2 any liability of the Tenderer for taxation, for which purpose the terms "taxation" shall include:
 - 25.1.1.2.1 normal taxation;
 - 25.1.1.2.2 value added tax;
 - 25.1.1.2.3 minimum or secondary taxation on companies;
 - 25.1.1.2.4 Regional services council, District or equivalent levies;
 - 25.1.1.2.5 all other forms of levies or taxation.
- 25.1.1.3 any penalties or interest as a result thereof.

25.1.2 arise out of or in the course of or by reason of the Tenderer's performance in terms of this agreement;

25.2 The Tenderer undertakes to indemnify the Ditsobotla Local Municipality in respect of all actions, prosecutions or claims of any nature that might be brought in any manner against the Tenderer as a consequence of the negligence of the tenderer, its employees, members or any persons under its control;

25.3 The Tenderer shall not be liable for such liability, loss, damage, claim, proceeding or expense where same was due to any act or neglect of the Ditsobotla Local Municipality or any person for whose actions the Ditsobotla Local Municipality is legally liable.

26 POWERS OF THE DITSOBOTLA LOCAL MUNICIPALITY IN THE EVENT OF GOODS BEING DEFECTIVE

26.1 In the event of the goods being defective in quantity or quality, it is agreed that, either-

26.1.1 the D shall have power to purchase other goods or make good the deficiency in any manner he may deem fit, and any excess costs so incurred over the contract price, together with all charges and expenses attending the purchase, shall be recoverable from the Tenderer; or,

26.1.2 if the Ditsobotla Local Municipality so determines, the Tenderer shall, at his own expense, replace the affected goods or make good the deficiency at once, or within such period or at such time as the Ditsobotla Local Municipality may fix.

26.2 Nothing contained in this clause or with regard to delivery conditions, shall prejudice the power of the Ditsobotla Local Municipality in terms of the dispute resolution provisions of this agreement.

27 DELIVERY OF GOODS

27.1 The goods shall be delivered, at the Tenderer's risk and expense, to:

*The Offices of the DITSOBOTLA LOCAL MUNICIPALITY,
Corner Transvaal & Nelson Mandela Drive Streets, Civic Centre, Lichtenburg.*
or,

such other place in the Municipal Area of the Ditsobotla Local Municipality as may be specified and at the time/s and in the manner appointed by the D;

27.2 Each delivery must be accompanied by a correct delivery note;

27.3 All invoices (accompanied by VAT invoices) must be forwarded to the Ditsobotla Local Municipality without delay, **clearly stating the contract and order numbers.**

27.4 All equipment and material shall be marked accordingly.

27.5 Tenderers shall state in their tenders as well as on the official Form "G" – "Schedule of Prices" document, the minimum time required to effect delivery of the goods required under this contract, after receipt of official order.

27.6 Delivery shall be made in accordance with the requirements set out in the contract.

27.7 All goods under contract arising from this tender shall be supplied only when ordered upon an official letter or form or order issued by the Ditsobotla Local Municipality.

28 **RATE OF DELIVERY**

As and when required during the period of the contract.

29 **FAILURE TO DELIVER GOODS**

29.1 In the event-

29.1.1 of the Tenderer failing to deliver the stipulated quantity of goods of the contract quality at the time and in the manner appointed by the D,

29.1.2 of the Tenderer, if he/she should be required to deliver by instalments, failing to deliver any instalment, either in whole or in part, at the time and in the manner appointed by the D, or

29.1.3 of the Ditsobotla Local Municipality suffering damage by delay while rejected goods are being replaced under Clause 25, it is agreed that the Tenderer shall pay liquidated damages and not by way of penalty, to the Ditsobotla Local Municipality;

29.2 Such liquidated damages shall be determined in each case by the Municipal Manager of the Ditsobotla Local Municipality and shall be:

29.2.1 Reg. 29.1.1: a sum equal to any excess cost incurred by the Ditsobotla Local Municipality over the contract price in making good the deficiency in such manner as it may deem fit, together with all charges and expenses connected therewith;

29.2.2 Reg. 29.1.2: a sum equal to any excess cost incurred by the Ditsobotla Local Municipality over the contract price in making good the deficiency in such manner as it may deem fit, together with all charges and expenses connected therewith;

29.2.3 Reg. 29.1.3: a sum not exceeding the actual damage so incurred by the Ditsobotla Local Municipality.

29.3 The Municipal Manager of the Ditsobotla Local Municipality shall also determine the manner in which and the time when, such payment of excess costs or damages shall be made and the decision of the Municipal Manager of the Ditsobotla Local Municipality shall be binding in every case.

29.4 Notwithstanding the above, the Tenderer shall not be held liable to enforcement of the penalties stated above should such failure be due to *vis major*, actions of the enemies of the Republic, fires and dangers and accidents at sea and/or during navigation.

31 **ACCEPTANCE**

31.1 Unless otherwise specified in the invitation to tender, **this tender shall remain open for acceptance for a period of one hundred and twenty (60) days from the date on which tenders are due and during this period the Tenderer shall agree not to withdraw his/her tender or impair or derogate from its effect;**

31.2 The written approval of this tender by the Ditsobotla Local Municipality, by way of letter of acceptance, shall constitute a contract binding on both parties;

31.3 Notwithstanding anything to the contrary in this agreement, the contract shall come into existence with effect from the signature date.

32 **PRICE**

The price quoted shall be nett and shall include cost of delivery and shall be quoted inclusive of all taxes **including VAT.**

33 **GOVERNMENT PRICE CONTROL**

- 33.1 Where the price of any item place on contract is controlled by legislation, the contract price shall in the event of any amendment to the price ruling at the time the tender was submitted, be subject to a like increase or decrease as the case may be.
- 33.2 In the event of price control over any item of contract being withdrawn during the currency of the contract, the contract price applicable to such item after the date of such withdrawal shall be the contract price in operation immediately prior to the withdrawal of price control.
- 33.3 Tenderers shall, where appropriate, submit with their tender, details of present controlled prices. **Failure to do this shall render the tender liable to rejection on the grounds of being incomplete.**
- 33.4 **Any subsequent claims for increases in the tendered prices shall be substantiated by documentary proof acceptable to the ED.**

34 **CONTRACT PRICE ADJUSTMENT**

Should no price adjustment or variation clauses be included in the tender documents, the prices tendered will be considered as **being firm** and the Ditsobotla Local Municipality will not, under any circumstances, accept for it's account, any increase in the prices tendered during the duration of the contract.

35 **PAYMENT**

Payment will be made **within thirty (30) days after goods are supplied and invoiced.** The Ditsobotla Local Municipality may deduct any sum due to it by the Tenderer under any of the provisions of this contract from any sum due to the Tenderer.

36 **YEAR 2000 COMPLIANCE**

Notwithstanding anything to the contrary in this agreement the Tenderer/Contractor shall warrant that all goods and services to be rendered in terms of the tender, are Year 2000 compliant.

37 **PERIOD OF CONTRACT**

The contract is for a period of **Three (3) years with effect from dates as specified by the Ditsobotla Local Municipality.**

38 **ORDERS FOR REQUIREMENTS**

During the period of the contract official orders for the Council's requirements will be placed with the Tenderer/s and the Tenderer/s shall only supply the items required under this contract on receipt of such official orders.

39 **CONFIDENTIALITY**

40.1 It is recorded that the Tenderer, by virtue of his/her association with the Ditsobotla Local Municipality, will become possessed of and will have access to confidential information belonging to the Ditsobotla Local Municipality including, but without limiting the generality of the foregoing, the following matters:

40.1.1 the contractual and financial arrangements between the Ditsobotla Local Municipality and other Tenderers;

40.1.2 the Ditsobotla Local Municipality's financial matters;

40.1.3 all other matters which relate to the Ditsobotla Local Municipality's 's business and in respect of which information is not readily available in the ordinary course of business to a competitor.

40.2 Notwithstanding the foregoing provisions of this clause, the information referred to therein as confidential information shall cease to be confidential information if:

40.2.1 it is publicly available or becomes publicly available other than as a result of a breach of this contract;

40.2.2 it comes or came into the possession of the Tenderer other than by virtue of the Tenderer's relationship with the Ditsobotla Local Municipality

40.3 Having regard to the facts recorded above, the Tenderer undertakes that in order to protect the proprietary interest of the Ditsobotla Local Municipality in the confidential information-

40.3.1 he/she will not during the period that he/she is a Tenderer or at any time thereafter, directly or indirectly, either use or disclose any of the confidential information, other than as may be required by his/her contract with the Ditsobotla Local Municipality or as may be required to comply with any law or to enforce the Tenderer's rights in terms of this contract;

40.3.2 any written or other instructions, drawings, notes, memoranda or records relating to the confidential information which are made by him/her or which come into his/her possession by any means whatever shall be deemed to be the property of the Ditsobotla Local Municipality. Such property of the Ditsobotla Local Municipality shall be surrendered to the Ditsobotla Local Municipality on demand and in any event on the termination date and the Tenderer shall not retain any copies thereof or extracts therefrom.

40.4 Any action which can be construed as a contravention of the condition referred to in clause 40.3, 40.3.1 and 40.3.2 above, will expose any tenderer to the rejection of his tender by the Ditsobotla Local Municipality.

41 BREACH

41.1 Should either the Tenderer or the Ditsobotla Local Municipality commit a breach of any material provision of this agreement and fail to remedy such breach within fourteen (14) days after receiving written notice from the party aggrieved thereby requiring the defaulting party to do so, then the aggrieved party shall be entitled, without prejudice to the aggrieved party's other rights in law, to cancel this agreement or to claim immediate specific performance of all of the defaulting party's obligations whether or not due for performance, in either event without prejudice to the aggrieved party's right to claim damages;

41.1.1 Should any party permit a non-material breach of any provision of this agreement and fail to remedy such breach within fourteen (14) days of receiving written notice from any other party to the contract requiring it to do so, then the aggrieved party shall be entitled to claim immediate specific performance of all of the defaulting party's obligations whether or not due for performance, without prejudice to the aggrieved party's other rights in law, including the right to claim damages.

42 DISPUTE ARBITRATION

42.1 A dispute between the parties relating to any matter arising out of this agreement or the interpretation thereof, shall be referred to arbitration, by either of the parties, by way of a notice to the other party, in which notice particulars of the dispute are set out.

42.2 When arbitration proceedings are held it shall not be necessary to observe or carry out the usual formalities of procedure (eg there shall not be any pleadings or discovery or in accordance with the strict rules of evidence.)

42.3 Arbitration shall be held immediately and with a view to its being completed within 30 calendar days after it is demanded.

42.4 The arbitrator for such arbitration proceedings shall be a suitably qualified person agreed upon by the parties and, failing agreement, nominated by the chairperson for the time being of the Association of Arbitrators (Southern Africa).

42.5 The decision of the arbitrator shall be final and binding on the parties, who shall summarily carry out that decision and either of the parties shall be entitled to have the decision made an order of any court with competent jurisdiction.

42.6 The "arbitration" clause in this agreement shall be severable from the rest of this agreement and therefore shall remain effective between the parties after this agreement has been terminated.

42.7 No clause in this agreement which refers to arbitration shall mean or be deemed to mean or interpreted to mean that either of the parties shall be precluded from obtaining interim relief on an urgent basis from a court of competent jurisdiction pending the decision of the arbitrator."

44 AMENDMENT OR VARIATION OF THIS AGREEMENT

No addition to, variation or agreed cancellation of this agreement shall be binding upon the parties unless reduced to writing and signed by or on behalf of the parties.

45 **SEVERABILITY OF THE CONTRACT TERMS**

- 45.1 Each provision of this agreement is, notwithstanding the grammatical relationship between that provision and the other provisions of this agreement, severable from the other provisions of this agreement;
- 45.2 any provision of this agreement which is or becomes invalid, unenforceable or unlawful in any jurisdiction shall, in such jurisdiction only, be treated as *pro non scripto* to the extent that it is so invalid, unenforceable or unlawful, without invalidating or affecting the remaining provisions of this agreement which shall remain of full force and effect.
- 45.3 The parties declare that it is their intention that this agreement would be executed without such invalid, unenforceable or unlawful provision if they were aware of such invalidity, unenforceable or unlawful at the execution of this agreement.

46 **WAIVER OF RIGHTS**

- 46.1 No party's partial exercise of, failure to exercise or delay in exercising any right, power, privilege or remedy in terms of this agreement shall be construed as a waiver by that party;
- 46.2 Such partial exercise or failure shall not operate so as to preclude that party from exercising its rights strictly in accordance with this agreement, unless such party has expressly waived or otherwise foregone its ability to exercise such right, power, privilege or remedy (at all or in part or until after such period of delay) in terms of a written document signed by such party;
- 46.3 In the event of a party having concluded such a written document same shall be strictly construed.

47 **CESSION OF RIGHTS**

- 47.1 Save as is otherwise expressly stipulated in this agreement, this agreement is personal to the parties;
- 47.2 No party may cede, delegate or assign any of its rights or obligations in terms of this agreement without the prior written consent of the other parties, which consent shall not be unreasonably withheld or delayed.

48 **DOMICILE & NOTICES**

- 48.1 The parties choose their domicile for all purposes relating to this agreement; including the giving of any notice, the payment of any sum, the serving any process, as follows-

48.1.1 THE DITSOBOTLA LOCAL MUNICIPALITY

Physical	-	Civic Centre Dr Nelson Mandela Drive Lichtenburg
Postal	-	P.O. BOX 7 Lichtenburg, 2740
Tel	-	018 633 3800
Fax	-	018 632 5247

48.1.2 [THE TENDERER / CONTRACTOR]

Physical -

Postal -

Fax -

48.2 Each party shall be entitled from time to time, by giving written notice to the others, to vary its physical domicile to any other physical address (not being a post office box or Post Restante) within the Republic or to vary its postal domicile or its facsimile domicile to any other within the Republic.

48.3 Any notice given or any payment made by any party to any other ("addressee") which is-

48.3.1 delivered by hand between the hours of 08h00 and 16h15 on any business day to the addressee's physical domicile for the time being, shall be deemed to have been received by the addressee at the time of delivery;

48.3.2 posted by registered post to the addressee's postal domicile for the time being, shall be presumed to have been received by the addressee on the fourteenth day after date of posting.

48.4 Any notice given by any party to any other which is sent by facsimile to the addressee's facsimile domicile for the time being shall be deemed to have been received by the addressee on the day immediately succeeding the date of successful transmission thereof.

48.5 This domicile clause shall not operate so as to invalidate the giving or receipt of any notice which is actually received by the addressee other than by a method referred to in this clause.

48.6 Any notice required or permitted to be given in terms of this agreement shall be valid and effective only if in writing.

49 **TOTALITY OF AGREEMENT**

This agreement constitutes the sole record of the agreement between the parties in relation to the subject matter hereof. No party shall be bound by any express or implied term, representation, warranty, promise or the like not recorded herein. This agreement supersedes and replaces all prior commitments, or representations, whether oral or written, between the parties in respect of the subject matter hereof.

50 **APPLICABLE LAW**

This contract shall be governed by the laws of the Republic of South Africa and notwithstanding the amount or cause of action involved, the Magistrate Court for the district of the relevant SDC shall have jurisdiction in respect of any action whatever arising from this contract.

51 **DEFAULT/CANCELLATION OF TENDER AND/OR CONTRACT**

Should it appear to the Ditsobotla Local Municipality that the Tenderer is not executing the contract in accordance with the true intent and meaning thereof, or that he is refusing or delaying to execute the contract or that he is not carrying on the work at such rate of progress as to ensure delivery by the date of delivery or default by the Tenderer, then in any of such event the Ditsobotla Local Municipality may give notice in writing to the Tenderer to make good the failure or default, and should the Tenderer failed to comply with the notice within the period specified therein, then and in such case the Ditsobotla Local Municipality shall, without prejudice to any of its rights under the contract, be at liberty forthwith to perform such work as the Tenderer may have neglected to do, or to take the contract wholly or in part out of the Tenderer's hands and order from any other person. The Tenderer shall be responsible for any loss the Ditsobotla Local Municipality may sustain by reason of such action as the Ditsobotla Local Municipality may take in terms of this clause.

52 **PATENTS**

The Tenderer shall pay all royalties and expenses and be liable for all claims in respect of the use of patent rights, trade marks or other protected rights and hereby indemnifies the Ditsobotla Local Municipality against any claims arising there from.

53 **PACKING**

All goods shall be crated, packed or battened securely in such a manner as to prevent damage during loading, transport and off-loading.

Unless otherwise specified, packing cases and packing materials are included in the contract price and shall be and remain the property of the Ditsobotla Local Municipality.

54 **FALSE INFORMATION**

Should it come to the attention of Ditsobotla Local Municipality that false information has been given in whatever way with the intention of the Tenderer/Contractor to position himself/herself to be awarded the tender/contract; the Ditsobotla Local Municipality holds the right to disqualify the tender and/or terminate the contract.

**DITSOBOTLA LOCAL MUNICIPALITY
ENVIRONMENTAL HEALTH SERVICES DIVISION
FORM "E"**

TENDER NUMBER: DLM/SCM/48/2017/Z3 THE RENDERING OF COMPREHENSIVE REFUSE REMOVAL SERVICES IN THE SPECIFIED AREAS OF ITSOTSENG ZONE 3 OF DITSOBOTLA LOCAL MUNICIPALITY FOR A THREE (3) YEAR PERIOD.

SPECIFICATION:

SCOPE:

THE CONTRACTS PROVIDES FOR THE RENDERING OF COMPREHENSIVE REFUSE REMOVAL SERVICES (SUITABLE VEHICLES) FOR THE REMOVAL OF HOUSEHOLD REFUSE, ILLEGAL DUMPING AND STREET CLEANING AS APPROVED BY THE MUNICIPAL MANAGER OR HIS NOMINEE WITH A CAPACITY NOT LESS THAN 19 M³ THAT CAN DISCARD REFUSE MECHANICALLY AND 1 M² FRONT END LOADER (TLB) VEHICLE FOR THE REMOVAL OF DOMESTIC, BUSINESS AND ILLEGALLY DUMPED REFUSE, QUALIFIED DRIVER AND GENERAL WORKFORCE AT THE SPECIFIED AREA OF ITSOTSENG, ZONE 1 OF DITSOBOTLA LOCAL MUNICIPALITY FOR A THREE (3) YEAR PERIOD IN ACCORDANCE WITH THE DETAILED SPECIFICATIONS, AS SET OUT HEREUNDER FOR THE DITSOBOTLA LOCAL MUNICIPALITY.

Community involvement and the development of small contractors form the back bone of this contract. The contractor should specifically state how the Tenderer plan to involve the development of small contractors form the back bone of this contract.

WHEREAS

The **COUNCIL** is desirous to contract suitable vehicles and equipment and a qualified driver for the collection and disposal of solid waste at ITSOTSENG Landfill site situated within the jurisdiction of the **DITSOBOTLA LOCAL MUNICIPALITY**.

MINIMUM EQUIPMENT SPECIFICATIONS

- Suitable vehicles for the removal of household refuse as approved by the Municipal Manager or his Nominee with a capacity not less than 19 m³ that can discard refuse mechanically,
- 1m² Front End Loader (TLB) vehicle for the removal of illegally dumped refuse

NOW THEREFORE IT IS AGREED THAT:

DEFINITIONS:

- (i) "the Council" shall include any designated official acting on behalf of Ditsobotla Local Municipality
- (ii) "Development Contractor" shall be a legal entity who will amongst others assist in the provision of the following support services to the community contractor: -
- Providing financial security for the community contractor to obtain finance from a registered bank in order to purchase suitable equipment.
 - Hands on assistance and guidance with the: -
 - Management of the financial portfolio of each community contractor
 - Salaries and contributions are paid
 - Vehicles and equipment are paid
 - Provision of maintenance funds
 - Insurance payments

Relevant business management support regarding administrative systems, planning etc.
Operational management
Implementation and management of management information systems
Human Resources support
Legal support
Arrange, co-ordinate and monitor contractor development in regard of business management

- (iii) "Community Contractor" shall be an independent sub-contractor, contracted from a specific service area (approximately 10,000 service points per week) that should provide a suitable vehicle for refuse removal and should employ his/her labour force from the same work area.
- (iv) "Refuse / solid waste removal" shall include refuse / solid waste collection from any collection point as determined by the Council, including animal carcasses, litter picking, building rubble and other bulky refuse excluding medical waste, objectionable and/or toxic waste.
- (v) The singular shall include the plural and vice versa
- (vi) Any one gender shall include the other gender, bodies and corporations
- (vii) The **CONTRACTOR** is an Independent **CONTRACTOR** not employed by **COUNCIL** in any capacity and not part of **COUNCIL's** staff establishment.

1. SERVICE:

- 1.1 The **CONTRACTOR** shall sub-contract at least one **COMMUNITY CONTRACTOR** for a minimum of every 2 000 service points.
- 1.2 The **CONTRACTOR** shall be responsible for the collection and disposal of solid waste in accordance with the instructions of the **COUNCIL** at least 22 days per month or as instructed by Council and shall be remunerated by the **COUNCIL** as follows: _____
- 1.3 The **CONTRACTOR** shall be responsible for the provision of street litter picking services and disposal of solid waste in accordance with the instructions of the **COUNCIL** at least 22 days per month as well as over specified week ends and public holidays and shall be remunerated by the **COUNCIL** as follows: _____
- 1.4 All solid waste to be collected shall be disposed of at a designated licensed Landfill Site or any other designated disposal facility as directed by the **COUNCIL**

The **COUNCIL** will pay disposal costs incurred by the **COMMUNITY CONTRACTORS** during normal working hours and after hours when involved in council and community projects on presentation of weigh bills.

2. GENERAL RESPONSIBILITIES OF CONTRACTOR.

- 2.1 Vehicles must comply in every respect to Chapter IV of the Road Traffic Act 29 of 1989
- 2.2 The **CONTRACTOR** shall be responsible for the maintenance of the vehicle and equipment to be used for the purposes herein described, including, but not limited to:-
 - 2.2.1 The provision of tyres / oil / diesel / hydraulic oils, which shall be done in a way and at times which do not interfere with the efficiency of the operations
 - 2.2.2 The general maintenance of the vehicle and equipment, ensuring road-worthiness at all times, which shall be done in a way and at times which do not interfere with the efficiency of the operations. .
 - 2.2.3 The fitting of a suitable cargo net to vehicles and equipment and the proper maintenance thereof to prevent any spillage of refuse.
 - 2.2.4 Vehicles and equipment shall not be overloaded at any time.

2.2.5 The **CONTRACTOR** shall ensure that no toxic or medical waste be handled or transported and shall inform **COUNCIL** each time such waste is discovered.

2.2.6 RECYCLING

2.2.6.1 The **CONTRACTOR** shall support Community Based Recycling Projects.

2.2.7 The **CONTRACTOR** shall ensure that all conditions and requirements imposed by management at the designated licensed Landfill Site or any other disposal site designated by the **COUNCIL** are adhered to and complied with, including but not limited to the following:-

- i) All vehicles shall weigh in and out over the weighbridge;
- ii) Entry to the facility at own risk
- iii) Only general non-toxic waste may be deposited
- iv) Liquids or hazardous substances or containers shall not be allowed
- v) Only persons off-loading shall be permitted to leave vehicles
- vi) Site personnel and signs shall be obeyed at all times
- vii) No waste material may be removed from the site
- viii) Visitors shall report to the site supervisors before entering the premises
- ix) Offenders will be held liable for damages caused to the property at the designated licensed landfill site.

2.3 The **CONTRACTOR** shall comply with all applicable legislation relating to the operations to be performed in terms of this agreement including legislation pertaining to the employment of drivers and beneficiaries, the Basic Conditions of Employment Act, 1995 as well as prescriptions relative to minimum wages, to be paid to beneficiaries and drivers for the performance of obligations in terms hereof.

2.4 The **CONTRACTOR** shall be responsible for the provision of refuse bags for litter picking services.

2.5 The operations are to be performed in accordance with the **COUNCIL's** By-Laws and the refuse removal programme.

3. DURATION OF CONTRACT

The contract shall be for a period of **THREE (3) YEAR** with effect from dates as specified and accepted, for the various areas, by the Council.

4. SPECIFICATIONS AND PENALTIES REGARDING EMPLOYEES:

4.1 The **COMMUNITY CONTRACTOR** shall employ his/her labour force from his/her specific work area.

4.2 The **CONTRACTOR** shall ensure that at least 30% of the workforce are women

4.3 Vehicles must be supplied with a qualified driver at all times. The **CONTRACTOR** shall forfeit compensation if services cannot be provided (i.e. due to labour unrest, etc). The **CONTRACTOR** acknowledges that it is his sole responsibility to introduce alternatives in such event to ensure uninterrupted service.

4.4 The **CONTRACTOR** shall ensure that all drivers are properly licensed (PRDP) and fully trained and comply with all relevant legislation.

4.5 The **CONTRACTOR** shall ensure that employees are properly employed and contracted in terms of the Basic Conditions of Employment Act, 1995 and the Labour Relations Act, 1995 and all relevant contributions including but not limited to Unemployment Insurance Fund, training levies as well as Workman's Compensation are paid on a monthly basis

4.6 All employees must be medically examined at regular intervals, if so required by Council. The cost of the examination will be for the account of the **CONTRACTOR**. Proof of medical fitness must be submitted to the **COUNCIL** by the **CONTRACTOR** when called upon to do so by the **COUNCIL**.

- 4.7 The **COUNCIL** shall be at liberty to object to and require the **CONTRACTOR** to remove any person employed by the **CONTRACTOR** who in the opinion of the **COUNCIL** misconducts himself or is incompetent or negligent or dilatory in the proper performance of his duties and such persons shall not be re-employed in connection with this contract without the written permission of the **COUNCIL**. The **COUNCIL**'s policy on employee conduct will be used as appoint of reference in cases of misconduct.
- 4.8 The **COMMUNITY CONTRACTOR** shall supply employees with adequate protective clothing as contemplated in the Occupational Health and Safety Act. It shall be the **CONTRACTOR**'s responsibility to ensure that these items are properly used.

5. SPECIFICATIONS AND PROCEDURES REGARDING VEHICLES NOT COMPLYING WITH REQUIREMENTS

- 5.1 The **COUNCIL** will have the right to inspect vehicles and equipment at least once per month. If during the period of the contract any vehicle which, in the opinion of **COUNCIL** is not capable of satisfactory performing the duties prescribed owing to its mechanical condition, or is in any way unsafe to operate, shall be replaced immediately by the **CONTRACTOR**. Should there be any dispute as to the mechanical condition of the vehicle, it shall be taken to the **COUNCIL**'s Mechanical Workshop or any workshop specializing in the repair of refuse removal vehicles for testing. If the vehicle is found to be faulty or defective, the conditions pertaining to penalties shall apply from the time the vehicle was considered to have become faulty. In addition to penalties stipulated, the actual cost of testing shall be borne by the **CONTRACTOR**. The **CONTRACTOR** or his representative shall be entitled to be present during any tests.
- 5.2 The **CONTRACTOR** shall send his vehicles for a certificate of fitness as required in terms of the Road traffic Act and proof of such testing must be submitted to **COUNCIL** immediately after the test. A grace period of thirty (30) days applicable in terms of the law shall apply, after which an escalating penalty will be imposed.
- 5.3 Once a year the **CONTRACTOR** will be called upon to submit the following documents in respect of all vehicles, equipment and drivers:
- i) Copy of current Clearance Certificate Receipt.
 - ii) Copy of Operator Registration Certificate.
 - iii) Drivers Licence and PRDP of every driver deployed to render services on behalf of the **COUNCIL**.
 - iv) Certificates of good standing with the Workmen's Compensation Commissioner and Unemployment Fund.
- 5.4 Failure to produce on request any one or more of the above documents within a reasonable period as determined by the **COUNCIL** will subject the **CONTRACTOR** to 5 working days grace and an escalating penalty.

6. GENERAL OPERATIONAL AND VEHICLE SPECIFICATIONS

- 6.1 Vehicles must comply in every respect to Chapter IV of the Road Traffic Act 29 of 1989
- 6.2 The **CONTRACTOR** shall be responsible for the maintenance of the vehicle and equipment to be used for the purposes herein described, including, but not limited to:-
- 6.2.1 The provision of tyres / oil / diesel / hydraulic oils, which shall be done in a way and at times which do not interfere with the efficiency of the operations
 - 6.2.2 The general maintenance of the vehicle and equipment, ensuring road-worthiness at all times, which shall be done in a way and at times which do not interfere with the efficiency of the operations.
 - 6.2.2.1 Vehicles must be maintained in a clean and hygienic condition at all times.
 - 6.2.3 The fitting of a suitable cargo net to vehicles and equipment and the proper maintenance thereof to prevent any spillage.
 - 6.2.4 Vehicles and equipment shall not be overloaded at any time.**
- 6.3 The **CONTRACTOR** shall ensure that the full number of vehicles agreed on is available at all times
- 6.4 The **CONTRACTOR** shall ensure availability of the vehicle on a daily basis from 07:00 till 16:00 based on a five (5) day working week.

- 6.5 The **CONTRACTOR** shall ensure availability of a standby vehicle for breakdowns Details of a standby vehicle must be submitted. (Registration number and description.)
- 6.6 A safety certificate for the lifting and compacting apparatus shall be submitted at the commencement of the contract and thereafter annually or at the request of the **COUNCIL**.
- 6.7 A roadworthy certificate shall be submitted at the commencement of the contract and thereafter as required by the Road Traffic Legislation.
- 6.8 The **CONTRACTOR** shall be responsible for all costs resulting from damage or accidents or loss of property, movable or immovable, resulting from the rendering of the service

7. GENERAL MANAGEMENT REQUIREMENTS

- 7.1 A **FINANCIAL MANAGEMENT PLAN** must be submitted to **COUNCIL** within thirty (30) days of acceptance of this Agreement.

The Financial Management Plan must at least provide for:-

- i) Projected cash flow
- ii) Proof of a bank account to facilitate the electronic transfer of funds.
- iii) Proof of a separate account into which an amount is transferred monthly by debit order for the repair and maintenance of the Contractor's equipment.
- iv) Proof of registration with SARS and Vat Number.
- v) A financial plan has to be submitted to Council to indicate details of how payment will be made from the Development contractor to community contractor

- 7.2 A **HUMAN RESOURCES MANAGEMENT PLAN** must be submitted to **COUNCIL** within thirty (30) days of acceptance of this Agreement. The Human Resources Management Plan must at least include the following:-

- i) An **EMPLOYMENT CONTRACT** between the **COMMUNITY CONTRACTOR**, and **EMPLOYEES**. The employment contract must make provision for all the minimum requirements as detailed in the Basic Conditions of Employment Act and the Labour Relations Act.

The **EMPLOYMENT CONTRACT** shall stipulate the **RATE OF PAY** for **EMPLOYEES**. All **EMPLOYEES** must be issued with payslips on the date of payment.

- ii) Proof of registration with the UIF and Workman's Compensation Commissioner.

7.3 Contractor Training

The **COMMUNITY CONTRACTOR** shall attend certificate bearing business management courses. The cost of community contractor training and any other incidental costs shall be borne by the **CONTRACTOR**

The **CONTRACTOR** shall maintain a record of training provided, such record shall be submitted to Council on a quarterly basis which has to indicate progress and type of training and expenditure incurred for such training. available for inspection by **COUNCIL**.

Employees

Employees should preferably be non working individuals from the most vulnerable sections of disadvantaged communities, namely single and female headed households, Women, youth, households coping with family members suffering from HIV/AIDS, people who have never worked and those in long term unemployment. In order to spread the benefits as broadly as possible in the community, a maximum of one person per household

shall be employed taking local circumstances into account. The proposed social targets shall be:

- i) 30% women
- ii) 30% youth
- iii) 39% other
- iv) 1% disabled

7.4 Registered Office and Office Equipment

7.4.1 The **CONTRACTOR** or group of contractors must register an office with **COUNCIL** within thirty (30) days after acceptance of this contract. Such office which shall be manned during normal operating hours, and shall be equipped with at least:

- A telephone and
- Fax machine which should be in good working order at all times

7.4.2 The **CONTRACTOR** shall keep and maintain a register of all complaints and received, indicating the date and time when the complaint was lodged, as well as the date and time the complaint was attended to and resolved.

7.4.3 The **CONTRACTOR** shall meet at least once a month with the **MANAGER ENVIRONMENTAL HEALTH SERVICES** or her **NOMINEE**.

8. OPERATIONAL MANAGEMENT

The successful **CONTRACTOR** shall accept supervision over the operations as determined by **COUNCIL** and the **CONTRACTOR**

9. PRODUCTIVITY

The **CONTRACTOR** shall submit availability information and performance figures in terms of this contract to **COUNCIL** on a monthly basis.

The **CONTRACTOR** must provide the following services:-

9.1 Round Collection

Domestic and Businesses: at least 1 000 service points per day per **COMMUNITY CONTRACTOR**.

9.2 Litter Picking

i) Entire service area must be cleaned at least once every five (5) working days.

Central business and other business areas and main feeding routes have to be cleaned daily

iii) Public gathering areas, main roads and entrance routes as determined by the **MANAGER ENVIRONMENTAL HEALTH SERVICES OR HER NOMINEE** must be cleaned daily.

9.3 Illegal dumping

Illegal dumping including builder's rubble and bulky refuse must be removed on a seven (7) day cycle.

9.4 Animal carcasses

Must be removed within twelve (8) hours after notification.

9.5 Medical, toxic, objectionable and wet waste

The removal of the aforementioned waste will not be the responsibility of the **CONTRACTOR**.

9.5.1 Should any source of medical waste (domestic) be identified, the **MANAGER ENVIRONMENTAL HEALTH SERVICES OR HER NOMINEE** must be notified of such source within twenty four (24) hours.

10. LEGISLATION

The **CONTRACTOR** shall be bound by all relevant acts, regulations and by-laws relating to the service to be rendered in terms of this contract and shall be responsible to acquaint himself with such applicable legislation, rules, by-laws and regulations for the duration of this agreement.

11. PENALTIES

11.1 At the end of each month the **COUNCIL** shall set out in a certificate the amount owed by the **CONTRACTOR** and the amount so certified will be recovered by the **COUNCIL** from the **CONTRACTOR** by deducting the penalty amount from the contractor's payment.

11.2 Should the **COUNCIL** incur costs as a result of the vehicle(s) having breakdowns which affect service delivery or not being available, the cost of service exceeding the penalty will be recovered from the **CONTRACTOR**.

11.3 The following penalties which shall be reviewed annually will apply:

i) **Round Collection**

Should any service area or any part thereof on the daily route not be serviced a penalty of R500-00 per day or part thereof will be imposed.

ii) **Complaints**

Should a complaint other than complaints received in terms of 11.3(i) not be attended to within twenty four (24) hours after written notification, a penalty of R500-00 will be imposed and additional penalty of fifty rand (R50-00) for every hour thereafter may be imposed.

iii) **Illegal dumping**

Should illegal dumping not be removed within a seven (7) day cycle or within twenty four (24) hours after written notification, a penalty of five hundred rand (R500-00) will be imposed, an additional penalty of one hundred and fifty rand (R150-00) per day may be imposed for every day that the illegal dumping is not removed.

(a) The same penalty shall apply should the **CONTRACTOR** burn any refuse.

iv) **Animal carcasses**

Should animal carcasses not be removed within twelve (12) hours after written notification, a penalty of one hundred rand (R100-00) will be imposed and an additional penalty of fifty rand (R50-00) may be imposed for every hour the carcass is not removed.

12. CONTRACT PRICE

12.1 The **CONTRACTOR** will be paid **BY COUNCIL** per service point per month for the first year, after which time section 12.5 of this agreement will be applicable.

12.1.1 The **CONTRACTOR** shall not be entitled to collect any monies from the Community for the rendering of any waste collection services.

12.2 The service points per service area will be verified every six (6) months but not less than once a year.

12.3 A simultaneous verification of service points will be done by **COUNCIL** and the **CONTRACTOR** at the commencement of the contract.

12.4 Any adjustment in payment as result of the service point verification will be effected from the 1st day the verification was concluded.

12.5 Any percentage increase approved by **COUNCIL** on the payment per service point will be in accordance with the formula agreed and accepted by **COUNCIL on acceptance of the tender**.

13. REMEDIES FOR BREACH

13.1 In addition to any other remedies for breach of contract which are set out in this agreement, and in addition to any other remedy the **COUNCIL** may have in law, the **COUNCIL** shall be entitled to regard any breach of this Contract as a material breach entitling it to:

- i) either perform the **CONTRACTOR**'s duties itself or appoint another **CONTRACTOR** to do so, and in both cases hold the **CONTRACTOR** liable for any additional expenditure incurred thereby over and above the rates agreed upon in terms of this contract and/or
- ii) Forthwith cancel the Contract and/or recover any damages it may have sustained consequent upon any such breach.

To facilitate the administration of this clause, the **COUNCIL** shall set out in a certificate, which shall be prima facie proof, of the amount of damages suffered by the **COUNCIL** through exercising its rights under this clause and the **CONTRACTOR** shall pay the **COUNCIL** the amount so certified within 30 days after demand has been made.

13.2 In particular, and without prejudice to the generality of the remedy set out in Clause 13.1 above, the **COUNCIL** shall be entitled to regard the following acts as material breaches of contract.

- i) If a **CONTRACTOR/COMMUNITY CONTRACTOR** or any person employed by or associated with him or, in the case of a company, a director or shareholder or person similarly associated with such company either directly or indirectly gives or offers to give any gratuity, reward or commission or other consideration to **COUNCIL** or to any person in the employ of the **COUNCIL**.
- ii) If the **CONTRACTOR/COMMUNITY CONTRACTOR** supply false Information to the **COUNCIL** on any document required to be completed in terms of this contract such as certificates, invoices, delivery notes, etc.

13.3 The **COUNCIL** shall at any time be entitled to invoke the provisions of this clause, notwithstanding that it may previously have disregarded any particular breach or breaches of this contract by the **CONTRACTOR** or that it may previously have accorded to the **CONTRACTOR**, expressly or by implication, permission to perform otherwise than strictly in accordance with his obligations hereunder.

14. DISPUTES

In the event of any dispute arising between the **COUNCIL** and the **CONTRACTOR** in connection with or arising out of the contract it shall be referred to Arbitration in accordance
With the provisions of the Arbitration Laws applicable from time to time.

15. BREAKDOWNS

15.1 Should any vehicle break down or become defective so as to be unable to perform the tasks required and so cause delay of work at any time, such vehicle shall be replaced within 1 hour or such time as agreed with the **COUNCIL**.

15.1.1 Such breakdowns and the nature of defect should be reported to the **MANAGER ENVIRONMENTAL HEALTH SERVICES** within 30 (thirty) minutes after occurrence of the breakdown.

15.2 In the event of the **CONTRACTOR** being unable to supply the replacement vehicle within the time stipulated by Clause 15.1 the **COUNCIL** shall be entitled to the following remedies:-

- i) The **COUNCIL** shall be entitled to hire alternative transport and drivers from any available contractor for the duration of the period of inability to perform the obligations in terms of this agreement, without payment of compensation to the **CONTRACTOR** in terms of this agreement.
- ii) If in the opinion of the **COUNCIL**, the breakdown is of such a nature and causes a material interruption in service delivery, the agreement may be cancelled by the **COUNCIL** after giving 24 hour notice to the **CONTRACTOR** of its intention in this regard, in which instance the **COUNCIL** shall remunerate the **CONTRACTOR** pro rata for services rendered and the **CONTRACTOR** shall have no claim for damages

against the **COUNCIL** as a result of the cancellation of the agreement by the **COUNCIL**.

- 15.3 Interruption in service delivery due to mechanical breakdown or the unavailability of a qualified driver may be accepted by the **COUNCIL** provided that the total loss of working time in any one shift per vehicle does not exceed one hour and that the total loss of working time in any week per vehicle does not exceed two hours.

16. RISK AND INDEMNITY

- 16.1 The risk in any activities of the **CONTRACTOR** and any equipment, vehicles, tools or whatsoever used, owned, or operated by or on behalf of the **CONTRACTOR** shall at all times vest in the **CONTRACTOR** and proof of sufficient insurance cover to accommodate any and all incidents that may occur as a result of the performance of any obligations in terms of this agreement and claims by drivers and/or third parties and losses suffered by the **CONTRACTOR** shall be submitted to the **COUNCIL** upon request.

- 16.2 The **CONTRACTOR** indemnifies the **COUNCIL** against any and all claims for loss or damage suffered as a result of the performance of duties in terms of this agreement and against any and all claims for loss or damage, including loss of life and bodily injury suffered by any person whomsoever, for any reason whatsoever, as a result of the service rendered by the **CONTRACTOR** in terms of this agreement.

- 16.3 The **CONTRACTOR** shall submit to **COUNCIL** an Insurance Certificate to fully cover **COUNCIL** from any liability of whatsoever nature at the commencement of this contract and thereafter at the request of **COUNCIL**.

17. FAILURE TO PERFORM

The **CONTRACTOR** shall not be entitled to and in addition thereto undertakes not to curtail, suspend, delay, slow down, withhold, or in any manner fail to perform any of the obligations in terms of this agreement on account of any dispute between the parties or on account of any alleged breach by the **COUNCIL** of any of the provisions of this agreement.

18. SOCIAL RESPONSIBILITY

The **CONTRACTOR** as part of his social responsibility shall ensure submission and implementation of a social responsibility programme.

19. CESSION

The **CONTRACTOR** shall not be entitled to cede, make over, transfer, assign or in any other manner deal with any of her rights and obligations or whatsoever in terms of or arising out of or relating to this agreement.

20. JURISDICTION

The parties agree to the jurisdiction of the Magistrate's Court for purposes of instituting any claim, action or proceedings. Notwithstanding, the **COUNCIL** shall have the option in its sole discretion to institute proceedings of whatsoever nature in the High Court or any other competent Court.

21. DOMICILIA

The parties choose domicilium citandi et executandi for the purpose of giving any notice, the payment of any sum, the serving of any process and for any other purpose arising from or in connection with this agreement the addresses as indicated on the first page of this agreement.

22. NOTICES

Any notice by one party to the other shall be deemed to have been received by the other party at the time of delivery or on the fifth business day from the date of posting.

23. ENTIRE AGREEMENT

This agreement constitutes the entire agreement between the parties and the parties agree that no variation, amendment, representation or other terms and conditions shall be of any force and effect whatsoever, unless reduced to writing and signed by both parties.

24. RELAXATION

No relaxation or indulgence which any party may give to any other party at any time whatsoever in regard to the performance of any obligation in terms of this agreement shall prejudice or be a waiver of any party's rights whatsoever whether in terms hereof or at law.

25. CANCELLATION

The **COUNCIL** reserves the right to cancel this agreement by giving 3 months general notice or 30 days notice for non compliance, to the **CONTRACTOR** of its intention in this regard without having to pay any compensation to the **CONTRACTOR** as a result of the cancellation of the agreement, save as for compensation for services actually rendered by the **CONTRACTOR**.

SIGNED AT _____ THIS _____ DAY OF _____ 2017

AS WITNESSES

1. _____

2. _____

For and on behalf of the
DITSOBOTLA LOCAL MUNICIPALITY

SIGNED AT _____ THIS _____ DAY OF _____ 2017

AS WITNESSES

1. _____

2. _____

For and on behalf of the Contractor

**DITSOBOTLA LOCAL MUNICIPALITY
FORM "F"**

VARIATIONS AND OMISSIONS:

TENDER FOR CONTRACT NUMBER DLM/SCM/48/2017/Z3 THE RENDERING OF COMPREHENSIVE REFUSE REMOVAL SERVICES IN THE SPECIFIED AREA OF ITSOSENG ZONE 3 OF DITSOBOTLA LOCAL MUNICIAPLITY FOR A THREE (3) YEAR PERIOD.

The item/s / service/s offered in terms of this contract may be considered as complying with the requirements of the Council's specification, in all respects, **except as stated hereunder;**

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SIGNATURE OF PERSON AUTHORISED TO SIGN TENDER DOCUMENTS

DATE

**DITSOBOTLA LOCAL MUNICIPALITY
FORM "G-1"**

TENDER NUMBER. DLM/SCM/48/2017/Z3 THE RENDERING OF COMPREHENSIVE REFUSE REMOVAL SERVICES IN THE SPECIFIED AREAS OF ITSOSENG ZONE 3 OF DITSOBOTLA LOCAL MUNICIPLITY FOR A THREE (3) YEAR PERIOD.

AREAS: ITSOSENG ZONE 3

SCHEDULE OF PRICES

ITEM NO.	DESCRIPTION:	AREAS AS SPECIFIED ABOVE
1.	PRICE FOR THE RENDERING OF COMPREHENSIVE REFUSE REMOVAL SERVICES IN THE SPECIFIED AREAS OFDITSOBOTLA LOCAL MUNICIPALITY FOR A THREE (3) YEAR PERIOD <u>PER SERVICE POINT</u>	ESTIMATED TOTAL SERVICE POINTS 2500 PRICE PER SERVICE POINT FOR A THREE (3) YEAR PERIOD (EXCLUSIVE OF VAT)
2.	ILLEGAL DUMPING AND STREET CLEANING	
SUBTOTAL		
VAT		
TOTAL		

Are prices firm or subject to adjustment?

Conditions of adjustment

Basis of adjustment

Price adjustment period end date

Signature of person authorised to sign tender documents

Date:

Name in block letters

Designation

DITSOBOTLA LOCAL MUNICIPALITY (DLM)

PROCUREMENT FORM

Acceptable tenders will be evaluated using a system that awards points on the basis of tender price and the meeting of specific goals. Failure on the part of a tenderer to fill in and/or sign this form will be interpreted to mean that point preference is not being claimed.

The acceptable tenderer obtaining the highest number of points will be awarded the contract. For tenders with a tender amount equal to or below R 500 000 a maximum of 80 points is allocated for price and a maximum of 20 points for meeting specific goals, which may include HDI equity, SMME status, job creation and local (South African) content. For tenders with a tender amount above R 500 000 a maximum of 90 points is allocated for price and a maximum of 10 points for meeting specific goals.

The points for the meeting of specific goals may only be awarded to an enterprise which is a legal entity, registered as an income tax payer with the South African Revenue Services, and which is an independent and operating enterprise which performs commercially useful functions as set out below. Points can be denied where an enterprise subcontract more than 25% of the value of the contract (excluding SMME's and emerging contractors and materials) at the time of award, exclusive of all VAT, allowances for contingencies, escalation and provisional sums, to other entities.

DEFINITIONS

“Acceptable tender” means any tender which, in all respects, complies with the conditions of tender and specifications as set out in the tender document, including conditions as specified in the Preferential Procurement Policy Framework Act (Act 5 of 2000) and related legislation.

“Council” refers to the DITSOBOTLA LOCAL MUNICIPALITY.

“Equity ownership” refers to the percentage ownership and control, exercised by individuals within an enterprise.

“HDI equity ownership” refers to the percentage of an enterprise, which is owned by individuals, or in the case of a company, the percentage shares that are owned by individuals meeting the requirements of the definition of a HDI.

“Historically disadvantaged individuals (HDIs)” mean all South African citizens –

- (i) Who had no franchise in national elections prior to the introduction of the 1983 and 1993 constitutions (Referred to as Previously Disadvantaged Individuals (PDIs) in this document)
- (ii) Women
- (iii) Disabled persons.

“SMME’s” (small, medium and micro enterprises) refers to separate and distinct business entities, including co-operative enterprises and NGOs, managed by one owner or more, as defined in the National Small Business (Act 102 of 1996). Refer to the attached addendum for a definition of SMME's for different economic sectors.

ADJUDICATION OF TENDERS

Tenders are adjudicated in terms of Ditsobotla Local Municipality Procurement Policy, and the following framework is provided as a guideline in this regard.

1. Technical adjudication and General Criteria

Tenders will be adjudicated in terms of inter alia:

- Compliance with tender conditions
- Technical specifications

2. List of returnables

- Company registration
- Original Tax Clearance
- Certified copy of ids
- BBB-EE Certificate
- Proof of equipment or letter of intent
- Letter of goodstanding
- Compliance certificate(UIF)
- Company profile

If the tender does not comply with the tender conditions, the tender may be rejected. If technical specifications are not met, the tender may also be rejected.

With regard to the above, certain actions or errors are unacceptable, and warrants rejection of the tender, for example:

- Pages to be completed removed from the tender document and have therefore not been submitted.
- Failure to complete the schedule of quantities as required –only lump sums provided
- Scratching out/writing over /painting out rates
- Failure to attend compulsory site inspections
- The Tender has not been properly signed by a party having the authority to do so. form not signed
- No authority for signatory submitted
- Particulars required in respect of the tender have not been provided
- Tax clearance certificate has not been attached to the tender.
- The tenderer attempted to influence, or has in fact influence the officials processing the allocation of the contract
- The tender has been submitted after the time of closing.
- Failure to provide a valid certificate from the Department of Labour, or a declaration by the employer that it complies with the Employment Equity Act.

3. FUNCTIONALITY

3.1 Infrastructure and resources available (20 Points)

Evaluation of the following in terms of the size, nature and complexity of goods and/or services required:

- Physical facilities
- Plant and equipment available for the contract owned by the tenderer
- Plant and equipment the tenderer intends renting, should the contract be awarded to him.

3.2 Size of enterprise and current workload (25 points)

Evaluation of the tender's position in terms of:

- Previous and expected current annual turnover
- Current contractual obligations
- Capacity to execute the contract

3.4 Staffing profile (15 points)

Evaluation of the tender's position in terms of:

- Staff available for this contract being tendered for
- Qualifications and experience of key staff to be utilised on this contract.

3.5 Previous experience (15 points)

Evaluation of the tender's position in terms of his previous experience. Emphasis will be placed on the following:

- Experience in the relevant technical field
- Experience of contracts of similar size
- Some or all of the references will be contacted to obtain their input.

3.6 Financial ability to execute the contract (25 points)

Evaluation of the tender's financial ability to execute the contract. Emphasis will be placed on the following:

- Surety proposed
- Estimate cash flow
- Contact the tender's bank manager to assess the tenderer's financial ability to execute the contract and the tenderer hereby grants his consent for this purpose.

3.7 Good standing with SA Revenue Services

Determine whether a valid tax clearance certificate has been submitted.

The tenderer **must affix a Tax Clearance Certificate** to the **second page of the tender document**

If the tender does not meet the requirements contained in the DLM Procurement Policy, and the mentioned framework, it will be rejected by the Council, and may not subsequently be made acceptable by correction or withdrawal of the non-conforming deviation or reservation.

3.8 Adjudication Using a Points System

Responsive tenders will be adjudicated by the Council using a point system which awards points on the basis of:

- * The tendered price
- * Meeting specific goals

The Council will normally award the Contract to the Tenderer obtaining the highest points, but will not bind itself to do so.

4.1 Points Awarded for Price (Ps)

Calculate the points awarded for price for each tender, using the following formula:

$$P_s = 80 \left[1 - \frac{P_t - P_{\min}}{P_{\min}} \right]$$

Where:

P_s = Point scored for price of tender under consideration

P_t = Rand value of tender under consideration

P_{\min} = Rand value of the lowest **acceptable** tender.

And where 80 is to be replaced with 90 for contracts exceeding R 500 000 in contract value (VAT included).

Note: Refer to the draft regulations of the Preferential Procurement Policy Framework Act (Act 5 of 2000) where tenders are not all below or above R 500 000.

4.1.1 Equity Ownership

Calculate the points to be awarded for equity ownership as follows:

$$NEPe = NOPe * \frac{EPe}{100}$$

Where:

NEPe is the number of points awarded for equity ownership by HDI's

NOPe is the maximum number of points awarded for equity ownership by HDI's

EPe is the percentage of Equity Ownership by HDI's within the enterprise or joint venture (take into account the requirement of managerial involvement, and taking into account work sub-contracted to HDI owned enterprises)

EPe is calculated as follows:

$$EPe = (100 - PS) \left(\frac{MEO}{100} \right) + \frac{PS * SEO}{200}$$

Where:

PS = The percentage of the contract sub-contracted

MEO = The percentage equity ownership by HDI's of the enterprise or joint venture

SEO = The percentage equity ownership of sub-contractors part of the work is being sub-contracted to

Example

- No joint venture
- Main contractor 50 % HDI owned
- 20 % of the work is being sub-contracted
- Combined HDI ownership of sub-contractors is 80%

$$EP_e = (100 - 20) \frac{50}{100} + \frac{20 \times 80}{200}$$
$$= 48,0 \%$$

4.1.2 SMME Status

Award points as follows:

$$NEPs = NOPs * \frac{EPs}{100}$$

Where:

NEPs is the number of points awarded for SMME status

NOPs is the maximum number of points awarded for SMME status

EPs is awarded as follows:

Description	EPs
Medium enterprise	50
Small enterprise	67
Very small enterprise	84
Micro enterprise	100

4.1.3 Job Creation

Calculate the points awarded for job creation for each tender, using the following formula:

$$NEP_j = NOP_j \left(1 - \frac{J_{\max} - J_t}{J_{\max}} \right)$$

Where:

NOP_j = The maximum number of points awarded for job creation

NEP_j = Point scored for job creation of tender under consideration

J_t = Number of jobs offered in tender under consideration
(measured in person-months)

J_{max} = Number of jobs offered by the acceptable tender offering the highest number of jobs (measured in person-months)

4.1.4 Local Content

Calculate the points to be awarded for local content as follows:

$$NEP = NOPc * \frac{EPc}{100}$$

Where:

NEPc is the number of points awarded for local (South African) content

NOPc is the maximum number of points awarded for local content

EPc is the percentage local content.

5. Specific Goals recommended for Ditsobotla Local Municipality

The following specific goals, with points as indicated, are recommended for the ...LM:

Specific goals proposed	Points proposed	
	Total 20	Total 10
(i) Contracting with enterprises wholly or partially owned by previously disadvantaged people (people disadvantaged by the previous dispensation due to race or other discrimination)	8	4
(ii) Contracting with enterprises wholly or partially owned by female (disadvantaged by the previous dispensation due to gender)	2	1
(iii) Contracting with enterprises wholly or partially owned by disabled people	1	1
(iv) Support of small enterprises	2	1
(v) Promotion of job creation	4	1
(vi) Promoting enterprises located within the Ditsobotla Local Area.	2	1
(vii) Promoting local (South African) content	1	1
Support for small enterprises should be based on the National Small Business Act, Act 102 of 1996. ⁴		

5.1 Total Tender Adjudication Points

The total number of tender adjudication points awarded, is the sum of:

Tender price points + meeting specific goals points (not to exceed 100)

5.2 Penalties

The DITSOBOTLA LOCAL MUNICIPALITY will, upon investigation found that a preference in terms of the Act and these regulations has been obtained on a fraudulent basis, or any specified goals are not attained in the performance of the contract, on discretion of the Departmental Head, one or more of the following penalties will be imposed:

- Cancel the contract and recover all losses or damages incurred or sustained from the Tenderer.
- Impose a financial penalty of twice the theoretical financial preference associated with the claim, which was made in the tender.
- Restrict the contractor, its shareholders and directors on obtaining any business from the DITSOBOTLA LOCAL MUNICIPALITY for a period of 3 years.

Should the HDI status of the company change from tender stage to, or during construction stage, a pro-rata financial penalty of twice the financial preference associated with the HDI claim during tender stage will be imposed.

GENERAL INFORMATION

1. Name of tendering entity: _____

2. Contact details

Address : _____

Tel no : (_____) _____

Fax no : (_____) _____

E-mail address : _____

3. Legal entity: Mark with an **X**.

Sole proprietor	
Partnership	
Close corporation	
Company (Pty) Ltd	
Joint venture	

In the case of a Joint venture, provide details on joint venture members:

Joint venture member	Type of entity (as defined above)

4. Income tax reference number: _____ (in the case of a joint venture, provide for all joint venture members)
5. Regional services area where the enterprise is registered: _____ (In the case of a joint venture, provide for all joint venture members)
6. Regional services levy registration number: _____ (In the case of a joint venture, provide for all joint venture members)
7. VAT registration number: _____ (In the case of a joint venture, provide for all joint venture members)
8. Company or closed corporation registration number: _____ (In the case of a joint venture, provide for all joint venture members)
9. Details of proprietor, partners, closed corporation members, or company directors, indicating technical qualifications where applicable (Form on the next page).
10. For joint ventures the following must be attached:
 - Written power of attorney for authorised signatory.
 - Pro-forma of the joint venture agreement.
 - The major partner to satisfy at least 40 percent of the turnover and credit amount criteria, and each other partner at least 25 percent of the criteria.

FINANCIAL INFORMATION

Banking details

Name of bank	_____	Branch	_____
Contact person	_____	Tel no	_____
Type of account	_____	Account no	_____

BANK RATING.....

TENDERING INFORMATION

Details of person responsible for tender process

Name _____

Contact number () _____

Address of office submitting the tender _____

Telephone no () _____

Fax no () _____

E-mail address _____

AUTHORITY FOR SIGNATORY

Signatories for close corporations and companies shall confirm their authority by attaching to this form a duly signed and dated original or certified copy of the relevant resolution of their members or their board of directors, as the case may be.

An "example" for a company is shown below:

"By resolution of the board of directors passed on _____ 20 ____

Mr _____

has been duly authorised to sign all documents in connection with the Tender for

Contract _____ No _____

and any Contract, which may arise there from on behalf of

SIGNED ON BEHALF OF THE COMPANY: _____

IN HIS CAPACITY AS: _____

DATE: _____

SIGNATURE OF SIGNATORY: _____

AS WITNESSES: 1 _____

2 _____

GENERAL CRITERIA

Provide information on the following:

Infrastructure and resources available

Physical facilities

Description	Address	Area (m ²)

Plant and equipment

Provide information on plant and equipment that you have available for this project attach details if the space provide is not enough)

Description : Plant owned	Number of units

Description : Plant owned (continued)	Number of units
Description : Plant to be hired	Number of units
Description : Plant to be purchased	Number of units

Size of enterprise and current workload

What was your turnover in the previous financial year? _____

What is the estimated turnover for your current financial year? _____

List your current contracts and obligations

Description	Value (R)	Start date	Duration	Expected completed date

Do you have the capacity to supply the goods and services described in this tender, should the contract be awarded to you? _____

Financial ability to execute the project

Provide details on the surety you will provide if the tender is awarded to you

Which bank will provide the surety: _____

Provide the estimated cash flow on the project in terms of submissions of payment certificates or payment schedules to the Employer

Month no	Amount (VAT included)			Cumulative cash flow
	a Received	b Payments made	a - b Net cash flow	
1			d	j=d
2			e	k=j+e
3			f	l=k+f
4			g	m=l+g
5			h	n=m+h
6			Etc	Etc
7				
8				
9				
10				
11				
12				
Maximum negative cash flow. Take the largest negative number in the last column and write it in here ← ← ← ← ← ← ← ← ← ← ← ← ←				

NOTES

- (i) Value added tax to be included in all amounts
- (ii) Assume payment of certificates within 30 days of approval of certificate

From what source will you fund the above amount (e.g. Funds internally available, bank overdraft, loan, etc)

Good standing with SA Revenue Services

Attach an original or certified copy of a tax clearance certificate to the second page of your tender document.

PLEASE NOTE: In case of a **Joint Venture**, the **original or certified copies of the tax clearance certificate/s** of all the partners in the **Joint Venture**, must be **submitted** with the tender document.

ONLY THE ORIGINAL OR CERTIFIED COPIES OF TAX CLEARANCE CERTIFICATE/S FROM SARS WILL BE ACCEPTED, CERTIFYING THAT THE TAXES OF THAT PERSON TO BE ORDER, OR THAT SUITABLE ARRANGEMENTS HAVE BEEN MADE WITH SARS.

Compliance with Employment Equity Act 55 of 1998

Attach a valid certificate from the Department of Labour, or a declaration by the designated employer, that the employer complies with the relevant chapters of the Employment Equity Act.

A failure to comply with the above is sufficient ground for rejection of any offer to conclude an agreement or for cancellation of the agreement.

Definitions in terms of the last mentioned Act.

“designated employer means-

- a) an employer who employs 50 or more employees;
- b) an employer who employs fewer than 50 employees, but has a total annual turnover that is equal to or above the applicable annual turnover of a small business in terms of Schedule 4 to this Act.”

“Schedule 4”

TURNOVER THRESHOLD APPLICABLE TO DESIGNATED EMPLOYERS

Sector or sub sector in accordance with the Standard Industrial Classification	Total annual turnover
Agriculture	R 2,00 m
Mining and Quarrying	R 7,50 m
Manufacturing	R 10,00 m
Electricity, Gas and Water	R 10,00 m
Construction	R 5,00 m
Retail and Motor Trade and Repair Services	R 15,00 m
Wholesale Trade, Commercial Agents and Allied Services	R 25,00 m
Catering, Accommodation and other Trade	R 5,00 m
Transport, Storage and Communications	R 10,00 m
Finance and Business Services	R 10,00 m
Community, Social and Personal Services	R 5,00 m

Specific goals

Equity Ownership

List all partners, shareholders or members by name, identity number, citizenship, HDI status and ownership as relevant.

In the case of a JV, complete an Equity ownership for each JV members.

Name	Position occupied in Enterprise	Identity number	Citizen ship	PDI Status (Y/N)	Date of Owner-ship	%Owned by PDI's	% Owned by Women	% Owned by Disabled
TOTAL						a	b	c
Total HDI ownership (a + b + c), but do not double count persons meeting more than one element of the definition, for example a black female.								

NOTE

Where owners are themselves, a company or partnership, identify the ownership of the holding firm.

In the case of joint ventures equity ownership for each of the JV members are determined as above, and the combined HDI ownership is then calculated as follows :-

Joint venture members	a % Contribution to the JV	b % HDI ownership	c=a * b/100 % HDI contribution
Total HDI contribution			

SMME Status

Provide details on the following (Refer to attached table)

Sector/Sub-Sector in which located

Total Full-time Equivalent of paid Employees

Total Annual Turnover

Total Gross Asset Value

Size or Class (Medium, Small, Very Small, Micro)

NOTE: If all of the above does not adhere to the definition of a single class, use the total Annual Turnover only to decide on the class.

Local Content (Defined as South African content)

What percentage of the goods or services tendered for will have local content?

Description	a % of tender value	b % Local content	c=a * b/100 Total % local content
Management and other			
Materials, goods			
Plant and equipment			
Staff, labour			
Total			

Use of sub-contractors

Provide details on all sub-contractors you intend utilising for this contract:

Type of work to be used for	a % of contract	Name of sub-contractor	b % HDI ownership	c=a x b Total contribution to HDI ownership
Total % of contract sub-contracted		Total contribution of HDI ownership		

Job Creation

Provide details on the jobs that you envisage to be created through the project.

Number of person-months of work to be created

Description	Number of person-months of work	Value (R)
Own (permanent employed) staff		
Staff to be employed for the project (Temporary employed)		
Total		

DECLARATION

I/We the undersigned, who warrants that he/she is duly authorised to do so on behalf of the firm, certifies that the items mentioned in part of the foregoing certificate qualifies/qualify for the preference(s) shown and acknowledge(s) that:

The information furnished is true and correct.

In the event of the contract being awarded as a result of preference claimed as shown above, the contractor may be required to furnish documentary proof to the satisfaction of the Ditsobotla Local Municipality that the claims are correct.

If the claims are found to be inflated, the Ditsobotla Local Municipality may, in addition to any other remedy it may have, recover from the contractor all cost, losses or damages incurred or sustained by the Ditsobotla Local Municipality as a result of the award of the contract and/or cancel the contract and claim any damages which the Ditsobotla Local Municipality may suffer by having to make less favourable arrangements after such cancellation.

Signature of Tenderer(s)

Signed at _____ on _____ day of _____
20_____

For the Contractor

WITNESSES:

1. _____
2. _____

ADDENDUM: DEFINITION OF A SMALL BUSINESS, SPECIFICALLY A SMME

A SMME (small, medium or micro enterprise) is defined in terms of the National Small Business Act, Act 102 of 1996, as shown in the following table:

PRESIDENT'S OFFICE
No. 1901. 27 November 1996

Sector or sub-sectors in accordance with the Standard Industrial Classification	Size or class	Total full-time equivalent of paid employees Less than	Total annual turnover Less than	Total gross asset value (fixed property excluded) Less than
Agriculture	Medium	100	R 4.00 m	R 4.00 m
	Small	50	R 2.00 m	R 2.00 m
	Very small	10	R 0.40 m	R 0.40 m
	Micro	5	R 0.15 m	R 0.10 m
Mining and Quarrying	Medium	200	R30.00 m	R18.00 m
	Small	50	R 7.50 m	R 4.50 m
	Very small	20	R 3.00 m	R 1.80 m
	Micro	5	R 0.15 m	R 0.10 m
Manufacturing	Medium	200	R40.00 m	R15.00 m
	Small	50	R10.00 m	R 3.75 m
	Very small	20	R 4.00 m	R 1.50 m
	Micro	5	R 0.15 m	R 0.10 m
Electricity, Gas and Water	Medium	200	R40.00 m	R15.00 m
	Small	50	R10.00 m	R 3.75 m
	Very small	20	R 4.00 m	R 1.50 m
	Micro	5	R 0.15 m	R 0.10 m
Construction	Medium	200	R20.00 m	R 4.00 m
	Small	50	R 5.00 m	R 1.00 m
	Very small	20	R 2.00 m	R 0.40 m
	Micro	5	R 0.15 m	R 0.10 m
Retail and Motor Trade and Repair Services	Medium	100	R30.00 m	R 5.00 m
	Small	50	R15.00 m	R 2.50 m
	Very small	10	R 3.00 m	R 0.50 m
	Micro	5	R 0.15 m	R 0.10 m
Wholesale Trade, Commercial Agents and Allied Services	Medium	100	R50.00 m	R 8.00 m
	Small	50	R25.00 m	R 4.00 m
	Very small	10	R 5.00 m	R 0.50 m
	Micro	5	R 0.15 m	R 0.10 m
Catering, Accommodation and other Trade	Medium	100	R10.00 m	R 2.00 m
	Small	50	R 5.00 m	R 1.00 m
	Very small	10	R 1.00 m	R 0.20 m
	Micro	5	R 0.15 m	R 0.10 m

Sector or sub-sectors in accordance with the Standard Industrial Classification	Size or class	Total full-time equivalent of paid employees Less than	Total annual turnover Less than	Total gross asset value (fixed property excluded) Less than
Transport	Medium	100	R20.00 m	R 5.00 m
	Small	50	R10.00 m	R 2.50 m
	Very small	10	R 2.00 m	R 0.50 m
	Micro	5	R 0.15 m	R 0.10 m
Storage	Medium	100	R20.00 m	R 5.00 m
	Small	50	R10.00 m	R 2.50 m
	Very small	10	R 2.00 m	R 0.50 m
	Micro	5	R 0.15 m	R 0.10 m
Communications	Medium	100	R20.00 m	R 5.00 m
	Small	50	R10.00 m	R 2.50 m
	Very small	10	R 2.00 m	R 0.50 m
	Micro	5	R 0.15 m	R 0.10 m
Finance	Medium	100	R20.00 m	R 4.00 m
	Small	50	R10.00 m	R 2.00 m
	Very small	10	R 2.00 m	R 0.40 m
	Micro	5	R 0.15 m	R 0.10 m
Business Services	Medium	100	R20.00 m	R 4.00 m
	Small	50	R10.00 m	R 2.00 m
	Very small	10	R 2.00 m	R 0.40 m
	Micro	5	R 0.15 m	R 0.10 m
Community	Medium	100	R10.00 m	R 5.00 m
	Small	50	R 5.00 m	R 2.50 m
	Very small	10	R 1.00 m	R 0.50 m
	Micro	5	R 0.15 m	R 0.10 m
Social and Personal Services	Medium	100	R10.00 m	R 5.00 m
	Small	50	R 5.00 m	R 2.50 m
	Very small	10	R 1.00 m	R 0.50 m
	Micro	5	R 0.15 m	R 0.10 m

Government Gazette, 27 November 1996

Pro Forma Tenderammended1.doc

**“DID YOU REMEMBER TO ATTACH YOUR
TAX CLEARANCE CERTIFICATE/S?”**

PLEASE
REMEMBER

TO ATTACH
A VALID ORIGINAL OR CERTIFIED
COPY OF A
TAX CLEARANCE CERTIFICATE
TO YOUR TENDER DOCUMENT

Please note:

In case of a Joint Venture, the original or certified tax clearance certificate/s of ALL partners in the Joint Venture, must be submitted with the tender document

IT WILL BE APPRECIATED IF YOU COULD ATTACH
THIS/THESE CERTIFICATE/S ON THE
SECOND PAGE OF
YOUR TENDER DOCUMENT

THANK YOU