



**PROVINCIAL ADMINISTRATION OF KWAZULU-NATAL**  
**KZN DEPARTMENT OF PUBLIC WORKS**

**REFERENCE NO : ZNQ 303/19/20**  
**SERVICE : PROPOSAL FOR THE REMOTE ENERGY & WATER**  
**MONITORING SYSTEM:**  
**INSTALLATION AND MAINTENANCE AGREEMENT 2020-2023**

**NAME OF PROPOSER: .....**  
**.....**

**NOTE:** Reference to bids, bidder, tender, and quotations will mean Proposer or Proposal.

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**SECTION A**  
**REQUEST FOR PROPOSAL**

**REFERENCE NO : ZNQ 303/19/20**

**DESCRIPTION : REMOTE ENERGY & WATER MONITORING SYSTEM:  
INSTALLATION AND MAINTENANCE AGREEMENT 2020-2023**

**CLOSING DATE: 04 September 2020**

**CLOSING TIME: 11H00AM**

PROPOSAL DOCUMENTS MAY BE DEPOSITED IN THE BID BOX SITUATED AT  
(STREET ADDRESS)

KZN DEPARTMENT OF PUBLIC WORKS, HEAD OFFICE  
191 PRINCE ALFRED STREET  
PIERTERMARITZBURG  
3200

Service providers should ensure that proposals are delivered timeously to the correct address. If the bid is late, it will not be accepted for consideration.

The bid box is generally open 24 hours a day, 7 days a week.

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

THIS PROPOSAL IS SUBJECT TO THE PREFERENTIAL PROCUREMENT POLICY FRAMEWORK ACT AND THE PREFERENTIAL PROCUREMENT REGULATIONS, 2017, THE GENERAL CONDITIONS OF CONTRACT (GCC) AND, IF APPLICABLE, ANY OTHER SPECIAL CONDITIONS OF CONTRACT

**A. THE FOLLOWING PARTICULARS MUST BE FURNISHED**  
**B. (FAILURE TO DO SO MAY RESULT IN YOUR BID BEING DISQUALIFIED)**

NAME OF BIDDER .....

POSTAL ..... ADDRESS

STREET ..... ADDRESS

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

CELLPHONE  
NUMBER.....

FACSIMILE NUMBER .....

E-MAIL ADDRESS .....

VAT REGISTRATION  
NUMBER.....

SIGNATURE OF BIDDER  
.....

DATE.....

CAPACITY UNDER WHICH THIS BID IS  
SIGNED.....

---

**ANY ENQUIRIES REGARDING THE PROPOSAL PROCEDURE MAY BE DIRECTED TO:**

**Contact Person:** Ms A Sewmohan

**Tel:** 033 – 355 5455

**ANY ENQUIRIES REGARDING TECHNICAL INFORMATION MAY BE DIRECTED TO:**

**Contact Person:** Mr S Mathonsi

**Tel:** 033 – 355 5527

## **SECTION B**

### **NOTES AND SPECIAL INSTRUCTIONS TO SERVICE PROVIDERS**

1. PLEASE NOTE THAT THIS QUOTATION IS SUBJECT TO TREASURY REGULATIONS 16A ISSUED IN TERMS OF THE PUBLIC FINANCE MANAGEMENT ACT, 1999, THE KWAZULU-NATAL SUPPLY CHAIN MANAGEMENT POLICY FRAMEWORK AND THE GENERAL CONDITIONS OF CONTRACT.

1. Unless inconsistent with or expressly indicated otherwise by the context, the singular shall include the plural and visa versa and with words importing the masculine gender shall include the feminine and the neuter.
2. Under no circumstances whatsoever may the proposal be retyped or redrafted. Photocopies of the documentation may be used, but an original signature must appear on such photocopies.
3. The bidder is advised to check the number of pages and to satisfy himself that none are missing or duplicated.
4. Proposals submitted must be complete in all respects.
5. Proposals shall be lodged at the address indicated not later than the closing time specified for their receipt, and in accordance with the directives in the bid documents.
6. Each proposal shall be addressed in accordance with the directives in the proposal document and shall be lodged in a separate sealed envelope, with the name and address of the bidder, the bid number and closing date indicated on the envelope. The envelope shall not contain documents relating to any quotation other than that shown on the envelope. If this provision is not complied with, such proposals may be rejected as being invalid.
7. All proposals received in sealed envelopes with the relevant bid numbers on the envelopes are kept unopened in safe custody until the closing time of the proposals. Where, however, a proposal is received open, it shall be sealed. If it is received without a proposal number on the envelope, it shall be opened, the proposal number ascertained, the envelope sealed and the proposal number written on the envelope.
8. A specific box is provided for the receipt of proposals, and no proposals found in any other box or elsewhere subsequent to the closing date and time of proposal will be considered.
9. No proposals sent via post will be considered.
10. No proposals submitted by telefax, telegraphic or other electronic means will be considered.
11. Proposal documents must not be included in packages containing samples. Such proposals may be rejected as being invalid.
12. Any alteration made by the bidder must be initialed.
13. Use of correcting fluid is prohibited
14. Proposals will be opened in public as soon as practicable after the closing time of proposal.
15. Where practical, prices are made public at the time of opening proposal.
16. If it is desired to make more than one offer against any individual item, such offers should be given on a photocopy of the page in question. Clear indication thereof must be stated on the schedules attached.

## **SECTION C**

### **REGISTRATION ON THE CENTRAL SUPPLIERS DATABASE**

- 1 In terms of the Public Finance Management Act (PFMA), 1999 (Act No 1 of 1999) Section 38 (1) (a) (iii) and 51 (1) (iii) and Section 76 (4) of PFMA National Treasury developed a single platform, The Central Supplier Database (CSD) for the registration of prospective suppliers including the verification functionality of key supplier information.
- 2 Prospective suppliers will be able to self-register on the CSD website: [www.csd.gov.za](http://www.csd.gov.za)
- 3 Once the supplier information has been verified with external data sources by National Treasury a unique supplier number and security code will be allocated and communicated to the supplier. Suppliers will be required to keep their data updated regularly and should confirm at least once a year that their data is still current and updated.
- 4 Suppliers can provide their CSD supplier number and unique security code to organs of state to view their verified CSD information.

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**CSD Number**

## **SECTION D**

**DECLARATION THAT INFORMATION ON CENTRAL SUPPLIER DATABASE IS  
CORRECT AND UP TO DATE**

(To be completed by bidder)

THIS IS TO CERTIFY THAT I (name of bidder/authorised representative).....

....., WHO REPRESENTS (state name of bidder).....

.....

AM AWARE OF THE CONTENTS OF THE CENTRAL SUPPLIER'S DATABASE WITH RESPECT TO THE BIDDER'S DETAILS AND REGISTRATION INFORMATION, AND THAT THE SAID INFORMATION IS CORRECT AND UP TO DATE AS ON THE DATE OF SUBMITTING THIS QUOTATION/BID.

AND I AM AWARE THAT INCORRECT OR OUTDATED INFORMATION MAY BE A CAUSE FOR DISQUALIFICATION OF THIS QUOTATION/BID FROM THE BIDDING PROCESS, AND/OR POSSIBLE CANCELLATION OF THE CONTRACT THAT MAY BE AWARDED ON THE BASIS OF THIS BID.

.....  
**NAME OF BIDDER**

.....  
**SIGNATURE OF BIDDER OR AUTHORISED REPRESENTATIVE**

**DATE:**.....

## SECTION E DECLARATION OF INTEREST

1. Any legal person, including persons employed by the state<sup>1</sup>, or persons having a kinship with persons employed by the state, including a blood relationship, may make an offer or offers in terms of this invitation to bid (includes an advertised competitive bid, a limited bid, a proposal or written price quotation). In view of possible allegations of favouritism, should the resulting bid, or part thereof, be awarded to persons employed by the state, or to persons connected with or related to them, it is required that the bidder or his/her authorised representative declare his/her position in relation to the evaluating/adjudicating authority where-

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

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

- 2.1 Full Name of bidder or his or her representative:

.....

- 2.2 Identity

Number:.....  
.....

- 2.3 Position occupied in the Company (director, trustee, shareholder<sup>2</sup>, member):

.....

- 2.4 Registration number of company, enterprise, close corporation, partnership agreement or trust: .....

- 2.5 Tax Reference Number:

.....  
.

- 2.6 VAT Registration Number:

.....

- 2.6.1 The names of all directors / trustees / shareholders / members, their individual identity numbers, tax reference numbers and, if applicable, employee / PERSAL numbers must be indicated in paragraph 3 below.

- 2.7 Are you or any person connected with the bidder presently employed by the state?

**YES / NO**

- 2.7.1 If so, furnish the following particulars:

<sup>1</sup>“State” means –



- (a) any national or provincial department, national or provincial public entity or constitutional institution within the meaning of the Public Finance Management Act, 1999 (Act No. 1 of 1999);
- (b) any municipality or municipal entity;
- (c) provincial legislature;
- (d) national Assembly or the national Council of provinces; or
- (e) Parliament.

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

Name of person / director / trustee / shareholder/ member:

.....

Name of state institution at which you or the person connected to the bidder is employed :

.....

Position occupied in the state institution:

.....

Any other particulars:

.....

.....

.....

2.7.2 If you are presently employed by the state, did you obtain the appropriate authority to undertake remunerative work outside employment in the public sector?

**YES / NO**

2.7.2.1 If yes, did you attach proof of such authority to the bid document?

**YES / NO**

(Note: Failure to submit proof of such authority, where applicable, may result in the disqualification of the bid.

2.7.2.2 If no, furnish reasons for non-submission of such proof:

.....

.....

.....

2.8 Did you or your spouse, or any of the company's directors / trustees / shareholders / members or their spouses conduct business with the state in the previous twelve months?

**YES / NO**

2.8.1 If so, furnish particulars:

.....

.....

.....

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

**YES / NO**

2.9.1 If so, furnish particulars.

.....

.....

.....

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

**YES/NO**

2.10.1 If so, furnish particulars.

.....  
.....  
.....

2.11 Do you or any of the directors / trustees / shareholders / members of the company have any interest in any other related companies whether or not they are bidding for this contract? **YES/NO**

2.11.1 If so, furnish particulars:

.....  
.....  
.....

**3 Full details of directors / trustees / members / shareholders.**

Full Name	Identity Number	Personal Tax Number	Income Reference	State Employee Number / Persal Number

**4 DECLARATION**

I, THE UNDERSIGNED  
(NAME).....

CERTIFY THAT THE INFORMATION FURNISHED IN PARAGRAPHS 2 and 3  
ABOVE IS CORRECT.

I ACCEPT THAT THE STATE MAY REJECT THE BID OR ACT AGAINST ME

SHOULD THIS DECLARATION PROVE TO BE FALSE.

.....  
**Signature**

.....  
**Date**

.....  
**Position**

.....  
**Name of bidder**

SECTION F - OFFER

ZNQ 303/19/20

1. TOTAL PRICE FOR THE **THREE YEARS** OF THE CONTRCAT INCLUDING VAT: (**SEE PAGE 32 – PRICING INSTRUCTIONS**)

R.....

2. AMOUNT IN WORDS: .....

.....

3. TIME FOR COMPLETION/ DELIVERY: 36 calendar months

NAME OF BIDDER:

SIGNATURE

DATE:

.....

.....

.....

FOR OFFICE PURPOSES ONLY

**IMPORTANT**

Mark appropriate block with "X"

1. HAVE ANY ALTERATIONS BEEN MADE? YES NO

2. HAS AN ALTERNATIVE BID BEEN SUBMITTED? YES NO

3. **IF APPLICABLE:** DID THE BIDDER ATTEND THE OFFICIAL BRIEFING SESSION/ COMPULSORY SITE INSPECTION? YES NO

## **SECTION G**

### **TERMS OF REFERENCE**

#### **DEFINITIONS**

- “Department” means the Department of Public Works in the KwaZulu-Natal Provincial Administration.
- “Head” means the officer appointed to the post of Accounting Officer of the Department, who has signed this contract and shall include any person acting in that capacity.
- “Individual/Entity” means the person or persons, partnership, firm or company or close corporation, etc. whose proposal for this work has been accepted, and who has, or have, signed this Contract, and shall include his or her heirs, executors, administrators, successors, and any representative, duly appointed, with the consent in writing of the Employer.
- “Written instructions” means any printed, typed or written documents or letter signed by or on behalf of the Head and addressed to the “Individual/Entity for the purpose of his guidance, direction or instruction.

#### **1. INTRODUCTION**

- 1.1. The Green Building Unit of the KZN Department of Public Works currently run the Green Building Programme within the Head Office, Oliver Tambo Building, 191 Prince Alfred Street.
- 1.2. The KZN Department of Public Works invite proposals from suitably experienced and reputable professional service providers to supply, install and maintain smart water and electricity meters for the referenced buildings.
- 1.3. The general objectives of the procurement of smart meters are:
  - a. To mitigate the dependence of meeting APP targets on other spheres of government for information (municipal bills).
  - b. To provide live, uninterrupted access to operational energy and water consumption at all times.
  - c. To monitor, verify, evaluate and accurately report on operational consumption against municipal electricity and water bills.
  - d. To monitor the department’s utilities consumption rate and measure it against similar buildings or industry rates.
  - e. To formulate and set baseline for future building enhancement and occupant’s behavioral change.
- 1.4. This contract is for specific requirements for smart, remote energy and water metering and monitoring for Oliver Tambo Building (Head Office), Southern Regional Office, Midlands Regional Office, Ethekwini Regional Office and North Coast Regional Office. This includes all materials, equipment, software, installation, commissioning, training and maintenance of the above mentioned buildings.

- 1.5. The Bidder is responsible for all aspects of the project in the buildings including design, supply, delivery, installation, testing, training and provision of certificates of compliance, commissioning, warranty and maintenance. The smart meters selected must be sufficiently adaptable that other service providers can utilize them to provide monitoring and reporting services after termination of the contract.

## **2. BACKGROUND**

- 2.1. The KZN Department of Public Works intends to install smart, remote metering in five buildings, namely in Durban-Mayville, Ladysmith, uLundi and two in Pietermaritzburg, which are all owned and operated by the KwaZulu-Natal Department of Public works.
- 2.2. The smart, remote metering system located in Oliver Tambo Building, Pietermaritzburg will be the central monitoring system for various other KZN Department of Public Works office buildings. Consumption will be monitored and reported so as to facilitate effective energy and water management, reducing consumption and direct costs.
- 2.3. The Project is located in the following buildings:
  - a. KZN Department of Public Works, Head Office (Oliver Tambo Building), 191 Prince Alfred Street, Pietermaritzburg, 3201
  - b. Southern Regional Office, 10 Prince Alfred Street, Pietermaritzburg
  - c. Midlands Regional Office, 40 Shepstone Road, Ladysmith
  - d. Ethekwini Regional Office, 455 King Cetshwayo Highway, Mayville, Durban
  - e. North Coast Regional Office, King Dinuzulu Highway (R66), Ulundi

## **3. SCOPE OF WORK**

### **3.1. THE SCOPE OF WORKS**

- 3.1.1. Confirmation of Main Distribution Board Schematics.
- 3.1.2. Supply of Class 1, SABS approved, open protocol smart water meters and all ancillaries required for the correct operation of the smart meter.
- 3.1.3. Supply of Class 1, SABS approved, open protocol smart electricity meters and all ancillaries required for the correct operation of the smart meter.
- 3.1.4. Installation of the abovementioned smart meters.
- 3.1.5. Apply for all licenses and subscriptions that might be required for the installation of smart meters.

- 3.1.6. Transfer of data (metering information) to the data management platform. The platform shall allow expansion and addition of smart meters to it. This includes data transfer of existing Smart Meters to the data management platform. The data management platform shall be owned by the service provider and the department will enter to a lease agreement with the service provider and shall be able to access, view and retrieve data from the platform remotely.
- 3.1.7. Continuous Training/Skill Transfer for management and operation of the Data Management Platform.
- 3.1.8. Continuous Training/Skill Transfer for management and maintenance of the installed hardware.
- 3.1.9. Smart Meter Management & Maintenance plan.
- 3.1.10. Maintenance of installed Smart Meters for a period of three (3) years.
- 3.1.11. Any work that will cause power disruptions or water cuts shall be conducted after hours or on weekends and the client's representative shall be notified accordingly before work commences.

## **3.2. MANAGEMENT AND DELIVERABLES**

### **3.2.1. Meetings**

- 3.2.1.1. The Bidder will be required to attend and participate in project meetings on a regular basis which will take place at the offices of the KZN Department of Public Works, and keep records of all pertinent discussions. These are to be forwarded to the Employer Representative three working days after the meeting.

### **3.2.2. Workshops and Training**

- 3.2.2.1. Upon completion of the systems, the Bidder will provide a one-day training workshop for the Employer which will cover system safety, operation and regular maintenance. Training will be specific to the systems installed and will include a visit to the site. In addition, the Bidder is required to develop and effect a training programme for Facilities Management and Maintenance staff for the duration of the service execution with off-site support after contract completion.

### **3.2.3. Documentation**

- 3.2.3.1. To the extent possible, the Employer will provide all requested drawings and documentation to the Bidder relevant to the site. This may include electrical, architectural, and/or structural as-built drawings, as well as schedule and project management information.

### **3.2.4. Communication**

- 3.2.4.1. Communication between the Employer and the Bidder shall be to or from the Employer's Agent only, and in a form that can be readily read, copied and recorded. Communications shall be in the English Language. The Employer shall not take any responsibility for non-receipt of communications from or by the Bidder.
- 3.2.4.2. The Bidder will hold a weekly meeting with Employer to share relevant updates about project safety, schedule, setbacks and co-ordinate the same with the Employer. All information discussed in, or pertaining to this meeting will be forwarded to the Employer and Employer's Representative on a regular basis.

### **3.2.5. Bidder's supervision and Key people**

- 3.2.5.1. Site Representative – The Bidder keeps a site representative competent to administer and control the service continuously in the Working Areas during the execution of the service. The Bidder informs the Employer of the name of the site representative, and any instruction given to the site representative by the Employer is deemed to be given to the Bidder.

## **3.3. PROCUREMENT**

### **3.3.1. People and Employment**

- 3.3.1.1. The Bidder shall develop the detailed design in full compliance with local and international standards related to the electrical Works and specifically metering Works (where local codes are insufficient). A list of minimum applicable standards are provided in this bid document. The Bidder assumes full liability for the design.
- 3.3.1.2. The Bidder shall submit his designs to the Employer Representative for review and comment prior to procurement and installation of the Smart, Remote Metering System.

### **3.3.2. Equipment and Materials**

- 3.3.2.1. The Bidder is responsible for procurement of all equipment and materials that will be required to construct and operate the systems. These equipment and materials may include Meters, electrical cabling and conduit. The Bidder is responsible for any applicable import duties that should be paid. The Bidder is responsible for approving receipt of equipment, storing equipment prior to Works and transporting equipment to the Site.
- 3.3.2.2. The Bidder shall ensure that all materials used on site are transported, handled and stored in accordance with the manufacturer's recommendations. Material and equipment damaged shall be rejected and replaced with undamaged material at the Bidder's expense. Repair of damaged material will not generally be permitted. Rate are to include for



preventing damage and protecting equipment and materials through all stages of the installation and commissioning.

### **3.3.3. Spares and Vendor data requirements**

- 3.3.3.1. The Bidder shall be responsible for the procurement, transportation, offloading, care and custody of all equipment, materials and consumables as well as procuring of services required to complete the Works. In addition, the Bidder shall ensure the Employer is provided with a spare parts inventory list and maintenance plan at the end of the execution of the service.

### **3.3.4. Marking of Equipment and Materials**

- 3.3.4.1. The erection and installation of the system is to be carried out by skilled artisans, experienced in this type of work and under the personal supervision of the Bidder's site foreman, whose qualifications and experience to supervise this work must be acceptable to the Employer Representative. The system, when erected and installed, shall be of neat and workmanlike appearance, solidly and evenly supported, true to the line level, plumb and in proper working order. The drilling and grouting of all structural bolts, channels, etc. will be the responsibility of the Bidder under this contract.

### **3.3.5. Sub-Contracting arrangements**

- 3.3.5.1. The Bidder shall be responsible for the all sub-contractors including Meter installers, Meter suppliers and data management system developers.

### **3.3.6. Programme**

- 3.3.6.1. A detailed programme shall be finalized within 10 days after the tender has been awarded. The Bidder shall only deviate from this programme if the Employer Representative approves. However, the Employer Representative reserves the right to alter the programme if necessary. This programme shall be regarded as a binding document and the handover date (first delivery) shall be the date stipulated on the programme. The penalty clause will be applied from the 'handover date'.

### **3.3.7. Off-loading, stacking and liability for breakages**

- 3.3.7.1. The Bidder will be required, at his own expense, to make all arrangements for off-loading and carefully stacking all equipment and materials delivered under this contract on the Site of the Works. The off-loading and stacking shall be carried out strictly in accordance with the requirements of the Employer Representative as to permit a thorough and careful examination and testing of all items for breakages, fractures, etc.

- 3.3.7.2. Equipment and materials shall be stored on-site at the cost of the Bidder who shall be fully responsible for its protection against theft or damage by water, weather, fire and any interference until such time as it is erected and installed, put into satisfactory operation and accepted by the Employer as complete.

### **3.3.8. Handling during off-loading, storage and installation**

- 3.3.8.1. It is the responsibility of the Bidder for the appropriate handling during off-loading, storage and installation of all components according to the specification of the manufacturer. Damages due to improper handling shall be covered by the expense of the Bidder.

### **3.3.9. Storage**

- 3.3.9.1. Facilities for extended storage on site for equipment and materials may not always be available and the Bidder shall therefore make his own arrangements for any off-site storage, which may be required for equipment and materials, which become available before delivery to the Site and installation thereof can be commenced.

### **3.3.10. Inspections, testing and commissioning**

- 3.3.10.1. All equipment and materials will be carefully examined upon delivery at the site and all items showing defects or damage of any description shall be laid aside as not being in accordance with the requirements of the contract and these shall be removed and replaced by the Bidder at his own cost.
- 3.3.10.2. On completion of the installation, the Bidder shall test and commission the installation to provide the following information as a minimum:
- a. Visual inspections including the following:
    - Broken or cracked Meter
    - Broken or loose module mounting mechanisms
    - Signs of delamination or water infiltration
    - Loose electrical connections
  - b. Electrical testing in accordance with the latest edition of SANS 10142 as well as demonstration to the Employer Representative and verification of the following:
    - Correct operation of metering (quadrant of operation)
    - Verification of Meter output
- 3.3.10.3. Undertake tests to prove that the individual Meters are providing the correct output for the correct irradiance conditions at time of commissioning. Allow for verification at alternative times if installation is likely to be commissioned during winter.

### **3.3.11. Preparing post Completion maintenance and management plan**

- 3.3.11.1. The Bidder will provide all necessary maintenance of the installed system. In addition, the Bidder will provide operation, management, development and maintenance information following the commissioning of the Systems. The Bidder will guarantee the performance of the Metering Systems for a three (3) year Guarantee period using a Dashboard approach.

### **3.3.12. Bidder's equipment**

- 3.3.12.1. The Bidder is required to furnish all equipment necessary for the successful completion of installation and commissioning of the Systems. This includes but is not limited to site mobilisation, procurement of tools, implements and equipment needed to transport materials to Site and complete installation of the Systems.

## **3.4. INSTALLATIONS**

### **3.4.1. Schematics**

- 3.4.1.1. The Metering Bidder is expected to verify the schematics for the buildings such that the accuracy of the metered feeders can form an accurate metering pyramid.
- 3.4.1.2. The abovementioned buildings are to have meters installed for the following:
- Check Meter
  - Generator Meter
  - Loads >100kVA
  - Water Meters
  - Detection of Excessive usage, Leakage etc.
  - Detection of Excessive load, Power failure etc.

### **3.4.2. Meters**

- 3.4.2.1. All Meters are to be Open Protocol, Class 1 accuracy and preferably SABS approved. Bidders are to submit test certificates at the time of tender to ensure that the Meters offered comply with the specifications.
- 3.4.2.2. Where it is indicated, the introduction into the metering software is to allow for a "Virtual Meter" to be created. This is to occur where the summation of two Meters will provide a calculation point. This is to be undertaken by vectorally summing the components and may be used when:
- a. Two incomers are summed for check metering
  - b. Two floor Meters exist for a single floor.

### **3.4.3. Current Transformers**

- 3.4.3.1. Current Transformers of appropriate rates are to be installed for each Meter that requires them. Should direct reading Meters be used, it is the onus of the Bidder to ensure that the feeders are suitably sized and access can be gained to the point of Metering.
- 3.4.3.2. All current transformers are to have Class 1 accuracy. Both fixed pattern CT's and split core CT's are acceptable. As installation forms part of this tender, the successful Bidder is to advise which option is to be used in this case.

### **3.4.4. Potential Inputs**

- 3.4.4.1. All potentials to Meter are to be adequately rated to ensure protection of the Meter. This is to take the form of HRC fuses with bases mounted at the load side of the circuit breaker being metered.
- 3.4.4.2. Where incomers and all feeders greater than 150 Amps are being metered, the Metering Bidder is to ensure that the fault level of each DB is adhered to for all items including "fault free zones".

### **3.4.5. Data Network**

- 3.4.5.1. The data network for the building is to be ring-fenced. No reliance on internal Wi-Fi or computer networks may be made. It is expected that the Meters will use the GPRS/3G/4G cellular system for data communication. Where Meters are to be grouped on a single network, the required RS485 network linking the Meters is the responsibility of the Metering Bidder.

### **3.4.6. Typology**

- 3.4.6.1. The following topologies are approved. Should the Bidder wish to propose an alternative, they shall include at the time of tender all required details in order that an adjudication can be made:
  - 3.4.6.1.1. Bus Topology – Connection between Meters must be by way of a RS485 network cable with consolidated communication. Where constraint on the number of Meters per bus exists, this is to be allowed for by way of multiple buses.
  - 3.4.6.1.2. Power Line Carrier (PLC) – Should an offer be made with the basis of data transfer to be via Power Line, the Bidder shall note the required number of networks, in particular relating to the feeder groups per transformer, where more than one transformer per building supplies the load.

- 3.4.6.1.3. Single Meter Typology – Where Meters are installed that provide data on the basis that each Meter communicates to the GPRS network individually, the required SIM and registration is carried out by the Metering Bidder.

### **3.4.7. General**

- 3.4.7.1. The following buildings are to be taken as the starting point for this project and are generally as follows:

- 3.4.7.1.1. Oliver Tambo Building, 191 Prince Alfred Str, Pietermaritzburg – The Main Distribution Board is located in the basement of the building and is fed from a single transformer. Electricity metering will be required on the basement level of the building, where the main distribution board is located, in order to ensure a check Meter against the Msunduzi Municipality municipal bills can be made.

- a. Should any booster antenna or other method of improving signal strength in the basement be required, this is to form part of the offer for this project.

- 3.4.7.2. Southern Regional Office, 10 Prince Alfred Street, Pietermaritzburg

- 3.4.7.3. Midlands Regional Office, 40 Shepstone Road, Ladysmith

- 3.4.7.4. Ethekeini Regional Office, 455 King Cetshwayo Highway, Mayville, Durban

- 3.4.7.5. North Coast Regional Office, King Dinuzulu Highway (R66), Ulundi

### **3.4.8. Water Meters**

- 3.4.8.1. As part of this project, the use of water is to be monitored and forms part of the dash board. Water Meters are to be typically installed on the following:

- a. Main Incomer

- 3.4.8.2. It will be the responsibility of the successful Bidder to arrange a time to be able to cut in such a Meter. All items regarding the pulses and validation of pulse values, aggregation of pulse counting is to be undertaken to ensure usage can be monitored and reported in a similar manner as with energy usage.

### **3.4.9. Existing Buildings**

- 3.4.9.1. Existing Metering Incorporation – Where buildings are already equipped with Smart Meters, these are to be incorporated onto the data management system (depending on compatibility) for monitoring and reporting.

### **3.4.10. Data Management Platform**

- 3.4.10.1. On an on-going basis, buildings shall be created on a web based server. The concept being that any authorized persons with approved username and password will have access to a portion of the whole database for the KZN Department of Public Works (KZNDPW) buildings.
- 3.4.10.2. It would be expected that the KZNDPW host the service, however have numerous Client Departments be able to access the information similarly protected.
- 3.4.10.3. It is proposed that each Meter for each building would be available on the system. This data shall then be displayed graphically by way of a Load Profile with time selectable inputs, such as:
- Today
  - Week to date
  - Month to date
  - Year to date
  - Previous week (scrollable to select a particular week)
  - Previous month
  - Previous year
  - Date input by user.
- 3.4.10.4. The load profiles for each Meter are to be ascertained along with other information such as load factor etc.
- 3.4.10.5. On this basis, if a time period is selected from the data and based on the selection of the tariff options from the Supply Authority, the generation of costings or billing are to be taken from this database. Allowance for this to be:
- Business and General rate (kWh)
  - Two part Maximum Demand (kVA) and Energy (kWh)
  - Time of use
- 3.4.10.6. Where in-feed points are envisaged for photovoltaic installations, the full four quadrant metering is to be available to allow monitoring and reporting of inward and outward power flows. Reporting must include savings that are achieved in Energy and Maximum Demand, and the Rand values of these.
- 3.4.10.7. Also important for the system is monitoring the Meter themselves as well as the various networks. Items such as phasor diagrams for each meter are important maintenance and fault finding tools (excessive usage, excessive load, water leakage etc.). These are to be available from the web based system.

- 3.4.10.8. This system is to be scaleable. It will start with five buildings with a few meters and, as the KZNDPW roll out proceeds, a larger system with many buildings and thousands of Meters.
- 3.4.10.9. This system must be open for further development and additions by the KZNDPW to incorporate newer model Meters, new installations etc.

#### **3.4.11. Dashboard**

- 3.4.11.1. From the data received from the Meters, the Web based system shall provide information to be interpreted and utilized in many ways.
- 3.4.11.2. The concept of providing energy targets for each building or even each floor can be provided by a dashboard. This is to be generated by the Web based system, but will require the KZNDPW monitoring and input. This shall include:
- Energy use per square meter on a floor by floor basis
  - Energy per square meter per building
  - Energy use per capital of occupation
  - Target of energy in graphical format
- 3.4.11.3. All these are to be available, plus any other metrics that may be required.
- 3.4.11.4. Graphical Comparisons of energy from one month to the next (or annually) are to be aggregated in order to have these summarized by way of:
- Floor (or occupying section)
  - Building
  - Group of Buildings
  - Type of buildings (Offices/Hospitals/Schools etc.)
- 3.4.11.5. All the above must be downloadable in an easy-to-use format and also in printable format. Detailed data must be available for download in Excel and/or .csv format.
- 3.4.11.6. Bidders are to submit proposed default dashboards at time of tender. Due allowance for input from the KZNDPW and the Employer Representative is to be allowed in order to ensure that these are designed and function as required.

#### **3.4.12. Monitoring & Reporting**

- 3.4.12.1. The employer via the dashboard, must be able to monitor the electricity and water consumption closely and sufficiently to quickly identify anomalies in usage patterns and any other abnormal, excessive or hazardous situations.

3.4.12.2. Water supply monitoring must be such as to detect leaks very quickly (within 2 minutes maximum), and reporting must include immediate and effective alarm notifications to the Employer, such as to minimise wastage and water damage.

3.4.12.3. Electricity monitoring must identify specific abnormalities such as:

- Failure of automatic controls, or of personnel, to switch off major loads during normally OFF hours, e.g. Lighting, Air-conditioning, Heating
- Failure of power factor correction systems
- Excessive load caused by malfunction of equipment.

3.4.12.4. In these and similar cases, reporting must include prompt (within 2 days) and effective alarm notifications to the Employer, such as to minimise wastage and costs thereof.

### **3.4.13. Ownership of Data and Data Management Platform**

3.4.13.1. It is presently the aim of the KZNDPW to continue to roll-out a metering programme over a longer period of time. Therefore, in order for competitive tenders to be called in the future, any system offered is to ensure that the KZNDPW has access to the data transmitted from each of the Meters.

## **4. REQUIRED QUALIFICATION, SKILLS AND COMPETENCIES**

- 4.1. The KZN Department of Public Works invite proposals from suitably experienced and reputable professional service providers to supply, install and maintain smart water and electricity meters for the referenced buildings.
- 4.2. The bidder must have at least three (3) years of experience in the supply, installation and maintenance of smart water and electricity meters.
- 4.3. The project must be undertaken and/or overseen by a suitably qualified and experienced electrical and water technicians/engineers. The Bidder must have someone who would be able to certify installed/completed work in terms of issuing all compliance certificates required.

## **5. EVALUATION CRITERIA**

- 5.1. The evaluation will be undertaken in four phases as indicated below and any non-compliance with the requirements of each phase will render your proposal as being non-responsive.

### **PHASE 1: Pre-Qualifying Criteria**

The following pre-qualifying criteria is applicable to the evaluation of this proposal and only proposals received from individuals/entities who meet this criteria will be considered:

- An EME



## PHASE 2: Responsiveness Criteria

- Correctness of proposal documents
- Compliance with bid regulations (registration with Central Suppliers database, tax clearance compliance, completion of the tender document,
- Adherence to the requirements of the scope of work
- Compliance with the required qualification, skills and competencies

## PHASE 3: Functionality scoring

- A minimum total of 70 points will be required to be responsive
- In addition to the minimum 70 points, the bidder shall also have to achieve the specified sub-minimum in each of the evaluation sub-categories in order to be considered responsive.
- Only bidders who score a combined total of 56 points for Category 1, 2, 3 and 4 will be invited to conduct a high level presentation. Bidders who score below 56 points will be considered non-responsive and not considered further.
- Bidders who fail to score the minimum threshold points and/or the total required 70 points will be considered non-responsive and will be disqualified and will not be considered further.
- Bidders must submit the required detailed information to comply with the specified evaluation criteria.
- Ambiguous, vague or unclear statements provided in the documentation responding to the functionality criteria ***will be excluded from the evaluation.***

Evaluation Criteria		Deliverables	Points	Sub-Points		Sub-Criteria
1.	<b>Financial Standing (Minimum of 8 points required)</b>		10 Points			
	Bidder to demonstrate their financial capacity in order to undertake the project	3 months bank statement as proof of working capital	4 of 4	4 of 4	Sub-points	Proof of working capital of at least 10% of project value
				2 of 4	Sub-points	Proof to cover working capital of at least 5% of project value
				1 of 4	Sub-points	Proof to cover working capital of at least 2,5% of project value
		Official letter from the bank commenting on bidder's historical management of the account	2 of 2	2 of 2	Sub-points	1 Sub-Point per signed letter on letterhead stipulating credit limit. (Max 5 Letters) – Letter must Not be older than 12 months
		Proof of availability of smart meters without upfront payment	4 of 4	4 of 4	Sub-points	Proof that water and energy smart meters as well as associated equipment for at least two project buildings are readily available or can be prior to the project commencement without requirement upfront payment
2	<b>Competency, Experience and Resource Capacity (Minimum of 20 points required)</b>		30 Points			
	Proof of registration with professional bodies	Bidder to demonstrate their technical competency, submission of relevant professional body registration certificates (i.e ECSA).	6 of 6	6 of 6	Sub-points	2 certificates
				3 of 6	Sub-points	1 certificate
		Proof that bidder's smart meter products are SABS approved/certified.	8 of 8	4	Sub-points	Water smart meter approval/certificate from SABS
				4	Sub-points	Energy smart meter approval/certificate from SABS
	Bidder to demonstrate technical competency and relevant project experience	Practical completion certificate/letter signed by the project leader/organization	3 of 3	3 of 3	Sub-points	3 or more certificates
				2 of 3	Sub-points	2 certificates
				1 of 3	Sub-points	1 certificate
		Final completion certificate/letter signed by the project leader/organization	9 of 9	9 of 9	Sub-points	Final completion certificates for project value exceeding R150 000 – 2 points per project
				5 of 9	Sub-points	Final completion certificates for project value exceeding R100 000 – 1,5 point per project

	Bidder to demonstrate technical competency and relevant project experience			2 of 9	Sub-points	Final completion certificates for project value exceeding R50 000 – 1 point per project
		Reference letter from the consultants/clients/project managers for all the above listed projects stating the tenderers workmanship, technical skills, time/programme management	4 of 4	4 of 4		3 letters or more
				2 of 4	Sub-points	2 letters
				1 of 4	Sub-points	1 letter
3	Bidder’s Project Management Structure and Organogram (Minimum of 20 points required)		30	Points		
	Demonstration of the Bidder’s human resource capacity and technical competency for the project	Detailed company organogram	5 of 5	1	Sub-points	Name and surname
				3	Sub-points	Role and capacity
				1	Sub-points	Years of experience at the specified role
		Detailed proposed project team organogram that sets out the roles and responsibilities of each proposed team member, which is backed up by their curriculum vitae accompanied by proof of qualifications or competency certificates; demonstrating extensive experience in projects of similar value and nature.	25 of 25	15	Sub-points	A detailed curriculum vitae of the project team containing relevant qualifications, competency certificates and experience in the installation/maintenance of smart meters
				3	Sub-points	All proposed project team members have listed at least 3 contactable references in their CVs
				2	Sub-points	All key project team members have experience working on projects of similar value and nature
				5	Sub-points	Proof all the proposed project team members are under the employ of the bidder i.e UIF contributions, employment contract or signed letter of appointment.

4	Methodology and Approach (Minimum of 8 points required)		10	Points		
	Bidder to demonstrate their technical and project management capabilities	Detailed description of scope of work	7 of 7	1	Sub-points	Site establishment indicating proposed layout for all prescribed facilities, etc.
				4	Sub-points	Installation and commissioning approach & Methodology (Detailed work plan/programme on how the bidder intends to carry out the installation and maintenance of smart meters without hindering the Department's functions (i.e No power or water cut)
				1	Sub-points	Programme and progress reporting, including tracking of long lead procurement items
				1	Sub-points	OHS Management, compliance and reporting
		Proof that the recommended smart meters brand/make has got service support in the Kwa-Zulu Natal Province for at least ten years. Provide documentation to illustrate that there are current service level agreements or maintenance contracts for the recommended brand/make that are at least two years in duration.	2 of 2	1	Sub-points	Proof of installation and maintenance of the recommended smart meters in at least two buildings in KwaZulu-Natal by the bidder.
				1	Sub-points	At least two service level agreements or maintenance contracts for the recommended smart meter brand that are at least two years in duration.
			Proof of office location – entities whose offices resides.	1 of 1	1	Sub-points

#### **BIDDERS TO NOTE**

**ONLY BIDDERS WHO SCORE THE SUB-QUALIFYING MINIMUM OF 56 POINTS (8 FOR SECTION 1, 20 FOR SECTION 2, 20 FOR SECTION 3 AND 8 FOR SECTION 4) WILL BE INVITED TO CONDUCT A HIGH LEVEL PRESENTATION AS PER REQUIREMENTS INDICATED BELOW IN SECTION 5.**

PRESENTATION AFTER REQUIREMENTS INDICATED BELOW IN SECTION 6:						
5	Presentation/Interview (Minimum of 12 points required)		20	Points		
	Presentation in line with the scope of work.	Presentation skills	5 of 5	5 of 5	Sub-points	Excellent presentation
				3 of 5	Sub-points	Good presentation
				1 of 5	Sub-points	Average presentation

	Presentation in line with the scope of work.	Presentation matches the scope of work requirements	15 of 15	15 of 15	Sub-points	Scope of work requirements matched
		<b>TOTAL POINTS</b>	<b>100</b>			

#### **PHASE 4: Points for price and preference**

##### **PREFERENCE POINTS CLAIM FORM IN TERMS OF THE PREFERENTIAL PROCUREMENT REGULATIONS 2017**

**NB: BEFORE COMPLETING THIS FORM, BIDDERS MUST STUDY THE GENERAL CONDITIONS, DEFINITIONS AND DIRECTIVES APPLICABLE IN RESPECT OF B-BBEE, AS PRESCRIBED IN THE PREFERENTIAL PROCUREMENT REGULATIONS, 2017.**

#### **GENERAL CONDITIONS**

- 1.1 The following preference point systems are applicable to all bids:
- the 80/20 system for requirements with a Rand value of up to R50 000 000 (all applicable taxes included)
- 1.2 The value of this bid is estimated not to exceed R50 000 000 (all applicable taxes included) and therefore the 80/20 Preference point system shall be applicable.
- 1.3 Points for this bid shall be awarded for:
- (a) Price; and
  - (b) B-BBEE Status Level of Contributor.
- 1.4 The maximum points for this bid are allocated as follows:

<b>DESCRIPTION</b>	<b>POINTS</b>
<b>PRICE</b>	<b>80</b>
<b>B-BBEE STATUS LEVEL OF CONTRIBUTOR</b>	<b>20</b>
<b>Total points for Price and B-BBEE must not exceed</b>	<b>100</b>

- 1.5 Failure on the part of a Bidder to submit proof of B-BBEE Status level of contributor together with the bid, will be interpreted to mean that preference points for B-BBEE status level of contribution are not claimed.
- 1.6 The purchaser reserves the right to require of a Bidder, either before a bid is adjudicated or at any time

subsequently, to substantiate any claim in regard to preferences, in any manner required by the purchaser.

## 5.2. DEFINITIONS

- (a) **“B-BBEE”** means broad-based black economic empowerment as defined in section 1 of the Broad-Based Black Economic Empowerment Act;
- (b) **“B-BBEE status level of contributor”** means the B-BBEE status of an entity in terms of a code of good practice on black economic empowerment, issued in terms of section 9(1) of the Broad-Based Black Economic Empowerment Act;
- (c) **“BID”** means a written offer in a prescribed or stipulated form in response to an invitation by an organ of state for the provision of goods or services, through price BIDs, advertised competitive quoting processes or proposals;
- (d) **“Broad-Based Black Economic Empowerment Act”** means the Broad-Based Black Economic Empowerment Act, 2003 (Act No. 53 of 2003);
- (e) **“EME”** means an Exempted Micro Enterprise in terms of a code of good practice on black economic empowerment issued in terms of section 9 (1) of the Broad-Based Black Economic Empowerment Act;
- (f) **“functionality”** means the ability of a tenderer to provide goods or services in accordance with specifications as set out in the tender documents.
- (g) **“prices”** includes all applicable taxes less all unconditional discounts;
- (h) **“proof of B-BBEE status level of contributor”** means:
  - 1) B-BBEE Status level certificate issued by an authorized body or person;
  - 2) A sworn affidavit as prescribed by the B-BBEE Codes of Good Practice;
  - 3) Any other requirement prescribed in terms of the B-BBEE Act;
- (i) **“QSE”** means a qualifying small business enterprise in terms of a code of good practice on black economic empowerment issued in terms of section 9 (1) of the Broad-Based Black Economic Empowerment Act;
- (j) **“rand value”** means the total estimated value of a contract in Rand, calculated at the time of bid invitation, and includes all applicable taxes;

## 5.3. POINTS AWARDED FOR PRICE

### 5.3.1. THE 80/20 PREFERENCE POINT SYSTEMS

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

**80/20**

Where

Ps = Points scored for price of bid under consideration

Pt = Price of bid under consideration

Pmin = Price of lowest acceptable bid

#### 5.4. POINTS AWARDED FOR B-BBEE STATUS LEVEL OF CONTRIBUTOR

- 5.4.1. In terms of Regulation 6 (2) and 7 (2) of the Preferential Procurement Regulations, preference points must be awarded to a Bidder for attaining the B-BBEE status level of contribution in accordance with the table below:

B-BBEE Status Level of Contributor	Number of points (80/20 system)
1	20
2	18
3	14
4	12
5	8
6	6
7	4
8	2
Non-compliant contributor	0

#### 5.5. BID DECLARATION

- 5.5.1. Bidders who claim points in respect of B-BBEE Status Level of Contribution must complete the following:

##### 5.5.2. B-BBEE STATUS LEVEL OF CONTRIBUTOR CLAIMED

- 5.5.3. B-BBEE Status Level of Contributor: ..... = ...20.....(maximum of 10 or 20 points)

#### 5.6. SUB-CONTRACTING

- 5.6.1. Will any portion of the contract be sub-contracted?

(Tick applicable box)

YES		NO	
-----	--	----	--

5.6.2. If yes, indicate:

- i) What percentage of the contract will be subcontracted.....%
- ii) The name of the sub-contractor.....
- iii) The B-BBEE status level of the sub-contractor.....
- iv) Whether the sub-contractor is an EME or QSE

*(Tick applicable box)*

YES		NO	
-----	--	----	--

Specify, by ticking the appropriate box, if subcontracting with an enterprise in terms of Preferential Procurement Regulations, 2017:

Designated Group: An EME or QSE which is at last 51% owned by:	EME	QSE
	√	√
Black people		
Black people who are youth		
Black people who are women		
Black people with disabilities		
Black people living in rural or underdeveloped areas or townships		
Cooperative owned by black people		
Black people who are military veterans		
OR		
Any EME		
Any QSE		



**5.7. DECLARATION WITH REGARD TO COMPANY/FIRM**

5.7.1. Name of company/firm:.....

5.7.2. VAT registration number:.....

5.7.3. Company registration number:.....

**5.7.4. TYPE OF COMPANY/ FIRM**

☐ Partnership/Joint Venture / Consortium

☐ One person business/sole propriety

☐ Close corporation

☐ Company

☐ (Pty) Limited

[TICK APPLICABLE BOX]

**5.7.5. DESCRIBE PRINCIPAL BUSINESS ACTIVITIES**

.....  
.....  
.....  
.....

**5.7.6. COMPANY CLASSIFICATION**

☐ Manufacturer

☐ Supplier

☐ Professional service provider

☐ Other service providers, e.g. transporter, etc.

[TICK APPLICABLE BOX]

5.7.7. Total number of years the company/firm has been in business:.....

5.7.8. I/we, the undersigned, who is / are duly authorised to do so on behalf of the company/firm, certify that the points claimed, based on the B-BBE status level of contributor indicated in paragraphs 5.5.3 and 5.6.2 of the foregoing certificate, qualifies the company/ firm for the preference(s) shown and I / we acknowledge that:

i) The information furnished is true and correct;

ii) The preference points claimed are in accordance with the General Conditions as indicated in paragraph 1 of this form;

- iii) In the event of a contract being awarded as a result of points claimed as shown in paragraphs 5.5.3 and 5.6.2, the contractor may be required to furnish documentary proof to the satisfaction of the purchaser that the claims are correct;
- iv) If the B-BBEE status level of contributor has been claimed or obtained on a fraudulent basis or any of the conditions of contract have not been fulfilled, the purchaser may, in addition to any other remedy it may have –
  - (a) disqualify the person from the quoting process;
  - (b) recover costs, losses or damages it has incurred or suffered as a result of that person's conduct;
  - (c) cancel the contract and claim any damages which it has suffered as a result of having to make less favourable arrangements due to such cancellation;
  - (d) recommend that the Bidder or contractor, its shareholders and directors, or only the shareholders and directors who acted on a fraudulent basis, be restricted by the National Treasury from obtaining business from any organ of state for a period not exceeding 10 years, after the *audi alteram partem* (hear the other side) rule has been applied; and
  - (e) forward the matter for criminal prosecution.

#### WITNESSES

1. ....

2. ....

.....

SIGNATURE(S) OF BIDDERS(S)

DATE: .....

ADDRESS .....

## 6. PRICING INSTRUCTIONS

- 6.1. Price according to Section 3.2 – Management and Deliverables and Section 3.4 – Installations.

**Total price carried to Bid Form (Section F) : R\_\_\_\_\_**

## 7. INDEMNITY

- 7.1. KZN DPW will not be held responsible for any costs incurred by the bidder/s in the preparation and submission of the proposals.

- 7.2.** KZN DPW is not bound to select any of the firms submitting proposals, and reserves the right not to award the contract to the bidder with the lowest bidding price.

## **8. COMPULSORY COMPLIANCE DOCUMENTATION**

- (i) Certified copies of Business Registration Documents, Shareholding Certificates, and Identity Documents of the Shareholders.
- (ii) Certified copy of the BBBEE Rating Certificate or an EME sworn affidavit
- (iii) Certified copy(s) of Joint Venture / Consortium Agreement (if applicable)

## **9. KZN DPW's RIGHTS RESERVED AND CONTRACT**

The KZN DPW reserves the right to cancel this proposal at any time prior to the award of the bid, which right shall be exercised at its sole discretion. In such event of cancellation, the KZN DPW will not be accountable for any costs which bidders may have expended on the bid process.

The KZN DPW will enter into a contract with the successful bidder in accordance with the Standard General Conditions of Contract in use by the National Treasury for such government contracts, which it shall at its sole discretion, amend in accordance with the Technical Requirements of the Bid and the successful bidder's response thereto, in order to effectively govern the successful delivery of the products and services purchased under this bid process.

## **10. CLARIFICATION**

The KZN DPW reserves the right to solicit clarification to any material presented in its proposal but is not obliged to do so.

## **11. VALIDITY**

This proposal shall be valid for a period of ninety (90) calendar days calculated from the closing time specified.

## SECTION H

### TAX COMPLIANCE STATUS (TCS)

- 1 The State / Province may not award a contract resulting from the invitation of quotations to a bidder who is not properly registered and up to date with tax payments or, has not made satisfactory arrangements with S A Revenue Services concerning due tax payments.
- 2 The South African Revenue Services (SARS) has phased out the issuing of paper Tax Clearance Certificates. From 18 April 2016 SARS introduced an enhanced Tax Compliance system. The new system allows taxpayers to obtain a Tax Compliance Status (TCS) PIN, which can be utilized by authorized third parties to verify taxpayers' compliance status on line via SARS e-filing.
- 3 Bidders are required to apply via e-filing at any SARS branch office nationally. The Tax Compliance Status (TCS) requirements are also available to foreign bidders / individuals who wish to submit bids.
- 4 SARS will then furnish the bidder with a Tax Compliance Status (TCS) **PIN** that will be valid for a period of 1 (one) year from the date of approval.
- 5 In bids where Consortia / Joint Venture / Sub-contractors are involved, each party must submit a separate Tax Compliance Status (TCS) **PIN**.
- 6 Application for Tax Compliance Status (TCS) **PIN** can be done via e-filing at any SARS branch office nationally or on the website [www.sars.gov.za](http://www.sars.gov.za).
- 7 Tax Clearance Certificates may be printed via e-filing. In order to use this provision, taxpayers will need to register with SARS as eFilers through the website [www.sars.gov.za](http://www.sars.gov.za).
- 8 Tax Compliance Status is not required for services below R30 000 ITO Practice Note Number: SCM 13 of 2007.
- 9 Kindly either provide an original tax clearance certificate, your tax number or pin number.

#### TAX NUMBER

--

#### PIN NUMBER

--

## AUTHORITY TO SIGN A QUOTATION

A.

### A.COMPANIES

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

#### AUTHORITY BY BOARD OF DIRECTORS

By resolution passed by the Board of Directors on.....20.....,.....  
Mr/Mrs/Miss..... (whose signature appears below) has been duly authorised to sign all documents in connection with this bid on behalf of

(Name of Company)

.....

IN HIS/HER CAPACITY AS: .....

SIGNED ON BEHALF OF COMPANY: .....  
(PRINT NAME)

SIGNATURE OF SIGNATORY: ..... DATE: .....

WITNESSES: 1 .....

2 .....

### B. SOLE PROPRIETOR (ONE - PERSON BUSINESS)

I, the undersigned..... hereby confirm that I am the sole owner of the business trading as .....

.....

.....  
**SIGNATURE**  
(PRINT NAME)

.....  
**DATE**

### C. PARTNERSHIP

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

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

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

..... <b>SIGNATURE</b> (PRINT NAME)	..... <b>SIGNATURE</b> (PRINT NAME)	..... <b>SIGNATURE</b> (PRINT NAME)
-------------------------------------------	-------------------------------------------	-------------------------------------------

..... <b>DATE</b>	..... <b>DATE</b>	..... <b>DATE</b>
----------------------	----------------------	----------------------

### D. CLOSE CORPORATION

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

By resolution of members at a meeting on ..... 20..... at .....

.....Mr/Mrs/Miss.....,  
whose  
signature appears below, has been authorised to sign all documents in connection with this  
bid on behalf of (Name of Close Corporation) .....

**SIGNED ON BEHALF OF CLOSE CORPORATION:**  
..... (PRINT NAME)

**IN HIS/HER CAPACITY AS** ..... **DATE:** .....

**SIGNATURE OF SIGNATORY:** .....

**WITNESSES: 1** .....

2 .....

**E CO-OPERATIVE**

A certified copy of the Constitution of the co-operative must be included with the bid, together with the resolution by its members authoring a member or other official of the co-operative to sign the bid documents on their behalf.

By resolution of members at a meeting on ..... 20..... at .....  
Mr/Mrs/Miss....., whose signature appears  
below, has been authorised to sign all documents in connection with this bid on behalf of  
(Name of co-operative).....

**SIGNATURE OF AUTHORISED REPRESENTATIVE/SIGNATORY:**  
(PRINT NAME)

.....

**IN HIS/HER CAPACITY AS:**.....

**DATE:** .....

**SIGNED ON BEHALF OF CO-OPERATIVE:**.....

**NAME IN BLOCK  
LETTERS:**.....

**WITNESSES: 1** .....

2 .....

## **F JOINT VENTURE**

If a bidder is a joint venture, a certified copy of the resolution/agreement passed/reached signed by the duly authorised representatives of the enterprises, authorising the representatives who sign this bid to do so, as well as to sign any contract resulting from this bid and any other documents and correspondence in connection with this bid and/or contract on behalf of the joint venture must be submitted with this bid, before the closing time and date of the bid.

### **AUTHORITY TO SIGN ON BEHALF OF THE JOINT VENTURE**

By resolution/agreement passed/reached by the joint venture partners on.....20.....

Mr/Mrs/Miss.....,Mr/Mrs/Miss.....,

Mr/Mrs/Miss.....and Mr/Mrs/Miss.....

(whose signatures appear below) have been duly authorised to sign all documents in connection with this bid on behalf of:

(Name of Joint Venture).....

**IN HIS/HER CAPACITY AS:**.....

**SIGNED ON BEHALF OF (COMPANY NAME):**.....  
(PRINT NAME)

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

**IN HIS/HER CAPACITY AS:**.....

**SIGNED ON BEHALF OF (COMPANY NAME):**.....  
(PRINT NAME)

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

**IN HIS/HER CAPACITY AS:**.....

**SIGNED ON BEHALF OF (COMPANY NAME):**.....  
(PRINT NAME)

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

**IN HIS/HER CAPACITY AS:**.....

**SIGNED ON BEHALF OF (COMPANY NAME):**.....  
(PRINT NAME)

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



**G. CONSORTIUM**

If a bidder is a consortium, a certified copy of the resolution/agreement passed/reached signed by the duly authorised representatives of concerned enterprises, authorising the representatives who sign this bid to do so, as well as to sign any contract resulting from this bid and any other documents and correspondence in connection with this bid and/or contract on behalf of the consortium must be submitted with this bid, before the closing time and date of the bid.

**AUTHORITY TO SIGN ON BEHALF OF THE CONSORTIUM**

By resolution/agreement passed/reached by the consortium on.....20...

Mr/Mrs/Miss.....  
(whose signature appears below) have been duly authorised to sign all documents in connection with this bid on behalf of:

(Name of Consortium).....

**IN HIS/HER CAPACITY**

**AS:**.....

**SIGNATURE:**..... **DATE:**.....  
(PRINT NAME)

**SECTION J**  
**DECLARATION OF BIDDER'S PAST SUPPLY CHAIN MANAGEMENT PRACTICES**

(To be completed by Bidder.)

- 1 This Standard Bidding Document must form part of all bids invited.
- 2 It serves as a declaration to be used by institutions in ensuring that when goods and services are being procured, all reasonable steps are taken to combat the abuse of the supply chain management system.
- 3 The bid of any bidder may be disregarded if that bidder, or any of its directors have-
  - a. abused the institution's supply chain management system;
  - b. committed fraud or any other improper conduct in relation to such system; or
  - c. failed to perform on any previous contract.
- 4 **In order to give effect to the above, the following questionnaire must be completed and submitted with the bid.**

Item	Question	Yes	No
4.1	<p>Is the bidder or any of its directors listed on the National Treasury's Database of Restricted Suppliers as companies or persons prohibited from doing business with the public sector?</p> <p>(Companies or persons who are listed on this Database were informed in writing of this restriction by the Accounting Officer/Authority of the institution that imposed the restriction after the <i>audi alteram partem</i> rule was applied).</p> <p><b>The Database of Restricted Suppliers now resides on the National Treasury's website(<a href="http://www.treasury.gov.za">www.treasury.gov.za</a>) and can be accessed by clicking on its link at the bottom of the home page.</b></p>	Yes <input type="checkbox"/>	No <input type="checkbox"/>
4.1.1	If so, furnish particulars:		
4.2	<p>Is the bidder or any of its directors listed on the Register for Tender Defaulters in terms of section 29 of the Prevention and Combating of Corrupt Activities Act (No 12 of 2004)?</p> <p><b>The Register for Tender Defaulters can be accessed on the National Treasury's website (<a href="http://www.treasury.gov.za">www.treasury.gov.za</a>) by clicking on its link at the bottom of the home page.</b></p>	Yes <input type="checkbox"/>	No <input type="checkbox"/>
4.2.1	If so, furnish particulars:		

4.3	Was the bidder or any of its directors convicted by a court of law (including a court outside of the Republic of South Africa) for fraud or corruption during the past five years?	Yes <input type="checkbox"/>	No <input type="checkbox"/>
4.3.1	If so, furnish particulars:		
4.4	Was any contract between the bidder and any organ of state terminated during the past five years on account of failure to perform on or comply with the contract?	Yes <input type="checkbox"/>	No <input type="checkbox"/>
4.4.1	If so, furnish particulars:		

### CERTIFICATION

I, THE UNDERSIGNED (FULL NAME).....

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

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

.....  
**Signature**

.....  
**Date**

.....  
**Position**

.....  
**Name of Bidder**

## SECTION K CERTIFICATE OF INDEPENDENT BID DETERMINATION

- 1 This Standard Bidding Document (SBD) must form part of all bids<sup>1</sup> invited.
- 2 Section 4 (1) (b) (iii) of the Competition Act No. 89 of 1998, as amended, prohibits an agreement between, or concerted practice by, firms, or a decision by an association of firms, if it is between parties in a horizontal relationship and if it involves collusive bidding (or bid rigging).<sup>2</sup> Collusive bidding is a *pe se* prohibition meaning that it cannot be justified under any grounds.
- 3 Treasury Regulation 16A9 prescribes that accounting officers and accounting authorities must take all reasonable steps to prevent abuse of the supply chain management system and authorizes accounting officers and accounting authorities to:
  - a. disregard the bid of any bidder if that bidder, or any of its directors have abused the institution's supply chain management system and or committed fraud or any other improper conduct in relation to such system.
  - b. cancel a contract awarded to a supplier of goods and services if the supplier committed any corrupt or fraudulent act during the bidding process or the execution of that contract.
- 4 This SBD serves as a certificate of declaration that would be used by institutions to ensure that, when bids are considered, reasonable steps are taken to prevent any form of bid-rigging.
- 5 In order to give effect to the above, the attached Certificate of Bid Determination (SBD 9) must be completed and submitted with the bid:

**<sup>1</sup> Includes price quotations, advertised competitive bids, limited bids and proposals.**

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

I, the undersigned, in submitting the accompanying bid:

---

(Bid Number and Description)

in response to the invitation for the bid made by:

---

(Name of Institution)

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

I certify, on behalf

of: \_\_\_\_\_ that:

(Name of Bidder)

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

- (e) the submission of a bid which does not meet the specifications and conditions of the bid; or
  - (f) bidding with the intention not to win the bid.
8. In addition, there have been no consultations, communications, agreements or arrangements with any competitor regarding the quality, quantity, specifications and conditions or delivery particulars of the products or services to which this bid invitation relates.
9. The terms of the accompanying bid have not been, and will not be, disclosed by the bidder, directly or indirectly, to any competitor, prior to the date and time of the official bid opening or of the awarding of the contract.
10. I am aware that, in addition and without prejudice to any other remedy provided to combat any restrictive practices related to bids and contracts, bids that are suspicious will be reported to the Competition Commission for investigation and possible imposition of administrative penalties in terms of section 59 of the Competition Act No 89 of 1998 and or may be reported to the National Prosecuting Authority (NPA) for criminal investigation and or may be restricted from conducting business with the public sector for a period not exceeding ten (10) years in terms of the Prevention and Combating of Corrupt Activities Act No 12 of 2004 or any other applicable legislation.

.....

.....

Signature

Date

.....

.....

Position

Name of Bidder

<sup>3</sup> Joint venture or Consortium means an association of persons for the purpose of combining their expertise, property, capital, efforts, skill and knowledge in an activity for the execution of a contract.

## **ANNEXURE B**

### **GENERAL CONDITIONS OF CONTRACT**

#### **1. Definitions**

1. The following terms shall be interpreted as indicated:

1.1 "Closing time" means the date and hour specified in the bidding documents for the receipt of bids.

1.2 "Contract" means the written agreement entered into between the purchaser and the supplier, as recorded in the contract form signed by the parties, including all attachments and appendices thereto and all documents incorporated by reference therein.

1.3 "Contract price" means the price payable to the supplier under the contract for the full and proper performance of his contractual obligations.

1.4 "Corrupt practice" means the offering, giving, receiving, or soliciting of any thing of value to influence the action of a public official in the procurement process or in contract execution.

1.5 "Countervailing duties" are imposed in cases where an enterprise abroad is subsidized by its government and encouraged to market its products internationally.

1.6 "Country of origin" means the place where the goods were mined, grown or produced or from which the services are supplied. Goods are produced when, through manufacturing, processing or substantial and major assembly of components, a commercially recognized new product results that is substantially different in basic characteristics or in purpose or utility from its components.

1.7 "Day" means calendar day.

1.8 "Delivery" means delivery in compliance of the conditions of the contract or order.

1.9 "Delivery ex stock" means immediate delivery directly from stock actually on hand.

1.10 "Delivery into consignees store or to his site" means delivered and unloaded in the specified store or depot or on the specified site in compliance with the conditions of the contract or order, the supplier bearing all risks and charges involved until the supplies are so delivered and a valid receipt is obtained.

1.11 "Dumping" occurs when a private enterprise abroad market its goods on own initiative in the RSA at lower prices than that of the country of origin and which have the potential to harm the local industries in the RSA.

1.12 "Force majeure" means an event beyond the control of the supplier and not involving the supplier's fault or negligence and not foreseeable. Such events may include, but is not restricted to, acts of the purchaser in its sovereign capacity, wars or revolutions, fires, floods, epidemics, quarantine restrictions and freight embargoes.

1.13 “Fraudulent practice” means a misrepresentation of facts in order to influence a procurement process or the execution of a contract to the detriment of any bidder, and includes collusive practice among bidders (prior to or after bid submission) designed to establish bid prices at artificial non-competitive levels and to deprive the bidder of the benefits of free and open competition.

1.14 “GCC” means the General Conditions of Contract.

1.15 “Goods” means all of the equipment, machinery, and/or other materials that the supplier is required to supply to the purchaser under the contract.

1.16 “Imported content” means that portion of the bidding price represented by the cost of components, parts or materials which have been or are still to be imported (whether by the supplier or his subcontractors) and which costs are inclusive of the costs abroad, plus freight and other direct importation costs such as landing costs, dock dues, import duty, sales duty or other similar tax or duty at the South African place of entry as well as transportation and handling charges to the factory in the Republic where the supplies covered by the bid will be manufactured.

1.17 “Local content” means that portion of the bidding price which is not included in the imported content provided that local manufacture does take place.

1.18 “Manufacture” means the production of products in a factory using labour, materials, components and machinery and includes other related value-adding activities.

1.19 “Order” means an official written order issued for the supply of goods or works or the rendering of a service.

1.20 “Project site,” where applicable, means the place indicated in bidding documents.

1.21 “Purchaser” means the organization purchasing the goods.

1.22 “Republic” means the Republic of South Africa.

1.23 “SCC” means the Special Conditions of Contract.

1.24 “Services” means those functional services ancillary to the supply of the goods, such as transportation and any other incidental services, such as installation, commissioning, provision of technical assistance, training, catering, gardening, security, maintenance and other such

obligations of the supplier covered under the contract.

1.25 “Written” or “in writing” means handwritten in ink or any form of electronic or mechanical writing.

1.26 NOTE: reference to “bids”, “bidder”, “tender”, and “quotations” mean a “Proposer” or “Proposal”.

## **2. Application**

2.1 These general conditions are applicable to all bids, contracts and orders including bids for functional and professional services, sales, hiring, letting and the granting or acquiring of



rights, but excluding immovable property, unless otherwise indicated in the bidding documents.

2.2 Where applicable, special conditions of contract are also laid down to cover specific supplies, services or works.

2.3 Where such special conditions of contract are in conflict with these general conditions, the special conditions shall apply.

### **3. General**

3.1 Unless otherwise indicated in the bidding documents, the purchaser shall not be liable for any expense incurred in the preparation and submission of a bid. Where applicable a non-refundable fee for documents may be charged.

3.2 With certain exceptions, invitations to bid are only published in the Government Tender Bulletin. The Government Tender Bulletin may be obtained directly from the Government Printer, Private Bag X85, Pretoria 0001, or accessed electronically from [www.treasury.gov.za](http://www.treasury.gov.za)

### **4. Standards**

4.1 The goods supplied shall conform to the standards mentioned in the bidding documents and specifications.

### **5. Use of contract documents and information; inspection.**

5.1 The supplier shall not, without the purchaser's prior written consent, disclose the contract, or any provision thereof, or any specification, plan, drawing, pattern, sample, or information furnished by or on behalf of the purchaser in connection therewith, to any person other than a person employed by the supplier in the performance of the contract. Disclosure to any such employed person shall be made in confidence and shall extend only so far as may be necessary for purposes of such performance.

5.2 The supplier shall not, without the purchaser's prior written consent, make use of any document or information mentioned in GCC clause 5. except for purposes of performing the contract.

5.3 Any document, other than the contract itself mentioned in GCC clause 5.1 shall remain the property of the purchaser and shall be returned (all copies) to the purchaser on completion of the supplier's performance under the contract if so required by the purchaser.

5.4 The supplier shall permit the purchaser to inspect the supplier's records relating to the performance of the supplier and to have them audited by auditors appointed by the purchaser, if so required by the purchaser.

### **6. Patent rights**

6.1 The supplier shall indemnify the purchaser against all third-party claims of infringement of patent, trademark, or industrial design rights arising from use of the goods or any part thereof by the purchaser.

### **7. Performance security**

7.1 Within thirty (30) days of receipt of the notification of contract award, the successful bidder shall furnish to the purchaser the performance security of the amount specified in SCC.

7.2 The proceeds of the performance security shall be payable to the purchaser as compensation for any loss resulting from the supplier's failure to complete his obligations under the contract.

7.3 The performance security shall be denominated in the currency of the contract, or in a freely convertible currency acceptable to the purchaser and shall be in one of the following forms:

(a) a bank guarantee or an irrevocable letter of credit issued by a reputable bank located in the purchaser's country or abroad, acceptable to the purchaser, in the form provided in the bidding documents or another form acceptable to the purchaser; or (b) a cashier's or certified cheque.

7.4 The performance security will be discharged by the purchaser and returned to the supplier not later than thirty (30) days following the date of completion of the supplier's performance obligations under the contract, including any warranty obligations, unless otherwise specified in SCC.

## **8. Inspections, tests and analyses**

8.1 All pre-bidding testing will be for the account of the bidder.

8.2 If it is a bid condition that supplies to be produced or services to be rendered should at any stage during production or execution or on completion be subject to inspection, the premises of the bidder or contractor shall be open, at all reasonable hours, for inspection by a representative of the Department or an organization acting on behalf of the Department.

8.3 If there are no inspection requirements indicated in the bidding documents and no mention is made in the contract, but during the contract period it is decided that inspections shall be carried out, the purchaser shall itself make the necessary arrangements, including payment arrangements with the testing authority concerned.

8.4 If the inspections, tests and analyses referred to in clauses 8.2 and 8.3 show the supplies to be in accordance with the contract requirements, the cost of the inspections, tests and analyses shall be defrayed by the purchaser.

8.5 Where the supplies or services referred to in clauses 8.2 and 8.3 do not comply with the contract requirements, irrespective of whether such supplies or services are accepted or not, the cost in connection with these inspections, tests or analyses shall be defrayed by the supplier.

8.6 Supplies and services which are referred to in clauses 8.2 and 8.3 and which do not comply with the contract requirements may be rejected.

8.7 Any contract supplies may on or after delivery be inspected, tested or analyzed and may be rejected if found not to comply with the requirements of the contract. Such rejected

supplies shall be held at the cost and risk of the supplier who shall, when called upon, remove them

immediately at his own cost and forthwith substitute them with supplies which do comply with the requirements of the contract. Failing such removal the rejected supplies shall be returned at the suppliers cost and risk. Should the supplier fail to provide the substitute supplies forthwith, the purchaser may, without giving the supplier further opportunity to substitute the rejected supplies, purchase such supplies as may be necessary at the expense of the supplier.

8.8 The provisions of clauses 8.4 to 8.7 shall not prejudice the right of the purchaser to cancel the contract on account of a breach of the conditions thereof, or to act in terms of Clause 23 of GCC.

## **9. Packing**

9.1 The supplier shall provide such packing of the goods as is required to prevent their damage or deterioration during transit to their final destination, as indicated in the contract. The packing shall be sufficient to withstand, without limitation, rough handling during transit and exposure to extreme temperatures, salt and precipitation during transit, and open storage. Packing, case size and weights shall take into consideration, where appropriate, the remoteness of the goods' final destination and the absence of heavy handling facilities at all points in transit.

9.2 The packing, marking, and documentation within and outside the packages shall comply strictly with such special requirements as shall be expressly provided for in the contract, including additional requirements, if any, specified in SCC, and in any subsequent

instructions ordered by the purchaser.

## **10. Delivery and documents**

10.1 Delivery of the goods shall be made by the supplier in accordance with the terms specified in the contract. The details of shipping and/or other documents to be furnished by the supplier are specified in SCC.

10.2 Documents to be submitted by the supplier are specified in SCC.

## **11. Insurance**

11.1 The goods supplied under the contract shall be fully insured in a freely convertible currency against loss or damage incidental to manufacture or acquisition, transportation, storage and delivery in the manner specified in the SCC.

## **12. Transportation**

12.1 Should a price other than an all-inclusive delivered price be required, this shall be specified in the SCC.

## **13. Incidental services**

13.1 The supplier may be required to provide any or all of the following services, including additional services, if any, specified in SCC:

- (a) performance or supervision of on-site assembly and/or commissioning of the supplied goods;
- (b) furnishing of tools required for assembly and/or maintenance of the supplied goods;
- (c) furnishing of a detailed operations and maintenance manual for each appropriate unit of the supplied goods;
- (d) performance or supervision or maintenance and/or repair of the supplied goods, for a period of time agreed by the parties, provided that this service shall not relieve the supplier of any warranty obligations under this contract; and
- (e) training of the purchaser's personnel, at the supplier's plant and/or on-site, in assembly, start-up, operation, maintenance, and/or repair of the supplied goods.

13.2 Prices charged by the supplier for incidental services, if not included in the contract price for the goods, shall be agreed upon in advance by the parties and shall not exceed the prevailing rates charged to other parties by the supplier for similar services.

#### **14. Spare parts**

14.1 As specified in SCC, the supplier may be required to provide any or all of the following materials, notifications, and information pertaining to spare parts manufactured or distributed by the supplier:

- (a) such spare parts as the purchaser may elect to purchase from the supplier, provided that this election shall not relieve the supplier of any warranty obligations under the contract; and
- (b) in the event of termination of production of the spare parts:
  - (i) Advance notification to the purchaser of the pending termination, in sufficient time to permit the purchaser to procure needed requirements; and
  - (ii) following such termination, furnishing at no cost to the purchaser, the blueprints, drawings, and specifications of the spare parts, if requested.

#### **15. Warranty**

15.1 The supplier warrants that the goods supplied under the contract are new, unused, of the most recent or current models, and that they incorporate all recent improvements in design and materials unless provided otherwise in the contract. The supplier further warrants that all goods supplied under this contract shall have no defect, arising from design, materials, or workmanship (except when the design and/or material is required by the purchaser's specifications) or from any act or omission of the supplier, that may develop under normal use of the supplied goods in the conditions prevailing in the country of final destination.

15.2 This warranty shall remain valid for twelve (12) months after the goods, or any portion thereof as the case may be, have been delivered to and accepted at the final destination indicated in the contract, or for eighteen (18) months after the date of shipment from the port or place of loading in the source country, whichever period concludes earlier, unless specified otherwise in SCC.

15.3 The purchaser shall promptly notify the supplier in writing of any claims arising under this warranty.

15.4 Upon receipt of such notice, the supplier shall, within the period specified in SCC and with all reasonable speed, repair or replace the defective goods or parts thereof, without costs to the purchaser.

15.5 If the supplier, having been notified, fails to remedy the defect(s) within the period specified in SCC, the purchaser may proceed to take such remedial action as may be necessary, at the supplier's risk and expense and without prejudice to any other rights which the purchaser

may have against the supplier under the contract.

## **16. Payment**

16.1 The method and conditions of payment to be made to the supplier under this contract shall be specified in SCC.

16.2 The supplier shall furnish the purchaser with an invoice accompanied by a copy of the delivery note and upon fulfillment of other obligations stipulated in the contract.

16.3 Payments shall be made promptly by the purchaser, but in no case later than thirty (30) days after submission of an invoice or claim by the supplier.

16.4 Payment will be made in Rand unless otherwise stipulated in SCC.

## **17. Prices**

17.1 Prices charged by the supplier for goods delivered and services performed under the contract shall not vary from the prices quoted by the supplier in his bid, with the exception of any price adjustments authorized in SCC or in the purchaser's request for bid validity extension, as the case may be.

## **18. Contract amendments**

18.1 No variation in or modification of the terms of the contract shall be made except by written amendment signed by the parties concerned.

## **19. Assignment**

19.1 The supplier shall not assign, in whole or in part, its obligations to perform under the contract, except with the purchaser's prior written consent.

## **20. Subcontracts**

20.1 The supplier shall notify the purchaser in writing of all subcontracts awarded under this contracts if not already specified in the bid. Such notification, in the original bid or later, shall not relieve the supplier from any liability or obligation under the contract.

## **21. Delays in the supplier's performance**

21.1 Delivery of the goods and performance of services shall be made by the supplier in accordance with the time schedule prescribed by the purchaser in the contract.

21.2 If at any time during performance of the contract, the supplier or its subcontractor(s) should encounter conditions impeding timely delivery of the goods and performance of services, the supplier shall promptly notify the purchaser in writing of the fact of the delay, its likely

duration and its cause(s). As soon as practicable after receipt of the supplier's notice, the purchaser shall evaluate the situation and may at his discretion extend the supplier's time for performance, with or without the imposition of penalties, in which case the extension shall be ratified by the parties by amendment of contract.

21.3 No provision in a contract shall be deemed to prohibit the obtaining of supplies or services from a national department, provincial department, or a local authority.

21.4 The right is reserved to procure outside of the contract small quantities or to have minor essential services executed if an emergency arises, the supplier's point of supply is not situated at or near the place where the supplies are required, or the supplier's services are not readily available.

21.5 Except as provided under GCC Clause 25, a delay by the supplier in the performance of its delivery obligations shall render the supplier liable to the imposition of penalties, pursuant to GCC Clause 22, unless an extension of time is agreed upon pursuant to GCC Clause 21.2 without the application of penalties.

21.6 Upon any delay beyond the delivery period in the case of a supplies contract, the purchaser shall, without canceling the contract, be entitled to purchase supplies of a similar quality and up to the same quantity in substitution of the goods not supplied in conformity with the contract

and to return any goods delivered later at the supplier's expense and risk, or to cancel the contract and buy such goods as may be required to complete the contract and without prejudice to his other rights, be entitled to claim damages from the supplier.

## **22. Penalties**

22.1 Subject to GCC Clause 25, if the supplier fails to deliver any or all of the goods or to perform the services within the period(s) specified in the contract, the purchaser shall, without prejudice to its other remedies under the contract, deduct from the contract price, as a penalty, a sum

calculated on the delivered price of the delayed goods or unperformed services using the current prime interest rate calculated for each day of the delay until actual delivery or performance. The purchaser may also consider termination of the contract pursuant to GCC Clause 23.

## **23. Termination for default**

23.1 The purchaser, without prejudice to any other remedy for breach of contract, by written notice of default sent to the supplier, may terminate this contract in whole or in part:

- (a) if the supplier fails to deliver any or all of the goods within the period(s) specified in the contract, or within any extension thereof granted by the purchaser pursuant to GCC

Clause 21.2;

(b) if the Supplier fails to perform any other obligation(s) under the contract; or

(c) if the supplier, in the judgment of the purchaser, has engaged in corrupt or fraudulent practices in competing for or in executing the contract.

23.2 In the event the purchaser terminates the contract in whole or in part, the purchaser may procure, upon such terms and in such manner as it deems appropriate, goods, works or services similar to those undelivered, and the supplier shall be liable to the purchaser for any excess costs for such similar goods, works or services. However, the supplier shall continue performance of the contract to the extent not terminated.

23.3 Where the purchaser terminates the contract in whole or in part, the purchaser may decide to impose a restriction penalty on the supplier by prohibiting such supplier from doing business with the public sector for a period not exceeding 10 years.

23.4 If a purchaser intends imposing a restriction on a supplier or any person associated with the supplier, the supplier will be allowed a time period of not more than fourteen (14) days to provide reasons why the envisaged restriction should not be imposed. Should the supplier fail to

respond within the stipulated fourteen (14) days the purchaser may regard the intended penalty as not objected against and may impose it on the supplier.

23.5 Any restriction imposed on any person by the Accounting Officer / Authority will, at the discretion of the Accounting Officer / Authority, also be applicable to any other enterprise or any partner, manager, director or other person who wholly or partly exercises or exercised or may exercise control over the enterprise of the first-mentioned person, and with which enterprise or person the first-mentioned person, is or was in the opinion of the Accounting Officer / Authority actively associated.

23.6 If a restriction is imposed, the purchaser must, within five (5) working days of such imposition, furnish the National Treasury, with the

following information:

- (i) the name and address of the supplier and / or person restricted by the purchaser;
- (ii) the date of commencement of the restriction
- (iii) the period of restriction; and
- (iv) the reasons for the restriction.

These details will be loaded in the National Treasury's central database of suppliers or persons prohibited from doing business with the public sector.

23.7 If a court of law convicts a person of an offence as contemplated in sections 12 or 13 of the Prevention and Combating of Corrupt Activities Act, No. 12 of 2004, the court may also rule that such person's name be endorsed on the Register for Tender Defaulters. When a person's name

has been endorsed on the Register, the person will be prohibited from doing business with the public sector for a period not less than five years and not more than 10 years. The National Treasury is empowered to determine the period of restriction and each case will be dealt with on its own merits. According to section 32 of the Act the Register must be open to the public. The Register can be perused on the National Treasury website.

#### **24. Anti-dumping and countervailing duties and rights**

24.1 When, after the date of bid, provisional payments are required, or antidumping or Countervailing duties are imposed, or the amount of a provisional payment or anti-dumping or countervailing right is increased in respect of any dumped or subsidized import, the State is not liable for any amount so required or imposed, or for the amount of any such increase. When, after the said date, such a provisional payment is no longer required or any such anti-dumping or countervailing right is abolished, or where the amount of such provisional payment or any such right is reduced, any such favourable difference shall on demand be paid forthwith by the contractor to the State or the State may deduct such amounts from moneys (if any) which may otherwise be due to the contractor in regard to supplies or services which he delivered or rendered, or is to deliver or render in terms of the contract or any other contract or any other amount which may be due to him

#### **25. Force Majeure**

25.1 Notwithstanding the provisions of GCC Clauses 22 and 23, the supplier shall not be liable for forfeiture of its performance security, damages, or termination for default if and to the extent that his delay in performance or other failure to perform his obligations under the contract is the result of an event of force majeure.

25.2 If a force majeure situation arises, the supplier shall promptly notify the purchaser in writing of such condition and the cause thereof. Unless otherwise directed by the purchaser in writing, the supplier shall continue to perform its obligations under the contract as far as is reasonably practical, and shall seek all reasonable alternative means for performance not prevented by the force majeure event.

#### **26. Termination for insolvency**

26.1 The purchaser may at any time terminate the contract by giving written notice to the supplier if the supplier becomes bankrupt or otherwise insolvent. In this event, termination will be without compensation to the supplier, provided that such termination will not prejudice or affect any right of action or remedy which has accrued or will accrue thereafter to the purchaser.

#### **27. Settlement of Disputes**

27.1 If any dispute or difference of any kind whatsoever arises between the purchaser and the supplier in connection with or arising out of the contract, the parties shall make every effort to resolve amicably such dispute or difference by mutual consultation.

27.2 If, after thirty (30) days, the parties have failed to resolve their dispute or difference by such mutual consultation, then either the purchaser or the supplier may give notice to the other party of his intention to commence with mediation. No mediation in respect of this matter may be commenced unless such notice is given to the other party.

27.3 Should it not be possible to settle a dispute by means of mediation, it may be settled in a South African court of law.



27.4 Mediation proceedings shall be conducted in accordance with the rules of procedure specified in the SCC.

27.5 Notwithstanding any reference to mediation and/or court proceedings herein,

(a) the parties shall continue to perform their respective obligations under the contract unless they otherwise agree; and

(b) the purchaser shall pay the supplier any monies due the supplier.

## **28. Limitation of liability**

28.1 Except in cases of criminal negligence or willful misconduct, and in the case of infringement pursuant to Clause 6;

(a) the supplier shall not be liable to the purchaser, whether in contract, tort, or otherwise, for any indirect or consequential loss or damage, loss of use, loss of production, or loss of profits or interest costs, provided that this exclusion shall not apply to any obligation of the supplier to pay penalties and/or damages to the purchaser; and

(b) the aggregate liability of the supplier to the purchaser, whether under the contract, in tort or otherwise, shall not exceed the total contract price, provided that this limitation shall not apply to the cost of repairing or replacing defective equipment.

## **29. Governing language**

29.1 The contract shall be written in English. All correspondence and other documents pertaining to the contract that is exchanged by the parties shall also be written in English.

## **30. Applicable law**

30.1 The contract shall be interpreted in accordance with South African laws, unless otherwise specified in SCC.

## **31. Notices**

31.1 Every written acceptance of a bid shall be posted to the supplier concerned by registered or certified mail and any other notice to him shall be posted by ordinary mail to the address furnished in his bid or to the address notified later by him in writing and such posting shall be deemed to be proper service of such notice

31.2 The time mentioned in the contract documents for performing any act after such aforesaid notice has been given, shall be reckoned from the date of posting of such notice.

## **32. Taxes and duties**

32.1 A foreign supplier shall be entirely responsible for all taxes, stamp duties, license fees, and other such levies imposed outside the purchaser's country.

32.2 A local supplier shall be entirely responsible for all taxes, duties, license fees, etc., incurred until delivery of the contracted goods to the purchaser.

32.3 No contract shall be concluded with any bidder whose tax matters are not in order. Prior to the award of a bid the Department must be in possession of a tax clearance certificate, submitted by the bidder. This certificate must be an original issued by the South African Revenue Services.

### **33. National Industrial Participation (NIP) Programme**

33.1 The NIP Programme administered by the Department of Trade and Industry shall be applicable to all contracts that are subject to the NIP obligation.

### **34 Prohibition of Restrictive practices**

34.1 In terms of section 4 (1) (b) (iii) of the Competition Act No. 89 of 1998, as amended, an agreement between, or concerted practice by, firms, or a decision by an association of firms, is prohibited if it is between parties in a horizontal relationship and if a bidder (s) is / are or a contractor(s) was / were involved in collusive bidding (or bid rigging).

34.2 If a bidder(s) or contractor(s), based on reasonable grounds or evidence obtained by the purchaser, has / have engaged in the restrictive practice referred to above, the purchaser may refer the matter to the Competition Commission for investigation and possible imposition of administrative penalties as contemplated in the Competition Act No. 89 of 1998.

34.3 If a bidder(s) or contractor(s), has / have been found guilty by the Competition Commission of the restrictive practice referred to above, the purchaser may, in addition and without prejudice to any other remedy provided for, invalidate the bid(s) for such item(s) offered, and / or terminate the contract in whole or part, and / or restrict the bidder(s) or contractor(s) from conducting business with the public sector for a period not exceeding ten (10) years and / or claim damages from the bidder(s) or contractor(s) concerned.

## **SPECIAL CONDITIONS OF CONTRACT**

### **1. GENERAL DUTIES**

- 1.1 The Individual/Entity shall, in addition to the duties specifically stated herein, do and perform all acts, matters and things which are required to achieve the objectives set by the Department in respect of the services required and shall also give advice in regard to any matter in line with his duties upon which the Accounting Officer may from time to time require assistance.
- 1.2 Written instructions changing the scope and/or other conditions of this Contract shall not vitiate the contract. Should the Individual/Entity however not be able to comply with a written instruction, or should compliance result in additional cost and/or staff, or reduction in cost and staff, related to this Contract, the Individual/Entity must notify the Accounting Officer in writing within seven days, giving full details and costs.
- 1.4 The Individual/Entity shall exercise all reasonable diligence and skill necessary for the proper and prompt execution of the duties called for and shall carry them out in accordance with the procedures of the Department at all times. The involvement of personnel of the Department in services related to the duties of the Individual/Entity will in no way relieve the Individual/Entity of responsibility in this regard.
- 1.5 The Individual/Entity shall perform all duties as may be prescribed in these Conditions promptly, efficiently and in a manner that will safeguard the Province's interests at all times and in due order and sequence.
- 1.6 Irrespective of the scope of this Contract being described as individual functions of Team members, the Contract remains the provisioning of services described in total and service delivery will not be subjected to the non-availability of individual members of the Team due to annual leave, strike, ill health and the like. Although the "Labour Act" may be applicable to the Individual/Entity it will not apply to the Department as far as the Team is concerned and the Individual/Entity must arrange for suitably qualified and experienced replacements in order that the services are not jeopardized.
- 1.7 The Individual/Entity shall comply with all Statutory registration requirements for his employees and pay all rates, taxes, levies, etc. and in particular insure the employees against injury on duty, as no claims in this regard, for whatever reason, will be entertained.

### **2. EQUIPMENT**

- 2.1 Portable computers and printers will be provided to the Individual/Entity.
- 2.2 The Department has standardized on specific software and systems, e.g. Microsoft products (Excel and Word). No software other than that provided by the Department or data from external sources will be allowed on Departmental computers, unless it is authorized by the Head for official purposes, and then only if verified by the Provincial I.T. representatives.
- 2.3 Cell phones, where required, must be provided at own cost by the Individual/Entity and, proven official calls only, will be reimbursed by the Department.

### **3. LANGUAGE MEDIUM**

The language medium for all documentation related to the Contract shall be in English.

### **4. PAYMENT**

- 4.1 Payment for services will be made monthly in accordance with the conditions determined in the Quotation price and at the particular tariffs/rates tendered and accepted. Where applicable,

travelling to and from meetings and attending same will be taken as official hours actually worked.

- 4.2 Payment shall be made by the Department within thirty days after receipt of a monthly detailed invoice, based on the conditions as determined above. The invoice must include all cell phone, subsistence and transport claims for the same period and must be certified correct and due by the Chief Financial Officer or an authorised representative.

## **5. TRANSPORT ALLOWANCES**

- 5.1 The Individual/Entity must provide all motor transport for his employees or himself and payment for the official use of motor transport, i.e. not for private purposes and not from home to office and back, will be made in accordance with the Province's tariff for the relevant vehicles as prescribed from time to time and the policy is as follows:
- 5.1.1 The "allowances payable for the use of privately-owned vehicles on official business" as published from time to time by the National Department of Transport in terms of the Annexure to Transport Circular No. 1 of 1977 (Transport Handbook on Tariffs for the use of Motor Transport), as amended, form the basis for claims by the Regional Program Manager for reimbursement of Travelling Costs/Expenses.
- 5.1.2 The rates paid to the Individual/Entity will be based on the engine capacity of the vehicle actually used, but will be limited to a maximum engine capacity of 1951 to 2150 cc.
- 5.1.3 The Individual/Entity will be required to have obtained prior permission from the Head to use and claim expenses in respect of a "4x4 light delivery vehicle" or "bus".
- 5.1.4 It will be the responsibility of the KwaZulu-Natal Department of Transport to extract the relevant portion from the transport circular issued from time to time by the National Department of Transport, and to advise Provincial Departments of any new rates to be used for reimbursement of consultants travel costs, which are inclusive of a 35 % mark up as per Treasury authority dated 18 December 1998 – Ref: FT 10/2/1/11 (385 – 98/99).
- 5.2 Claims for transport expenses must reflect the dates on which the journeys were undertaken, the distances travelled, the type of vehicles used and the purpose of the trips.
- 5.3 In cases where use is made of hired vehicles, the most economically sized motorcar available is to be used but the Head shall nevertheless restrict recovery of such expenses to the cost of a hired motorcar of not exceeding 2150 cc in engine capacity.
- 5.4 Air travel for official purposes must be approved by the Department and will be arranged and paid for by the Department.
- 5.5 To minimise costs, it is expected that the employees of the Individual/Entity and/or his staff and/or Departmental officials will travel together, where practicable, for the purpose of attending meetings.
- 5.6 Where journeys and costs are considered, in the Head's discretion to have been incurred unnecessary no claims for such costs will be considered.

## **6. SUBSISTENCE ALLOWANCES**

- 6.1 Subsistence allowances will be paid according to tariffs as laid down from time to time by the Head. Should the abovementioned tariff be inadequate, substantiated actual costs may be claimed with prior approval.
- 6.2 Subsistence allowances may only be claimed in respect of absence from office for every completed day of 24 hours at the prescribed daily subsistence rate and for every additional completed hour at the hourly subsistence rate.

6.3 Only actual costs are payable in respect of absence from office of less than 24 hours, provided the necessary substantiating invoices or receipts are submitted.

6.4 No payment for alcoholic beverages included in claims will be considered.

## **7. TERMINATION OF CONTRACT OR PART THEREOF**

7.1 The contract will terminate at the end of the contract period without any notice, unless prior written amendment has been made between the parties to extend the contract period.

7.2 Should the Individual/Entity fail to exercise his duties with reasonable diligence or fails or neglects to meet his obligations in terms of this contract, the Head may request in writing the rectification of same within fourteen days. Should the Individual/Entity after fourteen days and in the sole discretion of the Head, continue to fail to exercise his duties with reasonable diligence or fails or neglects to meet his obligations in terms of this contract, it will be regarded as breach of contract and the Head may terminate the Contract without further notice. Should the said failure have caused damage to the Department then the Head shall be entitled, without prejudice to any other rights, to claim such damage from the Individual/Entity

7.3 The Head reserves the right, with due consultation, to replace any employee of the Individual/Entity or the employees in total with Departmental officials or cease some or all of the functions of the Individual/Entity and may terminate the services and therefore terminate the appointment of the Individual/Entity and/or an employee(s) of the Individual/Entity before the expiry of the contract period.

7.4 The Individual/Entity may, upon reasonable notice and with due consultation and agreement by the Head, terminate the Contract or terminate the appointment of the Individual/Entity and/or an employee(s) before the expiry of the contract period or replace them with new person/s that meet the criteria set in these Conditions. Should the Head, as the final authority, not agree with such premature termination and/or replacement, it will be regarded as breach of contract and Head may terminate the Contract in total or in part.

7.5 Should the composition of the Team or the Individual/Entity company profile at senior, partner or director level be changed during this appointment, whether by death, sickness or any other reason, or if his estate sequestrated or liquidated, or if he be placed under judicial management or an administration order is issued against him by any Court, it is incumbent on the Contractor or his representative to immediately notify the Head in writing. A response shall be given by the Head in writing and until such time the Contract shall remain in force. The Head, however, reserves the right to terminate the Contract with immediate effect and to appoint any other Individual/Entity at his sole discretion.

7.6 The Individual/Entity shall not have the right to assign or transfer any benefit or obligation under this Contract to a third party and no part of this contract may be sub-let to any other person without the prior approval of the Head. Failure to observe this condition shall entitle the Head to terminate this Contract.

7.7 In the event of premature termination of the contract or part thereof by one party of the Contract then, should such premature action cause the other party undue financial loss, save for any other breach of contract, a reasonable re-imbursement shall be agreed upon and paid within thirty days after furnishing of proof of such loss.

7.8 In any event of termination of this Contract by any of the parties, for whatever reason, the Head will be entitled to the receipt of all documentation, papers and copies of computer disks with data and applicable software in the possession of the Individual/Entity and related to the functions of the appointment. The Head furthermore reserves the right to use such documentation, etc., for the purposes of continuing the functions as envisaged by the Scope of the Contract in whichever way the Head deems necessary.

7.9 The Individual/Entity or any of his staff or any associated person shall not divulge any information of any kind whatsoever during the validity of this Contract, or at any time thereafter to any person not officially concerned with the functions of the Department unless with prior written approval of the Head.

## **8. SETTLEMENT OF DISPUTES**

- 8.1 In case any dispute shall arise between the Department and the Individual/Entity out of the interpretation of these Conditions, such dispute shall, unless otherwise settled between the Head and the Contractor be first referred to a special committee for mediation appointed jointly by the Head and the Individual/Entity.
- 8.2 Should either of the parties fail to accept the results of mediation, the Head shall, at his sole discretion decide whether to refer the matter to either litigation or arbitration. Should the latter course of action be decided upon, the arbitrator shall be appointed by the Head on recommendation of the President of the South African Association of Arbitrators and approval by the Minister for Works and the Individual/Entity. Such approval may not be withheld without stated valid reason. The decision of the Arbitrator shall be final and binding on both parties.