



NEWCASTLE MUNICIPALITY

BUDGET AND TREASURY DEPARTMENT – REVENUE SERVICES

BID NO.: A009 - 2023/24

**PROVISION FOR INSTALLATION AND MANAGEMENT OF STS COMPLIANT
PREPAYMENT ELECTRICITY VENDING SYSTEM**

SUBMISSION OF BID DOCUMENT DEADLINE

Date: Friday, **21 JUNE 2024**

Time: 12h00

Venue: Municipal Civic Centre Offices (Rates Hall)
Tower Block Building, 37 Murchison Street, 1st Floor
Newcastle, 2940

Name of Bidder	
CSD Master Registration Number	
Physical Address	
Contact Person(s)	
Phone Number(s)	
E-Mail Address	

Sealed bid document must be deposited in the Tender Box provided at the Municipal Civic Centre (Rates Hall), 37 Murchison Street, Newcastle by no later than **12h00** on **21 JUNE 2024** where bids will be opened in public. Please be advised that the name, address and contact details should be written at the back of the envelope.

CONTENTS

PART A - ADMINISTRATIVE REQUIREMENTS IN TERMS OF THE SUPPLY CHAIN MANAGEMENT POLICY		PAGE NUMBER
1.	Checklist	4
2.	Bid Notice	5
3.	MBD 1 – Invitation to Bid	6
4.	General Conditions of Bid	8
5.	General Conditions of Contract	12
6.	Special Conditions of Contract	24
7.	Authority of Signatory	32
8.	Record of Addenda issued	34
9.	Banking Details	35
10.	Proof of Municipal Good Standing	36
11.	Central Supplier Database	38
12.	MBD 3.1 - Pricing Schedule – Firm Prices (Purchases)	39
13.	MBD 4 - Declaration of Interest	42
14.	MBD 6.1 - Preference Points Claim Form	45
15.	MBD 8 - Declaration of Bidder's Past Supply Chain Management Practices	50
16.	MBD 9 - Certificate of Independent Bid Declaration	52
PART B – SPECIFICATIONS AND PRICING SCHEDULE		
17.	Specifications	
18.	Eligibility Criteria	76
19.	Evaluation Criteria	77
20.	Pricing Schedule	80
21.	Technical Data, Omissions and Variations	83
22.	Schedule of Work Experience of the Bidder	84
23.	Declaration by Bidder	85



PART A—ADMINISTRATIVE REQUIREMENTS IN TERMS OF THE SUPPLY CHAIN MANAGEMENT POLICY

1. CHECKLIST

PLEASE ENSURE THAT THE FOLLOWING FORMS HAVE BEEN DULY COMPLETED AND SIGNED AND THAT ALL DOCUMENTS AS REQUESTED, ARE ATTACHED TO THE BID DOCUMENT:

Description	Yes/No			
	Yes		No	
Form of Offer and Acceptance Is the form duly completed and signed?	Yes		No	
Authority to Sign a Bid Is the form duly completed and is a certified copy of the resolution attached?	Yes		No	
MBD 1 – Invitation to Bid Is the form duly completed and signed?	Yes		No	
MBD 3.1 - Pricing Schedule – Firm Prices (Purchases) Is the form duly completed and signed?	Yes		No	
MBD 3.2 - Pricing Schedule – Non-Firm Prices (Purchases) Is the form duly completed and signed?	Yes		No	
MBD 4 Declaration of Interest Is the form duly completed and signed?	Yes		No	
MBD 6.1 Preference Points Claim Form Is the form duly completed and signed?	Yes		No	
MBD 8 Declaration of Past Supply Chain Practices Is the form duly completed and signed?	Yes		No	
MBD 9 Certificate of Independent Bid Determination Is the form duly completed and signed?	Yes		No	
Certificate of Payment of Municipal Accounts Is a certified copy of the latest (i.e. not older than three months) Municipal Account Statement attached?	Yes		No	
Experience of Bidder Is the form duly completed with relevant experience detailed and signed?	Yes		No	
Pricing schedule Is the form duly completed and signed?	Yes		No	
Central Supplier Database Is proof of registration attached?	Yes		No	

Name of Bidder			
Signature		Name (print)	
Capacity		Date	



2. BID NOTICE & INVITATION TO BID

BID NO: A009 - 2023/24

PROVISION FOR INSTALLATION AND MANAGEMENT OF STS COMPLIANT PREPAYMENT ELECTRICITY VENDING SYSTEM

In terms of section 110 of the municipal finance management act, 2003 (no. 56 of 2003), tenders are hereby invited for provision for installation and management of STS compliant prepayment electricity vending system for a period of 36 months.

Bid documents are obtainable from **16 May 2024**, at the office of the Strategic Executive Director: Budget and Treasury Office, Municipal Civic Centre Tower Block – Office B218 2nd Floor, 37 Murchison Street, Newcastle, 2940 during office hours between 08h00 to 15h00 upon a payment of a **non-refundable document fee of R 300.00**. **Alternatively, the document may be downloaded free of charge from the National Treasury website (www.etenders.gov.za).**

Banking Details - The Newcastle Municipality, ABSA – Account No: 4110354947, Br Code 632005 (the proof of payment must reflect the bid number and bidder's name as reference).

Procurement enquiries: Mrs D Marais

Telephone no.: 034 328 7769

Technical enquiries: Mrs. N Ndebele

Telephone no.: 034 328 7657

Bids will be adjudicated in terms of the Preferential Procurement Regulations, 2022 pertaining to Preferential Procurement Policy Framework Act, 5/2000 and other applicable legislations and will be based on 80/20 points scoring system. Preference points will be awarded to service providers based on Reconstruction and Development Programme - Government Gazette: 16085 (1994) initiatives. The bids will be valid for a period of one hundred and twenty (120) days from bid closing date. The Council reserves the right to accept all, some, or none of the bids submitted, either wholly or in part and it is not obliged to accept the lowest bid.

Completed bid documents complying with the conditions of bid must be sealed and endorsed **“Bid No: A009 - 2023/24 – PROVISION FOR INSTALLATION AND MANAGEMENT OF STS COMPLIANT PREPAYMENT ELECTRICITY VENDING SYSTEM FOR A PERIOD OF 36 MONTHS”** bearing the name and address of the bidder at the back of the envelope to be deposited in the official bid box provided in the foyer of Newcastle Municipality – Municipal Civic Offices (Rates Hall), 37 Murchison Street, 1st floor, Newcastle by no later than **12:00 on Friday, 21 June 2024** where bids will be opened in public. Late quotations or tenders received by way of facsimile or e-Mail will under no circumstances be considered.

Functional Evaluation

Only bids that comply with all administrative requirements (Acceptable Bids) will be considered during the functionality evaluation phase and the allocation of points will be based on functional criteria as indicated in the Terms of Reference.

Minimum functional requirement score: Service providers that submitted acceptable bids and that score at least **80%** on functionality will qualify for enlistment on the panel agreement.

Only prospective suppliers who are registered on the National Treasury Supplier database are legible to bid. To register on the CSD log onto www.csd.gov.za

Mr Z.W Mcineka
Municipal Manager

3. MBD 1: INVITATION TO BID
PART A

YOU ARE HEREBY INVITED TO BID FOR REQUIREMENTS OF THE NEWCASTLE MUNICIPALITY

Bid Number	A009 – 2023/24	Closing Date	21 June 2024	Closing Time	12h00
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Description	PROVISION FOR INSTALLATION AND MANAGEMENT OF STS COMPLIANT PREPAYMENT ELECTRICITY VENDING SYSTEM FOR A PERIODS OF 36 MONTHS.
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THE SUCCESSFUL BIDDER WILL BE REQUIRED TO FILL IN AND SIGN A WRITTEN CONTRACT FORM (MBD7).

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

**FIRST (1st) FLOOR OF THE NEWCASTLE MUNICIPALITY
MUNICIPAL CIVIC CENTRE OFFICES (RATES HALL)
37 MURCHISON STREET
NEWCASTLE
2940**

SUPPLIER INFORMATION

Name of Bidder					
Postal Address					
Street Address					
Telephone Number	Code		Number		
Cellphone Number					
Facsimile Number	Code		Number		
E-Mail Address					
Vat Registration Number					
Tax Compliance Status	TCS PIN:		OR	CSD No:	
Preferential points (80/20) or (90/10)	Price = 80 / 90	Preferent points = 20 / 10		Total = 100	

	20	10	Tick for claim
Specific Contract Participation Goals			
Black people (Equity HDI's)	8	4	
Black people with disability/	2	1	
Black people who are youth	2	1	
Black people who are women	4	2	
Locality (within Amajuba district)	4	2	
TOTAL HDI SCORE	20	10	

Total Number of Items Offered		Total Bid Price:
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Signature of Bidder		Date:
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Capacity under which this bid is signed:

ENQUIRIES MAY BE DIRECTED TO:

Bidding Procedure Enquiries		Technical enquiries
Contact person	Mrs D Marais	Mrs. N Ndebele
Telephone number	034 328 7769	034 328 7657
E-mail address	dalene.maraisi@newcastle.gov.za	Nonhlanhla.Ndebele@newcastle.gov.za

PART B
Terms and Conditions for Bidding

1. BID SUBMISSION:

- 1.1. Bids must be delivered by the stipulated time to the correct address. Late bids will not be accepted for consideration.
- 1.2. **All bids must be submitted on the official forms provided–(not to be re-typed) or online**
- 1.3. This bid is subject to the Preferential Procurement Policy Framework Act and the Preferential Procurement Regulations, 2022, the General Conditions of Contract (GCC) and, if applicable, any other special conditions of contract.

2. TAX COMPLIANCE REQUIREMENTS

- 2.1 Bidders must ensure compliance with their tax obligations.
- 2.2 Bidders are required to submit their unique Personal Identification Number (Pin) issued by SARS to enable the organ of state to view the taxpayer's profile and tax status.
- 2.3 Application for the Tax Compliance Status (TCS) certificate or Pin may also be made via e-filing. In order to use this provision, taxpayers will need to register with SARS as e-filers through the **website www.sars.gov.za**.
- 2.4 Foreign suppliers must complete the Pre-Award Questionnaire in part B:3.
- 2.5 Bidders may also submit a printed TCS certificate together with the bid.
- 2.6 In bids where consortia / joint ventures / sub-contractors are involved, each party must submit a separate TCS certificate / Pin / CSD number.
- 2.7 Where no TCS is available but the bidder is registered on the Central Supplier Database (CSD), a CSD number must be provided.

3. QUESTIONNAIRE TO BIDDING FOREIGN SUPPLIERS

- 3.1. Is the entity a resident of the Republic of South Africa (RSA)? Yes No
- 3.2. Does the entity have a branch in the RSA? Yes No
- 3.3. Does the entity have a permanent establishment in the RSA? Yes No
- 3.4. Does the entity have any source of income in the RSA? Yes No
- 3.5. Is the entity liable in the RSA for any form of taxation? Yes No

If the answer is "no" to all of the above, then it is not a requirement to register for a Tax Compliance Status System Pin Code from the South African Revenue Service (SARS) and if not register as per 2.3 above.

**NB: Failure to provide any of the above particulars may render the bid invalid.
No bids will be considered from persons in the service of the state.**

SIGNATURE OF BIDDER:

CAPACITY UNDER WHICH THIS BID IS SIGNED:

DATE:

4. GENERAL CONDITIONS OF BID

General conditions of Contract

This Bid is subject to the General Conditions of Contract (GCC) 2010 and, if applicable, any other Special Conditions of Contract.

1. Pricing

- 2.1. Rates and prices offered by the bidder must be written onto the pricing schedule or form of offer of this document by hand, completed in full and signed by the duly authorised signatory.
- 2.2. All prices shall be quoted in South African currency, and be **INCLUSIVE of VAT**. Bid prices that do not include VAT shall not be considered.
- 2.3. Bid prices must include all expenses, disbursements and costs (e.g. transport, accommodation etc.) which may be required for the execution of the bidder's obligations in terms of the Contract. Bid prices shall cover the cost of all general risks, liabilities and obligations set forth or implied in the Contract, as well as overhead charges and profit (in the event that the bid is successful), unless otherwise specified.
- 2.4. All bid prices will be final and binding.
 - 2.4.1. A bid will not be invalidated if the amount in words and the amount in figures do not correspond,
 - 2.4.2. in which case the amount in words shall be read out at the bid opening and shall be deemed to be the bid amount; therefore, where there is a discrepancy between the amount in figures and the amount in words, the amount in words shall apply.

2. Forward Exchange Rate Cover

- 3.1. In the event of price(s) based on the exchange rate, the successful bidder(s) will be required to obtain exchange rate cover in order to protect the Municipality against exchange rate variations.
- 3.2. The bidder must provide proof of forward exchange rate cover within 14 days after an order was placed.
- 3.3. If proof that forward exchange rate cover was taken out within 14 days after the order was placed but is not submitted to the Municipality along with the invoice, the contract price adjustment will not be accepted and the contract may be cancelled.

3. Submission of Bids

- 4.1. Sealed bids, with the "**Bid Number and Title**" clearly endorsed on the envelope, and must be deposited in the bid box on or before the closing date and time of the bid.
- 4.2. The bid box is in Municipal Civic Offices, 37 Murchison Street, Rates Hall, 1st Floor, Newcastle.
- 4.3. All literature must be securely attached to the bid. The Council shall not be held liable for any loss or damages sustained due to the service provider's failure to comply with this condition.

- 4.4. If a courier service company is being used for delivery of the bid document, the bidder description must be endorsed on the delivery note/courier packaging and the courier must ensure that documents are placed / deposited into the bid box. The Newcastle Municipality will not be held responsible for any bid document which is not timeously delivered, mislaid or incorrectly delivered due to the negligence of the courier company or any other party involved in the delivery of the bid document.

Please note:

- Bids that are deposited in the incorrect box will not be considered.
- Mailed, telegraphic or faxed tenders will not be accepted.
- Documents may only be completed in **black ink**.
- The use of correction fluid/tape on the bid documents is not allowed. If there is an error, draw a line through it, initial next to it and make the correction directly above /below/next to it.
- All bids must be submitted in writing on the official forms supplied (not to be re-typed).

5. Opening, Recording and Publications of Bids Received

- 5.1. Bids will be opened on the closing date immediately after the closing time specified in the bid documents. If requested by any bidder present, the names of the bidders, and if practical, the total amount of each bid and of any alternative bids will be read out aloud.
- 5.2. Details of bids received in time will be recorded in a register which is open to public inspection.
- 5.3. Any bid received after the appointed time for the closing of bids **will not be considered** but shall be filed unopened with the other bids received, which bid(s) can be returned to the bidder at his request and cost.

6. Validity Period

Bids shall remain valid for **one hundred and twenty (120) days** after the tender closure date.

7. Incorrect Information

Where a contract has been awarded on the strength of the information furnished by the bidder which after the conclusion of the relevant agreement, is proven to have been incorrect, the municipality may, in addition to any other legal remedy it has or may have, recover from the contractor all costs, losses or damages incurred or sustained by the municipality as a result of the award of the contract.

8. Withdrawal of Bid during and After the SCM Process:

- 8.1. When a bidder withdraws his/her bid during the SCM bidding process, it must be in writing, prior to the award of the bid, of which Newcastle holds the right to accept or reject with or without a claim for any damages.
- 8.2. When a bidder withdraws or cancels the contract after award of the bid to the particular winner of the bid, the awarded bidder will be held responsible for any damages or administrative expenses incurred prior to the award of the bid.

9. Invoices

All invoices must be forwarded to the following address:

Newcastle Municipality
Private Bag x6621
Newcastle, 2940

9.1. **Legal requirements for invoices**

9.1.1. Please ensure that your tax invoices complies with the requirements as stipulated by SARS (VAT Act No 89 of 1991), i.e.:

9.1.1.1. **Ordinary invoice (not VAT Registered)**

- a) The word „**INVOICE** “ in a prominent place
- b) Official invoice number and date of transaction
- c) Trade name, legal name, registration number (if any) and address supplier
- d) The Official order number of Newcastle Municipality is compulsory – non-compliance – no payment
- e) The Municipality's name and postal address (Private Bag X6621, Newcastle, 2940)
- f) Accurate description of goods and / or services supplied / provided.
- g) Unit of measurement of goods or services supplied
- h) Price

9.1.1.2. **VAT/Tax invoice (VAT registered)**

- a) Word „**TAX INVOICE**’ in a prominent place
- b) Trade, legal name and registration number (if any) of supplier
- c) Address and VAT number of supplier
- d) The official invoice number and date of invoice
- e) The Official order number of Newcastle Municipality is compulsory – non-compliance – no payment
- f) The Municipality's name and postal address (Private Bag X6621, Newcastle, 2940) and VAT registration number (4000791824)
- g) Accurate description of goods and / or services supplied / provided.
- h) Unit of measurement of goods or services supplied
- i) Price and VAT amount

10. **Payment Terms**

10.1. It is the policy of the Newcastle Municipality to pay all creditors by means of electronic bank transfers.

10.2. Creditors will be paid within 30 days after receipt of an invoice and statement for the month in question, detailing all invoices during that month and reflecting the total amount due by the Municipality. In exceptional circumstances, the Municipality may, at its discretion, deviate from the above.

11. **Poor Performance**

Where the supplier fails to render the services within the stipulated period, or should services rendered be deemed not to the satisfaction of the Newcastle Municipality, the tenderer will

receive written notice of poor performance. Failure to address performance issues could result in the entire contract being reviewed or cancelled.

12. Central Supplier Database

No awards will be made to a tenderer who is not registered on the Central Supplier Database.

13. Disbursements, Travel and Subsistence

13.1. No bidder will be refunded any cost or disbursements incurred in respect of the project, save where the prior written approval of Newcastle Municipality has been obtained in respect of such expenditure.

13.2. Any authorized disbursements will be refunded at the reasonable and actual cost determined by Newcastle Municipality. Any expenditure incurred by the successful bidder in respect of authorized travel for the project will be refunded in accordance with the Newcastle Municipality travel policy as applicable from time to time. The rates payable for the use of private vehicles will be the prevailing rates quoted by the Automobile Association of South Africa.

13.3. All claims in respect of authorized disbursements (travel and subsistence costs) must be substantiated by documentary evidence such as receipts and logs of kilometres travelled.

13.4. All expenses incurred by the bidder for the proposal and presentations are the responsibility of the bidder and will not be reimbursed by Newcastle Municipality.

14. Joint Venture Agreement or Consortiums

Tenderers intending to tender in the form of joint venture or consortium must submit the following documentation together with the bid:-

- 1) A valid Tax Compliance Status verification Pins issued by SARS of all parties of the Joint Venture or Consortium, and
- 2) all parties of the Joint Venture or Consortium must submit signed copies of :-
 - a) The Declaration of Interest Form,
 - b) The Declaration of Bidder's Past Supply Chain Management Practices Form,
 - c) The Certificate of Independent Bid Determination Form, and
- 3) An undertaking duly signed by all parties of the Joint Venture or Consortium indicating their intention to enter into an agreement for the purposes of this contract, and
- 4) A consolidated valid and original or certified copy of their B-BBEE Status Level Verification Certificate.

Further to the above, the name of the Joint Venture or Consortium must appear on the relevant pages of the document. Failure to comply with these requirements shall lead to disqualification.

15. Samples for Quality Control

15.1 If the samples are required in terms of the specification, such samples shall be supplied by the service provider at his/her own cost.

15.2 All samples approved will be retained by the Newcastle Municipality as standards for the duration of the contract.

5 GENERAL CONDITIONS OF CONTRACT

1. Definitions

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 vendor, 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 Vendor 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 anything 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 vendor bearing all risks and charges involved until the goods 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 vendor 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 vendor 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 goods 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 Institution purchasing the goods/works and/or service.
- 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 vendor covered under the contract.
- 1.25 “**Written**” or “**in writing**” means handwritten in ink or any form of electronic or mechanical writing.

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 vendors, 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 Invitations to bid are usually published in locally distributed news media and on the municipality/municipal entity website.

4. Standards

The goods/works and/or service supplied shall conform to the standards mentioned in the bidding documents and specifications.

5. Use of contract documents and information inspection

- 5.1 The vendor 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 vendor 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 vendor shall not, without the purchaser's prior written consent, make use of any document or information mentioned in GCC clause 5.1 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 vendor shall permit the purchaser to inspect the vendor's records relating to the performance of the vendor and to have them audited by auditors appointed by the purchaser, if so required by the purchaser.
- 5.5 The vendor 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.

6. Patent Rights

The vendor 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 The proceeds of the performance security shall be payable to the purchaser as compensation for any loss resulting from the vendor's failure to complete his obligations under the contract.
- 7.2 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:
 - i. 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
 - ii. a cashier's or certified cheque.
- 7.3 The performance security will be discharged by the purchaser and returned to the vendor not later than thirty (30) days following the date of completion of the vendor'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 Institution or an organization acting on behalf of the Institution.
- 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 vendor.
- 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 analysed 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 vendor 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 vendor's cost and risk. Should the vendor fail to provide the substitute supplies forthwith, the purchaser may, without giving the vendor

further opportunity to substitute the rejected supplies, purchase such supplies as may be necessary at the expense of the vendor.

- 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 vendor 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 vendor in accordance with the terms specified in the contract. The details of shipping and/or other documents to be furnished by the vendor are specified in SCC.
- 10.2 Documents to be submitted by the vendor are specified in SCC.

11. Insurance

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

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 vendor may be required to provide any or all of the following services, including additional services, if any, specified in SCC:
- i. performance or supervision of on-site assembly and/or commissioning of the supplied goods;
 - ii. furnishing of tools required for assembly and/or maintenance of the supplied goods;
 - iii. furnishing of a detailed operations and maintenance manual for each appropriate unit of the supplied goods;
 - iv. 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 vendor of any warranty obligations under this contract;
- v. training of the purchaser's personnel, at the vendor's plant and/or
- vi. on-site, in assembly, start-up, operation, maintenance, and/or repair of the supplied goods.

- 13.2 Prices charged by the vendor 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 vendor for similar services.

14. Spare parts

- 14.1 Specified in SCC, the vendor may be required to provide any or all of the following materials, notifications, and information pertaining to spare parts manufactured or distributed by the vendor:
- a) such spare parts as the purchaser may elect to purchase from the vendor, provided that this election shall not relieve the vendor 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 vendor 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 vendor 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 vendor, 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 vendor in writing of any claims arising under this warranty.
- 15.4 Upon receipt of such notice, the vendor 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 vendor, 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 vendor's risk and expense and without prejudice to any other rights which the purchaser may have against the vendor under the contract.

16. Payment

- 16.1 The method and conditions of payment to be made to the vendor under this contract shall be specified in SCC.
- 16.2 The vendor 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 vendor.
- 16.4 Payment will be made in Rand unless otherwise stipulated in SCC.

17. Prices

- 17.1 Prices charged by the vendor for goods/works delivered and/or services performed under the contract shall not vary from the prices quoted by the vendor in this bid, with the exception of any price adjustments authorized in SCC or 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 vendor shall not assign, in whole or in part, its obligations to perform under the contract, except with the purchaser's prior written consent.

20. Subcontractors

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

21. Delays in the vendor's performance

- 21.1 Delivery of the goods/works and/or performance of services shall be made by the vendor 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 vendor or its subcontractor(s) should encounter conditions impeding timely delivery of the goods/works and/or performance of services, the vendor 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 vendor's notice, the purchaser shall evaluate the situation and may at his discretion extend the vendor'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 essential services executed if an emergency arises, the vendor's point of supply is not situated at or near the place the supplies are required or the vendor's supplies or goods are not readily available.
- 21.5 Except as provided under GCC Clause 25, a delay by the vendor in the performance of its delivery obligations shall render the vendor 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 cancelling 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 vendor'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 vendor.

22. Penalties

- 22.1 Subject to GCC Clause 25, if the vendor 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/works and/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 vendor, may terminate this contract in whole or in part:
- a. if the vendor 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 vendor fails to perform any other obligation(s) under the contract; or
 - c. if the vendor, in the judgement 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 and/or services similar to those undelivered, and the vendor shall be liable to the purchaser for any excess costs for such similar goods/works and/or services. However, the vendor 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 vendor by prohibiting such vendor 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 vendor or any person associated with the vendor, the vendor 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 vendor 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 vendor.
- 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 vendor 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 vendors 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. Antidumping 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 vendor 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 as a result of an event of Force Majeure.
- 25.2 If a force majeure situation arises, the Vendor shall promptly notify the Purchaser in writing of such condition and the cause thereof. Unless otherwise directed by the Purchaser in writing, the Vendor 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 on insolvency

- 26.1 The purchaser may at any time terminate the contract by giving written notice to the vendor if the vendor becomes bankrupt or otherwise insolvent. In this event, termination will be without compensation to the vendor, 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 vendor 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 vendor 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 vendor any monies due the vendor.

28. Limitation of Liability

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

- (a) the vendor 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 vendor to pay penalties and/or damages to the purchaser; and
- (b) the aggregate liability of the vendor 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 vendor 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 vendor 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 vendor 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 purchaser 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 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.

6 SPECIAL CONDITIONS OF CONTRACT

I/We hereby bid to supply all or any of the supplies and/or to render all or any of the services described in the attached documents to the Newcastle Municipality on the terms and conditions and be in accordance with the specifications stipulated in the bid documents (and which shall be taken as part of and be incorporated into this bid) at the prices and on the terms regarding time for delivery and/or execution inserted therein.

I/we agree that:

- a) the offer herein shall remain binding upon me and open for acceptance by the Newcastle Municipality during the validity period indicated and calculated from the closing time of the bid;
- b) this bid and its acceptance shall be subject to Supply Chain Management Regulations, the Municipal Finance Management Act, No 56 of 2003, the Newcastle Municipality Supply Chain Management Policy and the General and Special Conditions of Contract, with which I/we am fully acquainted;
- c) if I/we withdraw my bid within the period for which I/we have agreed that the bid shall remain open for acceptance, or fail to fulfill the contract when called upon to do so, the Municipality may, without prejudice to its other rights, agree to the withdrawal of my bid or cancel the contract that may have been entered into between the Municipality and myself. I/we will then pay to the Municipality any additional expenses incurred by the Municipality having either to accept any less favorable bid or, if fresh bids have to be invited, the additional expenditure incurred by the invitation of fresh bids and by the subsequent acceptance of any less favorable bid. The Municipality shall have the right to recover such additional expenditure by set-off against monies which may be due to me under this or any other bid or contract or against any guarantee or deposit that may have been furnished by me or on my behalf for the due fulfillment of this or any other bid or contract and pending the ascertainment of the amount of such additional expenditure to retain such monies, guarantee or deposit as security for any loss the Municipality may sustain by reason of my default;
- d) if my bid is accepted, the acceptance may be communicated to me by registered post, and that the South African Post Office Limited shall be treated as delivery agent to me;
- e) the law of the Republic of South Africa shall govern the contract created by the acceptance of my bid and I choose domicilium citandi et executandi in the Republic at (full physical address):

.....
.....

I/we furthermore confirm that I/we have satisfied myself/ourselves as to the correctness and validity of the bid: that the price(s), rate(s) and preference quoted cover all of the work / item(s) and my obligations under a resulting contract, and I accept that any mistakes regarding the price(s) and calculations will be at my risk.

- 7 I/we hereby accept full responsibility for the proper execution and fulfillment of all obligations and conditions devolving on me under this agreement, as the Principal(s) liable for the due fulfillment of this contract.

8 I/we agree that any action arising from this contract may in all respects be instituted against me and I/we hereby undertake to satisfy fully any sentence or judgment which may be pronounced against me as a result of such action.

9 Are you duly authorized to sign the bid?* YES NO

10 I/we confirm that I/we have declared all and any interest that I or any persons related to my business has with regard to this bid or any related bids by completion of the Declaration of Interest Section.

11 Has the Declaration of Interest been duly completed and included with the bid forms? YES NO

a. Delete whichever is not applicable

12 CERTIFICATION OF CORRECTNESS OF INFORMATION SUPPLIED IN THIS DOCUMENT

9.1 I/we, THE UNDERSIGNED, WHO WARRANT THAT I AM DULY AUTHORIZED TO DO SO ON BEHALF OF THE BIDDER, CERTIFY THAT THE INFORMATION SUPPLIED IN TERMS OF THIS DOCUMENT IS CORRECT AND TRUE, THAT THE SIGNATORY TO THIS DOCUMENT IS DULY AUTHORIZED AND ACKNOWLEDGE THAT:

9.2 The bidder will furnish documentary proof regarding any bidding issue to the satisfaction of the Municipality, if requested to do so.

9.3 If the information supplied is found to be incorrect and/or false then the Municipality, in addition to any remedies it may have, may:-

- a) Recover from the contractor all costs, losses or damages incurred or sustained by the Municipality as a result of the award of the contract, and/or
- b) Cancel the contract and claim any damages which the Municipality may suffer by having to make less favorable arrangements after such cancellation.

BIDDER`S NAME : _____

BIDDER'S REPRESENTATIVE : _____

SIGNATURE : _____

DATE : _____

WITNESSES

1. Name : _____ **Signature** : _____

Date : _____

2. Name : _____ **Signature** : _____

Date : _____

NEWCASTLE MUNICIPALITY

CONTINUATION OF SPECIAL CONDITIONS OF CONTRACT

RULES IN RESPECT OF BID DOCUMENTS

'Council' shall mean the Newcastle Municipality

'Committee' shall mean that Committee of the Council whose responsibility it is to consider tenders and advise Council on acceptance or otherwise.

'Municipal Manager' shall mean the Municipal Manager of the Local Council of Newcastle or such person appointed by Council to act in that capacity.

'Head of Department' shall mean the head of the Council department concerned with the particular tender or such person appointed by Council to act in that capacity.

All bidders are hereby advised that in the event that the bid is accepted by the Council all conditions and stipulations set out this bid and in all forms, schedule and/or annexure hereto, will be the contract between the Bidder and the Municipality.

1. Bidders must acquaint themselves fully on the Rules, General Conditions and Special Conditions of bid documents.
2. Failure on the part of the Bidder to sign this bid form and thus to acknowledge and accept the conditions in writing or to complete the attached forms, questionnaires and specifications and proposals in all respects, may in the sole discretion of the Municipality invalidate the bid.
3. Failure to sign the **Form of Offer** will invalidate the bid, provided that it is the only acceptable bid received, Council may recommend it be considered as an offer after signature by the bidder.

Bidders shall ensure that they have been provided with all the documents and drawings. Bidders must advise the Department concerned immediately if there is any duplication or obscure typing or if there is any doubt as to the meaning of any words, clause, sentence, paragraph, drawing or any other particulars and have the matter rectified, otherwise it will be assumed correct and no liabilities whatsoever will be admitted in respect of errors in the bid due to the foregoing.

4. Bidders shall quote delivery periods for the products specified and shall supply all the information called for on the attached data schedules.

5. GUARANTEE

Where applicable, Bidders shall provide at the time of bidding, details of the guarantee given with the products offered together with the period for which the guarantee is effective from date of delivery.

6. **No bid will be accepted unless made out on the forms provided.**

7. A signed copy of these conditions and specifications must accompany the bid.

8. Bids received after 12:00 on the closing date of this bid will not be accepted.
9. After the bids have been opened, a bid may not be withdrawn by the person or firm submitting it except with the concurrence of the Council.
10. Council reserves the right to accept all or a portion only of any tender.
11. Should there be any difference between the prices or particulars contained in the official Form of bid and those contained in the covering letter from the bidder the prices and particulars contained in the official form of bid, in all circumstances, prevail.
12. If any of the conditions on this bid form are in conflict with any special conditions, stipulations or provisions incorporated in the bid, such special conditions, stipulations or provisions shall apply.
13. Bids must be submitted in sealed envelopes.
14. The bid number and title of the bid must appear on the front of the sealed envelope in which the bid is submitted.
15. The Municipality shall not be obliged to accept the lowest or any bid. It is important that only Bidders with the necessary experience, qualifications and technical ability to carry out the requirements of this bid submit bids in regard hereto. The Municipality will consider all prices and submissions made by the bidders. Should the Municipality require that a specific price and/or submission be reconsidered, it reserves the right to do so, subject to the Municipality requesting all Bidders to submit such a request or revision of the Bid Proposal.
16. The bidder undertakes that it will make itself and its members, officials and employees and agents aware of the appropriate legislation, regulations and by-laws of the Municipality that might have implications on the Bidder's activities in terms hereof.
17. Neither the Municipality nor any official of the Municipality will be held responsible for loss of a potential opportunity to bid due to the failure of the Bidder complying with any of the requirements of this bid.
18. The covering letter or other matter submitted with the official bid document may explain, amplify or illustrate, but not replace any part of the official bid document or the information furnished therein.
19. All data/information supplied by the Municipality will be received by the Bidder at his/her risk. It will be the responsibility of the Bidder to check and verify the accuracy of the data/information supplied by the Municipality. The Municipality will not be held responsible for any inaccurate or incomplete data/information.

20. **Two envelope system will not be applicable on this project.**

21. PAYMENT OF MUNICIPAL SERVICES

Proof must be produced, together with the bidding documents that the entity is not indebted to the Municipality or Municipal area in which they are staying, for a period of more than 30 days for services rendered / rate payable. Bidders residing on farms with no municipal services should submit a letter from their Induna / owner stating the above.

22. INVITATION TO BID

Bids shall be invited by the Municipal Manager in terms of the Supply Chain Management Policy of the Newcastle Municipality.

23. ACCEPTANCE OF BIDS

After the opening of bids, the official designated by the Municipal Manager shall forward such tender to the Head of Department for whom such tenders have been invited. The Head of Department concerned will then consider the tenders and submit them to the appropriate Committee with the written comments of the Chief Financial Officer and with details of any irregularity or defect in connection with the bid documents or matters relating to the calling of bids together with the recommendation for consideration by the Committee.

24. BID DOCUMENTS

- a. Where applicable all bid documents and drawings are to be returned at the time of bidding except that where an additional copy of the Schedule of Quantities is provided, a copy may be retained by the tender for his records.
The original Schedule of Quantities must be forwarded to the Newcastle Municipality
- b. After awarding the bid, no documents will be returned to any unsuccessful bidder, but will be retained by the Municipal Manager.
- c. All bid documents must be completed in black ink and should any alteration, omission, erasure or addition be made, it will not be recognised unless authenticated with the initials of the bidder and those of the witnesses of his signature. Bidders may, however, qualify their bid by a letter accompanying the bid documents.
 - i. Any irregularity, incompleteness or obscurity in a bid renders it liable for rejection.
 - ii. Failure to sign the bid document will invalidate the bid , provided that if it is the only acceptable bid received, the Head of Department may recommend that it be considered as an offer after signature by the bidder.
 - iii. Bidders shall check that they have been provided with all the documents and drawings. Bidders must advise the Department concerned immediately if there is any duplication or obscure typing or if there is any doubt as to the meaning of any words, clause, sentence, paragraph, drawing or any other particulars and have the matter rectified, otherwise it will be taken for granted that there are no doubts or errors, and no liabilities whatsoever will be admitted in respect of errors in the tender due to the foregoing.

25. DEPOSITS

- a. A sum as stated in the invitation to bid being a deposit for the supply of the bid documents. The bidder must obtain a receipt for the deposit amount from the office of the Chief Financial Officer prior to receiving the bid documents.
- b. A deposit in the sum stated in the bid documents is non-refundable.
- c. The Head of the Department concerned, in the event of receiving any deposits, shall forthwith hand to the Chief Financial Officer any deposits or security received.

26. LATE BIDS

- a. Any bid received after the closing date and time advertised for the receipt of bids shall not be considered, provided that a late bid may be admitted by the Council when :

- I. in the case of a bid submitted through the post, there is proof that the bid was posted in sufficient time to reach the Municipal Manager before the closing date and time advertised for the receipt of bid and the bidder has taken reasonable steps against ordinary delays and was in no way to blame for the late receipt of his bid;
 - II. in the case of a bid delivered by hand, there is proof that the bidder had taken reasonable steps against ordinary delays and was in no way to blame for the late delivery.
- b. The Council may accept a bid which is received late and has for that reason been disallowed in terms of the provisions of this rule, provided it was the only acceptable bid received.

27. COMMUNICATION PROHIBITED

- a. Except where clarification of a bid is necessary or whenever it is necessary to approach a bidder for an extension of the binding period of a bid, no communication, without written authority of the Council, shall take place between the bidder and any member or officer of Council on a question affecting any matter which is the subject of a bid between the closing date and time of a bid and the acceptance by Council of the bid. When clarification is required or an extension of time, this may be requested by a Council Officer on the authority of his Head of Department.
- b. In no case shall bids be returned or referred to bidders for amendment or completion in any respect without the written authority of the Council.

28. COUNCIL NOT OBLIGED TO ACCEPT ANY BID

Council does not bind itself to accept the lowest or any bid and where the bid documents allow for such cases, reserves the right to accept a portion only of any bid.
Council will not compensate the bidder in the preparation and submission of his bid. Council reserves the right to purchase goods outside this contract if and when the need arise

29. DEVIATION FROM CONTRACT

Council reserves the right to deviate or procure goods or services outside of this contract if and when the need arises.

30. ALTERNATIVES

The bidder may submit alternatives which, in his/her opinion, are to the Council's advantage economically and technically.

31. CONTRACT DURATION

The contract will be valid for a period of 36 months from the date of appointment.

32. POST AWARD PRODUCT COMPLIANCE PROCEDURES

The following post award product compliance procedure will apply:

- i. In the case the equipment has been discontinued / replaced with a new model, the service provider(s) will be required to submit letters from the Manufacturer / Supplier stating the changes and the approval be obtained from the Accounting Officer prior to the executions of such changes.

- ii. Furthermore, service provider(s) are expected to disclose information on the following:
 - Financial Implications & Price Variances
 - Any potential risk
- iii. The new model should at least meet the minimum specification of the original model.
- iv. The delivery and installation of new equipment cannot be effected without the approval from the head of the department (Strategic Executive Director).

33. DEMONSTRATIONS AND INSPECTIONS

- All bidders must be prepared to demonstrate, where required, free of charge and obligation, at the Newcastle Municipality or any other area within the boundary of the Newcastle Municipality, any services offered in this bid.
- Where officials are required to attend demonstrations or inspections outside the boundary of the Newcastle Area, all costs to attend such demonstration shall be borne by the bidder.

34. PRICE ADJUSTMENT

In the event of a total price increase exceeding the going inflation rate during the bid period, Council reserves the right to withdraw from the bid and call for fresh bids.

(Please see MBD 3.2 for price adjustment formula).

Prices for labour and materials submitted in the bid for the purpose of allowing for statutory increase must be ruling prices as at the date of bidding.

Should the Bidder wish to place the risk of rise or fall in certain items or factors of costs to the account of the Municipality, the Bidder shall state specifically under separate cover in respect of which items or factors he wishes to avoid the risk of rise or fall on what rate he has calculated the item or factor in his price offered.

It should be emphasized that price adjustments based on the Rate of Exchange (ROE) will be allowed only on the imported content of the commodity and it should only meet the provider's additional costs on the imported content. Price adjustments due to the fluctuation in the Rate of Exchange should indicate the dates and period of affect issued by the Reserve Bank of S.A. at 12:00 of the specified date.

Unless any item or factor is reserved in terms of this clause, the bid shall be considered to be a firm delivery price. (See MBD 3.2)

35. Where applicable, all redundant or unusable products, materials or equipment which are removed from site remains the property of the Municipality and shall be returned to the Municipality. The Service provider shall obtain a written acceptance of the goods unless the bid states otherwise.

NB: THE FOLLOWING CLAUSES HAVE BEEN REPEATED AS THESE WILL LEAD TO THE REJECTION OF THE BID

- All bid documents must be completed in black ink, and should any alteration, omission, erasure or addition be made, it will not be recognised, unless authenticated with the initials of the bidder and those of the witnesses of his signature.
- Failure to sign the bid document will invalidate (Invitation to Bid) the bid, provided that it is the only acceptable bid received, Council may recommend that it be considered as an offer after signature by the bidder.
- NO correction fluid/tape may be used.
- Bidders shall ensure that they have been provided with all the documents and drawings. Bidders must advise the Department concerned immediately if there is any duplication or obscure typing or if there is any doubt as to the meaning of any words, clause, sentence, paragraph, drawing or any other particulars and have the matter rectified, otherwise it will be assumed correct and no liabilities whatsoever will be admitted in respect of errors in the bid due to the foregoing.
- Bids received after the official closing date and time of this bid, will not be accepted.
- Proof must be produced, together with the bidding document that the entity is not indebted to the Municipality or municipal area in which they are staying, for a period of more than 30 days for services rendered / rates payable. Bidders residing on farms with no municipal services should submit a letter from their Induna/owner stating the above.
- **TAX COMPLIANCE STATUS**

A valid Tax Compliance Status Pin or CSD Master Registration Number should be supplied on MBD 1 for verification.

NAME OF BIDDER

ADDRESS

TELEPHONE NUMBER

NAME OF THE OFFICIAL POSITION.....

SIGNATURE DATE.....

WITNESSES

NAME NAME

SIGNATURE SIGNATURE

ID NUMBER ID NUMBER

7. AUTHORITY OF SIGNATORY

Indicate the status of the Bidder by ticking the appropriate box hereunder. The Bidder must complete the certificate set out below for the relevant category.

A COMPANY	B PARTNERSHIP	C JOINT VENTURE	D SOLE PROPRIETOR	E CLOSE CORPORATION

A. Certificate for Company

I,, chairperson of the board of, hereby confirm that by resolution of the board (copy attached) taken on 20..... , Mr/Ms.....acting in the capacity of, was authorised to sign all documents in connection with this bid for Bid no **Bid no A009 - 2023/24** and any contract resulting from it on behalf of the company.

As witnesses:

1. Chairman:

2. Date:

B. Certificate for Partnership

We, the undersigned, being the key partners in the business trading as, hereby authorise Mr/Ms, acting in the capacity of, to sign all documents in connection with this bid for **Bid no A009 - 2023/24** and any contract resulting from it on our behalf.

Name	Address	Signature	Date

Note: This certificate is to be completed and signed by all key partners upon whom rests the direction of the affairs of the Partnership as a whole.

C. Certificate for Joint Venture

We, the undersigned, are submitting this tender offer in Joint Venture and hereby authorise Mr/Ms , authorised signatory of the company , acting in the capacity of lead partner, to sign all documents in connection with this bid for **Bid no A009 - 2023/24** and any contract resulting from it on our behalf. This authorisation is evidenced by the attached power of attorney signed by legally authorised signatories of all the partners to the Joint Venture.

Name of Firm	Address	Authorising Name and Capacity	Authorising Signature
Lead Partner:			

NOTE: A copy of the Joint Venture Agreement indicating clearly the percentage contribution of each partner to the Joint Venture, is to be submitted with the bid. A board resolution, authorising each signatory who signed above to do so, is to be submitted with the bid.

D. Certificate for Sole Proprietor

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

As witnesses:

- Sole Owner:
- Date:

E. Certificate for Close Corporation

We, the undersigned, being the key members in the business trading as , hereby authorise Mr/Ms acting in the capacity of , to sign all to sign all documents in connection with this bid for **Bid no A009 - 2023/24** and any contract resulting from it on our behalf.

Name	Address	Signature	Date

Note: This certificate is to be completed and signed by all key partners upon whom rests the direction of the affairs of the Partnership as a whole.

8. RECORD OF ADDENDA

We confirm that the following communications received from the employer before the submission of this tender offer, amending the tender documents, have been taken into account in this tender offer.

	Date	Title or Details
1.		
2.		
3.		
4.		

Attach additional pages if more space is required.

Failure to acknowledge any addendum released by Newcastle Municipality may result in your tender submission being declared non-responsive.

Name of Bidder			
Signature		Name (print)	
Capacity		Date	

9. BANKING DETAILS

It is the policy of the Newcastle Municipality to pay all creditors by means of direct bank transfers. Please complete this information and acquire your banker's confirmation.

ACCOUNT HOLDER	
NAME OF BANK	
ACCOUNT NUMBER	
ACCOUNT TYPE	
BRANCH NAME	
BRANCH CODE	
BRANCH CONTACT PERSON	
PHONE NUMBER	
FAX NUMBER	

I/we hereby request and authorise the Newcastle Municipality to pay any amounts that may accrue to me/us to the credit of my/our bank account.

I/we further undertake to inform the Newcastle Municipality in advance of any change in my/our bank details and accept that this authority may only be cancelled by me/us by giving thirty days' notice by prepaid registered post.

Alternatively, the tenderer may submit a letter/declaration from his bank worded as above, providing the required details and signed by an appropriate Bank Official (attach at the back of the bid).

Name of Bidder			
Signature		Name (print)	
Capacity		Date	

10. PROOF OF GOOD STANDING WITH MUNICIPAL ACCOUNTS
MUST BE COMPLETED FOR THIS BID

Declaration in terms of paragraph 38(1)(d)(i) of the Supply Chain Management Regulation, irrespective of the contract value of the bid:

NB: Please note that this declaration must be completed by ALL bidders.

- i. I, the undersigned hereby declare that the signatory to this tender document; is duly authorised and further declare:

- ii. I acknowledge that according to SCM Regulation 38(1)(d)(i), the Municipality may reject the tender of the tenderer if any municipal rates and taxes or municipal service charges owed by the Tenderer or any of its directors/members/partners to Newcastle Municipality, or to any other municipality or municipal entity, are in arrears for more than 3 (three) months.

- iii. I acknowledge that should it be found that any municipal rates and taxes or municipal charges as set out in (ii) above are in arrears for more than three (3) months, the bid will be rejected and the Newcastle Municipality may take such remedial action as is required, including the rejection of the bid and/or termination of the contract; and

- iv. The following account/s of the bidding entity has reference:

Physical Business Address(es) of the Tenderer	Municipality	Municipal Account Number

NB: If insufficient space above, please submit on a separate page

PLEASE NOTE further that if no municipal rates and taxes or municipal charges are payable by the bidding entity, indicate the reason/s for that in the space below by means of a tick next in the relevant block.

Reason	Tick	Portfolio of evidence
Bidding entities who rent premises from a landlord		Signed copy of the lease agreement together with municipal account statement or a letter from the landlord stating that no levies are in arrears.
Bidding entities who operate from a property owned by a director / member / partner		Municipal account statement/s of a director / member / partner
Bidding entities who operate from farms / informal settlements		A letter from their Induna/owner.
Bidding entities who operate from somebody else's property		Sworn affidavit (by the property owner / municipal account holder) stating the relationship and whether the business owner is responsible for paying levies. If yes, stating whether any levies are in arrears.

Attach latest municipal account statement at the back of the bid. The portfolio of evidence must not be older than three months from the close of this tender.

SIGNED AT.....THIS.....DAY OF..... 20.....

Name of Duly Authorised Signatory: (Please print).....

Authorised Signature:

As witness: 1.

2.

Name of Bidder			
Signature		Name (print)	
Capacity		Date	

11. CENTRAL SUPPLIER DATABASE REGISTRATION

No awards will be made to a tenderer who is not registered on the Central Supplier Database (CSD).

The establishment of a Central Supplier Database (CSD) will result in one single database to serve as the source of all supplier information for all spheres of government. The purpose of centralising government’s supplier database is to reduce duplication of effort and cost for both supplier and government while enabling electronic procurement processes.

Registration on the Central Supplier Database must be done online via the website:
<https://secure.csd.gov.za/>

If the business enterprise is registered on the Database and it is found subsequently that false or incorrect information has been supplied, then the Municipality may, without prejudice to any legal rights or remedies it may have:

- Cancel a bid or a contract awarded to such bidder/supplier; and the bidder would become liable for any damages if a less favorable is accepted or less favorable arrangements are made.
- The same principles as above stated, should the successful bidder fail to request updating of its information on the Central Supplier Database; relating to changed particulars or circumstances.

<u>Name of Bidder</u>			
<u>Signature</u>		<u>Name (print)</u>	
<u>Capacity</u>		<u>Date</u>	

12. MBD 3.1: PRICING SCHEDULE – FIRM PRICES
(PURCHASES)

NOTE: PRICE ADJUSTMENTS WILL BE ALLOWED AT THE PERIODS AND TIMES SPECIFIED IN THE BIDDING DOCUMENTS.

IN CASES WHERE DIFFERENT DELIVERY POINTS INFLUENCE THE PRICING, A SEPARATE PRICING SCHEDULE MUST BE SUBMITTED FOR EACH DELIVERY POINT

Name of Bidder..... Bid number: A009 - 2023/24

Closing Time: 12h00 Closing Date: 00 JUNE 2024

OFFER TO BE VALID FOR 120 DAYS FROM THE CLOSING DATE OF BID.

BID NO	QUANTITY	DESCRIPTION	BID PRICE IN RSA CURRENCY
			**(ALL APPLICABLE TAXES INCLUDED)
A009 - 2023/24		(see MBD 3.1)	

- Required by : BUDGET AND TREASURY

- At : Debt Collection and Credit Control
Newcastle, 2940

- Brand and model

- Country of origin

- Does the offer comply with the specification(s)? *YES/NO

- If not to specification, indicate deviation(s)

- Period required for delivery

- Delivery: *Firm/Not firm

** "all applicable taxes" includes value- added tax, pay as you earn, income tax, unemployment insurance fund contributions and skills development levies.

*Delete if not applicable

MBD 3.2 - PRICE ADJUSTMENTS

NON-FIRM PRICES SUBJECT TO ESCALATION

IN CASES OF PERIOD CONTRACTS, NON FIRM PRICES WILL BE ADJUSTED (LOADED) WITH THE ASSESSED CONTRACT PRICE ADJUSTMENTS IMPLICIT IN NON FIRM PRICES WHEN CALCULATING THE COMPARATIVE PRICES

IN THIS CATEGORY PRICE ESCALATIONS WILL ONLY BE CONSIDERED IN TERMS OF THE FOLLOWING FORMULA:

$$Pa = (1 - V)Pt \left(D1 \frac{R1t}{R1o} + D2 \frac{R2t}{R2o} + D3 \frac{R3t}{R3o} + D4 \frac{R4t}{R4o} \right) + VPt$$

Where:

- Pa = The new escalated price to be calculated.
- (1-V) Pt = 85% of the original bid price. **Note that Pt must always be the original bid price and not an escalated price.**
- D1, D2.. = Each factor of the bid price eg. labour, transport, clothing, footwear, etc. The total of the various factors D1,D2...etc. must add up to 100%.
- R1t, R2t..... = Index figure obtained from new index (depends on the number of factors used).
- R1o, R2o = Index figure at time of bidding.
- VPt = 15% of the original bid price. This portion of the bid price remains firm i.e. it is not subject to any price escalations.

The following index/indices must be used to calculate your bid price:

Index..... Dated..... Index..... Dated..... Index..... Dated.....

Index..... Dated..... Index..... Dated..... Index..... Dated.....

FURNISH A BREAKDOWN OF YOUR PRICE IN TERMS OF ABOVE-MENTIONED FORMULA. THE TOTAL OF THE VARIOUS FACTORS MUST ADD UP TO 100%.

FACTOR 1, D2 etc. e.g. Labour, transport etc.)	PERCENTAGE OF BID PRICE

MBD 3.2 - PRICES SUBJECT TO RATE OF EXCHANGE VARIATIONS

Please furnish full particulars of your financial institution, state the currencies used in the conversion of the prices of the items to South African currency, which portion of the price is subject to rate of exchange variations and the amounts remitted abroad.

PARTICULARS OF FINANCIAL INSTITUTION	ITEM NO	PRICE	CURRENCY	RATE	PORTION OF PRICE SUBJECT TO ROE	AMOUNT IN FOREIGN CURRENCY REMITTED ABROAD
				ZAR=		
				ZAR=		
				ZAR=		
				ZAR=		
				ZAR=		
				ZAR=		

Adjustments for rate of exchange variations during the contract period will be calculated by using the average monthly exchange rates as issued by your commercial bank for the periods indicated hereunder: (Proof from bank required)

AVERAGE MONTHLY EXCHANGE RATES FOR THE PERIOD:	DATE DOCUMENTATION MUST BE SUBMITTED TO THIS OFFICE	DATE FROM WHICH NEW CALCULATED PRICES WILL BECOME EFFECTIVE	DATE UNTIL WHICH NEW CALCULATED PRICE WILL BE EFFECTIVE

Name of Bidder			
Signature		Name (print)	
Capacity		Date	

13. MBD 4: DECLARATION OF INTEREST

1. No bid will be accepted from persons in the service of the state¹.
2. Any person, having a kinship with persons in the service of the state, including a blood relationship, may make an offer or offers in terms of this invitation to bid. In view of possible allegations of favouritism, should the resulting bid, or part thereof, be awarded to persons connected with or related to persons in service of the state, it is required that the bidder or their authorised representative declare their position in relation to the evaluating/adjudicating authority.
3. In order to give effect to the above, the following questionnaire must be completed and submitted with the bid.

3.1	Full Name of bidder/ Representative	
3.2	Identity Number	
3.3	Position occupied in the Company (director, trustee, shareholder²)	
3.4	Company Registration Number	
3.5	Tax Reference Number	
3.6	Vat Registration Number	

3.7. The names of all directors / trustees / shareholders members, their individual identity numbers and state employee numbers must be indicated in paragraph 4 below.

3.8	Are you presently in the service of the state*?	Yes	No
3.8.1	If yes, furnish particulars.		
3.9	Have you been in the service of the state for the past twelve months	Yes	No
3.9.1	If yes, furnish particulars.		

¹MSCM Regulations: "in the service of the state" means to be –

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

²"Shareholder"^{""} means a person who owns shares in the company and is actively involved in the management of the company or business and exercises control over the company.

3.10	Do you, have any relationship (family, friend, other) with persons in the service of the state and who may be involved with the evaluation and or adjudication of this bid?	Yes	No
3.10.1	If yes, furnish particulars.		
3.11	Are you, aware of any relationship (family, friend, other) between a bidder and any persons in the service of the state who may be involved with the evaluation and or adjudication of this bid?	Yes	No
3.11.1	If yes, furnish particulars.		
3.12	Are any of the company's directors, managers, principal shareholders or stakeholders in service of the state?	Yes	No
3.12.1	If yes, furnish particulars.		
3.13	Are any spouse, child or parent of the company's directors, managers, principal shareholders or stakeholders in service of the state?	Yes	No
3.13.1	If yes, furnish particulars.		
3.14	Do you or any of the directors, trustees, managers, principal shareholders or stakeholders of this company have any interest in any other related companies or business whether or not they are bidding for this contract.	Yes	No
3.14.1	If yes, furnish particulars.		

4. Full details of directors / trustees / members / shareholders.

Full Name	Identity Number	State Employee Number

Name of Bidder			
Signature		Name (print)	
Capacity		Date	

14. MBD 6.1: PREFERENCE POINTS CLAIM FORM IN TERMS OF THE PREFERENTIAL PROCUREMENT REGULATIONS 2022

This preference form must form part of all bids invited. It contains general information and serves as a claim form for preference points for HDI Contribution.

NB: BEFORE COMPLETING THIS FORM, BIDDERS MUST STUDY THE GENERAL CONDITIONS, DEFINITIONS AND DIRECTIVES APPLICABLE IN RESPECT OF EQUITY OWNERSHIP BY HISTORICALLY DISADVANTAGED INDIVIDUAL (HDI`S), AS PRESCRIBED IN THE PREFERENTIAL PROCUREMENT REGULATIONS, 2022.

1. 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); and
- the 90/10 system for requirements with a Rand value above R50 000 000 (all applicable taxes included).

The value of this bid is estimated to not exceed R50 000 000 (all applicable taxes included) and therefore the 80/20 preference point system shall be applicable or

1.2 Points for this bid shall be awarded for:

- (a) Price; and
- (b) Specific contract participation goals, as specified in the attached forms.

1.3. The maximum points for this bid are allocated as follows:

		POINTS	
1. Price		80	90
2. Specific Contract Participation Goals		20	10
2.1 Historically Disadvantaged Individuals		16	8
2.1.1 Who had no franchise in national elections before the 1983 and 1993 Constitution (black people)	8 / 4		
2.1.2 Who is female	4 / 1		
2.1.3 Who has a disability and / or Youth	2 / 1		
2.1.4 Who is Youth	2 / 1		
2.2 Other Specific goals (Local Economic Development goals of the RDP)		4	2
2.2.1 Business operations within Amajuba District – rural development initiatives	4 / 2		
Total points for Price and HDI principles must not exceed		100	100

To claim specific goals listed under 2.2 above the Municipal water and light account in the name of the company or individual in case of Sole proprietor must be submitted.

1.4 Failure on the part of a bidder to submit proof of claim together with the bid, will be interpreted to

mean that preference points for advancement of past imbalances are not claimed.

1.5 The purchaser or organ of the state reserves the right to require of a bidder or tenderer, either before a bid is adjudicated or at any time subsequently, to substantiate any claim regarding preferences, in any manner required by the purchaser.

2. DEFINITIONS

- (a) **“Tender”** means a written offer in the form determined by an organ of state in response to an invitation to provide goods or services through price quotations, competitive tendering process or any other method envisaged in legislation.
- (b) **“Price”** means an amount of money tendered for goods or services and includes all applicable taxes less all unconditional discounts.
- (c) **“Rand value”** means the total estimated value of a contract in Rand, calculated at the time of bid invitation and includes all applicable taxes.
- (d) **“Tender for income-generating contracts”** means a written offer in the form determined by an organ of state in response to an invitation for the origination of income-generating contracts through any method envisaged in legislation that will result in a legal agreement between the organ of state and a third party that produces revenue for the organ of state, and includes, but is not limited to, leasing and disposal of assets and concession contracts, excluding direct sales and disposal of assets through public auctions; and
- (e) **“The Act”** means the Preferential Procurement Policy Framework Act, 2000 (Act No. 5 of 2000).

3. FORMULAE FOR PROCUREMENT OF GOODS AND SERVICES

3.1 POINTS AWARDED FOR PRICE THE 80/20 OR 90/10 PREFERENCE POINT SYSTEMS

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

80/20	or	90/10
$P_s = 80 \left(1 - \frac{P_t - P_{min}}{P_{min}} \right)$	or	$P_s = 90 \left(1 - \frac{P_t - P_{min}}{P_{min}} \right)$

Where

- P_s = Points scored for price of tender under consideration
- P_t = Price of tender under consideration
- P_{min} = Price of lowest acceptable tender

3.2 FORMULAE FOR DISPOSAL OR LEASING OF STATE ASSETS AND INCOME GENERATING PROCUREMENT

POINTS AWARDED FOR PRICE

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

80/20

or

90/10

$$Ps = 80 \left(1 + \frac{Pt - Pmax}{Pmax} \right) \text{ or } Ps = 90 \left(1 + \frac{Pt - Pmax}{Pmax} \right)$$

Where

Ps = Points scored for price of tender under consideration

Pt = Price of tender under consideration

Pmax = Price of highest acceptable tender

4 POINTS AWARDED FOR SPECIFIC GOALS

- 4.1 In terms of Regulation 4(2); 5(2); 6(2) and 7(2) of the Preferential Procurement Regulations, preference points must be awarded for specific goals stated in the tender. For the purposes of this tender the tenderer will be allocated points based on the goals stated in table 1 below as may be supported by proof/ documentation stated in the conditions of this tender:
- 4.2 In cases where organs of state intend to use Regulation 3(2) of the Regulations, which states that, if it is unclear whether the 80/20 or 90/10 preference point system applies, an organ of state must, in the tender documents, stipulate in the case of—
- (a) an invitation for tender for income-generating contracts, that either the 80/20 or 90/10 preference point system will apply and that the highest acceptable tender will be used to determine the applicable preference point system; or
 - (b) any other invitation for tender, that either the 80/20 or 90/10 preference point system will apply and that the lowest acceptable tender will be used to determine the applicable preference point system,

The organ of state must indicate the points allocated for specific goals for both the 90/10 and 80/20 preference point system.

Table 1: Specific goals for the tender and points claimed are indicated per the table below.

(Note to organs of state: Where either the 90/10 or 80/20 preference point system is applicable, corresponding points must also be indicated as such.

Note to tenderers: The tenderer must indicate how they claim points for each preference point system.)

The specific goals allocated points in terms of this tender	Number of points allocated (90/10 system) (To be completed by the organ of state)	Number of points allocated (80/20 system) (To be completed by the organ of state)	Number of points claimed (90/10 system) (To be completed by the tenderer)	Number of points claimed (80/20 system) (To be completed by the tenderer)
Category 1: Ownership -Historically Disadvantage Individuals by unfair discrimination (No franchise in elections before 1983 & 1993 Constitution		16		
➤ Race		8		
➤ Female		4		
➤ Disability		2		
➤ Youth		2		
Category 2: Reconciliation and Development Programme (Government Gazette no.: 16085 dated 23 November 1994)		4		
➤ Promotion of Local Enterprises (within Amajuba District: municipal & rural areas)		4		
TOTAL		20		

DECLARATION WITH REGARD TO COMPANY/FIRM

4.3. Name of company/firm.....

4.4. Company registration number:

4.5. TYPE OF COMPANY/ FIRM

- Y Partnership/Joint Venture / Consortium
 - Y One-person business/sole propriety
 - Y Close corporation
 - Y Public Company
 - Y Personal Liability Company
 - Y (Pty) Limited
 - Y Non-Profit Company
 - Y State Owned Company
- [TICK APPLICABLE BOX]

4.6. I, the undersigned, who is duly authorised to do so on behalf of the company/firm, certify that the points claimed, based on the specific goals as advised in the tender, qualifies the company/ firm for the preference(s) shown and I 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 1.4 and 4.2, the contractor may be required to furnish documentary proof to the satisfaction of the organ of state that the claims are correct;
- iv) If the specific goals have been claimed or obtained on a fraudulent basis or any of the conditions of contract have not been fulfilled, the organ of state may, in addition to any other remedy it may have –
 - (a) disqualify the person from the tendering 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 tenderer or contractor, its shareholders and directors, or only the shareholders and directors who acted on a fraudulent basis, be restricted 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, if deemed necessary.

.....
SIGNATURE(S) OF TENDERER(S)

SURNAME AND NAME:

DATE:

ADDRESS:
.....
.....
.....

15. MBD 8: DECLARATION OF BIDDER'S PAST SUPPLY CHAIN MANAGEMENT PRACTICES

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

ITEM	QUESTION	YES	NO
4.1	<p>Is the bidder or any of its directors listed on the National Treasury's database as a company or person prohibited from doing business with the public sector?</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 audit alteram partem rule was applied).</p> <p>The database of Restricted Suppliers now resides on the National Treasury`s website (www.treasury.gov.za) and can be accessed by clicking on its link at the bottom of the home page.</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 Bid Defaulters in terms of section 29 of the Prevention and Combating of Corruption Activities Act (No 12 of 2004)?</p> <p>(The Register for Bid Defaulters can be accessed on the National Treasury's website (www.treasury.gov.za) by clicking on its link at the bottom of the home page.</p>	Yes <input type="checkbox"/>	No <input type="checkbox"/>
4.2.1	If so, furnish particulars:		

ITEM	QUESTION	YES	NO
4.3	Was the bidder or any of its directors convicted by a court of law (including a court of law outside the Republic of South Africa) for fraud or corruption during the past five years?	Yes <input type="checkbox"/>	No <input type="checkbox"/>
4.3.1	If so, furnish particulars:		
4.4	Does the bidder or any of its directors owe any municipal rates and taxes or municipal charges to the municipality/ municipal entity, or any other municipality/municipal entity, that is in arrears for more than three months?	Yes <input type="checkbox"/>	No <input type="checkbox"/>
4.4.1	If so, furnish particulars:		
4.5	Was any contract between the bidder and the municipality/ municipal entity or any other organ of state terminated during the past five years on account of failure to perform on or comply with the contract?	Yes <input type="checkbox"/>	No <input type="checkbox"/>
4.5.1	If so, furnish particulars:		

CERTIFICATION

I, THE UNDERSIGNED (FULL NAME) _____

CERTIFY THAT THE INFORMATION FURNISHED ON THIS DECLARATION FORM TO BE 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.

Name of Bidder			
Signature		Name (print)	
Capacity		Date	

16. MBD 9: CERTIFICATE OF INDEPENDENT BID DETERMINATION

1. This Municipal Bidding Document (MBD) must form part of all bids¹ 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).² Collusive bidding is a *pe se* prohibition meaning that it cannot be justified under any grounds.
3. Municipal Supply Regulation 38 (1) prescribes that a supply chain management policy must provide measures for the combating of abuse of the supply chain management system, and must enable the accounting officer, among others, to:
 - a. take all reasonable steps to prevent such abuse;
 - b. reject the bid of any bidder if that bidder or any of its directors has abused the supply chain management system of the municipality or municipal entity or has committed any improper conduct in relation to such system; and
 - c. cancel a contract awarded to a person if the person committed any corrupt or fraudulent act during the bidding process or the execution of the contract.
4. This MBD 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 (MBD 9) must be completed and submitted with the bid:

¹ Includes price quotations, advertised competitive bids, limited bids and proposals.

² 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.

CERTIFICATE OF INDEPENDENT BID DETERMINATION

I, the undersigned, in submitting the accompanying bid:

(Bid Number and Description)

in response to the invitation for the bid made by:

(Name of Municipality / Municipal Entity)

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

I certify, on behalf of: _____ that:

(Name of Bidder)

1. I have read and I understand the contents of this Certificate;
2. I understand that the accompanying bid will be disqualified if this Certificate is found not to be true and complete in every respect;
3. I am authorized by the bidder to sign this Certificate, and to submit the accompanying bid, on behalf of the bidder;
4. Each person whose signature appears on the accompanying bid has been authorized by the bidder to determine the terms of, and to sign, the bid, on behalf of the bidder;
5. For the purposes of this Certificate and the accompanying bid, I understand that the word "competitor" shall include any individual or organization, other than the bidder, whether or not affiliated with the bidder, who:
 - a. has been requested to submit a bid in response to this bid invitation;
 - b. could potentially submit a bid in response to this bid invitation, based on their qualifications, abilities or experience; and
 - c. provides the same goods and services as the bidder and/or is in the same line of business as the bidder
6. The bidder has arrived at the accompanying bid independently from, and without consultation, communication, agreement or arrangement with any competitor. However communication between partners in a joint venture or consortium³ 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.

Name of Bidder			
Signature		Name (print)	
Capacity		Date	

³ 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.



PART B– SPECIFICATIONS AND PRICING SCHEDULE

17. SPECIFICATIONS

SPECIFICATIONS: INSTALLATION AND MANAGEMENT OF A STS COMPLIANT PREPAYMENT ELECTRICITY VENDING SYSTEM

Abbreviations

STS - standard transfer specification

GIS – Geographical Information System

Non-compliance to specification will invalidate your offer.

NB: Service providers are required to read and study the specification, its general condition of contract, as well as the instructions to them very carefully before submitting their offers.

(Please note that it is the responsibility of the tenderer to do any site inspection etc. necessary to determine what is needed for the successful implementation of the proposed solution. Please note that all responsive tenderers may be requested to demonstrate the functionality of their proposed solutions to the tender offered.)

Compliance with Specification

Tenderers shall submit with their tender a schedule listing clause-by-clause, specific details indicating full compliance, partial compliance or non-compliance with the requirements of the Specifications contained herein. Only fully compliant tender responses will be considered. Non-compliance or partial compliance to any part of the specification included herein will lead to automatic disqualification.

Demonstration of system offered.

Only tenderers who successfully qualify in all tender requirements and is able to offer a fully functional vending system will be considered. The tenderer may be called to practically demonstrate its full compliance to the specified tender requirements in a demonstration session.

Background Information

Tenders are hereby invited from suitable suppliers to Supply, Install and Manage a STS Compliant Prepayment electricity Vending System and Supply and Delivery STS Prepaid Meters within the Newcastle Municipality's licensed area. It is a requirement that the supplier should meet all the specifications of the sections below.

The tender specification consists of 2 sections namely:

- Section A – Vending System
- Section B – Vendor Management

Newcastle Municipality requires a single supplier that meets the specifications of both sections (A&B) and supplies all the services related to both the sections. Only bids providing pricing for all sections will qualify.

Municipal area

At present Newcastle Municipality electricity distribution area comprises of the following towns /

areas:

1. Newcastle

2. KwaMathukuza Township

Number and types of vending points

15- online municipal cashier vending terminals

40 - online 3rd party vending terminals

Several - aggregated 3rd party vendors with own hardware and networks (note: Newcastle Municipality allows only one tier of aggregators between the service provider and the end-merchant servicing the end customer.)

Active meters on system per type

MANUF	Meter Type	Total
Actaris/Itron/Ontec	Actaris STS meters	4627

Note: The installed base of the metering system increases on an ongoing basis.

Section A: Vending System

1. Background

Newcastle Municipality currently uses Transact Revenue Management system for the sale of pre-paid electricity.

2. Scope

2.1 Supply, installation and maintenance of a complete prepayment vending and management system using an on-line, web-based architecture to vend tokens in a secure and efficient way with the system hosted at the service providers hosting facilities.

3. Applicable Standards

3.1 The following standards shall reference and apply as stipulated in the Specification:

Standards	
IEC 62055-xx	Electricity Payment Metering Systems.
STS Part 1,2 and 3	Standard Transfer Specification.
NRS 009-2-1:1998	Electricity sales systems - Part 2: Functional and performance requirements - Section 1: System master stations.
NRS 009-2-2:1995	Electricity sales systems - Part 2: Functional and performance requirements - Section 2: Credit dispensing units.
NRS 009-6-10 (Online XMLVend 2.1)	the NRS Standard for on-line communication between Vending Servers and Vending Clients.
ISO 8583	Financial transaction card originated messages — Interchange message specifications.
IEC 61968	

4. General

- 4.1 No tender will be considered unless accompanied by a full description and technical details of the solution offered. Any special features shall be detailed.
- 4.2 Only tenderers who can offer a fully functional system, which can be demonstrated, will be considered.
- 4.3 The system offered shall comprise of a complete and fully functional prepayment vending and management system including all the operating and database modules needed to operate such a system.
- 4.4 The minimum hardware, software and communications requirements on which to run the system shall be specified for all the different components of the system. The system shall vend on-line to all installed, existing and commissioned prepayment meters in the municipal area of supply. **The municipality shall be indemnified against patent infringement including any damages awarded, attorney costs and the cost of replacing the vending system should patent infringements be awarded against the municipality due to the successful tenderers vending system.**
- 4.5 The system shall interface with Newcastle Municipality's billing system.
- 4.6 The system shall be capable of interfacing with Newcastle Municipality's GIS and other 3rd party systems where required.
- 4.7 The system shall be operational on a 24 X 7 X 365 basis.

5. Customer Reference

- 5.1 The municipality may wish to contact one or more of the tenderer's reference clients during the detailed evaluation period. Please provide contact names and details of the individuals who should be contacted in this regard.
- 5.2 Contact with your reference clients will be arranged through the tenderer, but the municipality reserves the right to conduct this information sharing sessions without representatives from the tenderer being present.

6. Support, Installation & Commissioning

- 6.1 Tenders shall provide permanent local (onsite) support, as well as show the capability remotely (telephonically) to support the system.
- 6.2 Tenderers shall submit themselves to an independent assessment of their capabilities, demonstrating at least 5 permanents, dedicated and centrally located system support personnel in their employment.

7. Technology and Platform

7.1 Software Architecture

The online vending system software shall be Java based with support for the latest version

of the Java Runtime Environment. The system shall employ the latest version of the Apache Tomcat Web Server and database software that is platform agnostic. It shall be possible to deploy the software on any major operating system like Windows® or any Linux distribution.

7.2 Database

- 7.2.1 The system shall operate on a relational database technology, like ORACLE.
- 7.2.2 It must be possible to run the software on either Oracle or PostgreSQL.
- 7.2.3 The database technology must be able to run on all major operating systems, including Linux, UNIX (AIX, BSD, HP-UX, SGI IRIX, Solaris, Tru64) and Windows®.
- 7.2.4 The design of the database shall be such that it conforms to the following Relational Database Management System (RDBMS) rules:
- i. All information shall be represented only in tables.
 - ii. Each atomic value must only be accessible by combination of table name, primary key and column name.
 - iii. All Nulls must be systematic treated within the RDBMS.
 - iv. An on-line data catalog must be maintained by the RDBMS.
 - v. A comprehensive data sub-language must exist, supplementing standard SQL.
 - vi. High-level *Insert*, *Update* and *Delete* functionality must exist within the RDBMS.
 - vii. Both physical and logical data independence must be maintained by the RDBMS.
 - viii. A low-level language shall not subvert or bypass the RDBMS high-level language.
- 7.2.5 The database shall allow concurrent users to access data on a central database from various online terminals.
- 7.2.6 The RDBMS shall allow for automated triggers to be set on any database field, prompting for a function to be executed. This ensures data integrity, audit-ability and data completeness.
- 7.2.7 The database shall allow for multi-version consistency. This means that “writers must not block readers and readers must not block writers” to ensure data integrity. The requirement is that “readers do not block writers and writers do not block readers”. In other words, the reader will see the data as it was before the writer began changing it, and until the writer commits. A less mature locking scheme will result in many delays/waits in the foreseen heavy OLTP (Online Transaction Processing) environment.
- 7.2.8 The database shall be fully ACID (atomicity, consistency, isolation, and durability) complaint.
- 7.2.9 The database shall not allow the escalation of row locks to page level locks when too many rows on a page are locked. This locks rows that are uninvolved in any updates for no good reason.
- 7.2.10 The database shall allow the following:
- i. Control of sorting, for optimal memory allocation.
 - ii. Control over SQL caching, again for optimal memory allocation.

- iii. Control over storage/space management to prevent fragmentation. Pages (blocks) and extents shall not be fixed to a certain size. The database shall allow the specification of larger extents to ensure contiguous space for large objects.
- iv. Range partitioning of large tables and indexes. For example, a large 100GB table shall be allowed to be seamlessly partitioned at the database level into range partitions. This requirement will allow Newcastle Municipality to effectively store any historic data – for instance, the transaction table can be partitioned into monthly partitions. Partitioned tables and partitioned indexes give performance and maintenance benefits, whilst being transparent to the application.

7.2.11 The database shall support a JAVA database engine, enabling future application integration.

7.2.12 The database shall have programming interfaces for Java and .Net.

7.2.13 Stored Procedures must be precompiled before executed.

7.2.14 Tenders shall supply independent, documented proof to substantiate conformance to these aspects.

7.3 Operating Systems

7.3.1 All workstation applications shall operate on a Windows 8 or greater platform. No legacy DOS-based support shall be acceptable.

7.3.2 The vending server shall operate on Windows Server 2012 R2 or any Linux distribution.

7.3.3 The database must be operable on any platform, including Windows®, Unix, Linux, VAX-VMS as well as MVS.

7.3.4 All system functions shall be accessed via a user-friendly Graphical User Interface.

7.4 Hardware

7.4.1 All components of the system shall operate on a standard, readily available, PC-based machine with no special modifications required to any parts.

7.4.2 The tenderer shall supply a standard STS security module server solution which operates over a TCP/IP connection.

7.5 Communication

7.5.1 The system shall be configurable to operate online.

7.5.2 The system shall use a TCP/IP communication layer supporting mobile data networks (GPRS, 3G, LTE), LAN/WAN, BGAN and VSAT communication.

7.5.3 The communication between Point-of-Sale device and the server shall be secured via SSL certificates.

7.6 Data Model

- 7.6.1 The underlying data model used by the system shall be tested to conform to the standard of a so-called third generation system. This means that the data model shall be capable of the following:
- i. A *Usage Point* shall be supported which is independent from a *Location*, *Meter* and *Consumer*.
 - ii. The tariff shall not be connected to a *Meter* or a *Consumer*, but shall rest with the *Usage Point*.
 - iii. The data model shall allow for the definition of hierarchical *Nodes* in order to simulate a distribution network.
 - iv. The data model shall allow for WGS-84 GPS coordinate definition with all locations.
 - v. The data model shall accommodate, for enhanced management purposes, possible additional resources like water and gas.
 - vi. The data model shall accommodate meter readings for reading of any meter type.
 - vii. The data model shall accommodate for a configurable hierarchical grouping structure for Usage Points and meters.
 - viii. The data model shall conform to the CIM data model.

8. Integration and Interface Requirements

8.1 File based integration

The system shall be able to facilitate file-based integration via a purpose-built application. This application shall be able to extract or import data according to dynamically defined business rules. This application shall also be able to manage and track processed data, regenerated files and enable additional file layouts as required.

8.2 Web services based integration

The system shall be able to facilitate web services-based integration via a purpose-built application. This application shall be able to extract or import data according to dynamically defined business rules.

9. Operational Requirements

9.1 Critical Performance Parameters

Note: All Tenderers will be required to demonstrate the following capability on demand:

- 9.1.1 The software and database shall be able to accommodate, with no special changes other than hardware scaling, more than 1 million consumer records and 120 million transaction records from the main server.
- 9.1.2 The software and database shall have no limitation on the number of named users and

workstations it can accommodate.

- 9.1.3 The online system shall be scalable to transact 30 requests per second.
- 9.1.4 A standard vending operation shall be less than 15 seconds from request to completion token printing or programming.
- 9.1.5 Thin client architecture shall require less than 32kb/sec to be functional over WAN.

9.2 Languages & Currency (Localization)

- 9.2.1 The system shall accommodate multiple languages on the same machine.
- 9.2.2 The system shall have a tool to facilitate the translation of the software. This tool shall be demonstrated and supplied on demand.
- 9.2.3 The system shall allow for the configuration of any currency, including the adjustment of multipliers and decimal points.

9.3 Online Customer Contract Management

- 9.3.1 The system shall have the ability to perform online customer contract management via any standard web browser.
- 9.3.2 The following functionality shall be available via the online Customer Contract Management web application:
 - Creating new Customers and Customer Agreements
 - Creating new Usage Points and location details
 - Updating Customer and customer agreement details
 - Updating Usage Point and location details
 - Link Customers, Usage Points and Meters
 - Perform Advanced Customer, Usage Point and Meter data lookups
- 9.3.3 The system shall support multiple customer agreements to be associated with a single customer.
- 9.3.4 The system shall support multiple Usage Points with a meter per customer location.

Management of Customer Contracts shall be carried out through a single online take-on web page via any standard web browser.

- 9.3.5 The Customer Contract Management System shall accommodate the saving of uncompleted contracts whilst these customers will not be able to vend.
- 9.3.6 The system shall have the ability to logical separate Usage Point data. It should be possible for the municipality to define the logical grouping of the Usage Points and it must be possible to specify multiple hierarchical grouping levels. It should be possible to report according to the defined grouping levels and restrict user access according to the defined grouping levels.

- 9.3.7 The system shall have the ability to automatically block a customer after the customer has made a given number of purchases or purchase a set amount in Rands. A message stating the amount remaining or number of transactions remaining before the customer is blocked shall be printed on the credit token.

9.4 Online Meter Engineering Operations

- 9.4.1 The system shall have the ability to generate engineering tokens (Replacements, Clear Tamper, Clear Credit, Power Limit, Supply Group Key Change, Tariff Index Key Change) online via any standard web browser.
- 9.4.2 The system shall have the ability to automatically issue Key Change Tokens at the Point of Sale upon first purchase by the customer.
- 9.4.3 The system shall have the ability to send engineering tokens, including Free Issues to any cell phone number via SMS.
- 9.4.4 The system shall have the capability to collect meter readings on an on-demand basis or a reading schedule.
- 9.4.5 The system shall have the ability to collect and store load profile data and register reads.
- 9.4.6 The system shall have the capability to receive and store meter alarms and events.
- 9.4.7 The system shall have the ability to automatically resolve load profile gaps.
- 9.4.8 The system shall display non-meter specific engineering tokens (Test load switch, Display KRN, Display TI, Display maximum power limit, etc.)

9.5 Online Auxiliary Account Management

- 9.5.1 The system shall have the ability to manage customer specific auxiliary accounts online via any standard web browser. This functionality shall include the creation of auxiliary account types and the definition of the account details such as account balance and charge schedule.
- 9.5.2 The system shall have the ability to automatically create an auxiliary account when a free issue token is supplied to a customer.

9.6 System Security

- 9.6.1 The system shall have the ability to define online users, user roles and user specific role processes online via any standard web browser.
- 9.6.2 Database security governing low- and high-level database access shall be via a proven technology and applied at both database and application level.
- 9.6.3 The system shall allow for the addition of an unlimited number of named operators.
- 9.6.4 Security shall be adjustable to allow for individualized access to any field within the database.
- 9.6.5 Communication between points of sale/super vendors and vending server shall be

secure by making use of SSL certificates.

9.7 Electricity Prepayment Vending

9.7.1 Transactions

- 9.7.1.1 All transactions shall be itemised to such a nature that taxes, levies, standing charges, arrears and services are all created through individual rows in the database.
- 9.7.1.2 Any rounding errors of kWh beyond the first decimal shall be recorded in the database as separate transaction rows to ensure effective reconciliation.
- 9.7.1.3 System transaction reversals shall
- i. be effected with full trace-ability of the reversal;
 - ii. shall be traceable to an operator;
 - iii. shall reverse an entire transaction batch consisting of taxes, levies, auxiliaries and resource amounts on the system and
 - iv. have the option of being disabled or enabled for specific vendors.

9.7.2 Vending Operation

- 9.7.2.1 The system shall be capable of vending STS compliant prepayment credit and engineering tokens.
- 9.7.2.2 The system shall be certified by the STS association as being Vending, Engineering and Key Change Management compliant.
- 9.7.2.3 Vendors shall have the ability to perform a consumer lookup through meter number, address or name and account number.
- 9.7.2.4 The system shall be capable of allowing transaction re-prints and reversals, without compromising the integrity of transactions and subject to appropriate security.
- 9.7.2.5 The vendor shall have the ability to look up the transaction history of a relevant consumer.
- 9.7.2.6 The system shall be capable of vending free electricity grants:
Free Basic Electricity (FBE) Tokens also known as an Electricity Base Support Services Tokens (EBSST).
- 9.7.2.7 The system shall have the ability to calculate and display cash change to the vendor.
- 9.7.2.8 The system shall have the ability to interface with various Head-End systems to facilitate Thin (Smart) Prepayment.
- 9.7.2.9 The system shall provide for the following types of payment
- Cash
 - Credit Card
 - Debit Card

9.7.3 Vending Management

- 9.7.3.1 The system shall allow for vendor and cashier shifts to accommodate various levels of operators, thus improving security.
- 9.7.3.2 The system shall allow for the automated or manual closing of shifts.
- 9.7.3.3 Vendors shall have pre-defined, credit limits limiting the exposure at certain outlets. The option shall exist to update credit limits manually.

9.7.4 Tokens and receipts

- 9.7.4.1 The system shall give users the ability to easily define customized token/receipt templates.
- 9.7.4.2 The system shall accommodate multiple receipts. It shall include but not be limited to auxiliaries, credit token and system reversals receipts.

9.7.5 Auxiliaries

- 9.7.5.1 The system shall have the ability to collect arrears from the consumer by leveraging the prepayment transaction according to a unique formula for each consumer.
- 9.7.5.2 A consumer's unique collection profile shall be automatically updated by the system based on historic payments made.
- 9.7.5.3 The system shall interface seamlessly with the municipality's financial system to aid to transfer of debtor accounts.

9.7.6 Pricing Structure

- 9.7.6.1 The municipality shall have the ability to customize the pricing structure at will.
- 9.7.6.2 A pricing structure shall accommodate an unlimited number of tariffs, debt and charges rules and calculations.
- 9.7.6.3 The system shall accommodate block tariffs with an unlimited number of kWh-based blocks.
- 9.7.6.4 Unique tax and fixed charges profiles shall be definable for each tariff block.
- 9.7.6.5 Tax and fixed charge blocks independent from tariff blocks shall be definable according to monthly monetary value transacted, or kWh bought.
- 9.7.6.6 The system shall have the ability to set future activation dates for tariff changes. The tariff must be automatically activated at the specified date.

9.7.7 Online Vending

- 9.7.7.1 Online vending on a PC Point of Sale shall take place through a thin client.
- 9.7.7.2 The system shall allow for vending through mobile points of sale.
- 9.7.7.3 Online vending from various vending partners like banks and shopping retailers shall be available.
- 9.7.7.4 All messages shall be via the self-defining, open-standard XML protocol.
- 9.7.7.5 The system shall support the latest version of the NRS009-6-10 XMLVend specification.
- 9.7.7.6 The online transaction processing infrastructure shall have unlimited scalability with hot-swappable redundancy.

9.8 Meter Life Cycle Tracking

- 9.8.1 The system shall be able to track the history/location of a meter from the time it is delivered to/between stores to when it is installed at a Usage Point until it is finally scrapped
- 9.8.2 In order to facilitate meter life cycle tracking, the system shall accommodate at least

the following location types:

- i. Inventory Store
- ii. Usage Point

9.8.3 Again in order to track meter life cycle, the system shall further allow for the following modes of operation:

- i. In store, inactive
- ii. Installed and active
- iii. Installed and inactive

10. Queries

10.1 The vending management system shall have a web based query executor for displaying general query results on a grid.

10.2 It must be possible to export the query results to a Spreadsheet.

11. Reporting

11.1 The vending management system shall have the capability to interface with reporting applications supporting customizable reports.

11.2 The following complex reports shall come standard with the vending system:

Standard consumer reports

- Number of consumers registered by town between dates
- List of POC'S grouped by system area code
- List of all STS meters registered on the system
- List of towns registered on the system
- List of disconnected meters by POC between dates
- List of disconnected meters by disconnect reason between dates
- Consumer information for POC'S
- Total new connections per town
- Total installed meters per town
- Meter replacements per town
- All consumers in alphabetic order

Standard transaction reports

- List of transactions grouped by date between dates
- Sum of transactions grouped by transaction type and tariff
- List of credit and debit card transactions between dates
- Total electricity bought between dates by consumer
- Free issues between dates per meter
- Cheques List between dates
- Low purchases of electricity over a specified period
- Total electricity bought in the last 30 and 90 days
- Breakdown of consumer's purchase times between dates
- Balancing report of credit amounts used against physical transactions
- Reversals between dates
- Summary of all end of shifts for a user between dates
- All transactions for a meter between custom dates
- Arrears owed by consumer
- Daily cash reconciliation report

- All transactions for an account between dates
- Low consumption report
- Indigent high purchase report
- Total sales by town
- Total sales by operator
- All transactions for one shift on one user
- Shift details for one user
- IBT customer purchase breakdown with graph
- IBT month sales analysis by Tariff Class

Engineering Reports

- Current power limit for a meter
- Current power limit for all meters
- Audit trail on Amperage changes
- Reports in the vending system must be able to be previewed before printing.

11.3 The database shall be accessible via standard SQL-based report writing tools like Crystal Reports.

11.4 The municipality will be able to design custom reports.

11.5 The tenderer will provide an optional service where the municipality can request custom reports to be designed.

12. Geographical Information System

12.1 It is envisaged that a Geographical Information System will be linked/incorporated into the prepayment database in the future. The proposal should describe how the solution would cater for such GIS integration.

12.2 Certain data elements in the prepayment metering system must be able to store GPS coordinates as attributes. These include the location of a meter as well as the Usage Point of a meter.

13. Vending Gateway

13.1 The system should include as an additional option the capability to direct transaction requests from vending clients to different services databases.

13.2 The transaction switch should include a billing system where different commissions for different services as well as vendors could be calculated.

13.3 The transaction switch should include vendor credit limits that will only allow a vendor to sell services if a positive credit is maintained.

13.4 The transactions switch should either include, as an option, or be able to integrate to an electronic fund transfer (EFT) switch to facilitate credit card payments

13.5 The EFT option should include a secure web site for selling services.

13.6 The transaction switch should allow for mobile points of sale to connect to it. This will be achieved by allowing various suppliers of mobile technology to integrate to the transaction switch.

13.7 The transaction switch will allow SMS (GSM) based messages to transact with the switch.

13.8 In addition to conventional payment methods, the system should support a voucher payment mechanism in the on-line mode of operation.

13.9 Where the system generates its own vouchers, customizable vouchers should be printed with unique voucher numbers.

13.10 The system should be able to reserve and expire vouchers as and when it is redeemed for resources.

14. Vending Channels

- 14.1 The following vending channels shall be implemented;
- PC POS
 - Mobile POS
 - Mobile Phone
 - Consumer website
 - Bank/ATM
 - major retailer

15. Online Retail and Vending Administration

- 15.1 The system shall have the ability to manage retailer accounts online
- 15.2 This includes adding, removing and editing retailers, operators, terminals, available networks and accepted payment methods.
- 15.3 It shall also allow transferring and adjusting retailer funds and accepting retailer deposits.
- 15.4 The system shall have the ability to add, remove and edit vouchers online.
- 15.5 The system shall have an online facility for reconciling between client records, EFT records and service provider records.
- 15.6 The system shall have the ability to remotely update point of sale software remotely.
- 15.7 The system shall provide a facility to assign sales agents to vendors and automatically calculate the agent's commissions based on sales.
- 15.8 It shall be possible to manage several vendors as a group. A dedicated web application with limited access shall be available for users to manage the vendor groups.

16. System Hardware

- 16.1 The tenderer shall provide and install all the necessary hosted server hardware needed to operate the vending system and shall maintain and upgrade the hardware during the contract period.
- 16.2 All components of the system shall operate on a standard, readily available, PC-based machine with no special modifications required to any parts. Brand-name systems will be the preferred option. The PC's will be utilised for additional purposes e.g. receipting, emails.
- 16.3 POS (Point of Sale) terminals can be either PC or Mobile terminals that comply with the hardware and software requirements. These terminals shall be submitted for approval by the municipality.
- 16.4 Encryption cards and security modules shall be centralised in a secure hosted central environment to ensure the security of the system.
- 16.5 All servers shall have the necessary redundancy. The necessary backup facilities will also be provided. The tenderer shall provide a secondary vending site for disaster recovery purposes. The tenderer shall provide a detailed disaster recovery plan to the municipality for approval.

17. System Software

- 17.1 The tenderer shall provide and install the necessary software and operating systems needed to operate the vending system and shall maintain and upgrade the software during the contract period.
- 17.2 Ownership of all PC based software will revert to the municipality at the end of the initial contract period or in the event of contract breach. There will be no cost

imposition.

- 17.3 The tenderer shall be responsible for the migration from the current system to the new system.
- 17.4 The tenderer shall be responsible for all licensing and upgrade cost during the contract period.
- 17.5 The tenderer shall be responsible for the exporting/transferring of all data in a specified format in the event that the municipality should change to new software at the end of the contract period.
- 17.6 Should migration be necessary on the onset or during commissioning of the system, all cost is for the tenderer.
- 17.7 The tenderer shall provide training on all elements of the system for all the different user groups and vendors.
- 17.8 The tenderer shall provide on-site support for the initial implementation of the system and a 24 x 7 x 365 comprehensive support service and help desk for the contract period.

18. Arrears recovery

- 18.1 There shall be a direct interface with the billing system so that arrears collected can be posted directly to the relevant account either in real-time or via batch entry at a user selectable delay on the billing system.
- 18.2 The details of all arrear amounts collected and service accounts paid for the current transaction shall be individually listed on the transaction receipt handed to the customer at the point of sale.
- 18.3 Data should be imported directly from the billing system into the tenderers system where data will be managed to block and unblock consumers.

19. End Consumer Portal (including a Payment Gateway)

- 19.1 The tenderer shall provide the municipality with a module that specifically service the end consumer directly via an online portal which the end consumer should access through PC and/or mobile web browser and/or an Android application
- 19.2 The End Consumer Portal should allow the end consumers to access a wide variety of features for their Usage Point
- 19.3 End Consumers should be able to register via a secure password that is consumer specified.
- 19.4 Upon registering, the end consumer should at a minimum supply the following
 - information: A unique username
 - Title
 - First and Last Name
 - Contact details which includes email address and mobile number
- 19.5 The terms and conditions for the use of the End Consumer portal shall be clearly visible and must prompt the end consumer to accept the terms and conditions before registration is completed.
- 19.6 An automated activation email should be send to the end consumer's Email which allow the consumer to activate his account before he can use the portal.
- 19.7 End consumers must have the ability to update their information, reset passwords and

register and update meter information.

- 19.8 Through this portal end consumers registered on the Vending System and the End Consumer Portal should have the ability to:
- View sales history
 - Pay for and receive tokens dispensed by the vending system through a Payment Gateway which should be included in the End Consumer Portal
 - View usage profiles
 - View meter readings (where applicable)
 - Display alerts
 - Display faults to the end consumer and provides the end consumer with the ability to log faults
 - Configure alert thresholds
- 19.9 A secure Payment Gateway must be included in the solution which will allow end consumers to make secure credit card or instant-EFT payments and manage and track these payments.
- 19.10 Through this portal, end consumers must have the ability to send queries about their Usage Point to the municipality by Email.

Data Ownership

- 19.11 All the information on consumers and related info in the databases will remain the property of the municipality at all times and will not be disclosed as a whole or in part to any third party without the express permission of the municipality.
- 19.12 Any data archived and warehoused on behalf of the municipality shall be accessible at any time by the municipality or its appointed auditor.

20. Training

- 20.1 The tenderer shall provide system training on all software at the tenderer's dedicated training facility.

21. System Costs

- 21.1 The method of payment will be a monthly fee based on the number of active prepayment meters on the system, depending on a formal service level agreement.
- 21.2 A service level agreement will be entered into by Newcastle Municipality and the tenderer for a period of 3 years and shall clearly stipulate issues like:
- Hardware and software upgrade and ownership conditions
 - Communication up- and downtimes and reliability
 - Level of support and response times
 - Training
 - Performance levels and penalties
 - Data ownership additions
 - Exit and termination conditions
 - Insurance of Hardware, software and communications
- 21.3 The tenderer shall list the following components and give a detail specification thereof in order to enable a fair comparison of tenders offered:
- Hardware
 - Software

- Communication
- Support
- Training

Alternative methods of payment may be offered for consideration.

Section B: Vendor Management

1. Scope

The complete management of contracted 3rd party vendors on behalf of the municipality.

2. Details of specification

2.1 Vendor management

The tenderer shall be responsible for the following:

- 2.1.1 Setting up guidelines for appointing and contracting with existing and prospective vendors and compiling of agreement/contracts. The guidelines and agreement to be approved by the municipality.
- 2.1.2 Advertising and information meetings with prospective and existing vendors.
- 2.1.3 Appointment of vendors and signing of contracts. The Municipality will determine the quantity of vendors per location as required.
- 2.1.4 Provide a minimum of 10 direct managed 3rd party POS vendors within the Newcastle Municipality area of distribution.
- 2.1.5 Newcastle Municipality will only allow one tier of aggregators between the tenderer and the end-merchant servicing the end customer.
- 2.1.6 Providing all the necessary hardware, software and communications equipment needed for the vendor to operate.
- 2.1.7 Providing training as and when necessary for the vendor or his appointed operators in order to operate the equipment and relevant software.
- 2.1.8 Providing the necessary consumables, e.g. Paper, printer carriage, etc.
- 2.1.9 Providing the routine and necessary maintenance, repair and servicing as is required to maintain the equipment.
- 2.1.10 Collection of all revenue from vendors as per agreement
- 2.1.11 Timely payment of collected revenue into Newcastle Municipality bank account – at least within 72 hours of transaction date.
- 2.1.12 Insurance against revenue loss.
- 2.1.13 Providing the necessary security measures for collecting the revenue if required.
- 2.1.14 To reconcile the revenue received from the vendors on a daily basis and provide the necessary credit to the vendor to continue vending.
- 2.1.15 Payment of any commissions owed to vendors.
- 2.1.16 Payment of revenue received (Prepaid & Auxiliary separately) directly in the municipalities account at predetermined times together with a reconciliation of said revenue.
- 2.1.17 Providing daily, weekly and monthly reports as required by the municipality.
- 2.1.18 Provide audit reports if required.
- 2.1.19 Vendor's commission payable to the successful tenderer will be included in the monthly fee of price per meter.
- 2.1.20 All existing handhelds terminals that are not compatible with the proposed vending and management system must be replaced on the cost of the successful tenderer.

3. Support Services

The tenderer shall be responsible for the following:

- 3.1 Providing the necessary admin and support staff to administer the vendors. The staff will be on-site and situated in Newcastle.
- 3.2 Provide the office space to house the staff.
- 3.3 Provide a 24 x 7 x 365 support service for vendors.
- 3.4 The tenderer may use the services of third party aggregators. Newcastle Municipality will only allow one tier of aggregators between the tenderer and the end-merchant servicing the end customer.

4. System Costs

- 4.1 The method of payment will be a monthly fee based on a percentage of the total monthly sales, depending on the service level agreement.
- 4.2 The municipality and the tenderer will enter into a service level agreement.

COMPLIANCE SCHEDULE (VENDING)

It is compulsory for bidders to answer the following questions. Failure to answer it in full will lead to disqualification.

No.	Question	Yes / No	Comments
1	Does the system comply with all the STS specifications as listed in the tender? Is the system certified for electricity vending?		
2	Does the system allow for configuration by the municipality for various system requirements?		
3	Is a list of system limitations attached?		
4	Is a full, detailed functionality description of the system attached?		
5	Is there a detailed strategy for the TID rollover included with an indication of cost to the Municipality?		
6	Is a detailed graphical drawing of the proposed network and system attached?		
7	Is a detailed disaster recovery plan attached?		
No.	Question	Yes /No	Comments
8	Is a comprehensive 3rd Party payment remittance process attached?		
9	Are different servers utilized for the different applications e.g. transaction server, management server, etc.?		
10	Is this a single database solution with no data transfer or replication required?		
11	Does the system have the capability to provide pre-paid services to electricity customers using a single interface? Does a single Customer record can link to multiple meter account types?		

12	Does the system integrate to other vending mechanics such as automatic cash handling machines, self-service terminals and other third-party options using XMLVend as an interface language?		
13	Is the system native XML or does it require a translation interface for XML based vending?		
15	Does the system allow for convenience charges to be charged at specific vending outlets over specific periods?		
16	Does the system provide for integration to the other systems in use at the municipality through the following options: API or periodic bulk export/import/registration of data/meter to and from other business systems, on-line real-time per transaction synchronization of data? Have the requirements of mSCOA been addressed in the offer?		
17	Does the system comply with financial services regulations regarding storage of data?		
18	Does the system provide WEB integration for management functionality and reporting? Specify what standard will be used.		
19	Can the administrators log into the servers directly from their offices? Can admins log in remotely over the internet?		
20	Is a list of license requirements with limitations attached?		
21	Does the system provide for the management of smart metering?		
22	Does the system provide for access rights into the system for uses and groups?		
23	Does the system provide for user ID disabled or removed to remain in history transaction data?		
25	Does the system provide for arrear recovery in line with the credit control policy of the municipality?		
26	Does the system provide for at least the following arrear recovery alternatives: fixed percentage of transaction recovery; service-based recovery; full arrear payment recovery; partial arrear payment recovery with limited electricity sales?		
27	Does the system provide for "free issues" (EBSST token) to be SMS'd to specific customers?		
No.	Question	Yes / No	Comments
28	Does the system allow a "free issue" (EBSST token) to indigents without having to purchase electricity or pay arrear amounts even if system is set to full arrear recovery?		
29	Does the system print "duplicate invoice" or "copy invoice" on a receipt if the "free issues" (EBSST token) is requested more than once in a calendar month?		
30	Does the system allow the generation of all engineering tokens directly from the system master station?		
31	Does the system allow all engineering tokens to be either printed, viewed without printing or sent through SMS?		

32	Does the system support all the different types of engineering vouchers as specified in the tender?		
33	Does the system provide for up-front vending?		
34	Can the abovementioned amount be defined per workstation?		
35	Does the system provide for messages at the bottom of the token voucher which can be changed by the municipality according to the municipality's requirements?		
36	Does the system keep all historical connections between the meter, point of connection and the customer?		
37	Does the system allow vending when a point of connection, meter or tariff is not linked to a customer?		
38	Does the system allow payment of accounts although a blocking code is active that does not allow the customer to purchase pre-paid electricity tokens?		
39	Does the system provide for at least the standard reports as stipulated in the tender?		
40	Does the system allow for preview of reports before printing?		
41	Is a statistical MONTHLY management Report provided? Is a sample provided?		
42	Does the system support the use of vending-based tariffs?		
43	Does the system provide for pre-defined tariffs by date to be created in advance?		
44	Does the system accommodate the current vending structures of the municipality?		
45	Does the system support IBT (stepped tariffs)?		
46	Does the system support vending-based VAT that is calculated at time of vending?		
47	Does the system provide for batch numbers to follow sequentially and print a breakdown of all money received separately?		
No.	Question	Yes / No	Comments
48	Does the system provide for the payment of arrear amounts, current amounts or linked account separately from purchasing pre-paid electricity tokens?		
49	Does the system provide for the cashier to enter the full amount from which the arrear amount will automatically be deducted, and the remainder of the money will then automatically be allocated towards pre-paid electricity sales?		
50	Does the system make provision to warn the cashier before finalizing any transaction?		
51	Does the system provide for integration of historical data?		

52	Is a list of current system users with full contact details supplied?		
53	Was an assessment of current infrastructure done and an optimum solution recommendation attached?		
54	Is the system TCP/IP compliant and be able to operate real-time over Ethernet on a LAN/WAN/WIFI/GPRS/3G/EDGE/4G/5G/HSDPA/ADSL/DIGINET environment as available in certain areas?		
55	Do the system support vending stations run on at least Windows XP?		
56	Are all communications between client and server secured by mutually authenticated SSL certificates?		
57	Is provision made for periodic data synchronization with an off-line database in the municipal environment?		
58	Does the system support access through any web browser and the latest version of the standard Microsoft Internet Explorer and always keep up with updates by Microsoft?		
59	Does the system function under low-bandwidth requirements with minimum packet size? Please specify the bandwidth.		
60	Does the system cater for a Monthly indigent update from file		
61	Is there an aggregator support letter attached?		
62	Is a policy regarding overcharging by vendors included?		
63	Is an ISO 9001-2015 certificate provided in the name of the bidder or their technology provider?		
64	Are there at least 3 options to allow the municipality to choose from with regards TID updates with regards using contractors, municipal staff, or a self-service option.		
65	Is a broad-based third-party vending footprint provided to municipalities including major retail, major banks, informal sector, and web vendors?		

18. ELIGIBILITY CRITERIA

Bid offers will only be accepted if:

1. A valid Tax Compliance Status Pin or CSD Master Registration Number for verification;
2. The **Form of Offer** is completed and signed;
3. The bid must adhere to Pricing Instructions where the pricing schedule should be completed correctly and signed;
4. The bidder or any of its directors/shareholders is not listed on the Register of Tender Defaulters in terms of the Prevention and Combating of Corrupt Activities Act of 2004 person prohibited from doing business with the public sector;
5. The bidder has not:
 - a. abused the Employer's Supply Chain Management System; or
 - b. failed to perform on any previous contract and has been given a written notice to this effect;
6. The bidder has completed the Declaration of Interest and there are no conflicts of interest which may impact on the tenderer's ability to perform the contract in the best interests of the employer or potentially compromise the tender process and persons in the employ of the state are permitted to submit tenders or participate in the contract;
7. The bidder is registered on the **Central Supplier Database**;
8. The bidder is not in arrears for more than 3 months with municipal rates and taxes and municipal service charges. The latest municipal account is to be attached. The statement must not be older than three months from the closing date of this tender. Alternatively, if the tenderer is currently leasing premises and is not responsible for the payment of municipal services, a copy of the Lease Agreement must be attached;
9. A Joint-Venture Agreement or Consortium, where applicable, is submitted with bid;
10. Prospective bidder comply with the requirements of the bid and technical specifications;
11. The bidder scores a minimum of **80 percent** in respect of each Functionality Test;
12. All returnable schedules are to be completed and all relevant certificates attached where indicated.

19. EVALUATION CRITERIA

Tenders will be assessed on the stages as follows: -

- Stage 1: Administrative compliance
- Stage 2: Mandatory Requirements
- Stage 3: Technical evaluation/functionality test
- Stage 4: Preference point scoring.
- Stage 5: Objective criteria

Stage 1: Administrative compliance

The Municipality has prescribed minimum administrative requirements that must be met by the bidders, for the former to accept the bid for evaluation. In this regard administrative compliance will be carried out to determine whether the bidder's bid complies in this regard.

- Water and Lights account in the name of tendering entity
- Tax Status, CSD registration
- Verification if not Listed under Tender Defaulters.
- Signing of MBD 1.
- Declaration of Interest – MBD 4.
- All forms must be completed in full - compulsory.

Stage 2: Mandatory requirements

These are mandatory requirements. If a bidder does not comply with each of the mandatory requirements, the bid shall be deemed non-responsive. The bidder is requested to substantiate the specified capability of the equipment offered in response to these mandatory requirements. Failure to fully substantiate compliance or non-compliance to the recommended criteria will be regarded as non-compliance and will result in the bid shall be deemed non-responsive.

Mandatory requirements	Please select the appropriate block	
	YES	NO
Standard Transfer Specification (STS) Certification to edition 2, STS600-8-6. Certificate to be provided. Portfolio Of Evidence (Certified copies must be appended to the document).		
ISO Certification - to 9001-2015. Certificate to be provided. Portfolio Of Evidence (Certified copies must be appended to the document).		
Confirmation letters from two municipalities that the TID update programme is completed or under way. Portfolio Of Evidence (Certified copies must be appended to the document).		
Proof of XMLVend Based integration into at least one aggregator. At least one confirmation letter is required. Portfolio Of Evidence (Certified copies must be appended to the document).		

Stage 3: Functionality Scoring

Service Providers must be able to do presentations about their company and products at their own costs and at a time and venue that will be determined by the Municipality.

The maximum points for this bid are allocated as follows:

Item	Description	Value		
1	Single interface integrated multi-utility system, vending Electricity from a single interface. A demonstration of this may be requested.	15	Full description and STS approval	15
			No description and/or STS approval	0
2	Broad based third-party vending footprint provided to municipalities including retail, banks, informal sector and web vendors**	15	5 years or more	15
			2 years or less	5
			No experience	0
3	Hosted on-line vending provided to municipalities. Evidence, both the appointment letters and Customer Reference Letters to be attached as proof. Two points will be allocated per project to a max of 10 projects	30	15 years or more	30
			5 years	10
			No experience	0
4	Disaster recovery and business continuity plan	5	Plan included	5
			No plan	0
6	Letters from municipalities confirming third party vending and arrears collection. At least one to be Live or real time updates for bill payments and arrears collections – dependent on Billing System (if the provider can connect real time) Evidence, both the appointment letters and Customer Reference Letters to be attached as proof. Three points will be allocated per project to a max of 15 projects	15	5 letters	15
			2 letters	6
			1 letter	3
7	Detailed mSCOA implementation approach included, one letter confirming on-line integration	10	Plan and letter included	10
			No plan and/or letter	0
			No plan	0
			No tool	0
8	Service provider to prove that they have a service desk/customer support centre and indicate the hours of operation: Attach service desk/ customer support centre and contact details	10	24/7 Service	10
			Extended Business hours (07:00-19:00)	6
			Business hours (8:00-16:00)	3
TOTAL POINTS				100
MINIMUM QUALIFYING SCORE FOR ADVANCING TO THE NEXT STAGE				80

Stage 4: Preferential procurement scoring

The bidders that have successfully progressed will be evaluated in accordance with the 80/20 Preferential Point System in accordance with the Preferential Procurement Regulations, 2022 issued in terms of section 5 of the Preferential Procurement Policy Framework Act, No 5 of 2000.

Stage 5: Objective criteria

In terms of Preferential Procurement Regulation 11 and section 2(1)(f) of the Preferential Procurement Policy Framework Act, the following are the objective criteria:

- The risk of fruitless and wasteful expenditure to Newcastle Local Municipality;
- The risk of Irregular expenditure to Newcastle Local Municipality;
- The risk of poor project and contract management on existing project with Newcastle Local Municipality;
- The risk of an abnormally low bid and
- The risk of a material irregularity

The Municipality reserves a right to apply objective evaluation criteria should the recommended bidder pose any of the above-mentioned risks after assessment, Newcastle Local Municipality after ascertaining sufficient information will not make an award to the bidder exposing the Municipality to one or more of the above-mentioned risks.

20. PRICING SCHEDULE

NOTE:

1. All delivery costs **MUST** be included in the bid price, for delivery at the prescribed destination.
2. Document **MUST** be completed in non-erasable black ink.
3. **NO** correction fluid/tape may be used. In the event of a mistake having been made, it shall be crossed out in ink and be accompanied by an initial at each and every alteration.
4. The Bidder **MUST** indicate whether he/she/the entity is a registered VAT Vendor or not.
 - In the case of the Bidder not being a registered VAT Vendor, both columns (amount/rate excluding AND including VAT) must reflect the same amount.

I / We _____

(full name of Bidder) the undersigned in my capacity as _____ of

the firm _____ hereby offer to Newcastle Municipality to render the services as described, in accordance with the specification and conditions of contract to the entire satisfaction of the Newcastle Municipality and subject to the conditions of tender, for the amounts indicated hereunder:

	INDICATE WITH AN „X“							
	YES				NO			
Are you/is the firm a registered VAT Vendor								
If “YES”, please provide VAT number								

Escalation of Offer Prices in percentage

(Prices will be fixed for first 12 months and thereafter subject to escalation)

Expected escalation of prices after 12 months %

Expected escalation of prices after 24 months %

Name of Bidder			
Signature		Name (print)	
Capacity		Date	

Price Schedule

PRICES MUST BE SUPPLIED IN THE FOLLOWING SEQUENCE AND FORMAT

Description	Quantity	Unit price (excl. vat)	Total monthly price (Excl. VAT)
Section A – Vending System (R per meter per month)	4627		
- Training per user	15		
Section B – Vendor Management (percentage)			
- Cash Handling Cost (percentage) excl. vat	Average revenue of R3 million pm		
Proposed percentage commission			
Total (excl. VAT)			
VAT @ 15%			
Grand Total (incl. VAT)			

Newcastle Municipality requires a single supplier that meets the specifications of section A and B and supplies all the services related to both the sections. Only bids providing pricing for both sections will qualify. No additional fees other than those included in the table above will be allowed.

SIGNATURE		NAME (PRINT)	
CAPACITY		DATE	
NAME OF BIDDER			

FORM OF INDEMNITY

INDEMNITY

Given by (Name of Company) _____
of (registered address of Company) _____
a company incorporated with limited liability according to the Company Laws of the Republic of South Africa (hereinafter called the Contractor), represented herein by (Name of Representative) _____ in his capacity as (Designation) _____ of the Contractor, is duly authorized hereto by a resolution dated _____ /20_____, to sign on behalf of the Contractor.

WHEREAS the Contractor has entered a Contract dated _____ /20_____, with the Municipality who require this indemnity from the Contractor.

NOW THEREFORE THIS DEED WITNESSES that the Contractor does hereby indemnify and hold harmless the Municipality in respect of all loss or damage that may be incurred or sustained by the Municipality by reason of or in any way arising out of or caused by operations that may be carried out by the Contractor in connection with the aforementioned contract; and also in respect of all claims that may be made against the Municipality in consequence of such operations, by reason of or in any way arising out of any accidents or damage to life or property or any other cause whatsoever; and also in respect of all legal or other expenses that may be incurred by the Municipality in examining, resisting or settling any such claims; for the due performance of which the Contractor binds itself according to law.

Signature of Bidder	
Date	

Signature of Witness 1	
Date	
Signature of Witness 2	
Date	

21. TECHNICAL DATA, OMISSIONS AND VARIATIONS FROM THE SPECIFICATION

(TO BE COMPLETED BY THE BIDDER)

Bids will be held to be entirely in accordance with the Department's specification except in the respects stated hereunder and goods will be subject to rejection if it is found on delivery that it does not comply with the prescribed specification.

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If the bid complies with the specification in all respects, the Bidder must state so here:-

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Name of Bidder			
Signature		Name (print)	
Capacity		Date	

22. SCHEDULE OF SIMILAR WORK EXPERIENCE OF THE BIDDER

Employer (Name, Tel, Fax, Email)		Contact person (Name, Tel, Fax, Email)		Nature of Work	Value of Work (Incl. Vat)	Date Completed
Name		Name				
Tel		Tel				
Fax		Fax				
Email		Email				
Name		Name				
Tel		Tel				
Fax		Fax				
Email		Email				
Name		Name				
Tel		Tel				
Fax		Fax				
Email		Email				
Name		Name				
Tel		Tel				
Fax		Fax				
Email		Email				
Name		Name				
Tel		Tel				
Fax		Fax				
Email		Email				

Attach additional pages if more space is required.

Number of sheets appended by the tenderer to this schedule (If nil, enter NIL)	
--	--

Name of Bidder			
Signature		Name (print)	
Capacity		Date	

23. DECLARATION BY BIDDER

I / We acknowledge that I / we am / are fully acquainted with the contents of the conditions of tender of this tender document and that I / we accept the conditions in all respects.

I / We agree that the laws of the Republic of South Africa shall be applicable to the contract resulting from the acceptance of *my / our tender and that I / we elect domicillium citandi et executandi (physical address at which legal proceedings may be instituted) in the Republic at:

I / We accept full responsibility for the proper execution and fulfillment of all obligations and conditions devolving in me / us under this agreement as the principal liable for the due fulfillment of this contract.

I / We furthermore confirm I / we satisfied myself / ourselves as to the corrections and validity of my / our tender; that the price quoted cover all the work / items specified in the tender documents and that the price(s) cover all my / our obligations under a resulting contract and that I / we accept that any mistake(s) regarding price and calculations will be at my / our risk.

I / We furthermore confirm that my / our offer remains binding upon me / us and open for acceptance by the Purchases / Employer during the validity period indicated and calculated from the closing date of the bid.

Name of Bidder			
Signature		Name (print)	
Capacity		Date	
Witness 1		Witness 2	