



Ga-Segonyana Local Municipality

INVITATION TO BID

BID NO: 28/2023-24

MAJOR ELECTRICAL WORKS, UPGRADE OF ELECTRICAL INFRASTRUCTURE – ELECTRICAL PROGRAMME

Bidder (Company Name)	
Bidder Representative	
Business Address (Physical)	
Tel No	
e-mail Address	
Bid Price (Vat Inc)	

Issued by:

Ga-Segonyana Local Municipality
Private Bag X1522
Cnr Voortrekker & School Street
KURUMAN
8460
053 712 9300 (Tel)
053 712 3584 (Fax)

Closing Date : 14 June 2024
Time : 12H00

Ga-Segonyana Local Municipality

Bid No: 28/2023-24

Major Electrical Works, Upgrade Of Electrical Infrastructure – Electrical Programme



Invitation/ Supplier Checklist

No.	Document Type	Tick \checkmark
01	Cover page	
02	Advert	
03	MBD 1 Form	
04	MBD 3 Form	
05	MBD 4 Form	
06	MBD 6 Form	
07	MBD 7 Form	
08	MBD 8 Form	
09	MBD 9 Form	
10	General and Special Condition of a Contract	
11	Preferential Procurement Policy	
12	B-BBEE Status Level Certificate	
13	Business Profile	
14	Tax Compliance Status (TCS – with a pin)	
15	Company Registration Document	
16	CSD Registration Report	
17	Proof of Registration with Licenses relevant to the industry (Where applicable)	
18	Certified Copy of Identity Documents (Directors)	
19	Joint Venture Agreement (If Bidder is a Joint Venture)	



Ga-Segonyana Local Municipality

INVITATION TO BID

BID NO: 28/2023-24

**MAJOR ELECTRICAL WORKS, UPGRADE OF
ELECTRICAL INFRASTRUCTURE – ELECTRICAL
PROGRAMME**

ADVERT



GA-SEGONYANA
MUNICIPALITY

Private Bag X1522
Kuruman
8460
www.ga-segonyana.gov.za

INVITATION TO BID






Bid No : 28/2023-24
Bid Description : Major Electrical Works, Upgrade Of Electrical Infrastructure – Electrical Programme

Bids are hereby invited from professional service providers with requisite capacity to provide electrification services for households.

Specifications :

CIBD GRADING – 8EP OR HIGHER

The municipality requires the contractor to provide the following service in fulfilling the electrification of households:

-  Electrification of Medium voltage line
-  Electrification of Low voltage line
-  Installation of electrical meters
-  Commissioning distribution substations
-  Desing electric lines (where possible).

The following sites are to be electrified:

- * 500 households Promiseland
- * 675 Households Diamond view
- * 300 households Seven Miles
- * 31 Households Gathose
- * 500 Households Bankhara Bodulong

Bids clearly marked “**Bid No: 28/2023-24 “Major Electrical Works, Upgrade Of Electrical Infrastructure Electrical Programme”**” must be placed in the bid box of the Municipality on or before **14 June 2024 at 12H00**. The lowest or any bidder will not necessarily be accepted and Council reserves the right to consider any other Bid not suitably endorsed or comprehensively completed, as well as the right to accept a bid in whole or in part.

Bid documents will be available as follows:

Date : 17 May 2024

Methods : downloadable at www.etenders.gov.za and/or www.ga-segonyana.gov.za at own cost
Municipal Cashiers Office at a fee of R2, 000.00 non-refundable

Bid Evaluation Criterion

The bid will be evaluated on functionality with the following criteria:

Experience and track record

30

- For each appointment letter and/or purchase order accompanied by a completion certificate or reference letter (pertaining to the completion of a project). – 10 points

Appointment letter and/or purchase order must reflect the following:

- Client's letterhead
- Contact details (traceable)
- Scope of work,
- Date of appointment
- Signature of the client,

NB: Maximum points to be allocated is 30

Human Resources

20

The bidder must possess a minimum of the following professionals within the staff complement of the company:

- | | |
|---|----------|
| - Project Director/ Manager: member of ECSA | 5 points |
| - Project Designer: member of ECSA | 5 points |
| - Surveyor: member of ASAQS/ SAQSP | 5 points |
| - Qualified Electrician – with trade test | 5 points |

Bidders must submit the **CV's** of the Key personnel, where copies of qualifications and of the identity documents are certified. Failure to provide the above **no points** will be claimed for the above.

The bidder's submission **MUST** indicate who the project manager, project designer, surveyor and QE is, accompanied by the personnel's CV.

Maximum points to be allocated is 20

Financial Resources

10

- Bank rating of **B** or **higher**

The bidder must submit the **ORIGINAL** or **CERTIFIED** bank rating letter in the company's name, in terms of the industry standards.

Capital Resources

40

The bidder must demonstrate ownership of machinery necessary for the execution of the works:

- | | | |
|---------------------------------|-----|-----------|
| - High-up/ Crane Truck (10 Ton) | x 1 | 10 points |
| - Rock drill | x1 | 10 points |
| - LDV | X2 | 10 points |
| - Cherry Picker | x1 | 10 points |

Where ownership of the machinery cannot be provided, lease agreement (**MOU**) **MUST** be submitted. For the bidder to be awarded points the following must be provided:

- Vehicle ownership certificate
- Roadworthy certificate of the said vehicle
In a case of lease agreement
- Lease agreement/ MOU signed by all the parties. The lease agreement/ MOU must be specific to this bid.
- Vehicle ownership certificate of the lessor
- Roadworthy certificate of the said vehicle of the lessor.

The bidder must score a minimum of 70 points to be considered for further evaluation

Bids will thereafter be evaluated and adjudicated in terms of the Municipality's Supply Chain Management Policy and other statutory Regulations governing the Supply Chain of the Municipality. Bids will be evaluated on the **90/10 Points basis**, where **90 points** will be allocated to **price** and **10 points** allocated to **Preferential Points**.

For Preference points the following "**Targeted Specific Goals**" shall apply

- 1.1. Locality 05 points**
- 1.1.1. Locality shall be deemed all bidders operating and stationed within the boundaries of John Taolo Gaetsewe District.
 - 1.1.2. Expanded term for locality shall be deemed for bidders operating and stationed outside of John Taolo Gaetsewe District but within the Northern Cape Province.
 - 1.1.2.1. Bidders shall provide proof of locality by submitting one or more of the following
 - 1.1.2.2. Municipal Account in the bidder's name.
 - 1.1.2.3. Proof of residence in the bidder's name.
 - 1.1.2.4. Bank statement with the bidder's address.
 - 1.1.2.5. Lease agreement indicating a local address, where the lessee is the bidder.
 - 1.1.3. The bidder must submit proof of locality in order to claim points for locality.

NOTE: Locality points shall be allocated as follows

Locality	Number of Points for Locality
Within boundaries of John Taolo Gaetsewe District	05.00
Outside boundaries of John Taolo Gaetsewe District, but within the boundaries of Northern Cape Province	2.5
Outside boundaries of the Northern Cape	0.00

Note: Bidder failing to provide the proof of locality, shall claim zero points for locality

1.2. B-BBEE Status Level Contributor

05 Points

- 1.2.1. Bidder must submit proof of B-BBEE status level contributor certificate.
- 1.2.2. B-BBEE status level contributor certificate must be issued by SANAS or authorised person(s) or authorised body.
- 1.2.3. B-BBEE status level contributor certificate must be **original** or **certified**.
- 1.2.4. Other than the B-BBEE Status Level of Contributor certificate, the bidder must submit the **original** B-BBEE sworn affidavit.
- 1.2.5. Bidder failing to submit proof of B-BBEE status level of contributor or original sworn B-BBEE affidavit shall claim zero points for B-BBEE points.

B-BBEE Status Level of Contributor	Number of points
1	05
2	4.5
3	3.5
4	03
5	02
6	1.5
7	01
8	0.5
Non-compliant contributor	00

Bids MUST be submitted in a bid document as provided for by the municipality. The document is downloadable from the municipal website www.ga-segonyana.gov.za and/ or from e-tender website www.etenders.gov.za.

ONLY BIDS SUBMITTED IN THE BID DOCUMENT WILL BE CONSIDERED.

Technical enquiries may be directed to **Mr. B. Kgosieng** on **053 712 9369** or and SCM enquiries to **Mrs. B. Sechogela** on **053 712 9344** during office hours.

M. M. TSATSIMPE
MUNICIPAL MANAGER

Cnr Voortrekker and School Street
Ga-Segonyana Local Municipality Building
KURUMAN
8460



Ga-Segonyana Local Municipality

INVITATION TO BID

BID NO: 28/2023-24

**MAJOR ELECTRICAL WORKS, UPGRADE OF
ELECTRICAL INFRASTRUCTURE – ELECTRICAL
PROGRAMME**

MBD1



GA-SEGONYANA
LOCAL MUNICIPALITY
MBD 1



PART A

INVITATION TO BID

YOU ARE HEREBY INVITED TO BID FOR REQUIREMENTS OF THE (GA-SEGONYANA LOCAL MUNICIPALITY)					
BID NUMBER:	Bid No: 28/2023-24	CLOSING DATE:	14 June 2024	CLOSING TIME:	12H00
DESCRIPTION	Major Electrical Works, Upgrade Of Electrical Infrastructure Electrical Programme				
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 (STREET ADDRESS)

Ga-Segonyana Local Municipality Main Building					
Cnr Voortrekker and School Street					
Kuruman					
8460					
SUPPLIER INFORMATION					
NAME OF BIDDER					
POSTAL ADDRESS					
STREET ADDRESS					
TELEPHONE NUMBER	CODE		NUMBER		
CELLPHONE NUMBER		CONTACT PERSON			
FACSIMILE NUMBER	CODE		NUMBER		
E-MAIL ADDRESS					
VAT REGISTRATION NUMBER					
TAX COMPLIANCE STATUS	TCS PIN:		OR	CSD No:	
B-BBEE STATUS LEVEL VERIFICATION CERTIFICATE [TICK APPLICABLE BOX]	<input type="checkbox"/> Yes <input type="checkbox"/> No		B-BBEE STATUS LEVEL SWORN AFFIDAVIT	<input type="checkbox"/> Yes <input type="checkbox"/> No	
[A B-BBEE STATUS LEVEL VERIFICATION CERTIFICATE/ SWORN AFFIDAVIT (FOR EMES & QSEs) MUST BE SUBMITTED IN ORDER TO QUALIFY FOR PREFERENCE POINTS FOR B-BBEE]					

ARE YOU THE ACCREDITED REPRESENTATIVE IN SOUTH AFRICA FOR THE GOODS /SERVICES /WORKS OFFERED?	<input type="checkbox"/> Yes <input type="checkbox"/> No [IF YES ENCLOSE PROOF]	ARE YOU A FOREIGN BASED SUPPLIER FOR THE GOODS /SERVICES /WORKS OFFERED?	<input type="checkbox"/> Yes <input type="checkbox"/> No [IF YES, ANSWER PART B:3]
TOTAL NUMBER OF ITEMS OFFERED		TOTAL BID PRICE	R
SIGNATURE OF BIDDER	DATE	
CAPACITY UNDER WHICH THIS BID IS SIGNED			
BIDDING PROCEDURE ENQUIRIES MAY BE DIRECTED TO:		TECHNICAL INFORMATION MAY BE DIRECTED TO:	
DEPARTMENT	FINANCE -SCM	CONTACT PERSON	Bonolo Kgosieng
CONTACT PERSON	Boitumelo Sechogela	TELEPHONE NUMBER	053 712 9369
TELEPHONE NUMBER	053 712 9344	FACSIMILE NUMBER	053 712 3581
FACSIMILE NUMBER	053 712 3518	E-MAIL ADDRESS	
E-MAIL ADDRESS			

PART B
TERMS AND CONDITIONS FOR BIDDING

1. BID SUBMISSION:

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

2. TAX COMPLIANCE REQUIREMENTS

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

3. QUESTIONNAIRE TO BIDDING FOREIGN SUPPLIERS

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

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

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

SIGNATURE OF BIDDER:

CAPACITY UNDER WHICH THIS BID IS SIGNED:

DATE:



Ga-Segonyana Local Municipality

INVITATION TO BID

BID NO: 28/2023-24

**MAJOR ELECTRICAL WORKS, UPGRADE OF
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PROGRAMME**

MBD 3.1



GA-SEGONYANA MUNICIPALITY



MBD 3.1

PRICING SCHEDULE – FIRM PRICES (PURCHASES)

NOTE: ONLY FIRM PRICES WILL BE ACCEPTED. NON-FIRM PRICES (INCLUDING PRICES SUBJECT TO RATES OF EXCHANGE VARIATIONS) WILL NOT BE CONSIDERED

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: 28/2023-24
Closing Time: 12H00	Closing Date: 14 June 2024

OFFER TO BE VALID FOR **90 DAYS** FROM THE CLOSING DATE OF BID

ITEM			
NO.	QUANTITY	DESCRIPTION	BID PRICE IN RSA CURRENCY (INCLUDING VAT)
01	500	Electrification of Households Promiseland	R
02	675	Electrification of Households Diamond View	R
03	300	Electrification of Households Seven Miles	R
04	31	Electrification of Households Gatlhose	R
05	500	Electrification of Households Bankhara Bodulong	R
TOTAL			R

Specification on Advert and GCC

THIS IS MUST BE DONE SEPARATELY FROM THE MBD 3.1. AND THIS DOES NOT WAVE AWAY THE RESPONSIBILITY TO PROVIDE PRICES FOR THE ABOVE-MENTIONED PRODUCTS

-	Required by:
-	At:
-	Does offer comply with specification?	YES/NO
-	If not to specification, indicate deviation(s)
-	Period required for delivery Delivery: Firm/not firm
-	Delivery basis (all delivery costs must be included in the bid price)



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MBD 4



**GA-SEGONYANA MUNICIPALITY
DECLARATION OF INTEREST**

MBD 4

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 or his or her representative:.....

3.2 Identity Number:

3.3 Position occupied in the Company (director, trustee, hareholder²):.....

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.....

.....

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.

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

3.9.1 If yes, furnish particulars.....

.....

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 any other 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, trustees, managers, Principle 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 trustees, managers, principle 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, principle 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

.....
Signature

.....
Date

.....
Capacity

.....
Name of Bidder



Ga-Segonyana Local Municipality

INVITATION TO BID

BID NO: 28/2023-24

**MAJOR ELECTRICAL WORKS, UPGRADE OF
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MBD 6.1



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

This preference form must form part of all bids invited. It contains general information and serves as a claim form for preference points for Broad-Based Black Economic Empowerment (B-BBEE) Status Level of Contribution

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

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).

1.2

- a) The value of this bid is estimated to **exceed/not exceed** R50 000 000 (all applicable taxes included) and therefore the preference point system shall be applicable; or
- b) Either the 80/20 or 90/10 preference point system will be applicable to this tender (*delete whichever is not applicable for this tender*).

1.3 Points for this bid shall be awarded for:

- (a) Price; and
- (b) B-BBEE Status Level of Contributor.

1.4 The maximum points for this bid are allocated as follows:

	POINTS
PRICE	
B-BBEE STATUS LEVEL OF CONTRIBUTOR	
Total points for Price and B-BBEE must not exceed	100

1.5 Failure on the part of a bidder to submit proof of B-BBEE Status level of contributor together with the bid, will be interpreted to mean that preference points for B-BBEE status level of contribution are not claimed.

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

2. DEFINITIONS

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

3. POINTS AWARDED FOR PRICE

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

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

$$\begin{array}{ccc}
 \mathbf{80/20} & \mathbf{or} & \mathbf{90/10} \\
 P_s = 80 \left(1 - \frac{P_t - P_{\min}}{P_{\min}} \right) & \text{or} & P_s = 90 \left(1 - \frac{P_t - P_{\min}}{P_{\min}} \right)
 \end{array}$$

Where

P_s = Points scored for price of bid under consideration

P_t = Price of bid under consideration

P_{\min} = Price of lowest acceptable bid

4. POINTS AWARDED FOR B-BBEE STATUS LEVEL OF CONTRIBUTOR

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

B-BBEE Status Level of Contributor	Number of points (90/10 system)	Number of points (80/20 system)
1	10	20
2	9	18
3	6	14
4	5	12
5	4	8
6	3	6
7	2	4
8	1	2
Non-compliant contributor	0	0

5. BID DECLARATION

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

6. B-BBEE STATUS LEVEL OF CONTRIBUTOR CLAIMED IN TERMS OF PARAGRAPHS 1.4 AND 4.1

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

(Points claimed in respect of paragraph 7.1 must be in accordance with the table reflected in paragraph 4.1 and must be substantiated by relevant proof of B-BBEE status level of contributor.

7. SUB-CONTRACTING

7.1 Will any portion of the contract be sub-contracted?

(Tick applicable box)

YES	<input type="checkbox"/>	NO	<input type="checkbox"/>
-----	--------------------------	----	--------------------------

7.1.1 If yes, indicate:

i) What percentage of the contract will be subcontracted.....%

ii) The name of the sub-contractor.....

iii) The B-BBEE status level of the sub-contractor.....

iv) Whether the sub-contractor is an EME or QSE

(Tick applicable box)

YES	<input type="checkbox"/>	NO	<input type="checkbox"/>
-----	--------------------------	----	--------------------------

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

Designated Group: An EME or QSE which is at least 51% owned by:	EME √	QSE √
Black people		
Black people who are youth		
Black people who are women		

Black people with disabilities		
Black people living in rural or underdeveloped areas or townships		
Cooperative owned by black people		
Black people who are military veterans		
OR		
Any EME		
Any QSE		

8. DECLARATION WITH REGARD TO COMPANY/FIRM

8.1 Name _____ of
company/firm:.....

8.2 VAT _____ registration
number:.....

8.3 Company _____ registration
number:.....

8.4 TYPE OF COMPANY/ FIRM
Partnership/Joint Venture / Consortium
One person business/sole propriety
Close corporation
Company
(Pty) Limited
[TICK APPLICABLE BOX]

8.5 DESCRIBE PRINCIPAL BUSINESS ACTIVITIES
.....
.....
.....
.....
.....

8.6 COMPANY CLASSIFICATION
Manufacturer
Supplier
Professional service provider
Other service providers, e.g. transporter, etc.
[TICK APPLICABLE BOX]

8.7 MUNICIPAL INFORMATION
Municipality where business is situated:
.....
Registered Account Number:
Stand Number:.....

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

8.9 I/we, the undersigned, who is / are duly authorised to do so on behalf of the company/firm, certify that the points claimed, based on the B-BBE status level of contributor indicated in paragraphs 1.4 and 6.1 of the foregoing certificate, qualifies the company/ firm for the preference(s) shown and I / we acknowledge that:

- i) The information furnished is true and correct;
- ii) The preference points claimed are in accordance with the General Conditions as indicated in paragraph 1 of this form;
- iii) In the event of a contract being awarded as a result of points claimed as shown in paragraphs 1.4 and 6.1, the contractor may be required to furnish documentary proof to the satisfaction of the purchaser that the claims are correct;
- iv) If the B-BBEE status level of contributor has been claimed or obtained on a fraudulent basis or any of the conditions of contract have not been fulfilled, the purchaser may, in addition to any other remedy it may have –
 - (a) disqualify the person from the bidding process;
 - (b) recover costs, losses or damages it has incurred or suffered as a result of that person's conduct;
 - (c) cancel the contract and claim any damages which it has suffered as a result of having to make less favourable arrangements due to such cancellation;
 - (d) recommend that the bidder or contractor, its shareholders and directors, or only the shareholders and directors who acted on a fraudulent basis, be restricted by the National Treasury from obtaining business from any organ of state for a period not exceeding 10 years, after the *audi alteram partem* (hear the other side) rule has been applied; and
 - (e) forward the matter for criminal prosecution.

<p>WITNESSES</p> <p>1.</p> <p>2.</p>
--

<p>.....</p> <p>SIGNATURE(S) OF BIDDERS(S)</p> <p>DATE:</p> <p>ADDRESS</p> <p>.....</p> <p>.....</p>
--



Ga-Segonyana Local Municipality

INVITATION TO BID

BID NO: 28/2023-24

**MAJOR ELECTRICAL WORKS, UPGRADE OF
ELECTRICAL INFRASTRUCTURE – ELECTRICAL
PROGRAMME**

MBD 7.1



CONTRACT FORM - PURCHASE OF GOODS/WORKS

THIS FORM MUST BE FILLED IN DUPLICATE BY BOTH THE SUCCESSFUL BIDDER (PART 1) AND THE PURCHASER (PART 2). BOTH FORMS MUST BE SIGNED IN THE ORIGINAL SO THAT THE SUCCESSFUL BIDDER AND THE PURCHASER WOULD BE IN POSSESSION OF ORIGINALLY SIGNED CONTRACTS FOR THEIR RESPECTIVE RECORDS.

PART 1 (TO BE FILLED IN BY THE BIDDER)

1. I hereby undertake to supply all or any of the goods and/or works described in the attached bidding documents to (name of institution)..... in accordance with the requirements and specifications stipulated in bid number..... at the price/s quoted. My offer/s remain binding upon me and open for acceptance by the purchaser during the validity period indicated and calculated from the closing time of bid.
2. The following documents shall be deemed to form and be read and construed as part of this agreement:
 - (i) Bidding documents, viz
 - Invitation to bid
 - Tax clearance certificate
 - Pricing schedule(s)
 - Technical Specification(s)
 - Preference claims in terms of the Preferential Procurement Regulations 2001
 - Declaration of interest
 - Special Conditions of Contract;
 - (ii) General Conditions of Contract; and
 - (iii) Other (specify)
3. I confirm that I have satisfied myself as to the correctness and validity of my bid; that the price(s) and rate(s) quoted cover all the goods and/or works specified in the bidding documents; that the price(s) and rate(s) cover all my obligations and I accept that any mistakes regarding price(s) and rate(s) and calculations will be at my own risk.
4. I accept full responsibility for the proper execution and fulfilment of all obligations and conditions devolving on me under this agreement as the principal liable for the due fulfillment of this contract.
5. I declare that I have no participation in any collusive practices with any bidder or any other person regarding this or any other bid.
6. I confirm that I am duly authorised to sign this contract.

NAME (PRINT)

CAPACITY

SIGNATURE

NAME OF FIRM

DATE

WITNESSES	
1
2.
DATE:

CONTRACT FORM - PURCHASE OF GOODS/WORKS**PART 2 (TO BE FILLED IN BY THE PURCHASER)**

1. I..... in my capacity as..... accept your bid under reference numberdated.....for the supply of goods/works indicated hereunder and/or further specified in the annexure(s).
2. An official order indicating delivery instructions is forthcoming.
3. I undertake to make payment for the goods/works delivered in accordance with the terms and conditions of the contract, within 30 (thirty) days after receipt of an invoice accompanied by the delivery note.

ITEM NO.	PRICE (VAT INCL)	BRAND	DELIVERY PERIOD	POINTS CLAIMED FOR HDI'S	POINTS CLAIMED FOR RDP GOALS

4. I confirm that I am duly authorized to sign this contract.

SIGNED ATON.....

NAME (PRINT)

SIGNATURE

OFFICIAL STAMP

WITNESSES

1.

2.

DATE



Ga-Segonyana Local Municipality

INVITATION TO BID

BID NO: 28/2023-24

**MAJOR ELECTRICAL WORKS, UPGRADE OF
ELECTRICAL INFRASTRUCTURE – ELECTRICAL
PROGRAMME**

MBD 8



DECLARATION OF BIDDER'S PAST SUPPLY CHAIN MANAGEMENT PRACTICES

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

Item	Question	Yes	No
4.1	Is the bidder or any of its directors listed on the National Treasury's database as a company or person prohibited from doing business with the public sector? (Companies or persons who are listed on this database were informed in writing of this restriction by the National Treasury after the <i>audi alteram partem</i> rule was applied).	Yes <input type="checkbox"/>	No <input type="checkbox"/>
4.1.1	If so, furnish particulars:		
4.2	Is the bidder or any of its directors listed on the Register for Tender Defaulters in terms of section 29 of the Prevention and Combating of Corrupt Activities Act (No 12 of 2004)? (To access this Register enter the National Treasury's website, www.treasury.gov.za , click on the icon "Register for Tender Defaulters" or submit your written request for a hard copy of the Register to facsimile number (012) 3265445).	Yes <input type="checkbox"/>	No <input type="checkbox"/>
4.2.1	If so, furnish particulars:		
4.3	Was the bidder or any of its directors convicted by a court of law (including a court of law outside the Republic of South Africa) for fraud or corruption during the past five years?	Yes <input type="checkbox"/>	No <input type="checkbox"/>

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

CERTIFICATION

I, THE UNDERSIGNED (FULL NAME): CERTIFY THAT THE INFORMATION FURNISHED ON THIS DECLARATION FORM TRUE AND CORRECT.

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

.....
Signature

.....
Date

.....
Position

.....
Name of Bidder



Ga-Segonyana Local Municipality

INVITATION TO BID

BID NO: 28/2023-24

**MAJOR ELECTRICAL WORKS, UPGRADE OF
ELECTRICAL INFRASTRUCTURE – ELECTRICAL
PROGRAMME**

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.

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.

10. I am aware that, in addition and without prejudice to any other remedy provided to combat any restrictive practices related to bids and contracts, bids that are suspicious will be reported to the Competition Commission for investigation and possible imposition of administrative penalties in terms of section 59 of the Competition Act No. 89 of 1998 and or may be reported to the National Prosecuting Authority (NPA) for criminal investigation and or may be restricted from conducting business with the public sector for a period not exceeding ten (10) years in terms of the Prevention and Combating of Corrupt Activities Act No. 12 of 2004 or any other applicable legislation.

.....
Signature

.....
Date

.....
Position

.....
Name of Bidder



Ga-Segonyana Local Municipality

INVITATION TO BID

BID NO: 28/2023-24

**MAJOR ELECTRICAL WORKS, UPGRADE OF
ELECTRICAL INFRASTRUCTURE – ELECTRICAL
PROGRAMME**

GENERAL & SPECIAL CONDITIONS OF A CONTRACT



A. GENERAL CONDITIONS OF THE BID

1) Municipality/Council

Unless specifically indicated otherwise, municipality/council means the **Ga-Segonyana Local Municipality**.

2) BIDS

Bids must be submitted on the enclosed Bid Document. Bids will not be considered if Bid Documents are not properly completed and signed.

3) Period of validity

Bids shall be valid for a period of **NINETY 90 days** from the date of the closure of Bids. Council reserves the right to accept any Bid or portion of Bid within the above period.

4) Telegraphic/electronic Bids

Bids received by telegram, telex, or facsimile will **NOT** be considered.

5) Bids Received Late

Bids received after the closing time and date will **NOT** be considered.

6) Withdrawal of Bids

It is an express condition that **No Bid Submitted Shall Be Withdrawn**. Signing of the Bid form creates a binding and non-retractable offer that may not be unilaterally withdrawn.

7) Acceptance or Non-Acceptance of Bids

Council is not bound to accept the lowest Bid, the only Bid, or any Bid; Council reserves the right to accept any Bid or portion of any Bid. In the instance of non-acceptance of Bids, it is not necessary for Council to give reasons.

8) DELIVERY DATE

Delivery (period and place)

Bidders will confirm delivery of Tendered items on the Bid form, at the place indicated.

The place of delivery shall be the office of the Ga-Segonyana Municipality at:

Cnr Voortrekker and School Street

Municipal Building

KURUMAN

8460

9) Execution

The Bidder hereby undertakes to take the necessary steps to ensure the execution of the Bid, upon the written notification of the acceptance of the Bid. If the Bidder fails to comply with the conditions of the Bid, Council is hereby authorised to cancel the contract after four weeks of written notification and Council will not be liable for any costs/expenses incurred by the Bidder. The afore-mentioned cancellation will be without jeopardising any of the rights of the municipality, or the right of the municipality to damages.



10) Warranty

All items that are found defective or not correct within one year of the date of delivery, will be replaced, repaired or corrected by the Bidder at his/her own costs, to the satisfaction of Council.

11) Material

All the material to be used must conform to the Specifications.

12) Exemption

The successful Bidder exempts Council from any steps, action, claims and losses that might originate from this contract.

13) Compliance to legislation

The successful Bidder undertakes to comply with all legislation, ordinances, regulations or any stipulation applicable to this contract.

14) Price increases

The price will be fixed for the period indicated in three (3) above, unless specifically indicated otherwise by the Bidder.

15) Sub-Contractors

Council will not deal with any sub-contractors. The original contractor will be held accountable in all instances.

16) Bid form

A Bid will **NOT** be considered if the Bid form is not signed and completed properly. Clause 18 of this document is also applicable in this regard.

17) Validity of contract

This Bid document is deemed to be a binding contract within the Republic of South Africa and is subject to the legislation of the land and the jurisdiction of its courts. The contract will commence only upon the provision of a contract by the Ga-Segonyana Municipality to the successful Bidder.

18) Bid document

No part of this Bid document may be loosened or separated. Bid documents that are not returned in full will not be considered.






19) Payments

Payments will be done in a South African currency at the head office of the municipality, **Cnr Voortrekker and School Street, Municipal Building, Kuruman, 8460**, after the Tendered goods are received in a satisfactory condition and certified as such by the responsible official and upon receipt of an invoice. Payment does not imply that Council waives any of its rights in terms of this contract.



Specifications

The municipality requires the contractor to provide the following service in fulfilling the electrification of households:

-  Electrification of Medium voltage line
-  Electrification of Low voltage line
-  Installation of electrical meters
-  Commissioning distribution substations
-  Desing electric lines (where possible).

The following sites are to be electrified:

- * 500 households Promiseland
- * 675 Households Diamond view
- * 300 households Seven Miles
- * 31 Households Gatlhose
- * 500 Households Bankhara Bodulong

CONFIDENTIALITY

1. The information contained in this document is of a confidential nature, and may only be used for purposes of responding to this bid request. This confidentiality clause extends to Vendor partners and / or implementation agents, whom the Bidder may decide to involve in preparing a response to this bid request.
2. The prospective bidder shall take all such steps as may be reasonably necessary to prevent the Ga-Segonyana Municipality's confidential information from coming into the possession of unauthorised third parties. In protecting the proactive bidder's confidential information, the Municipality shall use the same degree of care, but no less than a reasonable degree of care, to prevent, the unauthorised use or disclosure of the confidential information as the prospective bidders uses to protect its own confidential information.

A. PREVIOUS EXPERIENCE

Bidder will indicate previous experience of dealing in **Electrification (Households)** as requested by the municipality in the space provided at Bullet G below.

B. COMPANY PROFILE AND CAPACITY

Bidders are expected to provide an overview of their companies. The said overview must be in a form of a **company profile** which must indicate the capacity of the company to execute the job on hand.



C. INTERVIEWS WITH BIDDERS

The Municipality reserves the right to interview bidders before and / or bids are / or after bids are awarded in order to discuss methods and approaches.

D. LIST OF RETURNABLE

Kindly make sure the following documentation is attached:

Mandatory Requirement (Failing to provide or complete the following documents will render the bidder non-complaint)

- CIDB Grading Certificate – **8EP or Higher**
- CSD Registration – MAAA number must be provided.
- MBD 4 Form
- MBD 8 Form
- MBD 9 Form
- Joint Venture Agreement (**If Bidder is a Joint Venture**)
- Municipal Rates and Taxes Statement (No money owing) For both the director(s) and the company.

Administrative Requirements

- License relevant to the industry
- Safety requirements documentation relevant to the industry (if applicable)
- Tax Compliance Certificate (TCS with a pin) certificate
- Certified Copy of Identity Documents
- Business Profile – detailing experience in the erection of fence

E. WORKS PREVIOUSLY EXECUTED (RELATED TO THE INVITATION)

The following is a statement of major works successfully executed by myself/ my entity in recent years (**Related to Scope of works as per the invitation**).

Failure to detail the required information shall signify that the Bid is submitted by an inexperienced Bidder.

Employer	Contract Number	Contract Value	Contract Period



H. CURRENT COMMITMENTS (In relation to the bid)

Employer	Contract Number	Contract Value	Contract Period



SPECIAL CONDITIONS:

1. Employer

- The employer is **Ga-Segonyana Local Municipality**

2. Address

The Address of the employer is:

Ga-Segonyana Local Municipality

Private Bag X1522

KURUMAN

8460

Cnr Voortrekker and School Street

Municipal Building

KURUMAN

8460

053 712 9300 (Tel)

053 712 3581 (Fax)

3. Scope

- Bids are hereby invited for the **Household Electrification**.
See specifications above.

4. Objective

- To provide the municipality with the standard goods and services to enable the Municipality to carry out its mandate of Service Delivery.

5. Transfer and Cession

- The preferred bidder shall render the services himself and the use of subcontractors will **NOT** be allowed without prior written permission.
- The preferred bidder **SHALL NOT** cede, transfer, sell or alienate in any way the contract or any part thereof to any person or company without obtaining prior written permission thereto, provided the cessionary complies with the requirements of this contract.

6. Breach and Termination

- Should either party commit or breach the provisions of this contract or fail to remedy any breach(es) within **14 (fourteen) days** after the receipt of written complaint, the party that is not in default shall be entitled to cancel this contract per written notice delivered to the other party's domicillum citandi et executandi as per bid documents without prejudice to any other right which the non-defaulting party may have as a result of such breach.

7. Pricing

- Prices shall be fixed for a period of **90 days** from date of closing.
- Where prices are regulated, such rates shall apply.



Bids will be evaluated and adjudicated in terms of the Municipality’s Supply Chain Management Policy and other statutory Regulations governing the Supply Chain of the Municipality. Bids will be evaluated on the **90/10 Points basis**, where **90 points** will be allocated to **price** and **10 points** allocated to **Preferential Points**.

For Preference points the following “**Targeted Specific Goals**” shall apply:

1.1. Locality 05 points

- 1.1.1. Locality shall be deemed all bidders operating and stationed within the boundaries of John Taolo Gaetsewe District.
- 1.1.2. Expanded term for locality shall be deemed for bidders operating and stationed outside of John Taolo Gaetsewe District but within the Northern Cape Province.
 - 1.1.2.1. Bidders shall provide proof of locality by submitting one or more of the following
 - 1.1.2.2. Municipal Account in the bidder’s name.
 - 1.1.2.3. Proof of residence in the bidder’s name.
 - 1.1.2.4. Bank statement with the bidder’s address.
 - 1.1.2.5. Lease agreement indicating a local address, where the lessee is the bidder.
- 1.1.3. The bidder must submit proof of locality in order to claim points for locality.

NOTE: Locality points shall be allocated as follows

Locality	Number of Points for Locality
Within boundaries of John Taolo Gaetsewe District	05.00
Outside boundaries of John Taolo Gaetsewe District, but within the boundaries of Northern Cape Province	2.5
Outside boundaries of the Northern Cape	0.00

Note: Bidder failing to provide the proof of locality, shall claim zero points for locality

1.2. B-BBEE Status Level Contributor 05 Points

- 1.2.1. Bidder must submit proof of B-BBEE status level contributor certificate.
- 1.2.2. B-BBEE status level contributor certificate must be issued by SANAS or authorised person(s) or authorised body.
- 1.2.3. B-BBEE status level contributor certificate must be **original** or **certified**.
- 1.2.4. Other than the B-BBEE Status Level of Contributor certificate, the bidder must submit the **original** B-BBEE sworn affidavit.



- 1.2.5. Bidder failing to submit proof of B-BBEE status level of contributor or original sworn B-BBEE affidavit shall claim zero points for B-BBEE points.

B-BBEE Status Level of Contributor	Number of points
1	05
2	4.5
3	3.5
4	03
5	02
6	1.5
7	01
8	0.5
Non-compliant contributor	00

For **Preferential Points** bidder(s) must attach a **B-BBEE Status level Contribution Certificate** authorised/ issued by **SANAS, IRBA** or a **Sworn Affidavit ((Commission of Oath)**. Failure to attach, **NO** preference points will be allocated. CSD Certificate/Report **WILL NOT** be used for the purpose of evaluating preference points. **MFMA Circular 81**.



Ga-Segonyana Local Municipality

INVITATION TO BID

BID NO: 28/2023-24

**MAJOR ELECTRICAL WORKS, UPGRADE OF
ELECTRICAL INFRASTRUCTURE – ELECTRICAL
PROGRAMME**

**PRERENTIAL PROCUREMENT
POLICY REGULATIONS**



**GA-SEGONYANA
LOCAL MUNICIPALITY**

Preferential Procurement Policy

Effective Date: 01 JUNE 2023

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1. Background

The Preferential Procurement Policy of Ga-Segonyana Local Municipality emanates from the Preferential Procurement Policy Framework Act, 2000 (Act No.5 of 2000). Adopted in terms of Section 2

2. Definitions

In this policy, unless the context indicates otherwise, any word or expression to which to which a meaning has been assigned in the Act must bear the meaning so assigned –

- 2.1. "**acceptable tender**" – mean any tender which, in all respects, complies with the specification and conditions of tender as out in the tender document;
- 2.2. "**B-BBEE**" – means broad-based black economic empowerment as defined in section 1 of the Broad-Based Black Economic Empowerment Act;
- 2.3. "**B-BBEE status level of contributor**" – means the B-BBEE status of an entity in terms of code of good practice on black economic empowerment issued in terms of section 9(1) of the Broad-Based Black Economic Empowerment Act;
- 2.4. "**black designated groups**" – has the meaning assigned to it in the codes of good practice issued in terms of section 9(1) of the Broad-Based Black Economic Empowerment Act;
- 2.5. "**black people**" – has the meaning assigned to it in section 1 of Broad-Based Black Economic Empowerment Act;
- 2.6. "**co-operative**" – means a co-operative registered in terms of Section 7 of the Cooperative Act, 2005 (Act No.14 of 2005);
- 2.7. "**construction works**" – means a combination of goods and services arranged for the development, extension, installation, repair, maintenance, renewal, removal, renovation, alteration, dismantling or demolition of a fixed asset including building and engineering infrastructure;
- 2.8. "**designated group**" – means
 - 2.8.1. Black designated groups,
 - 2.8.2. Black people,
 - 2.8.3. Women,
 - 2.8.4. People with disabilities,
 - 2.8.5. Small enterprise, as defined in section 1 of the National Small Enterprise Act, 1996 (Act No.102 of 1996),
 - 2.8.6. Emerging enterprises which are enterprises, owned, managed and controlled by previously disadvantaged persons and which is overcoming business impediments arising from the legacy of apartheid;
- 2.9. "**disability**" – means in respect of a person, permanent means, in respect of a person, a permanent impairment of a physical, intellectual, or sensory function, which results in restricted, or lack of ability to perform an activity in the manner, or within the range, considered normal for human being;
- 2.10. "**EME**" – means
 - 2.10.1. Exempted micro enterprise in terms of a code of good practice on black economic empowerment issued in terms of section 9(1) of the Broad-Based Black Economic Empowerment Act;
 - 2.10.2. An entity with an annual turnover of R10, 000, 000.00 (Ten Million Rand) or less;
- 2.11. "**functionality**" – means the ability of a tenderer to provide goods and services in accordance with specifications as set out in the tender document;
- 2.12. "**highest acceptable tender**" – means a tender that complies with the specifications and conditions of tender and that has the highest price compared to other tenders;
- 2.13. "**large enterprise**" – means a company with an annual turnover in excess of R50, 000, 000.00 (Fifty Million Rands);

- 2.14. "**locality**" – means the local suppliers and/or service providers that reside within the municipal area;
- 2.15. "**lowest acceptable tender**" – means a tender that complies with the specifications and conditions of tender and that has the lowest price compared to other tenders;
- 2.16. "**military veteran**" – has the meaning assigned to it in section 1 of the Military Veterans Act, 2011 (Act No.18 of 2011);
- 2.17. "**national treasury**" – means the National Treasury established by section 5 of the Public Finance Management Act;
- 2.18. "**Price**" – means an amount of money tendered for goods and/or services, and includes all applicable taxes less all unconditional discounts;
- 2.19. "**proof of B-BBEE status level of contributor**" – means
- 2.19.1. The B-BBEE Status Level certificate issued by an authorised body or person,
 - 2.19.2. A sworn affidavit as prescribed by the B-BBEE Codes of Good Practice, or,
 - 2.19.3. Any other requirement prescribed in terms of the Broad-Based Black Economic Empowerment Act;
- 2.20. "**proof of locality**" - means a
- 2.20.1. Municipal account in the name of the tenderer not older than 90 days,
 - 2.20.2. Lease agreement where the tenderer is the lessee, or,
 - 2.20.3. An official letter from the bank confirming the registered business address of the tenderer
- 2.21. "**qualifying small enterprises (QSE)**" – means a qualifying small business enterprise in terms of a code of good practice on black economic empowerment issued in terms of Section 9(1) of the Broad-Based Black Economic Empowerment Act;
- 2.22. "**rand value**" – means the total estimated value of a contract in Rand, calculated at the time of the tender invitation;
- 2.23. "**rural area**" – means
- 2.23.1. A sparsely populated area in which people farm or depend on natural resources, including villages and small towns that are dispersed through the area, or,
 - 2.23.2. An area including a large settlement which depends on migratory labour and remittances and government social grants for survival, and may have traditional land tenure system;
- 2.24. "**specific goals**" – means specific goals as contemplated in section 2(1)(d) of the Act which may include contracting with persons, or categories of persons, historically disadvantaged by unfair discrimination on the basis of race, gender and disability including the implementation of programmes of the Reconstruction and Development Programme as published in Government Gazette No.16085 dated 23 November 1994;
- 2.25. "**tender**" – means a written offer in the form determined by an organ of state in response to an invitation to provide goods and/or services through price quotations, competitive tendering process or any other method envisaged in legislation;
- 2.26. "**tender for income-generating contract**" – 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;
- 2.27. "**the Act**" – means the Preferential Procurement Policy Framework Act, 2000 (Act No.5 of 2000), and,
- 2.28. "**the municipality**" – means Ga-Segonyana Local Municipality.

3. General Requirements

- 3.1. The constitution of the Republic of South Africa, 1996, provides in section 12(1)(c) and 152(2) that local government must promote social and economic development and that the municipality must strive within its financial and administrative capacity, to achieve the objects set out in subsection 152(1).
- 3.2. The constitution provides in section 217 that an organ of state must contract for goods and services in accordance with a procurement system which is fair, equitable, transparent, competitive and cost effective and to implement a policy to grant preference within a framework prescribed by National Legislation.
- 3.3. The Broad-Based Black Economic Empowerment Act, 2003 provides in section 10(b) that every organ of state and public entity must apply any relevant code of good practice issued in terms of the Act in developing and implementing a preferential procurement policy.
- 3.4. The Preferential Procurement Policy Framework Act, 2000 (Act No.5 of 2000) – PPPFA was promulgated by the Minister in response to the Constitutional provision and allow for a Municipality to develop a preferential procurement policy and to implement such policy within the PPPFA framework.
 - 3.4.1. Section 2(1)(d)(i) and (ii) of the preferential Procurement Policy Framework Act 2000 refers to specific goals which may include:
 - (i). Contracting with persons, or categories of persons, historically disadvantaged by unfair discrimination on the basis of race, gender or disability.
 - (ii). Impending the programmes of the Reconstruction and Development Programme (RDP) as published in Government Gazette 16085 dated 23 November 1994.
 - 3.4.2. The RDP (1994), as basis for development in South Africa, was meant to provide a holistic, integrated, coherent socio-economic policy that is aimed at mobilising people and resources to work towards the upliftment of the material and social conditions of local communities to build sustainable livelihoods for these communities.
 - 3.4.3. In terms of Section 2(1)(d)(ii), the following activities may be regarded as contribution towards achieving the goals of the RDP, in addition to the awarding of preference points in favour of HDI's (published in Government Gazette No.16085 dated 23 November 1994):
 - i. the promotion of South African owned enterprises,
 - ii. The promotion of export orientated production to create jobs,
 - iii. The promotion of SMMEs;
 - iv. The creation of new jobs or the intensification of labour absorption,
 - v. The promotion of enterprises located in a specific province for work to be done or services to be rendered in that province,
 - vi. The promotion of enterprises located in a specific district for work to be done or services to be rendered in that district,
 - vii. The promotion of enterprises located in a specific municipal area for work to be done or services to be rendered in that municipal area,
 - viii. The promotion of enterprises located in rural areas,
 - ix. The empowerment of the work force by standardising the level of skill and knowledge of workers,
 - x. The development of human resources, including by assisting in tertiary and other advanced training programmes, in line with key indicators such as percentage of wage-bill spent on education and training and improvement of management skills, and
 - xi. The upliftment of communities through, but not limited to, housing, transport, schools, infrastructure donations and charity organisations.
- 3.5. The minister of Finance gazetted the new Preferential Procurement Regulations, 2022 dated 4 November 2022 in terms of section 5 of the Preferential Procurement Policy Framework Act, 2000 (Act No.5 of 2000).

4. Purpose and Objectives

4.1. The purpose of this policy is to:

- 4.1.1. Provide for categories of preference in awarding of bids;
- 4.1.2. Provide for the advancement of persons or categories of persons disadvantaged by unfair discrimination; and
- 4.1.3. Clarify the mechanism how the above items in paragraph 4.1.1 and 4.1.2 will be implemented.

4.2. The objectives to be achieved through this policy is to:

- 4.2.1. Promote Black-Based Black Economic Empowerment (B-BBEE) – enterprises providing goods and/or services,
- 4.2.2. Promote local labour and/or promotion of enterprises located in the municipal area,
- 4.2.3. *Promote Small Medium and Micro Enterprises (SMME's), Joint Ventures, Consortiums and Partnerships of one or more of the parties being the person(s) or categories of persons disadvantaged by unfair discrimination,*
- 4.2.4. Implement recognised best procurement practices through effective planning, strategic purchasing, and contract management.

This policy rest upon certain core principles of behaviour as set out in the constitution and ratified by the Constitutional Certification Judgement. In this context, the policy will be applied in accordance with a system, which is fair, equitable, transparent, competitive and cost-effective in terms of Section 217 of the Constitution.

This policy strives to ensure that the objectives for uniformity in the supply chain management systems between municipalities/ municipal entities, is not undermined and consistency with the SCM policies in line with Section 152(1)(c) and 152(2) of the Constitution.

5. Applications

5.1. The municipality will, in the Tender documents, stipulates –

- 5.1.1. the preference points system applicable, and
- 5.1.2. any specific goal as envisaged in Sec 2(1)(d) and (e) of the Preferential Procurement Act

5.2. If it unclear whether the 80/20 or 90/10 preference points system applies –

- 5.2.1. An invitation for the tender for income-generating contracts, that either the 80/20 or 90/10 preference points system will apply and that the highest acceptable tender will be used to determine the applicable preference points system, or
- 5.2.2. Any other invitation for tender, that either the 80/20 or 90/10 preference points system will apply and that the lowest acceptable tender will be used to determine the applicable preference points system.

6. Tenders to be evaluated on Functionality

6.1. When the municipality invites and evaluates bids on the basis of functionality the following must be indicated:

- 6.1.1. it must state that the bid will be evaluated on functionality
- 6.1.2. the evaluation criteria for measuring functionality,
- 6.1.3. the weight of each criterion, and
- 6.1.4. the applicable values as well as the minimum threshold for functionality.

- 6.2. Points scored for functionality must be rounded off to the nearest two decimal places.
- 6.3. A bid that fails to obtain the minimum qualifying score (threshold) for functionality as stipulated in the bid document shall be considered a non-responsive bid.
- 6.4. Bids that meet the minimum threshold for functionality, shall be considered for further evaluation in terms of the bid invitation.
- 6.5. The evaluation criteria for measuring functionality must be objective,

7. 80/20 Preference Points System for Acquisition of Goods or Services for Rand Value equal or below R50 million

- 7.1. The following formula must be used to calculate the points out of 80 for price in respect of a tender with a Rand value up to R50 million, inclusive of all applicable taxes;

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

Where –

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

- 7.2. A maximum of 20 points may be awarded to a tenderer for the specific goal(s) as specified for in the tender document,
- 7.3. The points scored for the specified goal(s) must be added to the points scored for price and the total must be rounded to the nearest two decimal places.
- 7.4. A bidder must submit proof of B-BBEE status level of contributor in order to claim points for B-BBEE.
- 7.5. A bidder failing to submit proof of B-BBEE status level of contributor with his quotation/bid, may not be disqualified, but will be awarded no points for B-BBEE.

8. 90/10 Preference Points System for Acquisition of Goods or Services for Rand Value Rand Value above R50 million.

- 8.1. The following formula must be used to calculate the points out of 90 for price in respect of a tender with a Rand value up to R50 million, inclusive of all applicable taxes;

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

Where –

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

- 8.2. A maximum of 10 points may be awarded to a tenderer for the specific goal(s) as specified for in the tender document,
- 8.3. The points scored for the specified goal(s) must be added to the points scored for price and the total must be rounded to the nearest two decimal places.
- 8.4. A bidder must submit proof of B-BBEE status level of contributor in order to claim points for B-BBEE.
- 8.5. A bidder failing to submit proof of B-BBEE status level of contributor with his quotation/bid, may not be disqualified, but will be awarded no points for B-BBEE.

9. 80/20 Preference Points System for tenders for income-generating contracts with a Rand Value equal or below R50 million.

9.1. The following formula must be used to calculate the points out of 80 for price in respect of an invitation for tender for income-generating contracts, with a Rand value up to R50 million, inclusive of all applicable taxes;

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

Where –

Ps = Points scored for the price of tender under consideration

Pt = Price of tender under consideration; and

Ph = Price of the highest acceptable tender.

9.2. A maximum of 20 points may be awarded to a tenderer for the specific goal(s) as specified for in the tender document,

9.3. The points scored for the specified goal(s) must be added to the points scored for price and the total must be rounded to the nearest two decimal places.

9.4. A bidder must submit proof of B-BBEE status level of contributor in order to claim points for B-BBEE.

9.5. A bidder failing to submit proof of B-BBEE status level of contributor with his quotation/bid, may not be disqualified, but will be awarded no points for B-BBEE.

10. 90/10 Preference Points System for tenders for income-generating contracts with a Rand Value above R50 million

10.1. The following formula must be used to calculate the points out of 90 for price in respect of an invitation for tender for income-generating contracts, with a Rand value above R50 million, inclusive of all applicable taxes;

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

Where –

Ps = Points scored for the price of tender under consideration

Pt = Price of tender under consideration; and

Ph = Price of the highest acceptable tender.

10.2. A maximum of 10 points may be awarded to a tenderer for the specific goal(s) as specified for in the tender document,

10.3. The points scored for the specified goal(s) must be added to the points scored for price and the total must be rounded to the nearest two decimal places.

10.4. A bidder must submit proof of B-BBEE status level of contributor in order to claim points for B-BBEE.

10.5. A bidder failing to submit proof of B-BBEE status level of contributor with his quotation/bid, may not be disqualified, but will be awarded no points for B-BBEE

11. Locality

11.1. When the municipality invites and evaluates bids on the basis of locality as a set preference goal, it must be stated as such on the invitation.

11.2. Locality shall be deemed all bidders operating and stationed within the boundaries of John Taolo Gaetsewe District.

- 11.3. Expanded term for locality shall be deemed for bidders operating and stationed outside of John Taolo Gaetsewe District but with the Northern Cape Province.
- 11.4. Bidders shall provide proof of locality by submitting one or more of the following:
- 11.4.1. Municipal Account in the bidder's name.
 - 11.4.2. Proof of residence in the bidder's name.
 - 11.4.3. Bank statement with the bidder's address.
 - 11.4.4. Lease agreement indicating a local address, where the lessee is the bidder.
- 11.5. The bidder must submit proof of locality in order to claim points for locality.
- 11.6. Bidder failing to provide the proof of locality, shall claim zero points for locality.

12. Specified Contract Participation Goals (For Procurement Values above R30, 000.00)

- 12.1. The bid conditions will stipulate the specific goals, as contemplated in section 2(1)(d)(ii) of the Preferential Procurement Act, to be attained.
- 12.2. Bids for *income-generating contracts* points will be allocated in terms of the following goals:

Goals	80/20	90/10
Locality	10	05
B-BBEE Status Level Contributor	10	05
Joint Venture with Local Registered SMME	05	2.5
<i>Small Medium and Micro Enterprises (SMME's) Local</i>	05	2.5

- 12.3. Bids for *acquisition of goods and/or services*, a maximum of 20 or 10 points must be allocated for specific goals. The specific goals are as follows:

Goals	80/20	90/10
Locality	10	05
B-BBEE Status Level Contributor	10	05
Joint Venture with Local Registered SMME	05	2.5
<i>Small Medium and Micro Enterprises (SMME's) Local</i>	05	2.5

- 12.4. For B-BBEE points the below table shall apply:

B-BBEE Status Level of Contributor	Number of points (80/20 system)	Number of points (90/10 system)
1	10	05
2	09	4.5
3	07	3.5

4	06	03
5	04	02
6	03	1.5
7	02	01
8	01	0.5
Non-compliant contributor	00	0.0

- 12.5. Bidder must submit proof of B-BBEE status level contributor certificate.
- 12.6. B-BBEE status level contributor certificate must be issued by SANAS or authorised person(s) or authorised body.
- 12.7. B-BBEE status level contributor certificate must be original or certified.
- 12.8. Other than the B-BBEE Status Level of Contributor certificate, the bidder must submit the original B-BBEE sworn affidavit.
- 12.9. Bidder failing to submit proof of B-BBEE status level of contributor or original sworn B-BBEE affidavit shall claim zero points for B-BBEE points.
- 12.10. Locality points shall be allocated as follows:

Locality	Number of Points for Locality 80/20	Number of Points for Locality 90/10
Within boundaries of John Taolo Gaetsewe District	10	05
Outside boundaries of John Taolo Gaetsewe District, but within the boundaries of Northern Cape Province	05	2.5
Outside boundaries of the Northern Cape	0.00	0.00

13. Award of Contracts

- 13.1. Points for price and points for specific goals must be added together.
- 13.2. Total points must not exceed 100 points.
- 13.3. Bidders shall be scored on both the price and specific goals points.
- 13.4. A contract MUST be awarded to the bidder who scored the highest total number of points in terms of the preference point systems.
- 13.5. A contract may be awarded to a bidder that did not score the highest points only in accordance with section 2(1)(f) of the Act.
- 13.6. If an organ of state intends to apply objective criteria in terms of section 2(1)(f) of the Act, the organ of state must stipulate the objective criteria in the tender documents.

14. Criteria for breaking deadlock in scoring

- 14.1. If two or more bidders score an equal total number of points, the contract must be awarded to bidder that scored the highest points on the for specific goals.
- 14.2. If functionality is part of the evaluation process and two or more bidders score equal total points and equal preference points for specific goals, the contract must be awarded to the bidder that scored the highest points for functionality.

- 14.3. If two or more bidders score equal total points in all respects, the award must be decided by the drawing of lots.

15. Remedies

- 15.1. Upon detecting that a bidder submitted false information regarding its B-BBEE status level of contributor, locality, or any other matter required in terms of these Regulations which will affect or has affected the evaluation of a tender, or where a bidder has failed to declare any subcontracting arrangements, the organ of state must-
 - 15.1.1. inform the bidder accordingly,
 - 15.1.2. give the tenderer an opportunity to make representations within 14 days as to why –
 - 15.1.2.1. the tender submitted should not be disqualified or, if the tender has already been awarded to the tenderer, the contract should not be terminated in whole or in part,
 - 15.1.2.2. if the successful tenderer subcontracted a portion of the tender to another person without disclosing it, the tenderer should not be penalised up to 10 percent of the value of the contract; and
 - 15.1.2.3. the tenderer should not be restricted by the National Treasury from conducting any business for a period not exceeding 10 years with any organ of state; and
 - 15.1.3. if it concludes, after considering the representations referred to in sub-regulation 15.1.2 that-
 - 15.1.3.1. such false information was submitted by the bidder-
 - a). disqualify the bidder or terminate the contract in whole or in part; and
 - b). if applicable, claim damages from the bidder; or
 - 15.1.3.2. the successful tenderer subcontracted a portion of the tender to another person without disclosing, penalise the tenderer up to 10 percent of the value of the contract
- 15.2. An organ of state must
 - 15.2.1. inform the National Treasury, in writing, of any actions taken in terms of sub-regulation 15.1
 - 15.2.2. provide written submissions as to whether the tenderer should be restricted from conducting business with any organ of state; and
 - 15.2.3. submit written representations from the tenderer as to why that tenderer should not be restricted from conducting business with any organ of state.
 - 15.2.4. The National Treasury may request an organ of state to submit further information pertaining to sub-regulation 15.1 within a specified period
- 15.3. The National Treasury must-
 - 15.3.1. after considering the representations of the tenderer and any other relevant information, decide whether to restrict the tenderer from doing business with any organ of state for a period not exceeding 10 years; and
 - 15.3.2. maintain and publish on its official website a list of restricted suppliers

16. Short title and commencement

- 16.1. This policy is called the Preferential Procurement Policy of Ga-Segonyana Local Municipality, and shall take effect on the **01 JUNE 2023**.