

BRIEFING NOTES FOR PROVISION OF ROUTINE AND SAFETY MAINTENANCE ON VARIOUS ROADS WITHIN ZONE 1 IN THE UMZIMKHULU AREA OFFICE UNDER PIETERMARITZBURG REGION

1. TENDERING PROCEDURE

T1.2 TENDER DATA (Page T6-T10)

The conditions of tender are the standard conditions of tender contained in Annex C of the Construction Industry Development Board Standard for Uniformity in Engineering and Construction Works Contracts, published in Government Gazette No. 42622 dated 8 August 2019.

C1.2

- (c) **'General Conditions of Contract for Construction Works, Third Edition (2015)'** issued by the South African Institution of Civil Engineering (abbreviated title 'General Conditions of Contract 2015' – 'GCC 2015'). This document is obtainable separately and Tenderers shall obtain their own copy.
- (d) **'Standard Specifications for Road and Bridge Works for South African Road Authorities (Draft Standard) (October 2020)**. This document is obtainable separately and Tenderers shall obtain their own copy.
- (e) **'Occupational Health and Safety Act No. 85 of 1993'**, **'Occupational Health and Safety Amendment Act No. 181 of 1993'**, and the **'Construction Regulations, 2014'** (Government Notice No. R. 489 published in Government Gazette No. 40883 of 2 June 2017,). These documents are obtainable separately and Tenderers shall obtain their own copies.
- (f) **'Construction Industry Development Board Act No. 38 of 2000'** as amended and the **'Regulations in terms of the Construction Industry Development Board Act No. 38 of 2000'** (Government Notice No. R. 692 published in Government Gazette No. 26427 of 9 June 2004, as amended).

In addition, Tenderers are advised, in their own interest, to obtain their own copies of the relevant Acts, Regulations and Standards referred to in this document as they are essential for the Tenderer to become acquainted with the basics of construction management, the implementation of preferential construction procurement policies, and participation of targeted enterprises and labour.

C2.1

Only those tenderers who satisfy the following criteria are eligible to submit tenders.

(a) CIDB registration

Only those tenderers who are registered with the CIDB, at close of tender, in a contractor grading designation equal to or higher than a 8 for a CE class of construction work, are eligible to have their tenders evaluated.

Only contractors whose CIDB status is "Active" at the time of evaluation will be considered for further evaluation. Contractors whose status is "Suspended" or "Expired" will not be considered for evaluation and will be disqualified from the bidding process.

Joint ventures are eligible to submit tenders provided that:

- (i) every member of the joint venture is registered with the CIDB;
- (ii) the lead partner has a contractor grading designation in the 8CE class of construction work; not lower than one level below the required grading designation in the class of construction work under consideration and possesses the required recognition status; and
- (iii) the combined contractor grading designation calculated in accordance with the Construction Industry Development Regulations is equal to or higher than 8 for a CE class of construction work.

(b) Central Supplier Database

Tenderers, or in the event of a joint venture, each member of the joint venture, must be registered on the Central Supplier Database at the closing date for tender submissions. Tenders received from such tenderers who do not comply with this requirement, will be considered non-responsive

Only locally produced goods or locally manufactured goods for construction meeting the minimum threshold for local production and content as stipulated in Returnable Schedule D - SBD 6.2 will be considered.

C2.10

All Tenderers that are registered for Value Added Tax (VAT) with the South African Revenue Service (SARS) must include VAT in their tender offer.

C2.11

The tenderer shall not retype the tender document.

Any tender submitted using a document that has been retyped shall be considered non-responsive and rejected in terms of clause C.3.8 of the Conditions of Tender.

C2.13

C.2.13.3 Tender offers shall be submitted as an original hard copy.

C.2.13.5 The Employer's address for delivery of tender offers and identification details to be shown on each tender offer package are:

Location of Tender Box: Outside the Foyer, KZN Department of Transport

Physical Address: 23 High Street, Ixopo, 3274

Identification Details: Quotation No.: ZNB01319/00000/00/IXO/INF/22

C2.15

The closing time for submission of Tender Offers is:

11:00 on 16 February 2023

Telegraphic, telephonic, telex, facsimile, electronic, e-mail and late tenders will not be accepted.

C2.16

The tender offer validity period is **twenty-four (24) weeks**, calculated from the date of bid closure.

C3.11

The evaluation of tender offers will be based on administrative compliance, functionality, price and preference in accordance with the Preferential Procurement Regulations 2017, as amended.

The weighting of tender Price and Preference(SBD 6.1- Page T22) for the tender will be done by way of a point system:

In the case of acquisition of services, works or goods with a Rand value **Above** R50 million:

- 90 points are assigned to Price; and
- 10 points are assigned to Preference.

The total points for Price and Preference in each case above must add up to 100 points.

The tenderer's B-BBEE Status Level Verification Certificate must comply with the requirements of Returnable Schedule D and be submitted as an attachment to the returnable schedule.

Returnable Schedules

Notes to tenderer:

1. Returnable schedules have been based on the CIDB Standard for Uniformity in Construction Procurement and incorporates National Treasury requirements within them. Returnable schedules are separated into the following categories:
 - i) Forms, certificates and schedules for completion by the tenderer for use in the quantitative and qualitative evaluation of the tender (Forms A, B and C).
 - ii) A list of other returnable documents for completion by the tenderer and which will subsequently be incorporated into the contract (Section C1).
2. Failure to fully complete the relevant returnable documents shall render such a tender offer to be declared non-responsive.
3. Tenderers shall note that their signatures appended to each returnable form represents a declaration that they vouch for the accuracy and correctness of the information provided, including the information provided by candidates proposed for the specified key positions.
2. Notwithstanding any check or audit conducted by or on behalf of the Employer, the information provided in the returnable documents is accepted in good faith and as justification for entering into a contract with a tenderer. If subsequently any information is found to be incorrect such discovery shall be taken as wilful misrepresentation by that tenderer to induce the contract.

The tenderer must complete the following returnable documents:

Document Checklist: Page T3 Please complete all documents as required, use the checklist

Returnable Schedules required for Tender Evaluation Purposes(A to M)

- A - RECORD OF ADDENDA TO TENDER DOCUMENTS
- B - COMPULSORY ENTERPRISE QUESTIONNAIRE - for JV's – must be completed individually by each JV partner
- C - STANDARD BIDDING DOCUMENTS
 - SBD 1: INVITATION TO BID- for JV's – SBD1 must be completed individually by each JV partner
 - SBD 4: BIDDER'S DISCLOSURE (All questions must be answered. Pay special attention to Item 2.3 – please declare all companies that the owners of the bidding company have interest in) for JV's – SBD4 must be completed individually by each JV partner
 - SBD 5: THE NATIONAL INDUSTRIAL PARTICIPATION PROGRAMME
 - SBD 6.1: PREFERENCE POINTS CLAIM FORM IN TERMS OF THE PREFERENTIAL PROCUREMENT REGULATIONS 2017- 6.1 must be completed to claim BBBEE Points. It should be completed as follows:
 - B-BBEE Status Level of Contributor: 1 (As the BBBEE level the bidder's certificate or affidavit grants) = ...10 (Correlating points to level – see table 4.1) (maximum of 10 points) . Must be properly witnessed.
 - SBD 6.2: DECLARATION CERTIFICATE FOR LOCAL PRODUCTION AND CONTENT FOR DESIGNATED SECTORS (Complete and sign Annexures listing all the items described in the Table on page from T30; complete and sign SBD6.2 declaration- pagesT31-T32)- if applicable
- D - B-BBEE STATUS LEVEL VERIFICATION CERTIFICATE (The Sworn affidavit and the BBBEE SANAS accredited certificates must be issued in terms of the amended construction sector codes – gazette Vol.630 No.41267) The simplest and most frequent submission is a Sworn Affidavit. It should be noted that an affidavit must be an original that is certified by a commissioner of oaths. If a copy is submitted the contractor will not be awarded any preferential points and therefore lose out on 10 points. On the Affidavit one question is regarding the financial year for which the affidavit is done. This must be the latest financial year and not older than 12 months from date of closing of the bid, but also this time cannot be in the future, e.g. February 2023. All provisions for disclosing information under Oath must be complied with to ensure the affidavit is acceptable. For BBBEE certificate – these must be submitted as a copy – no need of certification.
- E - CERTIFICATE OF AUTHORITY FOR SIGNATORY (Provide Specimen Signature, ensure signatory remains constant and provide a Resolution letter, authorising the signatory to sign the bid documents with a specimen of his signature- both parts are required, if you don't submit any one of them your bid will be non-responsive.)
- F - CONSTRUCTION EXPERIENCE
- G - KEY PERSONNEL (G1 – Management, provide names of the 3 Key personnel and attach their CV's; G2 – Labour Enhanced activities – if applicable-provide the names of Foreman/Supervisor and Site Agent/Construction Manager with copies of their Qualification certificates and CV's)
- H - CONSTRUCTION EQUIPMENT
- I - PROPOSED SUBCONTRACTORS
- J - PARTICIPATION IN JOB CREATION USING LOCAL LABOUR (Minimum 6.0%)
- K - HEALTH AND SAFETY DECLARATION

- L - DEVIATIONS AND QUALIFICATIONS
- M - SCHEDULE OF ALTERNATIVE TENDERS

RETURNABLE J - PARTICIPATION IN JOB CREATION USING LOCAL LABOUR (Minimum 6.0%)

T47 Must be signed, dated and completed as indicated on the bottom of page T47. Please follow the instructions on page T46 on how to calculate the minimum labour percentage and note that the specified minimum labour percentage is 6.0% as indicated. **Contractors local labour content total wage cost must be calculated by multiplying the number of jobs X anticipated days X wage rate per person day.**

RETURNABLE K - HEALTH AND SAFETY DECLARATION

T48 Must be completed correctly and signed.

Question 3 has three subheadings- all of them must be answered.

If the bidder answers yes on a)- the name, position and CV must be filled in and attached in 4(a).

If the bidder answers yes on b) – the details in 4(b) must be filled in.

If the bidder answers yes on c) – the details in 4(c) must be filled in.

Page C3 as the form of offer must be signed and the amount in words must be completed failure to do this will invalidate the tender.

Please check that the amount on C3 (For of Offer) and C57 (BOQ Summary) match.

On a contractual note the following must be mentioned:

The construction period is 24 months and failure to complete the project within the specified timeframe will result in penalties. It is of extreme importance that these risks be factored into the pricing of the documents as the bidders' price is also compared to realistic market value of the works that has been assessed by a third party to guide if the quoted price is reasonable.

4. THE CONTRACT

C1.2 - CONTRACT DATA

C1.2.2: DATA PROVIDED BY THE EMPLOYER

Clause 1.1.1.14: The time for achieving Practical Completion is **24 months** from the Commencement Date, including non-working days and special non-working days.

Clause 1.1.1.26: Pricing Strategy: The Contract is to be a Re-Measurement Contract.

Clauses SCC 4.1.1: The contract participation goal for local labour content is **6.0%**.

The penalty for failing to achieve the monetary value of the above target set by the Employer for local labour content in terms of Part E: Expanded Public Works Programme of section C3.3 Particular Specifications in Part C3: Scope of Work, is 5% of the monetary value by which the achieved monetary value falls short of the target monetary value.

The contract participation goal for Targeted Enterprises is 30%.

The penalty for failing to achieve the monetary value of the above target set by the Employer for contract participation by Targeted Enterprises in terms of Part F: Small Contractor Development of section C3.3 Particular Specifications in Part C3: Scope of Work, is 5% of the monetary value by which the achieved monetary value falls short of the target monetary value.

Clause SCC 4.1.2

In accordance with regulation 12.(3) of the Preferential Procurement Regulations, 2017, the Contractor may not subcontract more than 25% of the value of the contract to any other enterprise that does not have an equal or higher B-BBEE status level of contributor than the Contractor, unless the contract is subcontracted to an EME that has the capability and ability to execute the subcontract.

Clause SCC 4.10.1

The Contractor and his subcontractors shall be registered with the Bargaining Council for the Civil Engineering Industry, and comply with the wage rates and conditions of labour agreed by the Bargaining Council for the Civil Engineering Industry, except where a specific industry publishes its own wage rates and conditions of labour.

The wage rates and conditions of labour employed under the Expanded Public Works Programme, shall comply with the Ministerial Determination 4, issued in terms of the Basic Conditions of Employment Act of 1997 by the Minister of Labour in Government Notice No. R347 of 4 May 2012.

Clause SCC 6.2.1 The security to be provided by the Contractor shall be: Fixed Performance guarantee of 8% of the first One Million Rand plus 3.5% of the balance of the Accepted Contract Sum.

Clause 6.5.1.2.3: The percentage allowance to cover overhead charges is 10%.

Clause 6.8.2: The values of the coefficients for calculating the Contract Price Adjustment Factor are:

Routine Maintenance Roads refurbishment (Excluding Bitumen):
a = 0.48 b = 0.37 c = 0.05 d = 0.10

The "Consumer Price Index" will be as for the province of KwaZulu-Natal.

Clause 6.8.3: Price adjustments for variations in the costs of special materials are allowed.

Clause 6.10.1.5: The percentage advance on materials not yet built into the Permanent Works is 80%.

Clause 6.10.3: The percentage retention on the amounts due to the Contractor is 10%. The limit of retention money is 5% of the first One Million Rand plus 1.6% of the remaining amount of the tender offer excluding contract price adjustment, contingencies and VAT.

A retention guarantee in lieu of a cash retention is permitted.

The Risk and related matters regarding insurances are in accordance with page C14

Part F

SMALL CONTRACTOR DEVELOPMENT

The target area for local labour is Umzimkhulu Local Municipality – KZ435

The target area for Targeted Enterprises is Umzimkhulu Local Municipality – KZ435

5. PRICING DATA

PART C2: PRICING DATA (C24-C27)

The quantities given in the Bill of Quantities are estimates only, and are subject to re-measure during the execution of the work. The quantities finally accepted and certified for payment, and not the quantities given in the Bill of Quantities, shall be used to determine payments to the Contractor. The Contractor shall obtain the Employer's Agent's detailed instructions for all work before ordering any materials or executing work or making arrangements for it. The quantities of material or work stated in the Bill of Quantities shall not be regarded as authorisation for the Contractor to order material or to execute work.

The Works as finally completed in accordance with the Contract shall be measured and paid for as specified in the Bill of Quantities and in accordance with the Standard Specifications for Road and Bridge Works for South African Road Authorities (COTO), Draft Standard (DS), October 2020, the Project Specifications and the Drawings. Unless otherwise stated, items are measured net in accordance with the Drawings, and no allowance has been made for waste. The validity of the contract will in no way be affected by differences between the quantities in the Bill of Quantities and the quantities finally certified for payment.

NB: tenderers shall not price the Bill of Quantities PART G which is intended for Small Contractor Development.