

<b>BID NUMBER:</b>	<b>ZNB 5356/2024-H</b>
<b>BID DESCRIPTION:</b>	<b>3 YEARS LAUNDRY IRONERS MAINTENANCE CONTRACT</b>
<b>PERIOD</b>	<b>THREE-YEARS PERIOD CONTRACT</b>
<b>Closing Date:</b>	<b>4 NOVEMBER 2024</b>
<b>Closing Time:</b>	<b>11:00 AM</b>
<b>Physical Address for Collection or Delivery of Bid Documents</b>	KZN Department of Health Central Supply Chain Management Unit Old Boys School 310 Jabu Ndlovu Street Pietermaritzburg, 3201
<b>BRIEFING SESSION MEETING</b>	Date: 14 October 2024 Time: 11:00am Venue: KwaZulu Central Provincial Laundry (Next to Prince Mshiyeni Hospital)

<b>Name of Bidder:</b>	
<b>CSD Registration Number:</b>	
<b>Income Tax Reference Number:</b>	

## KWAZULU-NATAL PROVINCIAL GOVERNMENT BIDDING FORMS

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**PART A  
INVITATION TO BID**

<b>YOU ARE HEREBY INVITED TO BID FOR REQUIREMENTS OF THE (NAME OF DEPARTMENT/ PUBLIC ENTITY)</b>					
BID NUMBER:	<b>ZNB 5356/2024-H</b>	CLOSING DATE:	04 NOVEMBER 2024	CLOSING TIME:	<b>11:00</b>
DESCRIPTION	<b>3 YEARS LAUNDRY IRONERS MAINTENANCE CONTRACT</b>				
<b>BID RESPONSE DOCUMENTS MAY BE DEPOSITED IN THE BID BOX SITUATED AT (STREET ADDRESS)</b>					
<b>CENTRAL SUPPLY CHAIN MANAGEMENT DIRECTORATE (OLD BOYS SCHOOL BUILDING), 310 JABU NDLOVU STREET, PIETERMARITZBURG 3200</b>					
<b>BIDDING PROCEDURE ENQUIRIES MAY BE DIRECTED TO</b>			<b>TECHNICAL ENQUIRIES MAY BE DIRECTED TO:</b>		
CONTACT PERSON	<b>Junitha Sookraj</b>		CONTACT PERSON	<b>MR M.V. MAQALEKANE</b>	
TELEPHONE NUMBER	<b>(033) 815 8369</b>		TELEPHONE NUMBER	<b>081 326 4309</b>	
FACSIMILE NUMBER			FACSIMILE NUMBER	<b>N/A</b>	
E-MAIL ADDRESS	<a href="mailto:junitha.sookraj@kznhealth.gov.za">junitha.sookraj@kznhealth.gov.za</a>		E-MAIL ADDRESS	<a href="mailto:Mandla.maqalekane@kznhealth.gov.za">Mandla.maqalekane@kznhealth.gov.za</a>	
<b>SUPPLIER INFORMATION</b>					
NAME OF BIDDER					
POSTAL ADDRESS					
STREET ADDRESS					
TELEPHONE NUMBER	CODE		NUMBER		
CELLPHONE NUMBER					
FACSIMILE NUMBER	CODE		NUMBER		
E-MAIL ADDRESS					
VAT REGISTRATION NUMBER					
SUPPLIER COMPLIANCE STATUS	TAX COMPLIANCE SYSTEM PIN:		OR	CENTRAL SUPPLIER DATABASE No:	<b>MAAA</b>
B-BBEE STATUS LEVEL VERIFICATION CERTIFICATE	TICK APPLICABLE BOX]  <input type="checkbox"/> Yes <input type="checkbox"/> No		B-BBEE STATUS LEVEL SWORN AFFIDAVIT		TICK APPLICABLE BOX]  <input type="checkbox"/> Yes <input type="checkbox"/> No
<b>[A B-BBEE STATUS LEVEL VERIFICATION CERTIFICATE/ SWORN AFFIDAVIT (FOR EMES &amp; QSEs) MUST BE SUBMITTED IN ORDER TO QUALIFY FOR PREFERENCE POINTS FOR B-BBEE]</b>					
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 THE QUESTIONNAIRE BELOW ]
<b>QUESTIONNAIRE TO BIDDING FOREIGN SUPPLIERS</b>					
IS THE ENTITY A RESIDENT OF THE REPUBLIC OF SOUTH AFRICA (RSA)?			<input type="checkbox"/> YES <input type="checkbox"/> NO		
DOES THE ENTITY HAVE A BRANCH IN THE RSA?			<input type="checkbox"/> YES <input type="checkbox"/> NO		
DOES THE ENTITY HAVE A PERMANENT ESTABLISHMENT IN THE RSA?			<input type="checkbox"/> YES <input type="checkbox"/> NO		
DOES THE ENTITY HAVE ANY SOURCE OF INCOME IN THE RSA?			<input type="checkbox"/> YES <input type="checkbox"/> NO		
IS THE ENTITY LIABLE IN THE RSA FOR ANY FORM OF TAXATION?			<input type="checkbox"/> YES <input type="checkbox"/> 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 BELOW.					

**PART B**  
**TERMS AND CONDITIONS FOR BIDDING**

**i. BID SUBMISSION:**

- a. BIDS MUST BE DELIVERED BY THE STIPULATED TIME TO THE CORRECT ADDRESS. LATE BIDS WILL NOT BE ACCEPTED FOR CONSIDERATION.
- b. **ALL BIDS MUST BE SUBMITTED ON THE OFFICIAL FORMS PROVIDED-(NOT TO BE RE-TYPED) OR IN THE MANNER PRESCRIBED IN THE BID DOCUMENT.**
- c. THIS BID IS SUBJECT TO THE PREFERENTIAL PROCUREMENT POLICY FRAMEWORK ACT, 2000 AND THE PREFERENTIAL PROCUREMENT REGULATIONS, 2022, THE GENERAL CONDITIONS OF CONTRACT (GCC) AND, IF APPLICABLE, ANY OTHER SPECIAL CONDITIONS OF CONTRACT.
- d. **THE SUCCESSFUL BIDDER WILL BE REQUIRED TO FILL IN AND SIGN A WRITTEN CONTRACT FORM (SBD7).**

**ii. TAX COMPLIANCE REQUIREMENTS**

- (a) BIDDERS MUST ENSURE COMPLIANCE WITH THEIR TAX OBLIGATIONS.
- (b) BIDDERS ARE REQUIRED TO SUBMIT THEIR UNIQUE PERSONAL IDENTIFICATION NUMBER (PIN) ISSUED BY SARS TO ENABLE THE ORGAN OF STATE TO VERIFY THE TAXPAYER'S PROFILE AND TAX STATUS.
- (c) APPLICATION FOR TAX COMPLIANCE STATUS (TCS) PIN MAY BE MADE VIA E-FILING THROUGH THE SARS WEBSITE WWW.SARS.GOV.ZA.
- (d) BIDDERS MAY ALSO SUBMIT A PRINTED TCS CERTIFICATE TOGETHER WITH THE BID.
- (e) IN BIDS WHERE CONSORTIA / JOINT VENTURES / SUB-CONTRACTORS ARE INVOLVED, EACH PARTY MUST SUBMIT A SEPARATE TCS CERTIFICATE / PIN / CSD NUMBER.
- (f) WHERE NO TCS PIN IS AVAILABLE BUT THE BIDDER IS REGISTERED ON THE CENTRAL SUPPLIER DATABASE (CSD), A CSD NUMBER MUST BE PROVIDED.
- (g) NO BIDS WILL BE CONSIDERED FROM PERSONS IN THE SERVICE OF THE STATE, COMPANIES WITH DIRECTORS WHO ARE PERSONS IN THE SERVICE OF THE STATE, OR CLOSE CORPORATIONS WITH MEMBERS PERSONS IN THE SERVICE OF THE STATE."

**NB: FAILURE TO PROVIDE / OR COMPLY WITH ANY OF THE ABOVE PARTICULARS MAY RENDER THE BID INVALID.**

SIGNATURE OF BIDDER: .....

CAPACITY UNDER WHICH THIS BID IS SIGNED: .....  
 (Proof of authority must be submitted e.g. company resolution)

DATE: .....

## SECTION A

### SPECIAL INSTRUCTIONS AND NOTICES TO BIDDERS REGARDING THE COMPLETION OF BIDDING FORMS

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

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

## SECTION B

### REGISTRATION ON THE CENTRAL SUPPLIERS DATABASE

1. In terms of the National Treasury Instruction Note, all suppliers of goods and services to the State are required to register on the Central Suppliers Database.
2. Prospective suppliers should self-register on the CSD website [www.csd.gov.za](http://www.csd.gov.za)
3. If a business is registered on the Database and it is found subsequently that false or incorrect information has been supplied, then the Department may, without prejudice to any other legal rights or remedies it may have;
  - 3.1 cancel a bid or a contract awarded to such supplier, and the supplier would become liable for any damages if a less favourable bid is accepted or less favourable arrangements are made.
4. **The same principles as set out in paragraph 3 above are applicable should the supplier fail to request updating of its information on the Central Suppliers Database, relating to changed particulars or circumstances.**
5. IF THE SUPPLIER IS NOT REGISTERED AT THE CLOSING TIME OF BID, THE SUPPLIER WILL BE DISQUALIFIED AT THE BID EVALUATION PROCESS.

**SECTION C**

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

(To be completed by bidder)

THIS IS TO CERTIFY THAT I (name of bidder/authorized representative) ....., WHO

REPRESENTS (state name of bidder) .....CSD Registration

Number.....

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

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

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

**DATE:** .....

SECTION D

OFFICIAL BRIEFING SESSION/SITE INSPECTION CERTIFICATE

N. B.: THIS FORM IS ONLY TO BE COMPLETED WHEN APPLICABLE TO THE BID.

Site/Building/Institution Involved: KwaZulu Central Provincial Laundry

**BID NUMBER:** ZNB 5356/2024-H

Goods/Service/Work **3 YEARS LAUNDRY IRONERS MAINTENANCE CONTRACT**

\*\*\*\*\*

This is to certify that (bidder's representative name) \_\_\_\_\_

On behalf of (company name) \_\_\_\_\_

Visited and inspected the site on **14 October 2024** at **KCPL** and is therefore familiar with the circumstances and the scope of the service to be rendered.

\_\_\_\_\_  
**Signature of Bidder or Authorized Representative**

(PRINT NAME)

**DATE:** \_\_\_\_/\_\_\_\_/\_\_\_\_

\_\_\_\_\_  
**Name of Departmental or Public Entity Representative**

(PRINT NAME)

**Departmental Stamp With Signature**

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## SECTION E BIDDER'S DISCLOSURE

### 1. PURPOSE OF THE FORM

Any person (natural or juristic) may make an offer or offers in terms of this invitation to bid. In line with the principles of transparency, accountability, impartiality, and ethics as enshrined in the Constitution of the Republic of South Africa and further expressed in various pieces of legislation, it is required for the bidder to make this declaration in respect of the details required hereunder.

Where a person/s are listed in the Register for Tender Defaulters and / or the List of Restricted Suppliers, that person will automatically be disqualified from the bid process.

### 2. Bidder's declaration

1. Is the bidder, or any of its directors / trustees / shareholders / members / partners or any person having a controlling interest<sup>1</sup> in the enterprise, employed by the state? **YES/NO**

- i. If so, furnish particulars of the names, individual identity numbers, and, if applicable, state employee numbers of sole proprietor/ directors / trustees / shareholders / members/ partners or any person having a controlling interest in the enterprise, in table below.

Full Name	Identity Number	Name of State institution

- b. Do you, or any person connected with the bidder, have a relationship with any person who is employed by the procuring institution? **YES/NO**

- i. If so, furnish particulars:

.....  
.....

- c. Does the bidder or any of its directors / trustees / shareholders / members / partners or any person having a controlling interest in the enterprise have any interest in any other related enterprise whether or not they are bidding for this contract?

**YES/NO**

1. If so, furnish particulars:

.....

### 3. DECLARATION

I, the undersigned, (name)..... in submitting the accompanying bid, do hereby make the following statements that I certify to be true and complete in every respect:

1. I have read and I understand the contents of this disclosure;
2. I understand that the accompanying bid will be disqualified if this disclosure is found not to be true and complete in every respect;

<sup>1</sup> the power, by one person or a group of persons holding the majority of the equity of an enterprise, alternatively, the person/s having the deciding vote or power to influence or to direct the course and decisions of the enterprise.

3. The bidder has arrived at the accompanying bid independently from, and without consultation, communication, agreement or arrangement with any competitor. However, communication between partners in a joint venture or consortium<sup>2</sup> will not be construed as collusive bidding.
4. In addition, there have been no consultations, communications, agreements or arrangements with any competitor regarding the quality, quantity, specifications, prices, including methods, factors or formulas used to calculate prices, market allocation, the intention or decision to submit or not to submit the bid, bidding with the intention not to win the bid and conditions or delivery particulars of the products or services to which this bid invitation relates.
5. 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.
6. There have been no consultations, communications, agreements or arrangements made by the bidder with any official of the procuring institution in relation to this procurement process prior to and during the bidding process except to provide clarification on the bid submitted where so required by the institution; and the bidder was not involved in the drafting of the specifications or terms of reference for this bid.
7. 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.

**I CERTIFY THAT THE INFORMATION FURNISHED IN PARAGRAPHS 1, 2 AND 3 ABOVE IS CORRECT.**

**I ACCEPT THAT THE STATE MAY REJECT THE BID OR ACT AGAINST ME IN TERMS OF PARAGRAPH 6 OF PFMA SCM**

#### **INSTRUCTION 03 OF 2021/22 ON PREVENTING AND COMBATING ABUSE IN THE SUPPLY CHAIN MANAGEMENT**

**SYSTEM SHOULD THIS DECLARATION PROVE TO BE FALSE.**

..... Signature	..... Date
..... Position	..... Name of bidder

This document must be signed and submitted together with your bid

<sup>2</sup> Joint venture or Consortium means an association of persons for the purpose of combining their expertise, property, capital, efforts, skill and knowledge in an activity for the execution of a contract.

## CLARITY ON DECLARATION OF INTEREST SBD 4 (a)

<b>BIDDER NAME</b>	
<b>LEGISLATION ON DISCLOSURE OF INTEREST</b>	
<p>The Public Service Act 103 of 1994 indicates in section 30(1) that “No employee shall perform or engage himself or herself to perform remunerative work outside his or her employment in the relevant department, except with the written permission of the executive authority of the department.”</p> <p>Furthermore, in terms of the Public Service Regulations paragraph 13(c), “An employee shall not conduct business with any organ of state or be a director of a public or private company conducting business with an organ of state, unless such employee is in an official capacity a director of a company listed in schedule 2 and 3 of the Public Finance Management Act”</p> <p>Treasury Regulations 16A8.4 further indicates that “If a supply chain management official or other role player, or any close family member, partner or associate of such official or other role player, has any private or business interest in any contract to be awarded, that official or other role player must-(a) disclose that interest; and (b) withdraw from participating in any manner whatsoever in the process relating to that contract.”</p>	
<b>CLARITY ON HOW TO DISCLOSE</b>	
<p>Clause 2.2 of the Bidders Disclosure (SBD4), require the bidder to disclose a relationship with any person employed by the entire KZN Department of Health, even if that person is not employed by the procuring institution. The Department may use other Computer Assisted Techniques to verify possible interest, should you be found to have failed to disclose correctly, your bid/quotation will be treated as a false declaration, treated as non-responsive and disqualified.</p> <p>For example, if the tender is advertised or invited by Addington Hospital, yet the person with interest is employed by Manguzi Hospital, as long as that official is employed by the Department of Health, the bidder is required to disclose interest. Therefore the question is, do you, or any person connected with the bidder, have a relationship with any person who is employed by the KZN Department of Health? If so, please furnish particulars on Bidders Disclosure (SBD4) section 2.2.1, as attached below,</p>	

I read the above clarity on disclosure of interest and I commit to disclose as directed, should I fail to disclose correctly, I am aware of the consequences, which may include disqualification of my offer.

\_\_\_\_\_  
BIDDER SURNAME AND INITIALS

\_\_\_\_\_  
SIGNATURE

\_\_\_\_\_  
DATE

## SECTION F:

## THE NATIONAL INDUSTRIAL PARTICIPATION PROGRAMME (NOT APPLICABLE)

## INTRODUCTION

The National Industrial Participation (NIP) Programme, which is applicable to all government procurement contracts that have an imported content, became effective on the 1 September 1996. The NIP policy and guidelines were fully endorsed by Cabinet on 30 April 1997. In terms of the Cabinet decision, all state and parastatal purchases / lease contracts (for goods, works and services) entered into after this date, are subject to the NIP requirements. NIP is obligatory and therefore must be complied with. The Industrial Participation Secretariat (IPS) of the Department of Trade and Industry (DTI) is charged with the responsibility of administering the programme.

## PILLARS OF THE PROGRAMME

1.1. The NIP obligation is benchmarked on the imported content of the contract. Any contract having an imported content equal to or exceeding US\$ 10 million or other currency equivalent to US\$ 10 million will have a NIP obligation. This threshold of US\$ 10 million can be reached as follows:

- i) Any single contract with imported content exceeding US\$10 million.  
or
- ii) Multiple contracts for the same goods, works or services each with imported content exceeding US\$3 million awarded to one seller over a 2 year period which in total exceeds US\$10 million.  
or
- iii) A contract with a renewable option clause, where should the option be exercised the total value of the imported content will exceed US\$10 million.  
or
- iv) Multiple suppliers of the same goods, works or services under the same contract, where the value of the imported content of each allocation is equal to or exceeds US\$ 3 million worth of goods, works or services to the same government institution, which in total over a two (2) year period exceeds US\$10 million.

- a. The NIP obligation applicable to suppliers in respect of sub-paragraphs 1.1 (a) to 1.1 (c) above will amount to 30 % of the imported content whilst suppliers in respect of paragraph 1.1 (d) shall incur 30% of the total NIP obligation on a *pro-rata* basis.

1.2. To satisfy the NIP obligation, the DTI would negotiate and conclude agreements such as investments, joint ventures, sub-contracting, licensee production, export promotion, sourcing arrangements and research and development (R&D) with partners or suppliers.

1.3. A period of seven years has been identified as the time frame within which to discharge the obligation.

## **2. REQUIREMENTS OF THE DEPARTMENT OF TRADE AND INDUSTRY**

- 2.1. In order to ensure effective implementation of the programme, successful bidders (contractors) are required to, immediately after the award of a contract that is in excess of **R10 million** (ten million Rands), submit details of such a contract to the DTI for reporting purposes.
- 2.2. The purpose for reporting details of contracts in excess of the amount of R10 million (ten million Rands) is to cater for multiple contracts for the same goods, works or services; renewable contracts and multiple suppliers for the same goods, works or services under the same contract as provided for in paragraphs 1.1.(b) to 1.1.(d) above.

## **3. BID SUBMISSION AND CONTRACT REPORTING REQUIREMENTS OF BIDDERS AND SUCCESSFUL BIDDERS (CONTRACTORS)**

- 3.1. Bidders are required to sign and submit this Standard Bidding Document (SBD 5) together with the bid on the closing date and time.
- 3.2. In order to accommodate multiple contracts for the same goods, works or services; renewable contracts and multiple suppliers for the same goods, works or services under the same contract as indicated in sub-paragraphs 1.1 (b) to 1.1 (d) above and to enable the DTI in determining the NIP obligation, successful bidders (contractors) are required, immediately after being officially notified about any successful bid with a value in excess of R10 million (ten million Rands), to contact and furnish the DTI with the following information:
  - (i) Bid / contract number.
  - (ii) Description of the goods, works or services.
  - (iii) Date on which the contract was accepted.
  - (iv) Name, address and contact details of the government institution.
  - (v) Value of the contract.
  - (vi) Imported content of the contract, if possible.
- 3.3. The information required in paragraph 3.2 above must be sent to the Department of Trade and Industry, Private Bag X 84, Pretoria, 0001 for the attention of Mr Elias Malapane within five (5) working days after award of the contract. Mr Malapane may be contacted on telephone (012) 394 1401, facsimile (012) 394 2401 or e-mail at [Elias@thedti.gov.za](mailto:Elias@thedti.gov.za) for further details about the programme.

## **4. PROCESS TO SATISFY THE NIP OBLIGATION**

- 4.1. Once the successful bidder (contractor) has made contact with and furnished the DTI with the information required, the following steps will be followed:
  - (i) the contractor and the DTI will determine the NIP obligation;
  - (ii) the contractor and the DTI will sign the NIP obligation agreement;
  - (iii) the contractor will submit a performance guarantee to the DTI;
  - (iv) the contractor will submit a business concept for consideration and approval by the DTI;
  - (v) upon approval of the business concept by the DTI, the contractor will submit detailed business plans outlining the business concepts;
  - (vi) the contractor will implement the business plans; and the contractor will submit bi-annual progress reports on approved plans to the DTI.
- 4.2. The NIP obligation agreement is between the DTI and the successful bidder (contractor) and, therefore, does not involve the purchasing institution.

Bid number: **ZNB 5356/2024-H** ..... Closing date:

Name of bidder.....

Postal address .....

.....

Signature..... Name (in print) .....

Date.....

## SECTION G:

## GENERAL CONDITIONS OF CONTRACT (GCC)

In terms of Treasury Regulation 16A6.3 (a) (i) "The accounting officer must ensure that bid documentation and the general conditions of a contract are in accordance with the instructions of the National Treasury."

Bidders are expected to be familiar with the general conditions applicable to government bids, contracts and orders; and rights and obligations of all parties involved in doing business with government.

Bidders are therefore required to initial each page of the attached **Annexure A** for General Conditions of Contract (GCC) and return with the bid document.

*I hereby confirm that I have read the General Conditions of Contract (GCC) as published by the National Treasury and I confirm that I fully understands its contents and conditions. I also confirm that I am willfully committing to abiding by its contents.*

Name:		Signature:	
Title/ Role:		Date:	

Note: Should you fail to submit **initialed** Annexure A for General Conditions of Contract (GCC) and return with the bid document as well as to sign this schedule, your bid may be disqualified.

# **ANNEXURE A**

## **THE NATIONAL TREASURY**

**Republic of South Africa**



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## **GOVERNMENT PROCUREMENT: GENERAL CONDITIONS OF CONTRACT**

**July 2010**

## NOTES

The purpose of this document is to:

- (i) Draw special attention to certain general conditions applicable to government bids, contracts and orders; and
- (ii) To ensure that clients be familiar with regard to the rights and obligations of all parties involved in doing business with government.

In this document words in the singular also mean in the plural and vice versa and words in the masculine also mean in the feminine and neuter.

- The General Conditions of Contract will form part of all bid documents and may not be amended.
- Special Conditions of Contract (SCC) relevant to a specific bid, should be compiled separately for every bid (if applicable) and will supplement the General Conditions of Contract. Whenever there is a conflict, the provisions in the SCC shall prevail.

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## NOTES

The purpose of this document is to:

- i) Draw special attention to certain general conditions applicable to government bids, contracts and orders; and
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## 1. DEFINITIONS

The following terms shall be interpreted as indicated:

- 1.1. **"Closing time"** means the date and hour specified in the bidding documents for the receipt of bids.
- 1.2. **"Contract"** means the written agreement entered into between the purchaser and the supplier, as recorded in the contract form signed by the parties, including all attachments and appendices thereto and all documents incorporated by reference therein.
- 1.3. **"Contract price"** means the price payable to the supplier under the contract for the full and proper performance of his contractual obligations.
- 1.4. **"Corrupt practice"** means the offering, giving, receiving, or soliciting of anything of value to influence the action of a public official in the procurement process or in contract execution.
- 1.5. **"Countervailing duties"** are imposed in cases where an enterprise abroad is subsidized by its government and encouraged to market its products internationally.
- 1.6. **"Country of origin"** means the place where the goods were mined, grown or produced or from which the services are supplied. Goods are produced when, through manufacturing, processing or substantial and major assembly of components, a commercially recognized new product results that is substantially different in basic characteristics or in purpose or utility from its components.
- 1.7. **"Day"** means calendar day.
- 1.8. **"Delivery"** means delivery in compliance of the conditions of the contract or order.
- 1.9. **"Delivery ex stock"** means immediate delivery directly from stock actually on hand.
- 1.10. **"Delivery into consignees store or to his site"** means delivered and unloaded in the specified store or depot or on the specified site in compliance with the conditions of the contract or order, the supplier bearing all risks and charges involved until the supplies are so delivered and a valid receipt is obtained.
- 1.11. "Dumping" occurs when a private enterprise abroad market its goods on own initiative in the RSA at lower prices than that of the country of origin and which have the potential to harm the local industries in the RSA.
- 1.12. "Force majeure" means an event beyond the control of the supplier and not involving the supplier's fault or negligence and not foreseeable. Such events may include, but is not restricted to, acts of the purchaser in its sovereign capacity, wars or revolutions, fires, floods, epidemics, quarantine restrictions and freight embargoes.
- 1.13. "Fraudulent practice" means a misrepresentation of facts in order to influence a procurement process or the execution of a contract to the detriment of any bidder and includes collusive practice among bidders (prior to or after bid submission) designed to establish bid prices at artificial non-competitive levels and to deprive the bidder of the benefits of free and open competition.
- 1.14. "GCC" means the General Conditions of Contract.
- 1.15. "Goods" means all of the equipment, machinery, and/or other materials that the supplier is required to supply to the purchaser under the contract.
- 1.16. "Imported content" means that portion of the bidding price represented by the cost of components, parts or materials which have been or are still to be imported (whether by the supplier or his subcontractors) and which costs are inclusive of the costs abroad, plus freight and other direct importation costs such as landing costs, dock dues, import duty, sales duty or other similar tax or duty at the South African place of entry as well as transportation and handling charges to the factory in the Republic where the supplies covered by the bid will be manufactured.
- 1.17. "Local content" means that portion of the bidding price which is not included in the imported content provided that local manufacture does take place.
- 1.18. "Manufacture" means the production of products in a factory using labour, materials, components and machinery and includes other related value-adding activities.
- 1.19. "Order" means an official written order issued for the supply of goods or works or the rendering of a service.
- 1.20. "Project site," where applicable, means the place indicated in bidding documents.
- 1.21. "Purchaser" means the organization purchasing the goods.
- 1.22. "Republic" means the Republic of South Africa.
- 1.23. "SCC" means the Special Conditions of Contract.

- 1.24. "Services" means those functional services ancillary to the supply of the goods, such as transportation and any other incidental services, such as installation, commissioning, provision of technical assistance, training, catering, gardening, security, maintenance and other such obligations of the supplier covered under the contract.
- 1.25. "Written" or "in writing" means handwritten in ink or any form of electronic or mechanical writing.

## **2. Application**

- 2.1. These general conditions are applicable to all bids, contracts and orders including bids for functional and professional services, sales, hiring, letting and the granting or acquiring of rights, but excluding immovable property, unless otherwise indicated in the bidding documents.
- 2.2. Where applicable, special conditions of contract are also laid down to cover specific supplies, services or works.
- 2.3. Where such special conditions of contract are in conflict with these general conditions, the special conditions shall apply.

## **3. General**

- 3.1. Unless otherwise indicated in the bidding documents, the purchaser shall not be liable for any expense incurred in the preparation and submission of a bid. Where applicable a non-refundable fee for documents may be charged.
- 3.2. With certain exceptions, invitations to bid are only published in the Government Tender Bulletin. The Government Tender Bulletin may be obtained directly from the Government Printer, Private Bag X85, Pretoria 0001, or accessed electronically from [www.treasury.gov.za](http://www.treasury.gov.za).

## **4. Standards**

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

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

- 5.1. The supplier shall not, without the purchaser's prior written consent, disclose the contract, or any provision thereof, or any specification, plan, drawing, pattern, sample, or information furnished by or on behalf of the purchaser in connection therewith, to any person other than a person employed by the supplier in the performance of the contract. Disclosure to any such employed person shall be made in confidence and shall extend only so far as may be necessary for purposes of such performance.
- 5.2. The supplier shall not, without the purchaser's prior written consent, make use of any document or information mentioned in GCC clause except for purposes of performing the contract.
- 5.3. Any document, other than the contract itself mentioned in GCC clause shall remain the property of the purchaser and shall be returned (all copies) to the purchaser on completion of the supplier's performance under the contract if so required by the purchaser.
- 5.4. The supplier shall permit the purchaser to inspect the supplier's records relating to the performance of the supplier and to have them audited by auditors appointed by the purchaser, if so required by the purchaser.

## **6. Patent rights**

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

## **7. Performance security**

- 7.1. Within thirty (30) days of receipt of the notification of contract award, the successful bidder shall furnish to the purchaser the performance security of the amount specified in SCC.
- 7.2. The proceeds of the performance security shall be payable to the purchaser as compensation for any loss resulting from the supplier's failure to complete his obligations under the contract.
- 7.3. The performance security shall be denominated in the currency of the contract, or in a freely convertible currency acceptable to the purchaser and shall be in one of the following forms:
- a) a bank guarantee or an irrevocable letter of credit issued by a reputable bank located in the purchaser's country or abroad, acceptable to the purchaser, in the form provided in the bidding documents or another form acceptable to the purchaser; or
  - b) a cashier's or certified cheque

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

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

- 8.1. All pre-bidding testing will be for the account of the bidder.
- 8.2. If it is a bid condition that supplies to be produced or services to be rendered should at any stage during production or execution or on completion be subject to inspection, the premises of the bidder or contractor shall be open, at all reasonable hours, for inspection by a representative of the Department or an organization acting on behalf of the Department.
- 8.3. If there are no inspection requirements indicated in the bidding documents and no mention is made in the contract, but during the contract period it is decided that inspections shall be carried out, the purchaser shall itself make the necessary arrangements, including payment arrangements with the testing authority concerned.
- 8.4. If the inspections, tests and analyses referred to in clauses 8.2 and 8.3 show the supplies to be in accordance with the contract requirements, the cost of the inspections, tests and analyses shall be defrayed by the purchaser.
- 8.5. Where the supplies or services referred to in clauses 8.2 and 8.3 do not comply with the contract requirements, irrespective of whether such supplies or services are accepted or not, the cost in connection with these inspections, tests or analyses shall be defrayed by the supplier.
- 8.6. Supplies and services which are referred to in clauses 8.2 and 8.3 and which do not comply with the contract requirements may be rejected.
- 8.7. Any contract supplies may on or after delivery be inspected, tested or analysed and may be rejected if found not to comply with the requirements of the contract. Such rejected supplies shall be held at the cost and risk of the supplier who shall, when called upon, remove them immediately at his own cost and forthwith substitute them with supplies which do comply with the requirements of the contract. Failing such removal the rejected supplies shall be returned at the suppliers cost and risk. Should the supplier fail to provide the substitute supplies forthwith, the purchaser may, without giving the supplier further opportunity to substitute the rejected supplies, purchase such supplies as may be necessary at the expense of the supplier.
- 8.8. The provisions of clauses 8.4 to 8.7 shall not prejudice the right of the purchaser to cancel the contract on account of a breach of the conditions thereof, or to act in terms of Clause 23 of GCC.

## **9. Packing**

- 9.1. The supplier shall provide such packing of the goods as is required to prevent their damage or deterioration during transit to their final destination, as indicated in the contract. The packing shall be sufficient to withstand, without limitation, rough handling during transit and exposure to extreme temperatures, salt and precipitation during transit, and open storage. Packing, case size and weights shall take into consideration, where appropriate, the remoteness of the goods' final destination and the absence of heavy handling facilities at all points in transit.
- 9.2. The packing, marking, and documentation within and outside the packages shall comply strictly with such special requirements as shall be expressly provided for in the contract, including additional requirements, if any, specified in SCC, and in any subsequent instructions ordered by the purchaser.

## **10. Delivery and documents**

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

## **11. Insurance**

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

## **12. Transportation**

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

## **13. Incidental services**

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

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- a) performance or supervision of on-site assembly and/or commissioning of the supplied goods;
- b) furnishing of tools required for assembly and/or maintenance of the supplied goods;
- c) furnishing of a detailed operations and maintenance manual for each appropriate unit of the supplied goods;
- d) performance or supervision or maintenance and/or repair of the supplied goods, for a period of time agreed by the parties, provided that this service shall not relieve the supplier of any warranty obligations under this contract; and

- e) training of the purchaser's personnel, at the supplier's plant and/or on-site, in assembly, start-up, operation, maintenance, and/or repair of the supplied goods.

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

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

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

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

#### **15. Warranty**

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

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

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

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

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

#### **16. Payment**

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

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

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

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

#### **17. Prices**

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

#### **18. Contract amendments**

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

#### **19. Assignment**

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

## **20. Subcontracts**

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

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

- 21.1. Delivery of the goods and performance of services shall be made by the supplier in accordance with the time schedule prescribed by the purchaser in the contract.
- 21.2. If at any time during performance of the contract, the supplier or its subcontractor(s) should encounter conditions impeding timely delivery of the goods and performance of services, the supplier shall promptly notify the purchaser in writing of the fact of the delay, its likely duration and its cause(s). As soon as practicable after receipt of the supplier's notice, the purchaser shall evaluate the situation and may at his discretion extend the supplier's time for performance, with or without the imposition of penalties, in which case the extension shall be ratified by the parties by amendment of contract.
- 21.3. No provision in a contract shall be deemed to prohibit the obtaining of supplies or services from a national department, provincial department, or a local authority.
- 21.4. The right is reserved to procure outside of the contract small quantities or to have minor essential services executed if an emergency arises, the supplier's point of supply is not situated at or near the place where the supplies are required, or the supplier's services are not readily available.
- 21.5. Except as provided under GCC Clause 25, a delay by the supplier in the performance of its delivery obligations shall render the supplier liable to the imposition of penalties, pursuant to GCC Clause 22, unless an extension of time is agreed upon pursuant to GCC Clause 21.2 without the application of penalties.
- 21.6. Upon any delay beyond the delivery period in the case of a supplies contract, the purchaser shall, without cancelling the contract, be entitled to purchase supplies of a similar quality and up to the same quantity in substitution of the goods not supplied in conformity with the contract and to return any goods delivered later at the supplier's expense and risk, or to cancel the contract and buy such goods as may be required to complete the contract and without prejudice to his other rights, be entitled to claim damages from the supplier.

## **22. Penalties**

- 22.1. Subject to GCC Clause 25, if the supplier fails to deliver any or all of the goods or to perform the services within the period(s) specified in the contract, the purchaser shall, without prejudice to its other remedies under the contract, deduct from the contract price, as a penalty, a sum calculated on the delivered price of the delayed goods or unperformed services using the current prime interest rate calculated for each day of the delay until actual delivery or performance. The purchaser may also consider termination of the contract pursuant to GCC Clause 23.

## **23. Termination for default**

- 23.1. The purchaser, without prejudice to any other remedy for breach of contract, by written notice of default sent to the supplier, may terminate this contract in whole or in part:
- a) if the supplier fails to deliver any or all of the goods within the period(s) specified in the contract, or within any extension thereof granted by the purchaser pursuant to GCC Clause 21.2;
  - b) if the Supplier fails to perform any other obligation(s) under the contract; or
  - c) if the supplier, in the judgment of the purchaser, has engaged in corrupt or fraudulent practices in competing for or in executing the contract.
- 23.2. In the event the purchaser terminates the contract in whole or in part, the purchaser may procure, upon such terms and in such manner as it deems appropriate, goods, works or services similar to those undelivered, and the supplier shall be liable to the purchaser for any excess costs for such similar goods, works or services. However, the supplier shall continue performance of the contract to the extent not terminated.
- 23.3. Where the purchaser terminates the contract in whole or in part, the purchaser may decide to impose a restriction penalty on the supplier by prohibiting such supplier from doing business with the public sector for a period not exceeding 10 years.
- 23.4. If a purchaser intends imposing a restriction on a supplier or any person associated with the supplier, the supplier will be allowed a time period of not more than fourteen (14) days to provide reasons why the envisaged restriction should not be imposed. Should the supplier fail to respond within the stipulated fourteen (14) days the purchaser may regard the intended penalty as not objected against and may impose it on the supplier.
- 23.5. Any restriction imposed on any person by the Accounting Officer / Authority will, at the discretion of the Accounting Officer / Authority, also be applicable to any other enterprise or any partner, manager, director or other person who wholly or partly

exercises or exercised or may exercise control over the enterprise of the first-mentioned person, and with which enterprise or person the first-mentioned person, is or was in the opinion of the Accounting Officer / Authority actively associated.

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

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

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

23.7. If a court of law convicts a person of an offence as contemplated in sections 12 or 13 of the Prevention and Combating of Corrupt Activities Act, No. 12 of 2004, the court may also rule that such person's name be endorsed on the Register for Tender Defaulters. When a person's name has been endorsed on the Register, the person will be prohibited from doing business with the public sector for a period not less than five years and not more than 10 years. The National Treasury is empowered to determine the period of restriction and each case will be dealt with on its own merits. According to section 32 of the Act the Register must be open to the public. The Register can be perused on the National Treasury website.

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

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

## **25. Force Majeure**

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

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

## **26. Termination for insolvency**

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

## **27. Settlement of Disputes**

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

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

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

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

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

- a) the parties shall continue to perform their respective obligations under the contract unless they otherwise agree; and
- b) the purchaser shall pay the supplier any monies due the supplier.

## **28. Limitation of liability**

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

- a) the supplier shall not be liable to the purchaser, whether in contract, tort, or otherwise, for any indirect or consequential loss or damage, loss of use, loss of production, or loss of profits or interest costs, provided that this exclusion shall not apply to any obligation of the supplier to pay penalties and/or damages to the purchaser; and
- b) the aggregate liability of the supplier to the purchaser, whether under the contract, in tort or otherwise, shall not exceed the total contract price, provided that this limitation shall not apply to the cost of repairing or replacing defective equipment.

**29. Governing language**

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

**30. Applicable law**

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

**31. Notices**

- 31.1. Every written acceptance of a bid shall be posted to the supplier concerned by registered or certified mail and any other notice to him shall be posted by ordinary mail to the address furnished in his bid or to the address notified later by him in writing and such posting shall be deemed to be proper service of such notice
- 31.2. The time mentioned in the contract documents for performing any act after such aforesaid notice has been given, shall be reckoned from the date of posting of such notice.

**32. Taxes and duties**

- 32.1. A foreign supplier shall be entirely responsible for all taxes, stamp duties, license fees, and other such levies imposed outside the purchaser's country.
- 32.2. A local supplier shall be entirely responsible for all taxes, duties, license fees, etc., incurred until delivery of the contracted goods to the purchaser.
- 32.3. No contract shall be concluded with any bidder whose tax matters are not in order. Prior to the award of a bid the Department must be in possession of a tax clearance certificate, submitted by the bidder. This certificate must be an original issued by the South African Revenue Services.

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

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

**34. Prohibition of Restrictive practices**

- 34.1. In terms of section 4 (1) (b) (iii) of the Competition Act No. 89 of 1998, as amended, an agreement between, or concerted practice by, firms, or a decision by an association of firms, is prohibited if it is between parties in a horizontal relationship and if a bidder (s) is / are or a contractor(s) was / were involved in collusive bidding (or bid rigging).
- 34.2. If a bidder(s) or contractor(s), based on reasonable grounds or evidence obtained by the purchaser, has / have engaged in the restrictive practice referred to above, the purchaser may refer the matter to the Competition Commission for investigation and possible imposition of administrative penalties as contemplated in the Competition Act No. 89 of 1998.
- 34.3. If a bidder(s) or contractor(s), has / have been found guilty by the Competition Commission of the restrictive practice referred to above, the purchaser may, in addition and without prejudice to any other remedy provided for, invalidate the bid(s) for such item(s) offered, and / or terminate the contract in whole or part, and / or restrict the bidder(s) or contractor(s) from conducting business with the public sector for a period not exceeding ten (10) years and / or claim damages from the bidder(s) or contractor(s) concerned.

**General Conditions of Contract (revised July 2010)**

## SECTION H:

### SPECIAL CONDITIONS OF CONTRACT (SCC)

#### 1. ADDITIONAL DEFINITIONS

In addition to the definitions contained in paragraph 1 of the GCC, the following terms shall be interpreted as indicated:

"Accounting Officer"	means a person described in Section 36 of the Public Finance Management Act, Act No. 1 of 1999 (As amended by Act 29 of 1999).
"Contract Duration"	means the period between the commencement and termination of the contract.
"Confidential Information"	means but is not limited to contents of the contract, or any provision thereof, or any specification, plan, know-how, drawing, pattern, sample, or information furnished by or on behalf of the Department in connection therewith, to any person other than a person employed by contractor or service provider in the performance of the contract.
"Department"	means the KwaZulu-Natal Department of Health.
"Head of Department" / "Head: Health"	means the Head of Department for KwaZulu-Natal Department of Health as defined in Schedule 2 Column 1 and 2 of the Public Service Act 1994 (Proclamation 103 of 3 June 1994, as amended).
"Health Facilities"	means Head Office, District Offices, Hospitals, Community Health Centres, Specialized Centres and Clinics under the auspices of the Department of Health in the Province
"ISO Standards"	means standards recognized by International Standard Organisation
"Parties"	means the KwaZulu-Natal Department of Health and a Lapauw Agent
"Province"	means the Province of KwaZulu-Natal.
"ROE"	means the Rate of Exchange.
"SABS"	means the South African Bureau of Standards
"SANS"	means the South African National Standards.
"Vendor"	means Contracted Supplier or Service Provider
"Agreement"	means this Agreement and includes all the annexures hereto.
"Laundry Facilities"	means a place, amenity, or piece of equipment where soiled hospital linen, patient clothing and other textiles used at healthcare facilities are processed to enhance patient care. The laundry facility can be part of an existing health facility (on-site laundry) or be a standalone facility (i.e. regional/provincial laundry).
"Infrastructure Development"	means a unit within the Department of Health that is the custodian of Buildings and HTS/engineering Equipment. It ensures safe and functional buildings/equipment at a Provincial level
"Critical Laundry Equipment"	means ironing equipment
"Technician"	means a person employed to look after technical equipment, with sound theoretical and practical knowledge on operating and maintenance of those equipment.
"Preventative Maintenance"	shall mean the periodic checking and calibration of the equipment on a predetermined basis as set out in annexure "A" in order to keep the performance of the equipment as near as possible to the original operational specifications and will include repairs, adjustment and replacement or parts, which are effected during routine maintenance services as well as during any other time when the Service Provider is called upon to effect repairs in the event of a malfunction of the equipment. It shall include the introduction of modifications considered by the manufacturer to be necessary. Such modifications will not lead to the restriction of the operational capability of the system and will not be made without the prior written consent of the Department.
"Corrective Maintenance"	shall mean any necessary assistance from the Service Provider to locate and rectify faults which occur and are reported to the Service Provider either between or at the same time as Preventative Maintenance visits, and repairs, adjustments and replacement of parts which are found necessary during the course of Preventative Maintenance, and will not be made without the prior written consent of the Department.
"Day-to-day Maintenance"	shall mean any daily processes which must be implemented, on a daily basis, for the equipment as per the original manufacturers manual and guidelines to ensure that the equipment is given the due care required.

"Original Parts"	shall mean parts which are new or refurbished (where agreed upon with the Department) which are sourced from the original equipment manufacturer and carry the original equipment manufacturer's warranty.
"Environment Factors"	shall mean all infrastructural or other factors within the area of use of the equipment, which have a direct or indirect impact on the functioning of the equipment at its optimum rate.

## 2. INTERPRETATIONS

In amplification of the provisions of paragraph 2 of the GCC, unless inconsistent with the context, an expression which denotes:

- 2.1 Any gender includes the other genders.
- 2.2 A natural person includes a juristic person and vice versa.
- 2.3 The singular includes the plural and vice versa.
- 2.4 When any number of days is prescribed in this Contract, the same shall be reckoned exclusively of the first and inclusively of the last day unless the last day falls on a Saturday, Sunday or proclaimed public holiday in the Republic of South Africa, in which event the last day shall be the next succeeding day which is not a Saturday, Sunday or public holiday.
- 2.5 Figures are referred to in numerals and in words, if there is any conflict between the two, the words shall prevail.
- 2.6 Any reference in this contract to "goods" includes works and/or services.
- 2.7 The written and signed contract represents the final agreement between the parties and it super cedes any prior oral agreements or discussions of the Contract.
- 2.8 All annexures and appendices shall form part of the contract.
- 2.9 The headings used throughout the Contract do not have any special significance save to ensure the easy reading of the contract.
- 2.10 Words and phrases defined in this Contract shall bear the meaning assigned to them throughout this Contract.
- 2.11 Words and phrases used in this Contract which are defined or used in any statute or regulation which applies to the subject matter, professional person.
- 2.12 The bid is issued in accordance with Section 217 of the Constitution, The Public Finance Management Act, Treasury Regulations 16A and National Treasury regulations and guidelines.
- 2.13 Prior drafts of this Agreement or oral agreements in relation to the subject matter of this agreement shall not be taken into account in the interpretation of the contents of this Agreement.

## 3. COMMENCEMENT AND DURATION

- 3.1. This Agreement, including annexures, is subject to review annually, in order to update the list of equipment for relevance. This may result in changes to the agreement in the form of an addendum.
- 3.2. In the event that the department deems any piece of equipment listed in Appendix C to be condemned or disposed of, the department reserves the right to adjust the relevant list of equipment contained in Appendix C and to re-calculate the amount to be paid to the service provider in terms of this agreement. The department will notify the Service Provider, in writing, 30 (Thirty) days prior to the adjustment being made.
- 3.3. Any equipment that is reaching end of life during the Service Period will be removed from the coverage of this Agreement by consent of both Parties. Parties can agree that suitable replacement equipment will be added to this Agreement. The

Service Provider will deduct the service value of the end of life equipment pro-rata from the price payable in terms of this Agreement and, if agreed by the Service Provider and the Department, a new service value for the new equipment will be added pro-rata to the remaining Service Period.

3.4. This Agreement is subject to renewal for an additional period beyond the termination in terms of Clause 3.1 by mutual consent of both parties.

3.5. In the event of the Department wishing to renew this Agreement, the Department will notify the Service Provider prior to the termination in terms of Clause 3.1.

## **5. OFFERING OF COMMISSION OR GRATUITY**

5.1. If the service provider, or any person employed by the service provider, is found to have either directly or indirectly offered, promised or given to any office bearer of the Department or person in the employ of the Department, any commission, gratuity, gift or other consideration, the Department shall have the right, summarily and without recourse to law and without prejudice to any other legal remedy which it may have in regard to any loss or additional cost or expenses, to cancel the Contract without prejudice to any other legal remedy which it may have in regard to any loss or additional cost or expenses, to cancel the Contract without paying any compensation to the Service Provider.

## **6. THE OBLIGATIONS AND UNDERTAKINGS OF THE SERVICE PROVIDER**

6.1. The Service Provider undertakes to service, maintain and repair the equipment as listed in Appendix C.

6.2. The Service Provider must attach a breakdown of work to be done in the service, maintenance and repair of the said equipment.

6.3. The Service Provider undertakes to provide training (Ad-hoc and periodical), in accordance with the original manufacturers guidelines, to the departments staff in accordance with the time-frames agreed upon by both parties.

6.4. The Service Provider undertakes to perform the service, maintenance and repairs in accordance with the original equipment manufacturer's specifications and guidelines.

6.5. If the Service Provider requires to make any updates, whether software or hardware related, to the equipment in order to enhance the equipment or rectify faults, the Service provider must ensure it has obtained written authorisation by a duly elected representative of the Department. On-going training, in relation to the updates, must be provided at no further cost to the Department.

6.6. All work carried out must be acknowledged by the Facility Manager, or the duly delegated official, together with the Head Office representative (should there be one stationed within that institution).

6.7. Service, maintenance and repairs must be carried out in line with the terms agreed upon in this Agreement.

6.8. Service, maintenance and repairs must include the required software upgrades, which shall be limited updates within a functional platform and updates related to ensuring that the existing software is functioning optimally, as well as replacements of spare parts whenever required.

6.9. Corrective maintenance must be undertaken against either a telephonic or a written request (either by the form of email or a text message, where applicable) by the Facility Manager or the duly elected representative at the Facility or Head Office.

6.10. The Service Provider must maintain an emergency call system and must provide a Technician who will attend to the breakdown of equipment within 30 minutes of such call being made.

- 6.11. Should any of the equipment become faulty within four (4) weeks of the next scheduled maintenance service, The Department may arrange to have the repair and the forthcoming scheduled maintenance service undertaken simultaneously and immediately.
- 6.12. In terms of this agreement, the Service Provider shall bear all costs with regard to the service, maintenance and repairs of the equipment, which include, but are not limited to:
  - 6.12.1. Labour costs (including travel cost)
  - 6.12.2. Spare parts (including consumables)

## **7. TIME AND PERFORMANCE OF DUTIES**

- 7.1. The Service Provider, and its staff, shall be available to:
  - 7.1.1. Provide service, maintenance and repairs from Monday to Friday including public holidays from 07h30 to 16h00.
  - 7.1.2. Provide service, maintenance and repairs, by agreement between parties, outside the hours stated above at no extra cost to the Department.
  - 7.1.3. Perform emergency corrective maintenance as requested by the representative of the Facility or the duly authorised person wherever the equipment is located.
  - 7.1.4. Conduct all service, maintenance and repairs, or any other work, on a date and time mutually agreed to by the Service Provider and the representative of the Facility or the duly authorised person at the Institution.
- 7.2. The Service Provider hereby agrees to the service, maintenance and repairs time-frames as stipulated in Appendix C of this agreement.
- 7.3. If the Service Provider's technician is not immediately available when a Service request is made the Service Provider's technician must return the call within one (1) hour of the said call being made by the Department. The maximum response time to conduct the service, maintenance and repairs shall not exceed thirty minutes from the Service request.
- 7.4. Routine Maintenance Services must include all the work described by the original manufacturer specifications to be carried out by the Service Provider to the Equipment listed in Annexure "A" in order to keep the performance of the Equipment as near as possible to its original operational specifications, and includes repairs, adjustments and replacement of parts, unless otherwise specified, which are effected during routine Maintenance Services as well as during any other time when the Service Provider is called upon to effect repairs in the event of malfunctioning of the equipment.
- 7.5. The cost of the above must be included in a fixed flat rate per machine per annum.

## **8. MAINTENANCE SERVICE CERTIFICATES**

- 8.1. The Service Provider must ensure that a Maintenance Service Certificate is signed by the representative of the Laundry Facility or the delegated official at the institution after any work is undertaken.
- 8.2. All maintenance service certificates must include, where applicable, and not limited to:
  - 8.2.1. Calibration certificate detailing information on the accuracy and reliability of Test Equipment used (certificate to be included).
  - 8.2.2. Quality Assurance Test raw data signed by the representative of the Laundry Facility or the delegated official, and a copy must be left on site immediately.

- 8.2.3. The Service Provider's general comments on the condition, performance, use and misuse of the equipment at commencement and completion of any work undertaking.
- 8.2.4. A description of all faults observed, that shall require or give rise to repairs of a major nature and which he or she considers should be attended to and the recommended steps to be taken to deal with such faults.
- 8.2.5. A quotation, in respect of all equipment repairs and parts thereof and the costs of the recommended steps, which do not form part of this Agreement.
- 8.2.6. No work resulting from clause 8.2.4 above shall be undertaken unless the Service Provider has received a written authorisation to do the work from the Department.
- 8.2.7. Head Office representatives may be present, on occasions, on site when the Service Provider is carrying out service, maintenance and repairs
- 8.3. The Service Provider's Technician(s) must be Original Equipment Manufacturer (OEM) trained to deal with the service, maintenance and repairs of the equipment. Proof or Certification of original Equipment Manufacturer (OEM) must be submitted with this Agreement.
- 8.4. The Service Provider, as defined, shall not subcontract any of the work covered under this Agreement without prior approval from the Department.
- 8.5. The Department shall have the right to instruct the Service Provider to remove from site any of the Service Provider's employees, who at the sole and absolute discretion of the Department, are found to be:
  - 8.5.1. Incompetent.
  - 8.5.2. Not properly qualified and/or not suitably skilled to perform his/her respective tasks.
  - 8.5.3. Is found to be under the influence of alcohol or drugs, or disorderly on site.
  - 8.5.4. Is unwilling to perform his respective tasks.

## **9. RECORDS AND REPORTS**

- 9.1. The Service Provider shall maintain up to date records for each item of equipment listed in APPENDIX C.
- 9.2. The Department will keep an Equipment Record Book/File in which the Service Provider must sign after every service to the Department.
- 9.3. It is the responsibility of the Service Provider to submit monthly records of work done, by no later than the ten (10) days after the work was done and proof of work carried out. Failure to submit such reports may result in payment being withheld by the Department.
- 9.4. The monthly reports provided by the service provider, as per clause 9.3, must include the following:
  - 9.4.1. Risk assessment of equipment
  - 9.4.2. Environmental factors assessment
  - 9.4.3. Breakdown of cost for the work done during corrective maintenance
  - 9.4.4. Breakdown of monthly cost for preventive and corrective maintenance
- 9.5. The Maintenance Service Certificate / Report shall also include:
  - 9.5.1. The technician's or representative's comments in general on the conditions and performance of the Equipment as he found it at commencement of the Service and also at the completion of the Service;
  - 9.5.2. A description of all faults observed, or likely to develop, that will require or give rise to repairs of major nature,

which he considers should be attended to and the recommended steps to be taken to deal with such faults.

9.5.3. The Service Provider must provide the maintenance book to be used for recording maintenance activities,

9.5.4. The Service Provider together with the Provincial Health Institution's Staff must maintain:

9.5.4.1. An up-to-date service record for each item of Equipment listed as per Appendix "C", at the Provincial Health Institution where such Equipment is located.

9.5.4.2. A duplicate up-to-date service record and cost at its primary business location in the Province.

## **10. EQUIPMENT WARRANTY, REPLACEMENT AND REMOVAL**

10.1. The Service Provider undertakes that all equipment and parts supplied by him will be the original equipment and parts specific to the brand of equipment being serviced and shall therefore carry the warranty of the manufacturer of the said equipment. The Service Provider warrants that the goods supplied under the contract are new, unused, of the most recent or current models, and that they incorporate all recent improvements in design and materials unless provided otherwise in the contract.

10.2. The Service Provider warrants that replacement parts supplied by him during the service level agreement is of the same equipment manufactures specifications, if any modification to parts or system has to made then Infrastructure Development must be informed in writing of such and approval must be given prior to such modifications being made. The parts must carry a 12 month warranty period, or the warranty period stipulated by the original manufacturer's specifications, after the goods, or any portion thereof as the case may be, have been delivered to and accepted at the final destination indicated in the contract, or for eighteen (18) months after the date of shipment from the port or place of loading in the source country, whichever period concludes earlier and if the part is replaced more than once then a root cause analysis must be completed to ensure that the unit functions optimally as prescribed by the original equipment manufacturer. Parts that are deemed refurbished must be brought to the Department's attention with all the necessary certificates from the original equipment manufacturer with regards to warranties and safety.

10.3. Any parts or sundries items, authorised for disposal by the Facility Manager or a duly elected representative, must be disposed of by the Service Provider (not at the hospital / laundry facility premises) to ensure environmental; health and safety acts, and all municipal by-laws are adhered to.

10.4. The Department reserves the right to inspect the Service Provider's premises at any given time, upon seven (7) days' notice.

10.5. Should the Service Provider not be able to carry out any repair work as stipulated in the Agreement, the Service provider must advise the representative of Head Office or the delegated official at the Facility immediately in writing.

10.6. In the event that the Service Provider is unable to provide maintenance/service on Critical Equipment or components within the stipulated time, the Service Provider is obligated to provide an equivalent loan machine or component, where practically possible, to ensure continuity of services at no extra cost to the Department.

10.7. The Service Provider may not remove any part or component, including parts which require disposal as per clause 10.3, from the institution without prior consent by the representative of the Facility or a delegated official.

10.8. Any equipment or part thereof removed from the Facility or delivered to the Service Provider for service, maintenance and repairs shall become the responsibility of the Service Provider and if lost or damaged shall be immediately replaced or repaired by the Service Provider, at no cost to the Department.

## **11. MAINTENANCE METHODOLOGY**

11.1. Planned Preventative Maintenance will be included in this Agreement at no extra cost to the Department. A Planned Preventative Maintenance (PPM) schedule will be followed in line with Appendix C.

11.2. Corrective Maintenance (CM) will be included in this Agreement at no extra cost to the Department. All repairs and upgrades shall only be performed upon receipt of a written / telephonic request and approval by the Department. All parts and accessories used during the repairs will be provided by the Service Provider at no extra cost to the Department.

11.3. In the case where the repair falls outside the terms of this Agreement, a purchase order will be generated by the Department upon receipt of a written quotation. The repair will be carried out by the Service Provider upon authorisation of this purchase order by the Department.

11.4. For emergency breakdowns which fall outside of the Agreement, work must be quoted within twenty-four (24)

hours of the request by the Department.

- 11.5. On completion of the maintenance service or inspection or any other work, the Service Provider shall complete a Maintenance Service Certificate, the Individual Equipment Repair Book/File as well as a detailed job card signed by the Department Authorised Person.

## **12. OBLIGATIONS OF THE DEPARTMENT**

- 12.1. The Department shall take care of the day-to-day maintenance of the equipment listed in APPENDIX C, in accordance with the instructions contained in the operator's manual provided by the manufacturer. Which should include, but is not limited to:
- 12.1.1. ensure that the area in which the relevant equipment are kept is maintained in a clean and sanitary condition and that the equipment is cleaned and decontaminated after contact with blood or other potentially infectious material;
- 12.1.2. ensure that the Premises are kept and environment (including temperature and humidity control, incoming power quality, water quality, air quality, and fire protection system) in a condition suitable for operation of the equipment and in accordance with the Premises specifications.
- 12.1.3. Operate the equipment in accordance with the published manufacturer's operating instructions.
- 12.1.4. Make normal operator adjustments to the equipment as specified in the published manufacturer's operating instructions.
- 12.1.5. Provide the Service Provider or third party with full and free access to the equipment at the scheduled service time. Department's failure to provide access at the scheduled time will constitute Department's waiver of the scheduled planned maintenance service and releases Service Provider from its obligations under this Agreement without any liability whatsoever until such time as planned maintenance service for the specified equipment is re-scheduled and agreed by both parties or their delegated officials.
- 12.2. Where items of equipment have been identified as defective, not fully functional or requiring repairs, and the Department is in agreement with such assessments, the Service Providers such be liable for repairs to such equipment, in terms of this agreement.
- 12.3. The Facility Manager or his designee at the Health Facility shall timeously notify the Service Provider when corrective maintenance is required for equipment listed in APPENDIX C.
- 12.4. In the event it comes to the attention of the Head: Health or his Assignee that the Service Provider has failed to provide preventative or corrective maintenance for equipment as listed in Appendix C, inclusive, he or she shall notify the Service Provider in writing of such failure to maintain equipment and specify the period in time in which such defect must be remedied.
- 12.5. In the event it comes to the attention of the Head: Health or his Assignee that the Service Provider has failed, in terms of Clause 9, to maintain up-to-date service records for each item of equipment listed in APPENDIX C, inclusive, in the Provincial health institution where such equipment is located, he or she shall notify the Service Provider in writing of such failure to maintain the required service records and specify the period of time in which such defect should be remedied.
- 12.6. In the event it comes to the attention of the Head: Health or his Assignee that the Service Provider has failed to submit monthly written reports required in terms of clause 9.3, inclusive, he or she shall notify the Service Provider in writing of such failure to submit the required monthly written reports and specify the period in time such defect must be remedied.
- 12.7. The Department shall pay the Service Provider a predetermined amount, which may not exceed monthly fee including VAT for preventative maintenance and proven cost plus mark-up corrective maintenance of all equipment listed in APPENDIX C, inclusive, for the duration of the Agreement The Department shall not be responsible for payment of any statutory increases in tariffs or imports or any fluctuations in foreign exchange rate for any item required for the Service Provider to realise its obligations in terms of this Agreement. The rate of exchange, as agreed upon in this agreement is subject to pricing instructions.
- 12.7.1. as per Clause 3.1, with payments to be made in terms of APPENDIX C.
- 12.8. The Department considers the following to be a material breach of this agreement and may invoke the terms stipulated in clause 13 if the Department determines:
- 12.8.1. The Service Provider has failed to submit any written report required in terms of this Agreement;
- 12.8.2. Any written report, including sole supplier/authorised supplier letter and certifications of staff, submitted by the Service Provider, in terms of this Agreement, is inaccurate, misleading, or demonstrates insufficient activity or an inability to realise its obligations in terms of this agreement;

- 12.8.3. The Service Provider has failed to respond timeously to Departmental requests to maintain or repair equipment;  
or
- 12.8.4. The Service Provider has failed to deliver on any other obligation required by this Agreement.
- 12.9. The Department shall be entitled to take any action which is reasonably necessary to ensure that required services under this Agreement are delivered and that funds are expended in terms of this Agreement.

### **13. ACCEPTANCE OF A BID**

- 13.1 The Department of Health Bid Adjudication Committee is under no obligation to accept any bid.
- 13.2 The financial standing of a bidder and its ability to render services may be examined before the bid is considered for acceptance.

### **14. COMPLIANCE WITH SPECIFICATION**

- 14.1 Offers must comply strictly with the specification. Offers exceeding specification requirements will be deemed to comply with the specification.
- 14.2 The quality of services or supply must not be less than what is specified.

### **15. PERFORMANCE STANDARDS**

- 15.1. In amplification of paragraph 4 of the GCC, the preferred bidder shall provide service in accordance with performance standards set by the Department below:

### **16. EQUAL BIDS**

- 16.1 If two or more tenderers score an equal total number of points, the contract must be awarded to the tenderer that scored the highest points for B-BBEE.
- 16.2 If functionality is part of the evaluation process and two or more tenderers score equal total points and equal preference points, the contract must be awarded to the tenderer that scored the highest points for functionality.
- 16.3 If two or more tenderers score equal total points in all respects, the award must be decided by the drawing of lots.

### **17. LATE BIDS**

- 17.1 Bids are permissible to be submitted prior to closing date and time this is to avoid unfortunate or unplanned circumstances that could prevent the bidder from arriving on time during the closing date. If the bidder fail to arrive on time the department will not be held liable.
- 17.2 Bids are late if they are received at the address indicated in the bid documents after the closing date and time.

### **18. MORE THAN ONE OFFER/ COUNTER OFFERS**

- 18.1 Should the bidder make more than one offer, where applicable, against any individual item, such offer/s must be detailed in the Schedule of Additional Offer/s. The Department reserves its rights in and to the consideration of any additional offer/s subject to compliance with specification and the bidding conditions.
- 18.2 Bidders' attention is drawn to the fact that counter offers with regard to any of the abovementioned Special Terms and Conditions will invalidate such bids.
- 18.3 Bidders are at liberty to bid for one, a number of items, or bid for all items. If a bidder is not bidding for all the items, the appropriate price page must reflect: 'nil quote'.

### **19. ONLY ONE OFFER RECEIVED**

19.1 Where only 1 offer is received, the Department of Health will determine whether the price is fair and reasonable. Proof of reasonableness will be determined as follows:

- (i) Comparison with prices, after discounts, to the bidder's other normal clients and the relative discount that the State enjoys;
- (ii) Where this is not possible, profit before tax based on a full statement of relevant costs; and
- (iii) In all cases, comparison with previous bid prices where these are available.

## **20. AWARD OF BID (S)**

20.1 The Department of Health Bid Adjudication Committee reserves the right to award the bid to one or more than one bidder, provided that the respective bidders' offers comply with the specification and meets all the conditions attached to the bid. Note for panels this will be applicable during price quotation phase.

20.2 Notification of the intention to award the bid shall be in the same media that the bid was advertised.

20.3 In terms of Provincial Treasury Practice Note Number: SCM-07 of 2006, Section 5: Appeal Procedure, 5.1 "A bidder aggrieved by a decision of the Departmental Bid Adjudication Committee or a delegate of an Accounting Officer may appeal to the Bid Appeals Tribunal in the prescribed manner" The bidder must, within five working days of the publication of the notice of intention to award, in the Government Tender Bulletin, deliver a written notification of an intention to appeal to Provincial Treasury, Secretariat, Bid Appeals Tribunal, Tel no: 033-897 4200. After all appeals, should they be lodged, have been dealt with by the Bid Appeals Tribunal, the successful bidder (s) shall be notified in writing by a duly authorised official of the Department of Health, Central Supply Chain Management Unit. A formal contract will then be entered into by parties, using service level agreement or Standard Bidding Document for formal contracts.

## **21. REGISTRATION ON THE CENTRAL SUPPLIER DATABASE (CSD)**

21.1 A bidder submitting an offer must be registered on the Central Supplier Database. A bidder who has submitted an offer and is not registered on the Central Supplier Database will not be considered.

21.2 Each party to a joint venture/ consortium must be registered on the Central Suppliers Database at the time of submitting the bid.

## **22. EMPLOYEES TRADING WITH THE ORGANS OF THE STATE**

22.1 The Public Service Act 103 of 1994 indicates in section 30(1) that "No employee shall perform or engage himself or herself to perform remunerative work outside his or her employment in the relevant department, except with the written permission of the executive authority of the department."

22.2 Furthermore, in terms of the Public Service Regulations paragraph 13(c), "An employee shall not conduct business with any organ of state or be a director of a public or private company conducting business with an organ of state, unless such employee is in an official capacity a director of a company listed in schedule 2 and 3 of the Public Finance Management Act"

22.3 If a bidder is found to be employed by the state, through the verification of Central Supplier Database (CSD) Report, DPSA, the bid will be immediately disqualified. If it is discovered through other Computer Assisted Audit Technics, that the bidder is employed by the state, the award or contract may be immediately terminated.

## **23. VALIDITY PERIOD OF BID AND EXTENSION THEREOF**

23.1 The validity (binding) period for the bid will be **84 days** from close of bid. However, circumstances may arise whereby the department may request bidders to extend the validity (binding) period. Should this occur, the department will request bidders to extend the validity (binding) period under the same terms and conditions as originally offered for by bidders. This request will be done before the expiry of the original validity (binding) period. If the request to extend is sent to bidders and no response received the departmental will assume that the bidder is in agreement with an extension.

## 24. CHANGE OF ADDRESS

- 24.1 Bidders must advise the Department of Health's Central Supply Chain Management Unit, Contract Section, should their ownership and/or address (domicilium citandi et executandi) details change from the time of bidding to the expiry of the contract.

## 25 INVOICES AND PAYMENTS

- 25.1 All invoices must be submitted in the original format.
- 25.2 All invoices submitted by the Contractor must contain the word "INVOICE" for non-VAT vendors or "TAX INVOICE" for VAT vendors only. VAT number must be reflected for VAT vendors.
- 25.3 A tax invoice shall be in the currency of the republic of South Africa and shall contain the following particulars:
- (a) The name, address and registration number of the supplier;
  - (b) The name and address of the recipient;
  - (c) An individual serialized number and the date upon which the tax invoice is issued;
  - (d) A description of the goods or services supplied;
  - (e) The quantity or volume of the goods or services supplied
  - (f) The value of the supply, the amount of tax charged and the consideration for the supply; or
  - (g) Where the amount of tax charged is calculated by applying the tax fraction to the consideration, the consideration for the supply and either the amount of the tax charged, or a statement that it includes a charge in respect of the tax and the rate at which the tax was charged.
- 25.4 A Contractor shall be paid by the institution concerned, in accordance with services rendered. The service must be accepted and signed off by the relevant delegated official.
- 25.5 Should a Contractor indicate a special discount on his/her account provided payment is made within a certain time, every effort shall be made to take advantage of such discount. Where discounts or rebates received by the Department, the Contractor to provide credit note.
- 25.6 Any query concerning the non-payment of accounts must be directed to the institution concerned. The following protocol will apply if accounts are queried:
- (i) Contact must be made with the officer-in-charge of Logistics and Accounts Payable;
  - (ii) If there is no response from Logistics and Accounts Payable, the Chief Director: Finance may be contacted.
  - (iii) Failing all of the above, the Contractor may contact the Office of Chief Financial Officer supplying the following details:
    - a) Name/s of person/s contacted at the Institution and dates; and
    - b) Details of outstanding account.
    - c) The Chief Financial Officer will then take the appropriate action.

## 26. VALUE ADDED TAX (VAT)

- 26.1 All bid prices must be inclusive of all applicable taxes, even if the bidder is not a vat vendor.
- 26.2 Bidders who make taxable supplies in excess of R1 million in any 12-month consecutive period are liable for compulsory VAT registration, but an entity may also choose to register voluntarily provided that the minimum threshold of R50 000 (as of 1 March 2010) has been exceeded in the past 12 month period. Bidders who meet the above requirement must register as VAT vendors, if successful, within one month of award of bid.
- 26.3 **VAT will not be included** after an award of the bid or during contract management period.

## **27. ENTERING OF DEPARTMENTAL STORES**

- 27.1 No representative from a company shall be permitted to enter the department premises, buildings or containers where stores are kept unless he/she is accompanied by the responsible official in charge of stores. Before entering the hospital/clinic premises, buildings or containers where stores are kept, the company representative must in writing, motivate why entry is necessary and written authority must be obtained to enter from the Head of the Institution or delegated official.

## **28. DEPARTMENTAL PROPERTY IN POSSESSION OF A CONTRACTOR**

- 28.1 The Department's property supplied to a Contractor for the execution of a contract remains the property of the Department and shall at all times be available for inspection by the Department or its representatives. Any such property in the possession of the Contractor on the completion of the contract shall, at the Contractor's expense, be returned to the Department forthwith.
- 28.2 The Contractor shall be responsible at all times for any loss or damages to the Department's property in his possession and, if required, he shall furnish such security for the payment of any such loss or damages as the Department may require.

## **29 IRREGULARITIES**

- 29.1 Companies are encouraged to advise the Department of Health timeously of any possible irregularities which might come to their notice in connection with this or other contracts.

## **30 UNSATISFACTORY PERFORMANCE**

In amplification of paragraph 21; 22 and 23 of the GCC, unsatisfactory performance occurs when performance is not in accordance with the contract conditions.

- (i) The institution shall warn the Contractor by registered/certified mail or email that action will be taken in accordance with the contract conditions unless the Contractor complies with the contract conditions and delivers satisfactory supplies or services within a specified reasonable time (7 days minimum). If the Contractor does not perform satisfactorily despite the warning the department will, take necessary and appropriate action such as termination of contract in terms of its delegated powers.
- (ii) When correspondence is addressed to the Contractor, reference will be made to the contract number/item number/s and an explanation of the complaint.

## **31 RESTRICTION OF BIDDING**

The Accounting Officer or his/her delegate must:

- a) Notify the supplier and any other person of the intention to restrict it doing business with Department by registered mail or email. The letter of restriction must provide for:
  - i. The grounds for restriction;
  - ii. The period of restriction which must not exceed 10 years;
  - iii. A period of 14 calendar days for the supplier to provide reasons why the restriction should not be imposed.
- b) The Accounting Officer his/her delegate:
  - i. May regard the intended penalty as not objected to and may impose such penalty on the supplier, should the supplier fail to respond within the 14 days; and
  - ii. Must assess the reasons provided by the supplier and take the final decision.
- c) If the penalty is imposed, the Accounting Officer must inform National Treasury of the restriction within 7 calendar days and must furnish the following information:
  - i. The name and address of the entity/ person to be restricted;
  - ii. The identity number of individuals and the registration number of the entity; and
  - iii. The period of restriction.

- d) National Treasury will load the details on the Database of Prohibited Vendors.
- e) The restriction period applicable will be based on the value of award/s made to the supplier over a financial year. The table below illustrates the restriction period that will be applicable per the award threshold:

## **32 CONTRACTOR'S LIABILITY**

- 32.1 In the event of the contract being cancelled by the Department in the exercise of its rights in terms of these conditions, the Contractor shall be liable to pay to the Department any losses sustained and/or additional costs or expenditure incurred as a result of such cancellation, and the Department shall have the right to recover such losses, damages or additional costs by means of set-off from moneys due or which may become due in terms of the contract or any other contract or from guarantee provided for the due fulfilment of the contract and, until such time as the amount of such losses, damages or additional costs have been determined, to retain such moneys or guarantee or any deposit as security for any loss which the Department may suffer or may have suffered.
- 32.2 The Contractor may be held responsible for any consequential damages and loss sustained which may be caused by any defect, latent or otherwise, in supply or service rendered or if the goods or service as a result of such defect, latent or otherwise, does not conform to any condition or requirement of the contract.

## **33 RIGHTS TO PROCURE OUTSIDE THE CONTRACT**

- 33.1 If contracted service become available from National Treasury transversal contract, the Department reserve a right to cancel the contract with a winning bidder (s) by giving thirty (30) days' notice. If it is in the advantage and interest of the department to participate on transversal contract.

## **34. PATENTS**

- 34.1 The Contractor shall pay all royalties and expenses and be liable for all claims in respect of the use of patent rights, trademarks or other protected rights, and hereby indemnifies the Department against any claims arising there from.

## **35 WAIVER**

- 35.1 The granting by any party of any indulgence or postponement shall not be a waiver of its rights arising from this contract to demand full and specific performance of the contract.
- 35.2 No favor, delay or relaxation or indulgence on the part of any party in exercising any power or right conferred on each party in terms of this contract shall operate as a waiver of such power or right nor preclude any other or further exercises thereof or the exercise of any other power or right under this contract.

## **36 BREACH**

- 36.1 Any termination notice referred to in GCC paragraph 23.1 shall be preceded by written notice requiring the defaulting party to remedy a breach of this contract within seven (7) days of the date of receipt of the notice.
- 36.2 If the defaulting party fails to remedy the breach within the seven (7) days, the aggrieved party shall be entitled without notice, in addition to any other remedy available to them at law or under this contract:
- 36.3 To claim specific performance of any obligation whether or not the due date for performance has arrived; or
- 36.4 To terminate this contract in accordance with paragraph 23.1 of the GCC, against the defaulting party, in either event without prejudice to the aggrieved party's rights to claim damages.
- 36.5 The Contractor shall immediately advise the Department of the same, upon which the Department shall, in its sole and absolute discretion, decide whether to proceed with this contract or to terminate forthwith. Failure by the Contractor to advise

the Department of a conflict of interest shall amount to a material breach of this contract.

36.6 A Party shall be deemed to be in breach of this Contract should the Party fail to comply with any material provisions of this Contract.

36.7 The aggrieved Party shall be obliged to first attempt to settle the matter by way of consultation with the defaulting Party. If the consultation fails, then the aggrieved Party shall promptly give the defaulting seven (7) days written notice to remedy the breach. If the defaulting Party fails to comply with such notice, the aggrieved Party may, without prejudice to any other's right at law:

26.7.1 Cancel this Contract in the event the defaulting Party committed a material breach.

26.7.2 Claim specific performance by the defaulting Party if such is a competent remedy in the circumstance.

26.7.3 Claim damages suffered, as limited under this Contract.

## 37. PREFERENCES

37.1 Should the Contractor apply for preferences in the submission of his bid, and it is found at a later stage that these applications were incorrect or made under false pretenses, the Department may, at its own right:

- i. Recover from the Contractor all costs, losses or damages incurred or sustained by the Department as a result of the award of the Contract; and/or
- ii. Cancel the contract and claim any damages which the Department may suffer by having to make less favorable arrangements after such cancellation.
- iii. The Department may impose penalties, however, only if provision therefore is made in the Special Conditions of Contract and Bid.

## 38. SEVERABILITY

38.1 The finding of any invalidity to any provision of the contract shall not render the whole contract a nullity. A court of law or arbitrator may sever the invalid provision and the remainder of the contract shall remain enforceable.

## 39. EXTENSION OF CONTRACT

39.1 This contract may be extended for a period not exceeding Six (6) months by Accounting Officer or Delegated Official.

39.2 Further extension of the contract, authority may be granted by Head of Department: Health.

## 40. CESSION OF CONTRACT

40.1 The Contract will be personal to the winning bidder, who shall not sub-let, assign, cede or make over the Contract or any part thereof, or any share of interest therein, to any other person without the written consent of the Department, and on such conditions as it may approve.

40.2 This sub-clause shall not apply to sub-contracts given to regular suppliers of winning bidder for materials and minor components relating to the services supplied. The Department reserves the right to require winning bidder to submit, for noting, the names of such sub-contractors to ascertain their registration on the Central Suppliers Database and they must be legal entities.

## 41. CONTRACT AMENDMENTS / VARIATIONS

41.1 In amplification of paragraph 18 of the GCC, any amendments/variations, of the Contract shall come into effect in terms of the conditions contained in on "**Contract Amendments/Variations Register**". This register must be signed by the duly authorised signatories of winning bidder and the Head of Department: Health or his/her delegated official.

41.2 Contracted winning bidder shall not, in performing its obligation, vary from the terms and conditions stated in this Contract whether by way of addition thereto or by way of omission therefrom, without the prior written consent from the Department (Accounting Officer/delegated official), and no claim on the part of winning bidder for any extra payments on the grounds of any alterations or extra work will be entertained.

41.3 If, after the commencement of the contract, the cost or duration of the services is altered as a result of changes in, or in

additions to, any statute, regulation or by-law, or the requirements of any authority having jurisdiction over any matter in respect of the contract, then the contract price and time for completion shall be adjusted in order to reflect the impact of those changes, provided that, within 14 days of first having become aware of the change, winning bidder shall furnish the Department with a detailed justification for the adjustment to the contract price.

41.4 Any variation or expansion of orders against this contract must comply with the provisions of paragraph 3.9 of the National Treasury Instruction Note on Enhancing Compliance, Monitoring and Improving Transparency and Accountability in Supply Chain Management dated 31 May 2011 or any subsequent amendments thereto.

41.5 The Service Provider shall not, in performing its obligation, vary from the terms and conditions stated in this Contract whether by way of addition thereto or by way of omission therefrom, without the prior written consent from the Department (Accounting Officer/delegated official), and no claim on the part of the service provider for any extra payments on the grounds of any alterations or extra work will be entertained.

## **42. INTELLECTUAL PROPERTY**

42.1 In amplification of paragraph 6 of the GCC, the intellectual property discovered or created as the direct or indirect result of this contract shall remain the property of the Department.

## **43. INSOLVENCY**

43.1 In the event to winning bidder institutes insolvency proceedings or has insolvency proceedings involuntarily instituted against it, the Department may terminate this Contract immediately.

43.2 In the event of assets and monies issued to winning bidder in terms of this Contract, such assets and monies shall be excluded from the estate of winning bidder and shall be returned immediately upon clause 40.1 coming into effect.

## **44. DISPUTE RESOLUTION**

44.1 If any dispute arises between the Department and Contractor, in connection with the Specification and deliverables, either party may give the other notice in writing of the existence of such dispute, and the same shall thereupon be referred to arbitration in South Africa by a person mutually agreed upon by both parties. The submission shall be deemed to be a submission to arbitration within the meaning of the terms of the arbitration laws in force in the Republic of South Africa.

## **45. DOMICILLIA CITANDI ET EXECUTANDI**

For the purpose of this contract, the parties choose their respective domicillia citandi et executandi as follows:

### **The Department Physical and Postal Address:**

Department Name	The KwaZulu- Natal Department of Health
Physical Address	Natalia Building, 330 Langalibalele Street, Pietermaritzburg, 3201
Postal Address:	Private Bag X9051, Pietermaritzburg, 3200
Telephone numbers	033 – 395 2111
Telefax:	Nil

### **The Contractor or Bidder Physical and Postal Address:**

Bidder/ Contractor Name	
Physical Address	
Postal Address:	
Telephone numbers	
Telefax:	
Email Address	

- 45.1 The parties hereby choose domicilium citandi et executandi for all notices and processes to be given and served in pursuance hereof at their respective addresses given on the first page of this Contract. Any notice of any change in such address shall be given in writing by the parties concerned and delivered by hand or sent by registered mail to the other party, upon notification of which address so notified shall serve as the new citandi et executandi.
- 45.2 A party may at any time change that party's domicile by notice in writing, provided that the new domicile is in the Republic of South Africa and consists of, or includes, a physical address at which the process can be served
- 45.3 Any notice to a party
- 45.3.1 Sent by prepaid registered post in a correctly addressed envelope, to it, shall be deemed to have been received on the 7<sup>th</sup> (seventh) day after posting unless the contrary is proved)
- 45.3.2 Delivered by hand to a responsible person during ordinary business hours at the physical address chosen as its domicile, shall be deemed to have been received on the day of delivery; o
- 45.3.3 Sent by telefax or email to its chosen telefax or email number, shall be deemed to have been received on the date of despatch (unless the contrary is proved)

#### 46. PERIOD OF CONTRACT

- 46.1 The period of this contract is 3 Years Contract – (36 months)

**SECTION I: RECORD OF AMENDMENTS TO BID DOCUMENTS**

I / We confirm that the following communications amending the bid documents that I / we received from KwaZulu-Natal Department of Health or their representative before the closing date for submission of bids have been taken into account in this bid.

ADDENDUM NO.	DATE	TITLE OR DETAILS

SIGNATURE: ..... DATE: .....  
(of person authorized to sign on behalf of the Bidder)

## SECTION J: SCOPE OF WORK

### 1.1. GENERAL

This Specification shall be read in conjunction with all other sections of the Specification and where there is conflict between requirements this specification shall supersede the conflicting other specification.

Contractor is advised to visit the site and acquaint themselves fully with the site conditions and nature and full extent of work involved prior to submitting their tender. Claims on the grounds of insufficient information in such respects or otherwise will not be entertained by the Department.

The Department of Health reserves the right to make changes to contractual scope and order amount where equipment quoted for at the time of Tender are post contract award related to be non-functional or out of service.

The Department of Health reserves the right to make adjustments to contractual scope by requesting the contractor to submit quotation to add new equipment that would have been designed, installed and commissioned after contract award or during contract period.

The Department of Health reserves the right to not make award of Tender and re-advertise when necessary as seen fit.

The Department of Health reserves the right to make emergency repairs to keep the equipment in operation without voiding any contractual terms, nor relieving the Contractor of his responsibility during the contract period when, after proper notice, the Contractor fails to attend to such emergency repairs. Where failure would have been caused by the contractor's previous work, all costs incurred by the administration under these circumstances will be for the account of the contractor.

### 1.2 PREVENTATIVE AND CORRECTIVE MAINTENANCE

The contract is for preventative and corrective maintenance. Servicing shall be done as per the service and maintenance schedule (**in line with OEMs**) developed by the contractor and approved by the HOD: Health or his/her designees which will serve as the contracted program.

Where quotation does not prove value for money and where replacement part has more than one supplier in the market, the repair works may be advertised on open bid without affecting the contractual agreement of this contract. The laundry must provide minimum three (3) quotations and include supplier quotations as proof. Should the HOD: Health or his/her designee be satisfied that the selected quotation is within market value, he or she may issue a formal correspondence to proceed with the works.

Cost proven basis will apply where the contractor will charge the Department based on non-SLA parts bought. (travelling kilometers, travelling time, hours worked will NOT be paid for). The following mark-up rates will apply on bought out items:

MARK UPS	
Mark up on materials, spare parts, plant and equipment	
<ul style="list-style-type: none"><li>A maximum mark-up on the supplier's nett invoiced value, before the addition of VAT of materials and spare parts is allowed.</li><li>The following sliding scale will apply in respect of the maximum allowable mark-up on the sum total cost, prior to the addition of VAT, on all materials, spare parts, plant and equipment.</li></ul>	
1. R0.00 to R299 999.99	
Mark up	@ 20%
2. R300 000.00 to R500 000.00	
First R300 000.00	@ 20%
Balance	@ 15%
3. R500 000.00 plus	
First R300 000.00	@ 20%
Second R200 000.00	@ 15%
Balance	@ 13%
Note: Mark up may not be added to the cost of proprietary items for which the service provider is the Manufacturer, or Agent, and which he/she retails. Such items should not be supplied at more than normal retail price, which is taken to include the service provider's mark up.	

No mark-up will be paid on:

1. Hired transport,
2. Sub-contracted services, e.g.: AIA work
3. Proprietary items

### 1.2.1 Detailed Scope

#### Introduction

KwaZulu Central Provincial Laundry (KCPL) is situated next to Prince Mshiyeni Memorial Hospital and is one of the four (4) regional laundries the Department has.

KwaZulu Central Laundry is equipped with a series of washing and ironing equipment. KCPL is regarded as the biggest for the Department. The table below lists the ironing equipment installed at the laundry, which will be covered by the SLA:

Equipment Name	Quantity
3 Roll Ironer	8
Automatic Feeder	4
Feeder	4
Folder	8
Long Conveyor	2
Spiral Conveyor	2
<b>Total</b>	<b>28</b>

The laundry does not have resources to do maintenance. It only has two (2) technical resources. The Original Equipment Manufacturers (OEM) agent comes in to close this gap. The OEM agents are the only service providers who have access to original OEM parts as well as programming codes for the equipment in South Africa. It is crucial that the equipment are maintained according to the OEM's recommended maintenance schedule by the agent in order to maximize its useful life.

#### Objectives

1. The Department wants to enter into a 3 years maintenance contract with a service provider who is an Agent of the OEM in South Africa for the laundry ironers installed at KwaZulu Central Provincial Laundry
2. The OEM Agent shall:
  - a. Provide both preventative and reactive maintenance on 8 Laundry Roll Ironers,
    - i. Schedule and implement preventative maintenance as per OEM procedures,
    - ii. Do reactive maintenance as and when required,
    - iii. Keep up-time on laundry machines of not less than 90% availability and reliability,
    - iv. Attend maintenance meetings
    - v. Keep maintenance records:
      1. Preventative maintenance records
        - a. Parts used, labour used and time taken to do a planned service
        - b. Condition assessment reports
        - c. After service reports
        - d. Scheduling report
      2. Reactive maintenance records
        - a. Parts used, labour used and mean time to repair,
        - b. Failure investigations, with improvement recommendations
  - b. Provide ALL basically required spares, parts, consumables, labour, transport and equipment. Provide a list of exclusions.
  - c. The Department will provide water, electricity, ablution facility and make maintenance access available as per the successful bidder's schedule.

There are 2 fundamental types of maintenance that the successful contractor must perform, namely “preventative” and “reactive” maintenance. The contractor must work more towards maximum preventative maintenance, preferable to maintain 90:10 ratio (preventative to reactive) at all times.

### **Preventative Maintenance**

This type of maintenance is best defined as: regular activities performed on the equipment to keep it functional in order to prevent failure. This involves inspection, condition monitoring, testing, cleaning etc.

In order to achieve the maximum life of the laundry machines and associated accessories, attention must be focused on preventative maintenance. Each of the prescribed inspection and test activities, services and statutory maintenance must be conducted by a competent person and records must be kept in a dedicated “file” as per OEM requirements.

### **Reactive maintenance**

This type of maintenance is best defined as: that maintenance activity which is done when the equipment has already failed/broken. This manifests itself when preventative maintenance is ignored. A successful service provider will execute all required repairs, in line with the OEM prescripts.

This type of maintenance will be conducted by a successful service provider, on a cost-proven basis where parts, labour rates, and hours worked will be considered.

### **1.2.3 Site**

The Contractor will be required to conform to *Act 53 of 1985: Control of Access to Public Premises and Vehicles*, and any other regulations and restrictions affecting access to and use of the site as laid down by the HOD: Health. Contractors should also note That the buildings are occupied and that permission for access should be obtained from the authoritative person on site as designated by the HOD: Health.

### **1.2.4 Accommodation**

The Contractor shall be responsible for providing accommodation for his staff as no site accommodation is available.

### **1.2.5 Maintenance Schedule**

The Contractor shall within 20 working business days of receiving the appointment, submit to the HOD: Health or his/her designee a maintenance schedule which indicates when each system or piece of existing equipment will be serviced and type of service to be executed per equipment.

The maintenance schedule will form the basis of contract performance requirement and binding project implementation programme.

The Maintenance Schedule shall include a Health & Safety File for the approval of the HOD: Health or his/her appointed designee.

### **1.2.6 Maintenance and repair instruction**

The Contractor will be accountable to the HOD: Health or his/her designee and will receive written instructions for repairs and reported faulty plant operation solely from the HOD: Health or his/her designee and shall not discuss maintenance and plant operation procedures or pass comment to occupants of the institution or any other person or persons.

The HOD: Health or his/her designee may decide to outsource repairs without voiding any contractual terms, nor relieving the Contractor of his responsibility during the contract period where sees fit to do so.

### **1.2.7 Normal time and overtime**

All services are to be performed during working hours being 7:30 to 4:30 Monday to Friday inclusive. No overtime will be paid for maintenance services carried out after hours.

### 1.2.8 Break Downs and Call-Outs

The Contractor shall have staff available on standby on a twenty-four (24) hour basis for the purpose to respond to break down call outs, or complaints regarding malfunctioning of the Ironing and associated equipment. Breakdown call outs and/or complaints will be reported to the contractor telephonically and shall be confirmed by email by the HOD: Health or his/her designee. Upon arrival of such notice, the Contractor shall immediately acknowledge receipt by telephone sms followed by email where possible. It will be the responsibility of the Contractor to respond to call outs within one (1) hour from the time of call received.

A full technical report in writing shall be emailed to the HOD: Health or his/her designee upon completion of the site investigation and resolution thereof. Where repair works is necessary contractor shall refer to clause 1.2 above for guidance.

On cases where repairs are required, quotations should include material costs involved and labour must be based on the Contractors Bid rates and mark-up as per clause 1.2. The quotation shall include the following minimum requirements:

- Itemized material costs including mark up
- Any additional cost to be specified

Should it be necessary the HOD: Health or his/her designee will be entitled to adjust the quotations in consultation with the contractor. Should the HOD: Health or his/her designee find that the Contractor or his employees are responsible for a breakdown of the plant component concerned through:

- Willful actions
- Neglect of scheduled maintenance regarding the prescribed program
- Incompetence

All costs involved rectifying such breakdown and/or failure will be for the account of the Contractor.

### 1.2.9 After Service Maintenance Repairs

All after service plant repair works proposed will be reviewed by the HOD: Health or his/her designee followed by approval to proceed where seen fit.

These repairs will also be affected by the minimum three quotations requirement as per clause 1.2 and subject to approval by the HOD: Health or his designee and are not obligatory to be awarded to the service contractor.

### 1.2.10 Permanent on-site maintenance personnel

This contract calls for a permanent on site resident technician the contractor is obligated to utilize the key resources as included and approved on the tender bid document.

The contractor is required to report to the facility designated person on every site visit before making way to the maintenance or plant service site and produce the details of the key resources to undertake the service works as per resources approved during tender bid stage. No foreign resource either than that approved during tender bid stage may undertake works under this contract.

### 1.2.11 Damage to the works

The Contractor shall exercise due care to avoid causing damage to the buildings, equipment and works during the existence of this Contract.

He/she will be held responsible for any damage caused to works by his/her negligence and shall be liable for all costs incurred in making good such damage to the satisfaction of the HOD: Health or his/her appointed designee.

### 1.2.11 Contractors' liability in respect of defects

Any defects or faults which appear within three (3) months from the completion of works or part thereof and the replacement of components and parts of any installation, shall be made good by the contractor.

Should the contractor fail to rectify the defects or faults referred to within 1 calendar month, the HOD: Health or his/her designee shall, without prejudice to any other rights that he/she may be entitled to rectify such defects or faults or to arrange for the rectification thereof and to recover from the contractor any damages which the user and/or HOD: Health or his/her designee may have suffered as a result of the contractor's failure to carry out the terms of the contract.

### 1.2.12 Replacement/New installations

Contractor is to make special note of the following:

New installations (*where applicable*) shall be in accordance with the Occupational Health and Safety Act 85/1993 and all regulations framed therein shall be carried out to the satisfaction of the Department of Health.

Competent workmen skilled in their trade shall carry out all work. Quality shall be of the best standard practice and all workmanship will be subject to the approval of the Department of Health.

The work shall at all times, for the duration of the contract, be carried out by competent persons (*Trade tested Millwright or electrician and mechanical fitter*) authorized to receive and carry out instructions on behalf of the Contractor. A sufficient number of workmen shall be employed at all times to ensure timeous implementation of works.

All apparatus, component parts, fittings and materials employed in the execution of the Contract shall be new and unused and shall be the latest type or pattern of the particular manufacture employed. S.A.B.S. mark bearing items shall be used wherever possible.

The complete installation shall be maintained for a period of twelve months (12) after acceptance in writing by the Department of Health and shall allow for routine inspections not less frequently than four times a year.

The complete installation must be guaranteed against defective parts and workmanship for a period of twelve months (12) after the date of issue of the Completion Certificate. This period shall run concurrently with the maintenance period. Rates are to include for commissioning and testing of the complete installation and handing over in working order ready for use.

All replacement parts must be of similar OEM brand as those due to be replaced unless contractor can prove that original part was inferior in design.

### 1.2.13 Spare parts and material

On appointment, the contractor and laundry personnel will be required to check the spares being kept in stock (*if any*) and advise the HOD: Health or his/her designee what additional spares are required to ensure that repairs be expeditiously procured.

For this purpose the contractor and laundry personnel will be required to prepare an inventory list for approval by the HOD: Health or his/her designee. The HOD: Health or his/her designee will arrange for the procurement of the spares required timeously.

## 1.3 TESTING AND COMMISSIONING

All serviced and/or repaired/replaced equipment **must be tested and proven in the presence of the Maintenance Department and Infrastructure Development** before being signed off.

## 1.4 PAYMENT, OMISSIONS AND PENALTIES

The contractor shall be entitled to receive payment for scheduled maintenance after the completion of scheduled maintenance. Payments shall be based on VAT invoices. The rate for maintenance and servicing to be performed shall be inclusive of the following: Labour, accommodation, travelling and all consumables (*Cleaning fluids, grease, oils, cloths, cleaning solvent, touch up paint, soldering flux, refrigerant dryers/filters etc.*), which are required for scheduled preventative maintenance .

The scope of maintenance is defined in the document and shall include all actions and costs related to issues such as cleaning of floors, fixing of leaks, greasing of bearing, topping up oils, cleaning of all components and systems, adjustment and settings required, tightening of all connections and rust prevention treatment.

If any aspect of the scheduled maintenance and/or servicing is not attended to during that month, written notice shall be given to the HOD: Health or his/her designee of such cases, with full explanation of why the works were not executed according to schedule. No payment shall be made in respect of that months invoice.

The contractor shall be in default until written notice has been received by the HOD: Health or his/her designee that the issues were attended to and that the work has been inspected and verified by both parties.

The HOD: Health or his/her designee shall respond within 3 (three) working days to inspect the site with the contractor from the date of receiving written notice from the Contractor. The contractor shall only then be entitled to reclaim that month's payment.

Any payment invoice shall be regarded as open and shall be subject to revision and adjustment by the HOD: Health or his/her designee should the Contractor be found to be in default for any work done. The money related shall be deducted from the next invoice should it be found that the previous month's services were not performed and the related previous invoice was paid.

No invoice amount paid to the contractor shall act as proof that the work has been executed and accepted by the HOD: Health or his/her designee that will indemnify the contractor of his responsibility and duties regarding the requirements as stated in this documents.

Should the representative of the Head: Department of Health or his/her designee in their sole decision find that the spare parts or component failed due to any action caused by the Contractor or any neglect scheduled maintenance action, the Contractor will be responsible for all costs to replace spares and/or components including material labour and travelling costs.

In the event that the work is not completed on scheduled completion date, penalty amount of 0.04% of the specific machines monthly fee will be charged per day for extra days taken after scheduled completion date. The amount shall be deducted from outstanding payments.

## 1.5 WORK INCLUDED IN THIS CONTRACT BUT TO BE CARRIED OUT BY OTHERS

It is a condition of this Contract that the contractor enter into a separate agreement with and use the services of the original equipment manufacturers (OEM's) for specialized equipment, where applicable (*advised by DOH*).

The cost of works should be part of the contractors overall Bid price as obtained from the OEM as quotation to enter into the said separate agreement. The maintenance and service work by OEM and the cost thereof will be subject to the same terms and conditions as all other work included in this Contract.

## 1.6 EXCLUSIONS FROM CONTRACT

- The replacement of parts with parts of a different or updated design.
- The following items of the installation are not included or covered by this agreement, Damage to enclosures, surround and sills (*including all finishes and corrosion, wall panels, suspended ceiling, light diffusers, handrails, mirror, carport or floor covering*) telephone, intercommunications system, closed circuit television system and power generating plants; however the conditions of the above items shall be reported. Fire and water damage beyond the control of the Contractor.

- The contractor shall not require to install at his cost any additional equipment to the installation which is recommended or required by Insurance companies, Government, and Provincial, Municipal or any other authority.

## 1.7 PERFORMANCE SPECIFICATION

- The contract is for the preventative and corrective maintenance of ironing and associated equipment at KwaZulu Central Provincial Laundry and the contractor shall execute all maintenance works in accordance with the agreed scope and schedule.
- The Contractor shall not skip or miss more than two scheduled services per year.
- The Contractor shall for the duration of this contract ensure to hold maintenance coordination meetings with client.
- The contractor shall for the duration of this contract produce every after scheduled maintenance or repair service, an after service report with condition status of plant items under his watch and upkeep and shall establish a file for records.
- It is a condition of this contract that for the duration of the contract the Contractor has a competent staff member available on call on a 24 Hour basis to respond to Breakdown Callouts. The protocol of the Breakdown and Callouts is enclosed in the contract Maintenance Specifications section. The contractor shall respond to callout within one (1) hour of receiving the call.
- For the duration of the contract, for any repair works undertaken the contractor shall ensure to replace parts with OEM parts/ parts that have been approved by the HOD: Health or his/her designee.
- No spares are to be removed from running machines to repair any other machine unless if the spare is taken from a broken down machine.

**SECTION K: PREFERENCE POINTS CLAIM FORM IN TERMS OF THE PREFERENTIAL PROCUREMENT REGULATIONS 2022**

This preference form must form part of all tenders invited. It contains general information and serves as a claim form for preference points for specific goals.

NB: BEFORE COMPLETING THIS FORM, TENDERERS MUST STUDY THE GENERAL CONDITIONS, DEFINITIONS AND DIRECTIVES APPLICABLE IN RESPECT OF THE TENDER AND PREFERENTIAL PROCUREMENT REGULATIONS, 2022

**1. GENERAL CONDITIONS**

1.1 The following preference point systems are applicable to invitations to tender:

- 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 To be completed by the organ of state

- a) The applicable preference point system for this tender is the 80/20 preference point system.
- b) The 80/20 preference point system will be applicable in this tender. The lowest/ highest acceptable tender will be used to determine the accurate system once tenders are received.

1.3 Points for this tender (even in the case of a tender for income-generating contracts) shall be awarded for:

- (a) Price; and
- (b) Specific Goals.

1.4 To be completed by the organ of state:

**The maximum points for this tender are allocated as follows:**

	POINTS
PRICE	80
SPECIFIC GOALS	20
<b>Total points for Price and SPECIFIC GOALS</b>	<b>100</b>

1.5 Failure on the part of a tenderer to submit proof or documentation required in terms of this tender to claim points for specific goals with the tender, will be interpreted to mean that preference points for specific goals are not claimed.

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

**2. DEFINITIONS**

- (a) "tender" means a written offer in the form determined by an organ of state in response to an invitation to provide goods or services through price quotations, competitive tendering process or any other method envisaged in legislation;
- (b) "price" means an amount of money tendered for goods or services, and includes all applicable taxes less all unconditional discounts;
- (c) "rand value" means the total estimated value of a contract in Rand, calculated at the time of bid invitation, and includes all applicable taxes;

(d) “tender for income-generating contracts” means a written offer in the form determined by an organ of state in response to an invitation for the origination of income-generating contracts through any method envisaged in legislation that will result in a legal agreement between the organ of state and a third party that produces revenue for the organ of state, and includes, but is not limited to, leasing and disposal of assets and concession contracts, excluding direct sales and disposal of assets through public auctions; and

(e) “the Act” means the Preferential Procurement Policy Framework Act, 2000 (Act No. 5 of 2000).

### 3. FORMULAE FOR PROCUREMENT OF GOODS AND SERVICES

#### 3.1. POINTS AWARDED FOR PRICE

##### 3.1.1 THE 80/20 OR 90/10 PREFERENCE POINT SYSTEMS

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

80/20 or 90/10

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

Where

Ps= Points scored for price of tender under consideration

Pt = Price of tender under consideration

Pmin = Price of lowest acceptable tender

### 4. POINTS AWARDED FOR SPECIFIC GOALS

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

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

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

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

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

The specific goals allocated points in terms of this Bid	Number of points allocated (80/20 or 90/10 System)  (To be completed by the organ of state)	Number of points claimed (80/20 or 90/10)  (To be completed by the Bidder)
<p><b>Specific Goal:</b></p> <p>51% owned by Black Africans, Black People, Black People who are Women, Black People who are Youth, Black People who are Military Veterans and Persons with Disabilities, this is to promote Historically Disadvantaged Persons (HDP's) and to achieve Reconstructive Development Goals (RDP Goals).</p> <p><b>Note:</b> The above specific goal is in terms of Departmental Preferential Procurement Policy Version 2, 2024.</p>	<p>10 / 20 Points (To be allocated for specific goals)</p> <p>80/90 Points (Negotiated rates lower than Provincial Treasury and DPSA rates, will apply)</p> <p>In line with phase 3 of the evaluation criteria</p>	

DECLARATION WITH REGARD TO COMPANY/FIRM

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

4.4. Company registration number: .....

4.5. TYPE OF COMPANY/ FIRM

<input type="checkbox"/>	Partnership/Joint Venture / Consortium
<input type="checkbox"/>	One-person business/sole propriety
<input type="checkbox"/>	Close corporation
<input type="checkbox"/>	Public Company
<input type="checkbox"/>	Personal Liability Company
<input type="checkbox"/>	(Pty) Limited
<input type="checkbox"/>	Non-Profit Company
<input type="checkbox"/>	State Owned Company

[Tick applicable box]

4.6. I, the undersigned, who is duly authorised to do so on behalf of the company/firm, certify that the points claimed, based on the specific goals as advised in the tender, qualifies the company/ firm for the preference(s) shown and I acknowledge that:

- i) The information furnished is true and correct;
- ii) The preference points claimed are in accordance with the General Conditions as indicated in paragraph 1 of this form;
- iii) In the event of a contract being awarded as a result of points claimed as shown in paragraphs 1.4 and 4.2, the contractor may be required to furnish documentary proof to the satisfaction of the organ of state that the claims are correct;
- iv) If the specific goals have been claimed or obtained on a fraudulent basis or any of the conditions of contract have not been fulfilled, the organ of state may, in addition to any other remedy it may have
  - (a) disqualify the person from the tendering process;
  - (b) recover costs, losses or damages it has incurred or suffered as a result of that person's conduct;
  - (c) cancel the contract and claim any damages which it has suffered as a result of having to make less favourable arrangements due to such cancellation;
  - (d) recommend that the tenderer or contractor, its shareholders and directors, or only the shareholders and directors who acted on a fraudulent basis, be restricted from obtaining business from any organ of state for a period not exceeding 10 years, after the *audi alteram partem* (hear the other side) rule has been applied; and
  - (e) forward the matter for criminal prosecution, if deemed necessary.

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

**SURNAME AND NAME:** .....

**DATE:** .....

**ADDRESS:** .....

.....

.....

.....

SECTION L  
FORM OF OFFER AND ACCEPTANCE

OFFER

The Employer, identified in the acceptance signature block, has solicited offers to enter into a contract for the procurement of: **3 years Laundry Ironers Maintenance Contract**

The tenderer, identified in the offer signature block, has examined the documents listed in the Tender Data and addenda thereto as listed in the returnable schedules, and by submitting this offer has accepted the conditions of tender.

By the representative of the tenderer, deemed to be duly authorized, signing this part of this form of offer and acceptance, the tenderer offers to perform all of the obligations and liabilities of the Service Provider under the Contract including compliance with all its terms and conditions according to their true intent and meaning for remuneration to be determined in accordance with the conditions of Contract identified in the Contract Data.

The offered price, inclusive of value added tax, is

R \_\_\_\_\_ (in figures)

Rand (in words)

This offer may be accepted by the Employer by signing the acceptance part of this form of offer and acceptance and returning one copy of this document to the tenderer before the end of the period of validity stated in the Tender Data, whereupon the tenderer becomes the party named as the Service Provider in the conditions of Contract identified in the Contract Data.

THIS OFFER IS MADE BY THE FOLLOWING LEGAL ENTITY: (cross out block, which is not applicable)

Company or close corporation:	OR	Natural person or partnership:
and: whose registration number is:		whose identity number(s) is/are:
and: whose income tax reference number is:		whose income tax reference number(s) is/are:

AND WHO IS (if applicable):

Trading under the name and style of: .....

AND WHO IS:

Represented herein, and who is duly authorised to do so, by:  Mr/Mrs/Ms: .....  In his/her capacity as: .....	Note: A resolution / power of attorney, signed by all the directors / members / partners of the legal entity must accompany this offer, authorising the representative to make this offer.
---	---

SIGNED FOR THE TENDERER:

Name of representative	Signature	Date

WITNESSED BY:

Name of witness	Signature	Date

The tenderer elects as its *domicilium citandi et executandi* in the Republic of South Africa, where any and all legal notices may be served, as (physical address):

.....  
.....

Other contact details of the Tenderer are:

Telephone No: ..... Cellular Phone No: .....  
Fax No: .....  
Postal Address: .....  
Banker: ..... Branch: .....

#### ACCEPTANCE

By signing this part of this form of offer and acceptance, the Employer identified below accepts the tenderer's offer. In consideration thereof, the Employer shall pay the Service Provider the amount due in accordance with the conditions of Contract identified in the Contract Data. Acceptance of the tenderer's offer shall form an agreement between the Employer and the tenderer upon the terms and conditions contained in this agreement and in the Contract that is the subject of this agreement.

The terms of the Contract are contained in:

Part C1 Agreements and Contract Data, (which includes this agreement) Part C2 Pricing Data and drawings and documents or parts thereof, which may be incorporated by reference into Parts C1 to C2 above.

Deviations from and amendments to the documents listed in the Tender Data and any addenda thereto as listed in the tender schedules as well as any changes to the terms of the offer agreed by the tenderer and the Employer during this process of offer and acceptance, are contained in the schedule of deviations attached to and forming part of this agreement. No amendments to or deviations from set documents are valid unless contained in this schedule.

The tenderer shall within two weeks after receiving a completed copy of this agreement, including the schedule of deviations (if any), contact the Employer's agent (whose details are given in the Contract Data) to arrange the delivery of any bonds, guarantees, proof of insurance and any other documentation to be provided in terms of the conditions of Contract identified in the Contract Data. Failure to fulfil any of these obligations in accordance with those terms shall constitute a repudiation of this agreement.

Notwithstanding anything contained herein, this agreement comes into effect, if sent by registered post, 4 days from the date on which it was posted, if delivered by hand, on the day of delivery, provided that it has been delivered during ordinary business hours, or if sent by fax, the first business day following the day on which it was faxed. Unless the tenderer (now Service Provider) within seven working days of the date of such submission notifies the Employer in writing of any reason why he cannot accept the contents of this agreement, this agreement shall constitute a binding contract between the Parties.

For the Employer:

Name of signatory	Signature	Date

Name of organisation:	Department of Health
Address of organisation:	

Witnessed by:

Name of witness	Signature	Date

## SECTION M: PRICING SCHEDULE

### 1. Prices.

- (a) Include in the rates, prices, and the tendered total of prices (if any) all duties, taxes (except Value Added Tax (VAT), labour and other levies payable by the successful tenderer, such duties, taxes and levies being those applicable. Tenderers should therefore make provision in the Contract Sum, schedule of rates, etc. for possible price increases per annum, as no claims in this regard shall be entertained.)

All tenders by means of which **imported** products are being called for, must use the rate of exchange 14 days prior to the closing date indicated in the tender documents. If this day falls on a weekend or public holiday, the next working day must be used.

Furthermore, Tenderers must submit documentary proof (in the form of a certified copy) from their bank or legally recognised financial institution, clearly indicating what the rate of exchange was 14 days prior to the closing date, as mentioned above.

- (b) Show VAT payable by the employer separately as an addition to the tendered total of the prices.
- (c) State the rates and prices in Rands.
- (d) The supplier shall furnish the purchaser with an invoice accompanied by a copy of the 'supplier's invoice clearly indicating the mark up as stipulated in the contract
- (e) Prices by the supplier for the goods delivered and services performed under the contract shall not vary from the prices quoted for by the supplier in the bid.

## 2. Ironer Maintenance Services

Equipment Name	Modality	Quantity	Price per Equipment	Sub Total	Vat (15%)	Total annual charge
3 Roll Ironer	3CS/0930 S	8				
Weir Feeder	Vacfeed low line	4				
Weir Feeder	Vacfeed 37	4				
Folder	Foldermaker 55	8				
Long Conveyor		2				
Spiral Conveyor		2				
Total Carried To Ironer Maintenance Summary						

Ironer Maintenance summary			
Service cost per year	Value (Rands)	Vat (15%)	Value (Rands) Incl. Vat
Year 1			
Year 2 (8% escalation)			
Year 3 (8% escalation)			
Total for 3 years (carried to Final offer)			

## Ironing Equipment Spares

1. 3 Roll Ironer Spares						
Part Number	Part	Unit Cost	Quantity	Sub total	Vat (15%)	Total incl. Vat.
	Overload Insert		2			
	Feeding Belts		100			
	Gearbox Oil		120			
	Adca Steam Trap		100			
	Steam Gasket		12			
	Steam Hose (braided)		12			
	Emergency Stop		15			
	Contactora		15			
	Potentiometer		2			
	Hydraulic Oil		12			
	Motor		2			
	Drive		2			
	Gearbox		2			
	Fan Motor		4			
	Temperature Gauge		2			
	Pressure Gauge		3			
	Steam Hose (Short)		3			
	Ironer Auxilliary		2			
	Cylinder		4			
	Gearbox Seal		2			
	Overload		1			
	Stop Button		2			
	Panel Fan		2			
	Asco Valve		30			
	V-Belts		30			
	Isolation Valves		2			
Total Carried To Spares Summary						

2. Spiral & long conveyor Spares						
Part Number	Part	Unit Cost	Quantity	Sub total	Vat (15%)	Total incl. Vat.
	Belt Link Right		205			
	Belt Link Left		194			
	Emergency Stop		1			
	Bearings		2			
	Soft Start		2			
	Shaft		1			
	Belt Center Link		145			
	Belt Rods		88			
Total Carried To Spares Summary						

3. Feeder & Folder Spares						
Part Number	Part	Unit Cost	Quantity	Sub total	Vat (15%)	Total incl. Vat.
	Photocell		7			
	Air Solenoid Valve		36			
	Aluminium Pipe		18			
	Feed Belts		233			
	Folding Belts		112			
	Stack Belts (blue)		80			
	Clamp cylinder		8			
	Drive Belt		3			
	Contactora		8			
	Overload		4			
	Relay		7			
	Cylinder Large		2			
	Cylinder Medium		3			
	Stop Start		10			
	Motor		4			
	Software		1			
	Drive		1			
	Bearing kit		23			
	Clutch Complete with brake		5			
	Dimple Tape		150			
	Long Delivery Belt		108			
	Valve		1			
	Restrictor		11			
	Auxilliary (LA1KN40)		2			
	8mm Air Pipe (per meter)		80			
	6mm Connectors		90			
	10mm Air Pipe (per meter)		20			
	6mm Air Pipe (per meter)		140			
	Pressure Gauge		4			
	10mm Y-Piece		13			
	Bearings		11			
	8mm Connectors		110			
	10mm Connectors		10			
	Clutch Belt		7			
	1/2" Nipples		60			
	1/2" T-Piece		20			
	Roller Plate		2			
Total Carried To Spares Summary						

IRONIONG EQUIPMENT SPARES SUMMARY				
	Equipment	Value (Rands)	Vat (15%)	Value (Rands) Incl. Vat
1	3 Roll Ironer spares			
2	Spiral & Long Conveyor Spares			
3	Feeder & Folder Spares			
Total for 3 years (carried to Final offer)				

CONTRACT VALUE WILL BE THE TOTAL SUM OF EQUIPMENT MAINTANCE SERVICES FOR A 3 YEAR PERIOD AND THE TOTAL SUM OF EQUIPENT SPARES OVER A PERIOD OF 3 YEARS

Final offer	Sub-Total	Vat (15%)	Total incl. Vat
Ironer Maintenance Services over 3 year period			
Equipment spares over 3 year period			
GRAND TOTAL (carried to form of offer)			

## SECTION N: EVALUATION CRITERIA

The Department will evaluate applications received before the closing date and time using three (3) evaluation stages, these are mandatory requirements. Should the applicant fail to comply, the application will be regarded as non-responsive and be disqualified. The criteria is as follows:

- Stage 1: Administrative and Compulsory Requirements
- Stage 2: Functionality Evaluation Criteria
- Stage 3: Price and Preference Points

### Stage 1: Administrative and Compulsory Requirements

**Note: A bidder who fails to submit or return Administrative and Compulsory Requirements as stated above will be treated as non-responsive, the bid disqualified and not progress to the next stage of evaluation.**

The Bidder shall complete and submit the following returnable schedules and documents:

The Bidder shall complete and submit the following returnable schedules and documents:

NO.	SECTION/ SCHEDULE	COMPULSORY (YES / NO) NON- SUBMISSION WILL RENDER BIDDERS NON- RESPONSIVE	COMPULSORY (YES / NO) FOR BID EVALUATION PURPOSES	FOR OFFICIAL USE ONLY		
				YES	NO	N/A
<b>Prospective Bidders MUST ensure that the following Sections of the bid document MUST be completed in ALL respects to qualify for the next stage of evaluation:</b>						
1.1	Part A: Invitation to Bid (SBD 1)	Yes	Yes			
1.2	Part B: Terms and Conditions for Bidding (SBD 1)	Yes	Yes			
1.3	Section A: Special Instructions Regarding Completion of Bid	Yes	Yes			
1.4	Section B: Proof of Registration on Central Suppliers Database (CSD)	Yes	Yes			
1.5	Section C: Declaration That Information on Central Supplier Database is Correct and Up to Date	Yes	Yes			
1.6	Section D: Official Briefing Session Form	Yes	Yes			
1.7	Section E: Bidder's Disclosure (SBD 4)	Yes	Yes			
1.8	Section F: The National Industrial Participation Programme (SBD 5) <b>(Not Applicable)</b>	Yes	Yes			
1.9	Section G: General Conditions Of Contract (GCC)	Yes	Yes			
1.10	Section H: Special Conditions Of Contract (SCC)	Yes	Yes			
1.11	Section I: Record of Amendments	Yes	Yes			
1.12	Section J: Scope of Work	Yes	Yes			
1.13	Section K: Preference Points Claim Form (SBD 6.1)	Yes	Yes			
1.14	Section L: Form of Offer and Acceptance	Yes	Yes			
1.15	Section M :Pricing Schedule	Yes	Yes			
1.16	Section N: Evaluation Criteria	Yes	Yes			
<b>2.Prospective Bidders MUST provide the following as per the Mandatory Requirements:</b>						
		Yes If Applicable	Yes If Applicable			
1	Proof of being Lapauw Agent in South Africa (Lapauw OEM letter)	Yes	Yes			
2	Location (Provision of proof of tenderers workshop location within KZN)	Yes	Yes			

## Stage 2: Functionality Evaluation Criteria

Evaluation Criteria		Deliverables	Points	Sub-Points		Sub-Criteria
1	Tenderer to demonstrate relevant project experience	Proof of maintaining industrial roll roller ironers for a minimum period of 12 months.	40 Points	40	Sub-points	Submission of works order(s)/award letter(s) for preventative and reactive maintenance for a minimum period of 12 months
				0	Sub-points	No submission provided or rating below the minimum required level
2.	Tenderer's Experience of the Proposed Human Resources for	Tenderer to demonstrate their technical competency and human resource capacity of 1 x trade tested electrician and 1 x trade tested mechanical fitter.	40 Points	25	Sub-points	Curriculum Vitae of all key project resources (electrician & mechanical fitter or Millwright) showing more than (3) years' experience in maintaining roller ironers. (Detailed CV with traceable reference)
				15	Sub-points	Curriculum Vitae of either trade tested electrician & trade tested mechanical fitter or Millwright Trade test certificate to be attached to the CV.)
				0	Sub-points	No submission provided or CV lacks sufficient detail in terms of experience and qualifications
3.	Safety	Submission of the tenderer's (i)Health and Safety Plan (ii)One of the proposed resources must <b>have Basic First Aid &amp; OHS Training Certificate</b> that will give confidence to the Department that safety will be prioritized	20	10	Sub-points	Submission of the tenderer's Health and Safety Plan
				10	Sub-points	Submission of the tenderer's First Aid and basic OHS Training Certificate for either Artisan, Semi-skilled or Unskilled or supervisor that is on the organogram
				0	Sub-points	No submission provided or submission does not comply with conditions stated

**Stage 3: Price and Preference Points**

**1 Phase 3: Price and Preference Points**

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

Points for this bid shall be awarded for:

- a.) Price; and
- b.) Specific Goals - Companies who are at least 51% Owned by Black People

The maximum points for this bid are allocated as follows:

CATEGORY	POINTS
PRICE	80
SPECIFIC GOALS	20
Total points for Price and must not exceed	100