

## Hessequa Municipality



### **MUNICIPAL SUPPLY CHAIN MANAGEMENT INVITATION TO SUBMIT CLOSED QUOTATION**

### **THE SUPPLY AND DELIVERY OF VALVES**

**RQ Nr: 59338**

**31 May 2018**

**Dear Sir/Madam**

Please provide a written quotation for the supply of goods and / or services as detailed in the list attached.

The quotation must be submitted, on the official letterhead of your business, by the one of the following means for the attention of Ms Carisha Prins

- Email [carisha@hessequa.gov.za](mailto:carisha@hessequa.gov.za)
- Per Hand at the Hessequa Municipality SCM offices, Post Office Building, 19 Main Road, Riversdale, 6670

**QUOTATIONS MUST REACH THE MUNICIPALITY BEFORE OR AT 12:00 ON 07 JUNE 2018 NO LATE QUOTATIONS WILL BE CONSIDERED**

The following conditions will apply to all quotations:

- Prices quoted must be firm, inclusive of VAT and where applicable for delivery to the address indicated below. The total amount of the quotation must also be clearly indicated;
- Please refrain from quoting on goods that are out of stock or not usually stocked by your company, or indicate on your quotation that this is the case and what the delivery period on those items will be;
- If your quotation is accepted, goods and/or services must be supplied and delivered to the below mentioned address, accompanied by your delivery note and invoice (if possible);
- Quotations must to be valid for a period of 30 days;
- The delivery period must be indicated.
- The closed quotation is subjected to the General Conditions of Contract as contained in MFMA Circular 25 of 2005 and the conditions contained in Hessequa Municipal SCM POS section 3.2.4.

- If a quotation is submitted for the goods; services or works requested, you the supplier accepts the conditions of this quotation and that the goods; services and works will be supplied or constructed as per this quotation.
- A formal order will be issued to the successful supplier that will be a written instruction to the supplier to supply; deliver or construct as per specifications contained in this quotation.

If your quotation does not comply with above stated conditions, your quotation will not be considered.

If you have not received a response from the Municipality within thirty (30) days after the closing date of the quotation, please regard your quotation as unsuccessful.

Should you be interested in wanting to know to who the successful bidder was, you may consult our website at [www.hessequa.gov.za](http://www.hessequa.gov.za) where monthly reports on awards will be published.

Quotations will be evaluated and adjudicated in terms of the Preferential Procurement Policy Framework Act (Act 5 of 2000), The Preferential Procurement Regulations, 2017 and the Hessequa Municipality's Supply Chain Management Policy, for which 80 points will be allocated in respect of price and 20 points in respect of B-BBEE contribution.

The Municipality reserves the right to withdraw any invitation for closed quotations and/or to re-advertise or to reject any quotation or to accept a part of it. The Municipality does not bind itself to accepting the lowest quotation.

Any Prospective Service Provider must make sure that they are registered and are valid on the Database of Hessequa Municipality and/or on the Centralised Supplier Database (CSD) and that they are in possession of a Valid Tax Clearance Certificate.

Please address any technical enquiries regarding the specifications to Mr Werner Mahno

Tel: 028 713 7364 or any Supply Chain Management related enquiries to Ms C Prins at Tel: 028 – 713 7974

The stipulated minimum threshold percentages for local production and content for valves is provided below:

<b>Valves</b>	<b>Pressure</b>	<b>Size</b>	<b>Pressure Rating (or equivalent)</b>	<b>% Local Content</b>
Fire Hydrants (underground)	Low Pressure	65mm inlet	PN16	70%
Control Valve	Low Pressure	25-600MM	PN10-PN25	70%

- (i) The exchange rate to be used for the calculation of local production and content must be the exchange rate published by the South African Reserve Bank (SARB) at 12:00 on 01 June 2018; and
- (ii) Only the South African Bureau of Standards (SABS) approved technical specification number SATS 1286:2011 must be used to calculate local content

SABS approved technical specification number SATS 1286:2011 and the Guidance on the Calculation of Local Content together with the Local Content Declaration Templates (annex C (Local Content Declaration: Summary Schedule), D (Imported Content Declaration: Supporting Schedule to Annex C) and E (Local Content Declaration: Supporting Schedule to Annex C)) are accessible to all potential service providers on the dti's official website [http://www.thedti.gov.za/industrial development/ip.jsp](http://www.thedti.gov.za/industrial%20development/ip.jsp) at no cost

**Important note: a valid original or certified B-BBEE certificate must be submitted with the documentation. (MBD 6.1 Preference Points Claim form need to be completed to claim points. NB- Only points claims will be awarded. The MBD 6.1 is available from the municipal website at [www.hessequa.gov.za](http://www.hessequa.gov.za) under the tab general tender information or at the Supply Chain Management offices at Post Office Building, 19 Main Road, Riversdale.)**

## MBD 6.2

### **DECLARATION CERTIFICATE FOR LOCAL PRODUCTION AND CONTENT FOR DESIGNATED SECTORS**

This Municipal Bidding Document (MBD) must form part of all bids invited. It contains general information and serves as a declaration form for local content (local production and local content are used interchangeably).

Before completing this declaration, bidders must study the General Conditions, Definitions, Directives applicable in respect of Local Content as prescribed in the Preferential Procurement Regulations, 2017 and the South African Bureau of Standards (SABS) approved technical specification number SATS 1286:2011 (Edition 1) and the Guidance on the Calculation of Local Content together with the Local Content Declaration Templates [Annex C (Local Content Declaration: Summary Schedule), D (Imported Content Declaration: Supporting Schedule to Annex C) and E (Local Content Declaration: Supporting Schedule to Annex C)].

#### **1. General Conditions**

- 1.1. Preferential Procurement Regulations, 2017 (Regulation 8) makes provision for the promotion of local production and content.
- 1.2. Regulation 8.(2) prescribes that in the case of designated sectors, organs of state must advertise such tenders with the specific bidding condition that only locally produces or manufactured goods, with a stipulated minimum threshold for local production and content will be considered.
- 1.3. Where necessary, for tenders referred to in paragraph 1.2 above, a two stage bidding process may be followed, where the first stage involves a minimum threshold for local production and content and the second stage price and B-BBEE.
- 1.4. A person awarded a contract in relation to a designated sector, may not sub-contract in such a manner that the local production and content of the overall value of the contract is reduced to below the stipulated minimum threshold.
- 1.5. The local content (LC) expressed as a percentage of the bid price must be calculated in accordance with the SABS approved technical specification number SATS 1286: 2011 as follows:

$$LC = [1 - x / y] * 100$$

Where

x is the imported content in Rand

y is the bid price in Rand excluding value added tax (VAT)

Prices referred to in the determination of x must be converted to Rand (ZAR) by using the exchange rate published by the South African Reserve Bank (SARB) at 12:00 on the date of advertisement of the bid as required in paragraph 4.1 below.

**The SABS approved technical specification number SATS 1286:2011 is accessible on [http://www.thedti.gov.za/industrial\\_development/ip.jsp](http://www.thedti.gov.za/industrial_development/ip.jsp) at no cost.**

1.6. A bid may be disqualified if this Declaration Certificate and the Annex C ( Local Content Declaration: Summary Schedule) are not submitted as part of the bid documentation;

**2. The stipulated minimum threshold(s) for local production and content (refer to Annex A of SATS 1286:2011) for this bid is/are as follows:**

Description of services, works or goods                      Stipulated minimum threshold

<u>Valves</u>	<u>Pressure</u>	<u>Size</u>	<u>Pressure Rating (or equivalent)</u>	<u>% Local Content</u>
Fire Hydrants (underground)	Low Pressure	65mm inlet	PN16	70%
Control Valve	Low Pressure	25-600MM	PN10-PN25	70%

3. Does any portion of the goods or services offered have any imported content?

(Tick applicable box)

YES		NO	
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3.1 If yes, the rate(s) of exchange to be used in this bid to calculate the local content as prescribed in paragraph 1.5 of the general conditions must be the rate(s) published by the SARB for the specific currency at 12:00 on 01 June 2018.

The relevant rates of exchange information is accessible on [www.reservebank.co.za](http://www.reservebank.co.za).

Indicate the rate(s) of exchange against the appropriate currency in the table below (refer to Annex A of SATS 1286:2011):

<b>Currency</b>	<b>Rates of exchange</b>
US Dollar	
Pound Sterling	
Euro	
Yen	
Other	

NB: Bidders must submit proof of the SARB rate (s) of exchange used.

4. Where, after the award of a bid, challenges are experienced in meeting the stipulated minimum threshold for local content the dti must be informed accordingly in order for the dti to verify and in consultation with the Accounting Officer / Accounting Authority provide directives in this regard.

**LOCAL CONTENT DECLARATION**  
**(REFER TO ANNEX B OF SATS 1286:2011)**

**LOCAL CONTENT DECLARATION BY CHIEF FINANCIAL OFFICER OR OTHER LEGALLY RESPONSIBLE PERSON NOMINATED IN WRITING BY THE CHIEF EXECUTIVE OR SENIOR MEMBER/PERSON WITH MANAGEMENT RESPONSIBILITY (CLOSE CORPORATION, PARTNERSHIP OR INDIVIDUAL)**

**VALVES**

**IN RESPECT OF BID NO.** .....

**ISSUED BY:** (Procurement Authority / Name of Institution):  
.....

NB

1 The obligation to complete, duly sign and submit this declaration cannot be transferred to an external authorized representative, auditor or any other third party acting on behalf of the bidder.

2 Guidance on the Calculation of Local Content together with Local Content Declaration Templates (Annex C, D and E) is accessible on [http://www.thedti.gov.za/industrial\\_development/ip.jsp](http://www.thedti.gov.za/industrial_development/ip.jsp). Bidders should first complete Declaration D. After completing Declaration D, bidders should complete Declaration E and then consolidate the information on Declaration C. **Declaration C should be submitted with the bid documentation at the closing date and time of the bid in order to substantiate the declaration made in paragraph (c) below.** Declarations D and E should be kept by the bidders for verification purposes for a period of at least 5 years. The successful bidder is required to continuously update Declarations C, D and E with the actual values for the duration of the contract.

I, the undersigned, ..... (full names),  
do hereby declare, in my capacity as .....  
of .....(name of bidder  
entity), the following:

- (a) The facts contained herein are within my own personal knowledge.
- (b) I have satisfied myself that
  - (i) the goods/services/works to be delivered in terms of the above-specified bid comply with the minimum local content requirements as specified in the bid, and as measured in terms of SATS 1286:2011; and

(c)The local content percentages (%) indicated below has been calculated using the formula given in clause 3 of SATS 1286:2011, the rates of exchange indicated in paragraph 4.1 above and the information contained in Declaration D and E which has been consolidated in Declaration C;

Bid price, excluding VAT (y)	R
Imported content (x), as calculated in terms of SATS 1286:2011	R

Stipulated minimum threshold for local content (paragraph 3 above)	
Local content %, as calculated in terms of SATS 1286:2011	

**If the bid is for more than one product, the local content percentages for each product contained in Declaration C shall be used instead of the table above. The local content percentages for each product has been calculated using the formula given in clause 3 of SATS 1286:2011, the rates of exchange indicated in paragraph 4.1 above and the information contained in Declaration D and E.**

(d) I accept that the Procurement Authority / Institution has the right to request that the local content be verified in terms of the requirements of SATS 1286:2011.

(e) I understand that the awarding of the bid is dependent on the accuracy of the information furnished in this application. I also understand that the submission of incorrect data, or data that are not verifiable as described in SATS 1286:2011, may result in the Procurement Authority / Institution imposing any or all of the remedies as provided for in Regulation 13 of the Preferential Procurement Regulations, 2017 promulgated under the Preferential Policy Framework Act (PPPFA), 2000 (Act No. 5 of 2000).

**SIGNATURE:** \_\_\_\_\_

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

**WITNESS No. 1** \_\_\_\_\_

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

**WITNESS No. 2** \_\_\_\_\_

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

## SUPPLY CHAIN MANAGEMENT

You are requested to quote on the following:

<u>Nr.</u>	<u>Description</u>	<u>Quantity</u>	<u>Price (Vat excl.)</u>
1.	AVK London Round Fire Hydrants (coarse thread) or similar	5	
2.	75mm AVK Socketed Valves or similar	3	
3.	110mm AVK Socketed Valves or similar	3	
4.	160mm AVK Socketed Valves or similar	2	
5.	75mm Cast Iron Socketed T Piece	1	
6.	110mm Cast Iron Socketed T Piece	1	
Total Vat excl.			
Vat			
Total Vat Incl.			

**PLEASE NOTE THAT THE REQUIRED ITEMS MUST BE DELIVERED BY 30 JUNE 2018**

**DELIVERY REQUIREMENTS:  
MUNICIPAL WAREHOUSE  
MULDER STREET  
INDUSTRIAL AREA  
RIVERSDALE  
6670**