

TERMS OF REFERENCE

1. INTRODUCTION

The formal quote involves the supply, delivery and installation of air conditioners at the SCM Building, 51B Baring street, Worcester. The municipality herewith extends this invitation to call for formal quotations from interested contractors who meet the eligibility criteria set out in the conditions of the formal quotation.

2. BACKGROUND

A need has been identified to install three (3) air conditioning units of different sizes, within three (3) different offices at the SCM building, to help regulate indoor conditions, ensuring optimal temperatures and humidity levels for users as well as air ventilation within the affected areas.

3. PURPOSE

The objective of this formal quotation is to appoint a contractor for the supply, delivery and installation of the required air conditioning units.

4. ELIGIBILITY CRITERIA

Only those service providers who satisfy the following eligibility criteria are eligible to submit a formal quotation:

- i. Who are registered with the CIDB, or are capable of being so prior to the evaluation of submissions, in a contractor grading designation equal to 1ME or higher than a contractor grading designation determined in accordance with the sum tendered for a 1ME class of construction work (Proof of CIDB registration to be attached with the formal quotation document).

Joint ventures are eligible to submit formal quotations provided that:

- a) every member of the joint venture is registered with the CIDB;
 - b) the lead partner has a grading designated in the 1ME class of construction work; and
 - c) the combined contractor grading designation calculated in accordance with the construction Industry Development Regulations is equal to or higher than a contractor grading designation determined in accordance with the sum tendered for a 1ME class of construction work.
- ii. Who complies with the Compensation of Occupational Injuries and Disease Act (COIDA) (Letter of good standing from the Department of labour to be submitted with formal quotation).

5. SCOPE OF SERVICE

- 5.1 The scope of works entails the supply, delivery and installation of three (3) air conditioning units. The air conditioner sizes range from 12000 BTU to 24000 BTU.

6. GENERAL

- 6.1. The successful service provider will be responsible for the supply, delivery and installation of the required new units, as indicated in the formal quote document.
- 6.2. The electrical connections to the Distribution Board must be done by a qualified electrician and under the supervisions of the Municipality's Electrical Engineering Department, at the fees set out in their formal quote document. Decommissioning costs must be included in the quote rates. Provision is made in the Pricing Schedule for the cost per running meters (m) for electrical connections in cases where the unit is more than 20 meters away from the Distribution Board. Provision is also made for the cost per running m for piping in cases where the inside unit and the outside unit is more than 10 running meters (m) apart.

6.3. Turn-around times

New installations/ Replacements: Within 30 days of receiving official order. If a Service Provider/ Contractor does not meet this requirement, the Municipality will engage the services of another service provider, in which instance any additional cost will be passed on to the Service Provider/ Contractor. For this purpose, the Service Provider shall maintain a continuous telephone service where staff can be reached at all times.

6.4. Rates to be all inclusive:

All the following rates must be included in the Pricing Schedule: providing site management, supervision, tools, travel, materials, consumables and labour as well as Health & Safety requirements. In cases of replacement of unit, the decommissioning cost for the removal of existing air-conditioning unit must be included in their tariff and must include the removal from site and the disposal of such in a compliant manner.

No work without official order

No work will be carried out by the Service Provider/ Contractor until such time as an official order has been issued.

6.5. **Compliance with Occupational Health and Safety Act 1993**

The requirements of the Occupational Health and Safety Act No. 85 of 1993 and the Construction Regulations 2003 issued in terms of Section 43 of the Act shall apply. The tenderer shall be deemed to have read and fully understood the requirements of the above Act and Regulations and to have allowed for all costs in compliance therewith. The Occupational Health and Safety Act, 1993 (Act 85 of 1993) stipulates that the Chief Executive Officer is primarily responsible or liable for the health and safety of all his/her employees. This is embedded in Section 16(1) of the said Act. This responsibility or liability is also extended to include a mandatory that performs work on behalf of the employer on his/her premises. A "mandatory" is defined in the said Act as: - "Including an agent, contractor or subcontractor for work, but without derogating from his status in his own right as an employer or user"

In terms of Section 37(2), read with Section 41, of the said Act, it is legally possible for an employer to indemnify himself from this responsibility or liability regarding the actions of the mandatory. Section 37(2) stipulates that there should be a written agreement in place between the employer and the mandatory regarding the arrangements and procedures between them to ensure compliance by the mandatory with the provisions of the Occupational Health and Safety Act, 1993.

In order to ensure that this written agreement is honored at all times, regular inspections of work that is performed will be conducted and if found to be non-compliant with the said agreement, a notice of non-compliance will be issued. All work will be stopped and reasons for non-compliance must be given and what corrective action will be taken to rectify the situation must be stipulated & Safety.

6.6. **Staff requirements**

The service provider shall make provision in their tender price for the required specialist capability to provide high quality work on all installation works under this contract. Given the high standards that the Municipality places on security requirements, the allocated staff to this project should be of a dedicated nature.

6.7. **Equipment, Materials and Consumables**

6.7.1. All necessary human resource capacity, equipment and materials for the successful execution of the above is to be provide by the Service Provider, inter alia:

- a) Adequate stock of all consumables required for the proper execution of the tasks at hand;
- b) Tools and testing instruments.
- c) Lifting equipment/Scaffolding; and
- d) Drilling equipment
- e) Appropriate transport for all deployed teams
- f) Access to specialized equipment

6.7.2 Restrictions on how the Service Provider provides the service is listed below, but is not limited to the following: -

- a) The Service Provider shall provide the Client periodically with a written record, in schedule form, reflecting the number and description of staff employed on site;
- b) The Service Provider will strictly control all its staff that is deployed on site;
- c) The Service Provider is to strictly control all its working activities on-site
- d) All sub-contractors of the Service Provider must be approved by the Municipality and will be subject to any vetting process as may be required.
- e) Service Provider to provide Compliance Certificates on the completion of work where required
- f) All variations in respect of scope of work must be requested in writing from the Municipality

6.7.3 Should the Municipality require a programme showing the key activities for any requested works, it should illustrate the following:

- a) The start and completion dates for each of the activities; and
- b) The order and timing of operations which the Service Provider plans to provide the Municipality with.

Special Note:

The Service Provider has the responsibility to take all measurements for quotation purposes which are to be verified by the Municipality. No variations will be allowed after quotation, unless approved by the Municipality in writing.

Risks

Where any damage is caused due to negligence for the Service Provider, the Service Provider shall make good such damage at own expense to the satisfaction of the Municipality with the minimum disruption of essential services.

Special note:

Where the Municipality is forced to carry out any repairs due to the Service Provider's activities, this cost will be billed to the Service Provider.

6.8. Provision for contingencies

The use of contingencies is at the absolute discretion of the Municipality and can only be used if pre-approved by the Municipality.

6.9. Position of air conditioners

The position of air conditioners vary, in which prices/fees must allow for variances, no additional fees will be payable for units to be installed in a different position on the same site.

- 6.10. If a sub-contractor is required, the successful bidder should ensure that sub-contractor is capable and qualified to perform work according to specified requirements.
- 6.11. In addition, the delivery, offloading and stacking in designated area and safekeeping of all items shall be the responsibility of the successful bidder.
- 6.12. The municipality reserves the right to cancel an official order and return all goods, at no cost to the municipality, if the successful bidder does not comply with these requirements.
- 6.13. Breede Valley Municipality will not be held liable for any damage to personnel, equipment, or goods prior to signing for delivery/service rendered.
- 6.14. All work must carry a guarantee of 6 months.

7. SITE INFORMATION AND NEED REQUIREMENT

7.1 The air-conditioning units are to be supplied, delivered, installed and commissioned at the following sites/ locations:

No.	Area	Site/ Location	Number of air conditioning units	Room	Room size of maximum (m ²)	Need requirement	Existing burglar proofing of outside unit (Yes/ No)
1.	Worcester	SCMU Building	1	CFO's office	Room size up to 50m ²	24 000 BTU (inverter type) Mid Wall Split	N/A
2.	Worcester	SCMU Building	1	Senior Manager: SCM's office	Room size up to 25m ²	18 000 BTU (inverter type) Mid Wall Split	N/A
3.	Worcester	SCMU Building	1	Office next to Salaries office	Room size up to 20m ²	12000 BTU (inverter type) Mid Wall Split	N/A

Only the item line must be completed. No extra lines will be considered. Supply, delivery and installation must be included with the price.

8. MANDATORY REQUIREMENTS

8.1 Service providers must adhere to the following conditions:

- a) Bidders must submit detailed product specifications (data sheets) (with their tender submission) for the products offered. Please note that brochures are not regarded as product specifications, hence will not be accepted. Failure by the bidder to submit the relevant product specification (data sheets) with tender submissions of the products offered will render their offer non-responsive.
- b) Bidders must provide proof of evidence in respect of comparable projects (in relation to HVAC installations) with a consolidated amount of at least R20,000.00.

Note 1: In order to validate the claim in this criterion, service providers must submit proof secured/ current or completed contracts. Proof of evidence must conform to the following criteria:

Award letters or Official orders on the client letter heads clearly indicating the contract number, description and value, duly signed by an authorized representative of the client

9. DECOMMISSIONING AND REMOVAL

- i. Decommissioning cost for the removal of existing equipment must be included in the installation price.
- ii. Disposal of these units must be organized and done at the municipal write – off stores.

10. COMPLETION PERIOD

Installation of an air conditioner must be completed within 30 days after the receipt of order.

11. WORKMANSHIP GUARANTEE

- i. Normal retention period (6 Months)
- ii. Warranty of new units / Cages: 12 months

12. CERTIFICATE OF COMPLIANCE (COC) FOR THE INSTALLATION OF EACH UNIT

A COC by a registered, qualified electrician must be issued for each installation prior to invoicing for the installation.

13. HOURS OF WORK

All normal work under this Agreement will be performed during regular hours of regular working days: Monday to Friday 7:45 a.m. to 4:30 p.m. (“Regular Hours”).

14. PAYMENT TERMS

In general, payment shall be made upon the completion of the installation works at all relevant sites and the required inspection reports (inclusive of the required certificates of compliance) are duly submitted to the satisfaction of the Municipality or his representative.

15. PAYMENT CLAIMS

In general, payment shall be made per order to the Successful bidder provided that the requisite work has been carried out satisfactorily and the required inspection reports duly submitted to the satisfaction of the Municipality or his representative.

15.1 Payment Claims

- a) The successful bidder shall be responsible to prepare and submit at his cost payment claims for all works with forms and procedures.
- b) Invoices must show the period, the amount claimed for the works completed and the breakdown of all work for which the payment is being claimed for.
- c) All invoices must be presented with a fully itemized list of the work being charged for in line with the rates of the tender.
- d) If invoices are presented which do not fully comply with the format as detailed, they will be rejected. All invoices must portray the equipment involved and premise’s location.
- e) No payment must be made by the municipality’s representative for any unauthorized service performed by the successful bidder.
- f) Invoice must refer to official order number and date of service.

15.2 Payment for Works Covered by Approved Purchase Orders

For Works ordered under cover by an Official Order, the Successful bidder shall submit payment claim with two (2) copies of invoice, similar to that for routine maintenance, and shall attach copies of original supplier's invoice where appropriate. The Municipality may require the Successful bidder to submit measurements of quantities for materials/equipment used, etc. for checking and verification of the claimed payment. The invoices shall clearly indicate the Order number.

15.3 Payments withheld

Failure by Successful services provider to provide services or comply with any provision of this Contract shall entitle the Municipality (in addition to any other remedies Municipality may have) to withhold payments due to Successful bidder as may be deemed in the Municipality sole and absolute discretion to be reasonably necessary.

16. FAILURE TO PERFORM

- 16.1. Successful service provider shall fully guarantee all work performed during the term of the contract and for a period of thirty (30) days after the installation works. Should the Municipality determine that any required work has not been fully performed, has been performed improperly or not performed at all, the successful service provider shall, after writing notification by the Municipality, correct said deficiency within ten (10) days. Failure to correct will be construed as a default under the Contract and the Municipality has the right to secure others to perform the services and deduct the costs of these services from the contractual amount due to the Successful bidder under this agreement and If the professional service to be delivered cannot be procured from another vendor/supplier, the late deliveries of service will be penalized with 1% of the value of the order for every day late and will be deducted from the relevant payment of the Municipality.
- 16.2. The Municipality reserves the right to engage an independent party to perform an evaluation to determine responsibility pursuant to this paragraph.

17. ADDITIONAL REQUIREMENTS/CONDITIONS

All service providers must adhere to the following conditions:

- 17.1 Service providers to cast prices/ rates which must remain fixed for at least 45 days from date of quote closing, to allow for a evaluation process and in turn for the for the municipality to make a successful award.
- 17.2 Service providers are required to cast prices for all items, as listed in the schedule of quantities. The quote will be evaluated and awarded as whole to one successful contractor.
- 17.3 The Municipality reserves the right NOT to order any item, should the need not materialize.
- 17.4 The Municipality reserves the right to amend the quantities at its discretion to meet the budget limitations and/ or operational requirements.
- 17.5 Payments will be done monthly (30-day account from statement), subject to the deliver note and upon presentation of a valid tax invoice with the period prescribed by the municipal procurement policy.

18. PRICING CONDITIONS

- 18.1. The pricing structure or schedule has been designed for bidders to cast their prices for supply, delivery and installation of air conditioners. The pricing structure or schedule has been designed for bidders to cast their rates for each individual item in terms of the services required, which must remain fixed and firm. Bidders must quote on all item(s) listed, failure to adhere to this requirement shall lead to automatic disqualification. The quote will be evaluated and awarded as a whole.
- 18.2 All prices shall be quoted in South African currency and be **INCLUSIVE OF ALL APPRICABLE TAXES.**
- 18.3. Tender rates must be submitted on the Pricing Schedule. No deviations from the current pricing structure will be permitted.

SIGNATURE		NAME (PRINT)	
CAPACITY		DATE	
NAME OF FIRM			

SCHEDULE OF WORK EXPERIENCE OF THE TENDERER – CURRENT CONTRACTS

CURRENT CONTRACTS						
EMPLOYER (Name, Tel, Fax, Email)		Contact Person (Name, Tel, Fax, Email)		NATURE OF WORK	VALUE OF WORK (INCL. VAT)	DATE AWARDED
Name		Name				
Tel		Tel				
Fax		Fax				
Email		Email				
Name		Name				
Tel		Tel				
Fax		Fax				
Email		Email				
Name		Name				
Tel		Tel				
Fax		Fax				
Email		Email				
Name		Name				
Tel		Tel				
Fax		Fax				
Email		Email				
Name		Name				
Tel		Tel				
Fax		Fax				
Email		Email				
Name		Name				
Tel		Tel				
Fax		Fax				
Email		Email				

Attach additional pages if more space is required.

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

SIGNATURE		NAME (PRINT)	
CAPACITY		DATE	
NAME OF FIRM			

SCHEDULE OF WORK EXPERIENCE OF THE TENDERER – COMPLETED CONTRACTS

COMPLETED CONTRACTS						
EMPLOYER (Name, Tel, Fax, Email)		Contact Person (Name, Tel, Fax, Email)		NATURE OF WORK	VALUE OF WORK (INCL. VAT)	DATE COMPLETED
Name		Name				
Tel		Tel				
Fax		Fax				
Email		Email				
Name		Name				
Tel		Tel				
Fax		Fax				
Email		Email				
Name		Name				
Tel		Tel				
Fax		Fax				
Email		Email				
Name		Name				
Tel		Tel				
Fax		Fax				
Email		Email				
Name		Name				
Tel		Tel				
Fax		Fax				
Email		Email				
Name		Name				
Tel		Tel				
Fax		Fax				
Email		Email				

Attach additional pages if more space is required.

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

SIGNATURE		NAME (PRINT)	
CAPACITY		DATE	
NAME OF FIRM			

CERTIFICATE OF REGISTRATION WITH CIDB
--

CIDB Contractor Registration Certificate

A Certificate of Contractors Registration issued by the Construction Industry Development Board (CIDB) shall be attached to this schedule.

Where a tenderer satisfies CIDB Contractor Grading designation requirements through joint venture formation, such tenderers must submit the Certificates of Contractor Registration in respect of each partner.

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

SIGNATURE		NAME (PRINT)	
CAPACITY		DATE	
NAME OF FIRM			

7. CERTIFICATE OF GOOD STANDING FROM THE DEPARTMENT OF LABOUR

Letter of Good Standing

A Certificate of Contractors Good Standing issued by the Department of Labour (COIDA) shall be attached to this schedule.

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

SIGNATURE		NAME (PRINT)	
CAPACITY		DATE	
NAME OF FIRM			

PROOF OF EVIDENCE FOR MANDATORY REQUIREMENTS

1. Detailed product specifications (data sheets) for the products offered. Please note that brochures are not regarded as product specifications, hence will not be accepted. Failure by the bidder to submit the relevant product specification (data sheets) with tender submissions of the products offered will render their offer non-responsive.

2. Comparable projects (in relation to air-conditioning unit installations) with a consolidated amount of at least R30,000.00.

Note 1: In order to validate the claim in this criterion, service providers must submit proof secured/ current or completed contracts. Proof of evidence must conform to the following criteria:
Award letters or Official orders on the client letter heads clearly indicating the contract number, description and value, duly signed by an authorized representative of the client

Failure to submit the required proof of evidence with the tender submission will result in automatic disqualification.

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

SIGNATURE		NAME (PRINT)	
CAPACITY		DATE	
NAME OF FIRM			

PRICING AND SCHEDULE

NOTE:

1. Only firm prices will be accepted. Non-firm prices (including prices subject to rates of exchange variations) will not be considered.
2. Document **MUST** be completed in non-erasable black ink
3. Bidders must cast prices for all items, as listed in the schedule of quantities. The quote will be evaluated and awarded as a whole.
4. **NO** correction fluid/tape may be used.
 - a. In the event of a mistake having been made, it shall be crossed out in ink and be accompanied by an initial at each and every alteration.
5. The Bidder **MUST** indicate whether he/she/the entity is a registered VAT Vendor or not.
 - a. In the case of the Bidder not being a registered VAT Vendor, both columns (amount/rate excluding AND including VAT) must reflect the same amount.

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

I / We _____

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

of the firm _____

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

PRICING SCHEDULE

Bidders MUST cast their prices/ rates for each item. Failure to cast prices/ rates for each item shall result in automatic disqualification.

The rate shall remain fixed, hence no other price adjustments shall be allowed. The rate shall cover the cost of travelling to and from site.

Item No	Item Description	Unit Measurement	Unit Price (including all applicable taxes)	Quantity	Total Amount (including all applicable taxes)	Manufacturing Brand Offered	Lead time on supply, delivery and installation
1.	Supply, delivery and installation of Airconditioning units at SCM Building						
1.1	24000 BTU Mid Wall Split	No		1			
1.2	18000 BTU Mid Wall Split	No					
1.3	12000 BTU Mid Wall Split	No					
Subtotal							
Add 10% Contingency							
Total Amount							

NB* The Grant Total must be carried forward to the front page

SIGNATURE		NAME (PRINT)	
CAPACITY		DATE	
NAME OF FIRM			