



Province of the
EASTERN CAPE
PUBLIC WORKS

REQUEST FOR PROPOSAL

VOLUME 1 OF 3: INSTRUCTIONS TO BIDDERS

Tender Number:	SCMU5-19/20-PM0008
Closing date:	31 October 2019
Closing time:	11h00
Bid document costs:	Soft Copy – R100 Hard Copy - R1000

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1 GLOSSARY OF TERMS

For purposes of this document, the following definitions are used and all references to legislation are to legislation as amended from time to time:

- 1.1 **“Affordable”** means the financial commitments to be incurred by the Department in terms of the PPP Agreement (Volume 2) can be met by funds:
- (i) designated within the Department’s anticipated budget(s) for the function(s) to which the PPP Agreement relates, and/or;
 - (ii) destined for the Department in accordance with the medium-term future budgetary projections for the Department; and
 - (iii) other savings created by the Project in other budget categories of the Department and its User Departments as may be determined;
- 1.2 **“BAFO”** means a defined process in which Respondents will be required to produce a best and final offer based on the Bid specific guidance as the basis of final selection of a Preferred Bidder and Reserve Bidder;
- 1.3 **“BBEE”** has the meaning defined in the Broad Based Black Economic Empowerment Act, Number 53 of 2003;

- 1.4 **“BCMM”** means Buffalo City Metropolitan Municipality;
- 1.5 **“Bid”** means a proposal submitted by a Respondent in response to this RFP;
- 1.6 **“Bidder”** means an entity/ joint venture/ consortium who having received the RFP intends to respond thereto by submitting a proposal;
- 1.7 **“Black Enterprise”** means an enterprise that is more than 50% beneficially owned by Black People and in which Black People have substantial Management Control. Such beneficial ownership may be held directly or through other black enterprises;
- 1.8 **“Black People”** means Africans, Coloured, Indian and Chinese people who are citizens of the Republic of South Africa by birth or descent, or who became citizens of the Republic of South Africa by naturalisation:
- (i) before 27 April 1994; or
 - (ii) on or after 27 April 1994 and who would have been entitled to acquire citizenship by naturalisation prior to that date;
- 1.9 **“Briefing Notes”** has the meaning ascribed to it in Clause 15.3.3

- 1.10 **“Commercial Close”** means the date of signature of the PPP Agreement for the Project, and if signed on different dates, the last of such dates;
- 1.11 **“Concession Period”** means the operating phase of the Project, which will not be more than 25 (twenty-five) years from the completion of the new office precinct, being the Concession Period
- 1.12 **“Consortium”** means any group of persons wishing to be considered for the provision of the Services required under this RFP, irrespective of whether there is any formal agreement between them;
- 1.13 **“Constitution”** means the Constitution of the Republic of South Africa, Act 108 of 1996;
- 1.14 **“Department”** means the Eastern Cape Department of Public Works;
- 1.15 **“Exempted Micro Enterprises”** means an entity with an annual turnover of less than R10,000,000 (ten million rand) at the date of first procurement in relation to the undertaking of Project Deliverables. **“EME”** shall have a corresponding meaning;
- 1.16 **“Escalation rate”** means the change in the cost or price of specific goods or services to be rendered over the concession period;
- 1.17 **“Equity”** means any and all issued shares or to be issued in the authorised share capital of the Private Party, the entire

amount standing to the credit of the share premium account and the principal of any and all loans made by shareholders of the Private Party, whether or not such loans are evidenced by written agreements, debentures or other documentation;

1.18 **“Financial Close”** means the date, following Commercial Close, on which the last of the conditions precedent in the PPP Agreement is fulfilled, or waived, as the case may be, financing documents become unconditional and funds become available;

1.19 **“Financial Institution”** means a bank as defined in section 1 of the Banks Act Number 94 of 1990, any pension fund or provident fund registered in terms of the Pension Funds Act, Number 24 of 1956, as amended from time to time, any unit trust scheme as defined in section 1 of the Unit Trusts Control Act, Number 54 of 1981, any long-term insurer as defined in section 1 of the Long Term Insurance Act, Number 52 of 1998, or any short-term insurer being a person registered, or deemed to be registered, as a short-term insurer in terms of the Short-Term Insurance Act, Number 53 of 1998;

1.20 **“GBA”** means Gross Building Area;

1.21 **“GLA”** means Gross Lettable Area;

1.22 **“Government”** means the Government of South Africa constituted in terms of the Constitution, any one or more of the three spheres of Government being national, provincial and municipal;

- 1.23 **“Local Content”** means that portion of a tender price that is not included in the imported content and is calculated with the local content formula:
- $LC = (1-x/y) \times 100$, where 'x' is imported content and 'y' is the Total Project Value;
- 1.24 **“Management Control”** means, in relation to any enterprise, the ability to direct or cause the direction of the business and management policies or practices of the enterprise;
- 1.25 **“Member”** means, with respect to a Respondent, which is a Consortium, each member thereof, including each Relevant Entity and Key Contractor;
- 1.26 **“Payment Mechanism”** means a structure in the form of a matrix that sets out for each and every point of service delivery or work station the defined availability of service criteria and an associated portion of unitary allocated for the provision of the Services at that point of service;
- 1.27 **“PFMA”** means the Public Finance Management Act, Number 1 of 1999;
- 1.28 **“PPP”** means a PPP or public-private partnership as defined in Regulation 16 of the PFMA regulating the investigation of the feasibility, procurement and implementation of public private partnership arrangements;

- 1.29 **“PPP Agreement”** means the agreement to be entered into by the Department for the provision of the Services in relation to the Project over the Concession Period, as contemplated in Volume 2: PPP Agreement, of the RFP documentation;
- 1.30 **“Preferred Bidder”** means the Respondent who following evaluation of its proposal in response to the RFP is selected by the Department as the party with whom to conclude the PPP Agreement;
- 1.31 **“Private Party”** means [*insert Party's Name*] (Registration Number [*insert Party's Registration Number*]), a private company, duly registered and incorporated with limited liability according to the company laws of the Republic of South Africa, herein represented by [*insert name*], who has been duly authorised thereto by virtue of a resolution of the board of directors of the Private Party;
- 1.32 **“Project”** means the development, operation and leasing of the new Bhisho Office Precinct under the proposed PPP Agreement;
- 1.33 **“Project Officer”** means a person identified by the accounting officer or accounting authority of the Department, who is capable of managing and is appropriately qualified to manage a PPP to which the Department is party from its inception to its expiry or termination;

- 1.34 **“Project Site”** means the Remainder of Erf 4785, Bhishe;
- 1.35 **“Qualifying Small Enterprise”** means an entity that qualifies for measurement under the qualifying small entity scorecard with a turnover of between R10,000,000 (ten million rand) and R50,000,000 (fifty million rand) at the date of first procurement in relation to the undertaking of Project Deliverables. **QSE** shall have a corresponding meaning;
- 1.36 **“Relevant Entity”** means any member of the Respondent that acquired or is committed to acquiring Equity in the Private Party;
- 1.37 **“Respondent”** means entity/ joint venture/ consortium responding to the RFP;
- 1.38 **“Reserve Bidder”** means a Respondent appointed for consideration in the event of failure of negotiations with the Preferred Bidder;
- 1.39 **“RFP”** means the request for proposal issued by the Department, to be made available to Respondents, which is made up of the following:
- (i) Volume 1 of 3: Instructions to Bidders;
 - (ii) Volume 2 of 3: PPP Agreement; and
 - (iii) Volume 3 of 3: Output Specifications, including a bill of quantities, architectural and engineering drawings and specialist reports;

- 1.40 **“Subcontractors”** means the qualifying parties who have entered into a subcontracting arrangement with the Private Party. The parties must include the qualifying construction subcontractor, the qualifying operations sub-contractor, and any sub sub-contractors for goods or services of whatever kind;
- 1.41 **“Technical Team”** means the built environment team procured by the Department which includes the following professions:
- (i) project manager;
 - (ii) architects;
 - (iii) quantity surveyors;
 - (iv) civil and structural engineers;
 - (v) electrical and mechanical engineers;
 - (vi) town planner; and
 - (vii) other specialist service providers;
- 1.42 **“Transaction Advisor”** means the transaction advisors appointed by the Department, to provide advisory services in relation to the Project;
- 1.43 **“Treasury Regulations”** means the National Treasury Regulations as promulgated in terms of the PFMA;

- 1.44 **“TA I”** means Treasury Approval TAI given by National Treasury in terms of the PFMA and Treasury Regulations 16;
- 1.45 **“TA IIA”** means Treasury Approval TAIIA given by National Treasury in terms of the PFMA and Treasury Regulations 16;
- 1.46 **“TA IIB”** means Treasury Approval TAIIB given by National Treasury in terms of the PFMA and Treasury Regulations 16;
- 1.47 **“TA III”** means Treasury Approval TAIII given by National Treasury in terms of the PFMA and Treasury Regulations 16;
- 1.48 **“Unitary Payment”** means the amount (as a cost to the Department) to be paid by the Department to the Private Party for the delivery of the Services in terms of the PPP Agreement set up as a single or whole payment for the full-Service requirement; subject to the provisions of the Payment Mechanism and penalty regime;
- 1.49 **“User Departments”** means seven (7) Departments identified to occupy the Bhisho Office Precinct, namely:
- i. Department of Economic Development and Environmental Affairs;
 - ii. Department of Rural Development and Agrarian Reform;
 - iii. Department of Social Development;
 - iv. Department of Transport;

- v. Department of Human Settlements;
- vi. Department of Safety and Liaison; and
- vii. Department of Sport, Recreation, Art and Culture;

1.50 **“Value for Money”** means the provision of the Services (including the use of state property) by a Private Party in terms of the PPP Agreement that results in a net benefit to the Department defined in terms of cost, quality, quantity, risk transfer or a combination thereof;

1.51 **“ZAR” or “Rand(s)”** means the South African Rand, being the official currency of South Africa.

2 IMPORTANT NOTICE

- 2.1 The Department provides the information which is contained in or sent with this RFP or which is made available in connection with any further enquiries or in subsequent Briefing Notes, in good faith.
- 2.2 This document (which expression shall include all other information, written or oral, made available during the procurement process) is being made available by the Department to potential Respondents on the condition that it is used solely for this procurement process and for no other purpose. The Department is not obliged to accept any response to this RFP.
- 2.3 This RFP describes the process, programme and anticipated timetable relating to procurement of the Project and the requirement of the Department.
- 2.4 Respondents to this RFP will be deemed to have satisfied themselves as to the authority of the Department to procure the Project and to be fully acquainted with the laws of South Africa (including without limitation all statutes and regulations on a national, provincial and municipal level) in relation to PPP.
- 2.5 Respondents are therefore, at any stage of the Project, not entitled to request any additional information, advice or opinion from any of the Transaction Advisors of the Department.
- 2.6 The recipient should not consider this RFP as an investment recommendation by the Department, its officials, employees or any of its advisors.
- 2.7 Each Respondent to whom this RFP (and other related documents) is made available must make his, her or its own independent assessment of the Project.

- 2.8 While reasonable care has been taken in preparing this RFP and other related documents, it does not purport to be comprehensive or to have been verified by the Department, its officials, employees, advisors or any other person. The Department, its officials, employees or any of its advisors do not accept any liability or responsibility for the adequacy, accuracy or completeness of any of the information or opinions stated in this RFP or other related documents.
- 2.9 No representation or warranty, express or implied, is or will be given by the Department, or any of its officers, employees, servants, agents or advisors with respect to the information or opinions contained in this RFP or other related documents. Any liability in respect of such representations or warranties, howsoever arising is hereby expressly disclaimed.
- 2.10 The Department reserves the right to amend, modify or withdraw this RFP, or to amend, modify or terminate any of the procedures or requirements of the RFP at any time and from time to time, without prior notice and without liability to compensate or reimburse any Respondent.
- 2.11 If any Respondent or Bidder, its employees, advisors or agents make or offer to make any gift to any public official or employee of the Department, consultant or Transaction Advisors to the Department on the Project either directly or through an intermediary then, such Bidder or Respondent will be disqualified forthwith from participating in the procurement of the Project or the Project.

3 RESPONDENTS' DUE DILIGENCE

- 3.1 Respondents must perform an appropriate due diligence on all technical, legal, financial, environmental, town planning, heritage and other matters relevant to the Project to enable Respondents to submit proposals that are based on verified and accurate information.
- 3.2 Upon receipt of proposals from Respondents, the Department will assume that the Respondent has sufficiently familiarized themselves with the content of the RFP, its volumes, schedules and related annexures.

4 COMPULSORY BRIEFING SESSION

- 4.1 Bidders are required to attend a compulsory briefing session on:

Date: **18 September 2019**

Venue: **Bhisho Contact Centre, Bhisho, Independence Avenue, Bhisho.
(Adjacent to Bhisho Stadium)**

Time: **11h00**

5 COMPULSORY SITE VISIT

- 5.1 The Department will be conducting the site visit on:

Date: **18 September 2019**

Venue: **Erf 4785 Independence Avenue, Bhisho**

Time: **13h00**

6 BID DOCUMENTS

- 6.1 RFP documents, comprising of Volume 1, Volume 2, and Volume 3, are obtainable from:

Department of Public Works:

3rd Floor, Room 346, Qhasana Building

Independence Avenue

Bhisho

7 RULES OF BIDDING

7.1 Submission of Proposals

7.1.1 Closing date

Respondents must submit their proposals on the **31 October 2019** no later than **11h00** at Ground Floor, Qhasana Building, Independence Avenue, Bhisho in the Tender Box.

Faxed and Emailed submission will not be accepted.

7.1.2 Postponement of closing date

The Department reserves the right to postpone the submission date as indicated in Clause 7.1.1 above, however, Respondents should not pre-empt or rely on any postponements of the submission date as the Department does not foresee any reasons for postponement at this stage.

7.1.3 Late submissions

No late submissions will be accepted by the Department.

7.1.4 Incomplete submissions

Incomplete submissions, namely submissions that do not contain a response as contemplated in this RFP will be marked as incomplete, and may, at the Department' sole discretion, be rejected.

7.1.5 Proposals to be considered

Only proposals submitted by Bidders will be considered for evaluation.

7.1.6 Correction of errors

The complete Proposals shall be submitted without alterations, erasures or omissions, except those to accord with instructions issued by the Project Officer through Briefing Notes, in which case, such corrections shall be initialled in black ink by the person or persons signing the proposal.

7.1.7 Amendments to proposals

The Department reserves the right, subject to compliance with legal administrative requirements, to request and accept any amendment to or modification of any aspect of any proposal from any selected or Preferred Bidder at any time.

7.1.8 Cost of Submitting Proposals

7.1.8.1 Each Respondent, its relevant entities, Key Contractors or any other person shall bear all costs associated with the preparation and submission of its proposal(s), including all its own costs incurred on any of the stages in the procurement process.

7.1.8.2 Should the process be terminated at any stage as a result of it being tainted by the corrupt activities of one or more of the Respondents and/or Member(s) whether in breach of the provisions of this RFP or other applicable legal requirements,

then the Department shall have the right to recover from the said Respondent and/or Member(s) whose conduct has tainted the process any other damages or costs to the Department flowing from such termination.

7.2 RFP Liaison Structure

7.2.1 The Department has implemented a liaison structure whereby the Project has been allocated a Project Officer.

7.2.2 Respondents are advised to address all correspondence relating to this Project to the Project Officer as indicated below:

Project Officer: Mr Hewitt Simon

Telephone: +27(0)40 602 4436

E-mail: Hewitt.Simon@ecdpc.gov.za

7.2.3 All queries addressed to the Project Officer must be forwarded to the Transaction Advisor at the following email address bhishoofficeprecinct@tkds.co.za and such queries must indicate the name and details of the Respondent's contact person. No queries will be accepted after the **17th of October 2019**.

7.2.4 All correspondence from the Respondent should be addressed to the Project Officer and must be signed by an authorised person or persons, legally binding the Respondent. All such signatures must indicate the name(s) of the person(s) signing them, their position(s) and the name of their organisation.

7.2.5 Any additional information, responses to queries and/or changes to the RFP will be communicated to Respondents in the form of Briefing Notes. Respondents are advised to ensure that they have received all issued Briefing Notes.

7.3 GENERAL PROPOSAL REQUIREMENTS

7.3.1 Format of proposals

7.3.1.1 Signing requirements of a single entity

7.3.1.1.1 Where the Respondent is a single legal entity, the principal or person(s) duly authorised to legally bind the legal entity concerned shall sign the original proposal. Each such person or persons shall be properly authorised to sign such documentation by way of a formal resolution by the board of directors, or its equivalent, of the organisation concerned. Copies of such an authorisation, authorising the signatory to the proposal, resolution, properly dated, must accompany each proposal in the format provided in the RFP.

7.3.1.1.2 In addition, the signatory shall make a written declaration to the effect that all documentation signed by him or her is factually correct and true, **Annexure 1** (Declaration of Factually True and Correct Information).

7.3.1.2 Signing requirements of a consortium or joint venture.

7.3.1.2.1 Proposals submitted by a consortium or a joint venture shall be signed by the lead Member so as to legally bind all the constituent members of the consortium or the joint venture.

7.3.1.2.2 Proof of the authorisation of the lead Member to act on behalf of the consortium or a joint venture shall be included in the submitted proposal.

7.3.1.2.3 The lead Member shall be the only authorised party to make legal statements and receive instruction for and on behalf of any and all partners of the consortium or the joint venture.

7.3.1.2.4 A copy of the agreement entered into by the consortium partners or the joint venture partners for the formation of the consortium or joint venture shall be submitted with the Proposal. Respondents are to submit their consortium or joint venture as **Annexure 2**.

7.3.1.2.5 In addition, every signatory shall make a written declaration to the effect that all documentation signed by him or her is factually correct and true, **Annexure 1** (Declaration of Factually True and Correct Information).

7.3.2 Format of submissions

7.3.2.1 Respondents are requested to submit their bids in a clearly structured way. All parts of the proposal are to be clearly headed, pages must be numbered and a detailed content listing is to be provided. The bids should follow a consistent numbering system (volumes, sections, headings, paragraphs, sub-paragraphs, etc.) that allows for easy cross-referencing, within the proposal.

- 7.3.2.2 All proposals must be submitted in the format as prescribed (in MS Word or Microsoft compatible products) and according to the following instructions:
- 7.3.2.3 1 (one) original printed bound in volume(s);
- 7.3.2.4 1 (one) electronic proposal (soft copy) on an electronic disc or a USB;
- 7.3.2.5 Only proposals completed in English will be accepted;
- 7.3.2.6 The onus is on the Respondent to submit all relevant information.
- 7.3.2.7 Respondents are nonetheless requested to avoid unnecessary duplication or repetition of information, and not to submit irrelevant information.
- 7.3.2.8 A cover letter with contact details for the authorised person representing the lead Member should be submitted.

7.3.3 Identification of proposal document

- 7.3.3.1 Bidders should prepare and submit proposals that are clearly and visibly identifiable as a Proposal for Tender Number **SCMU5-19/20-PM0008** and include the following information on the outside of the Proposal:

Name of the Bidder;

Tender number;

Bid description;

Date of submission.

7.4 Standard Proposals to be Submitted

7.4.1 Bidders should prepare and submit a standard Proposal that meets the Mandatory Response Requirements detailed in Clause 16. Proposals must include the Essential Minimum Requirements described in Clause 17.

7.5 Proposal Validity

7.5.1 Validity Period

7.5.1.1 Proposals shall remain valid and open for acceptance for a period of 5 months (five months) from the closing date, and any agreed extension of the validity period.

7.5.2 Extensions to the Validity Period

7.5.2.1 The Department may, in exceptional circumstances, request the Respondent for an extension of the validity period, prior to the expiry of the original proposal validity period. The request and the response thereto shall be made in writing. A Respondent agreeing to the request will not be permitted to modify its Proposal.

7.6 Incorrect or Misleading Information

The Department may disqualify any Respondent and/or revoke any decision in respect of the selection of a Preferred Bidder or the announcement of the successful conclusion of negotiations with the Preferred Bidder if such decision was based on incorrect information which the Respondent or its constituent members, advisors and/or agents provided in response to this RFP.

8 PROJECT BACKGROUND

- 8.1 As the administrative capital of the provincial Government, the town of Bhisho accommodates a number of provincial Government departments. However, due to the lack of adequate office accommodation within the town, a large number of provincial Government departments are housed in the nearby commercial centres of King Williams Town and East London. This has had the unintended consequence of the provincial Government's administrative functions becoming fragmented, which in turn has contributed towards avoidable inefficiencies in certain administrative operations.
- 8.2 In an attempt to address the office accommodation challenge, the Department, as the custodian of immovable assets of the provincial Government, identified the construction of the Bhisho Office Precinct as a sustainable, long term solution towards providing suitable and adequate office accommodation for various User Departments of the provincial Government in Bhisho.
- 8.3 The Department engaged an independent Transaction Advisor in respect of the Project, to advise the Department on the procurement of a Private Party with whom to conclude the PPP Agreement.

8.4 Understanding User Needs

8.4.1 The Department is required to accommodate the following User Departments in the Bhisho Office Precinct:

Provincial User Department		Usable (m ²)	Common (m ²)	Supplementary (m ²)	Total GLA (m ²)
DSD	Department of Social Development	6,069	1,513	145	7,726
DHS	Department of Human Settlements	5,212	794	252	6,258
DEDEAT	Department of Economic Development and Environmental Affairs	3,359	1,000	160	4,519
DSRAC	Department of Sport, Recreation, Art and Culture	5,541	1,304	130	6,975
DRDAR	Department of Rural Development and Agrarian Reform	5,767	1,278	129	7,174
DSL	Department of Safety and Liaison	1,287	500	173	1,960
DOT	Department of Transport	9,905	2,043	175	12,123
Total Office Accommodation		37,140	8,432	1,164	46,735
Shared Services		1,304	294	479	2,077

Provincial User Department	Usable (m²)	Common (m²)	Supplementary (m²)	Total GLA (m²)
Gate House 1	28			28
Gate House 2	17			17
Refuse			350	350
Total	38,489	8,726	1,994	49,208
Parking Bays				1,372

8.4.2 The Bhisho Office Precinct Project entails the construction of 7 separate office blocks within a consolidated office precinct to provide a combined 46,735m² of office accommodation and 1,372 parking bays. In addition to the office buildings, a shared service building and other amenities will be incorporated into the development, resulting in a total accommodation of 49,208m². The total GBA of the office development is 52,788m².

8.4.3 The office space required for the Bhisho Office Precinct does not consider growth in staff numbers but includes vacant funded posts in the respective User Departments.

8.4.4 The proposed layout of the Project Site allows for future growth over and above vacant funded posts to be accommodated through the construction of additional office blocks as and when the need arises. This approach has been adopted to ensure maximum space utilisation, affordability, and optimisation of the Bhisho Office Precinct Project from date of occupation.

8.5 Rationale for the Project

8.5.1 The construction of the Bhisho Office Precinct addresses the following user needs:

8.5.1.1 the shortage of office accommodation within Bhisho;

8.5.1.2 the reduction of reliance by the Department on leased office accommodation as an asset solution for user departments and develop provincial Government owned office buildings as part of the solution of addressing shortages of accommodation for User Departments;

8.5.1.3 accommodating all identified head offices of User Departments in the Bhisho Central Business District thereby improving the operational efficiency of provincial Government coordination at administrative level;

8.5.1.4 improving the functional coordination between the administrative and the political arms of the provincial Government by bringing them closer together in line with Department strategic planning; and

8.5.1.5 providing a one stop service offering to the general public in line with Batho Pele service delivery principles.

8.5.2 Construction of the Bhisho Office Precinct represents investment in capital formation in underserved areas which is in line with the Eastern Cape Provincial Government's Integrated Small-Town Revitalisation Plan as well as the Bhisho Revitalisation Program.

8.5.3 The Bhisho Office Precinct also presents a significant opportunity to attract investment and increased economic activity into the province and promote job creation and Local Economic Development opportunities within the property sector in line with the objectives of the property charter.

8.6 **Project Objectives and Goals**

8.6.1 The primary objective of issuing this RFP is for the Department to conclude a PPP Agreement with a suitably qualified Preferred Bidder.

8.6.2 The Project is planned to actively promote a range of Department objectives, such as the promotion of job creation, EME and QSE development, private sector participation and Local Economic Development.

8.6.3 The Department has identified Project goals which are imperative to the development of the Project.

8.6.4 The Project goals are as follows:

8.6.4.1 procurement of a cost effective, consolidated and compliant working environment within an optimal project structure;

8.6.4.2 achievement of a successful long-term strategic partnership between the Department and the Private Party;

8.6.4.3 maximising and entrenching the optimal involvement of target groups in the entire life-cycle of the Project, meeting and exceeding the Department empowerment targets and promoting sustainable local economic development;

- 8.6.4.4 successful management of key stakeholder relationships in the preparation and implementation of the Project;
- 8.6.4.5 achieving Financial Close within the shortest possible timeframe possible after Commercial Close;
- 8.6.4.6 successful achievement of the Volume 3: Output Specifications developed for the Project; and
- 8.6.4.7 creation of sustainable jobs during both the construction and operational phases of the Project.

9 PROJECT FRAMEWORK

9.1 Financial Framework

9.1.1 The Project offers the Private Party an opportunity to provide the Department with financing, design, construction, operation which includes facilities management and maintenance of the Bhisho Office Precinct.

9.1.2 The operating period for the provision of Services relating to the Project will be for no more than 25 years, following completion and commissioning of the new office precinct as a PPP.

9.2 Penalty Deduction Regime

Respondents must adhere to the following penalty regime in Schedule 14 (Payment Mechanism) of Volume 2: PPP Agreement.

9.3 Foreign Currency

9.3.1 There are no restrictions on the choice of currencies in which finance might be raised by the Respondent and any associated investment.

9.3.2 In the event that any currency other than the South African Rand is utilised, clear statements must be made about the exchange rates used, the basis of those exchange rates and any hedging structures that will be introduced.

9.3.3 All payments by the Department will be denominated in the South African Rand. The Department will not accept currency risk. Respondents are required to indicate their acceptance of this statement.

9.4 Department's accounting for the Project

- 9.4.1 In terms of Section 89 of the PFMA, the Accounting Standards Board (“**ASB**”) is required to set accounting standards for the preparation of financial statements by, *inter alia*, Government departments, and accordingly, issued Standards of Generally Recognised Accounting Practice (“**GRAP**”). Furthermore, the ASB’s functions include the preparation and publication of directives and guidelines on the Standards of GRAP.
- 9.4.2 The ASB has issued the Guideline on Accounting for PPP in November 2008, which incorporates principles in the relevant Standards of GRAP and illustrates the proposed accounting by the Department, the grantor under the PPP Agreement.
- 9.4.3 Respondents should take cognisance of this guideline, as it addresses the accounting and reporting by the Department of its assets, liabilities, revenue and expenditure in PPPs. The Department is required to prepare its financial statements in accordance with GRAP and consequently may require information from the Private Party in order to meet its financial accounting and reporting obligations.
- 9.4.4 Furthermore, Respondents are obliged to consider IFRIC 12: Service Concession Arrangements that was issued by the International Financial Reporting Interpretations Committee in November 2006.

9.5 **Insurance Framework**

9.5.1 Clause 27 and Schedule 17 of the PPP Agreement contain the minimum insurance requirements of the Department by the Private Party. Respondents should not view the stated minimum insurance as final, the stated minimum insurances may be added to and or reduced, however this should be well motivated and such analysis must be included in the Respondent's proposal. To the extent that additional insurances are required and same have a cost implication, the additional costs thereof may be determined by the Department not to form part of the Unitary Payment. Where Respondents are of the opinion that a specific risk may be self-insured, the Respondent should incorporate this view with a full motivation as to the applicability of such self-insurance.

9.5.2 The placing of insurance is subject to the Short-Term Insurance Act, Number 53 of 1998, which requires that all short-term insurance be placed with insurers registered in terms of that act (being only South African companies) or Lloyd's of London. That act appears to limit access to the worldwide insurance market if such insurance is available in South Africa.

9.6 **BBBEE Framework**

9.6.1 BBBEE is a key component of South African PPP projects, each of which is structured on a combination of financial, technical and BBBEE components in order to achieve optimal Value for Money in Government's delivery of infrastructure and services.

9.6.2 The Department's BBBEE targets are set out in detail in Schedule 15 (BBBEE Obligations) of Volume 2 (PPP Agreement), specific emphasis

has to be placed on the involvement of local BBBEE participants in the provision of the Services relating to the Bhisho Office Precinct.

9.6.3 In compliance with the PPPFA, the BBBEE component of the bid will constitute 10% of the bid evaluation weighting in terms of Clause 18.6 (Price and BBBEE).

10 LEGAL FRAMEWORK OF THE PROJECT

10.1 Treasury Regulation Approvals

10.1.1 The Department conducted a feasibility study on the development of the Project. The feasibility study was conducted in terms of the PPP guidelines and regulations in order to determine affordability, value for money and appropriate risk transfer.

10.1.1.1 The feasibility study obtained **TAI** approval and the Project was registered as a PPP by the National Treasury on 12 September 2016.

10.1.1.2 **TAIIA** approval was obtained on the 10th of March 2017.

10.2 Following the receipt of the **TAIIA** approval, the Department has prepared and issued this RFP to prospective Respondents to procure submission of proposals to undertake and deliver the Project.

10.3 It is the intention of the Department upon receipt of proposals to consider and evaluate the proposals from Respondents, Preferred Bidder and Reserve Bidder, having regard to the extent to which each proposal is likely to achieve the Project objectives and goals, applying the qualification and evaluation criteria set out in Clause 18 below.

10.4 **Contract Period of the Project**

10.4.1 In terms of the feasibility study and the TAI approval obtained, the contract period for the Project will be as follows:

10.4.1.1 completion of the design phase and the obtaining of any outstanding planning approvals;

10.4.1.2 construction phase approximately 3 (three) years from Financial Close; and

10.4.1.3 operating phase, which will not be more than 25 (twenty-five) years from the completion and commissioning of the new office precinct, being the Concession Period.

10.5 **Composition of the Respondent**

10.5.1 No Key Contractor or Relevant Entity or adviser may be a Member of, or in any way participate or be involved, whether directly or indirectly, with more than one Respondent during any stage of the procurement process.

10.5.2 A failure to comply with this requirement may result in the disqualification of all the Members of the Respondent, or any other organisation involved. After the selection of the Preferred Bidder and the release of the Reserve Bidder, Members of the unsuccessful Respondent(s) (including their Key Contractors and Relevant Entities) may, with the prior approval of the Department, participate in the Preferred Bidder.

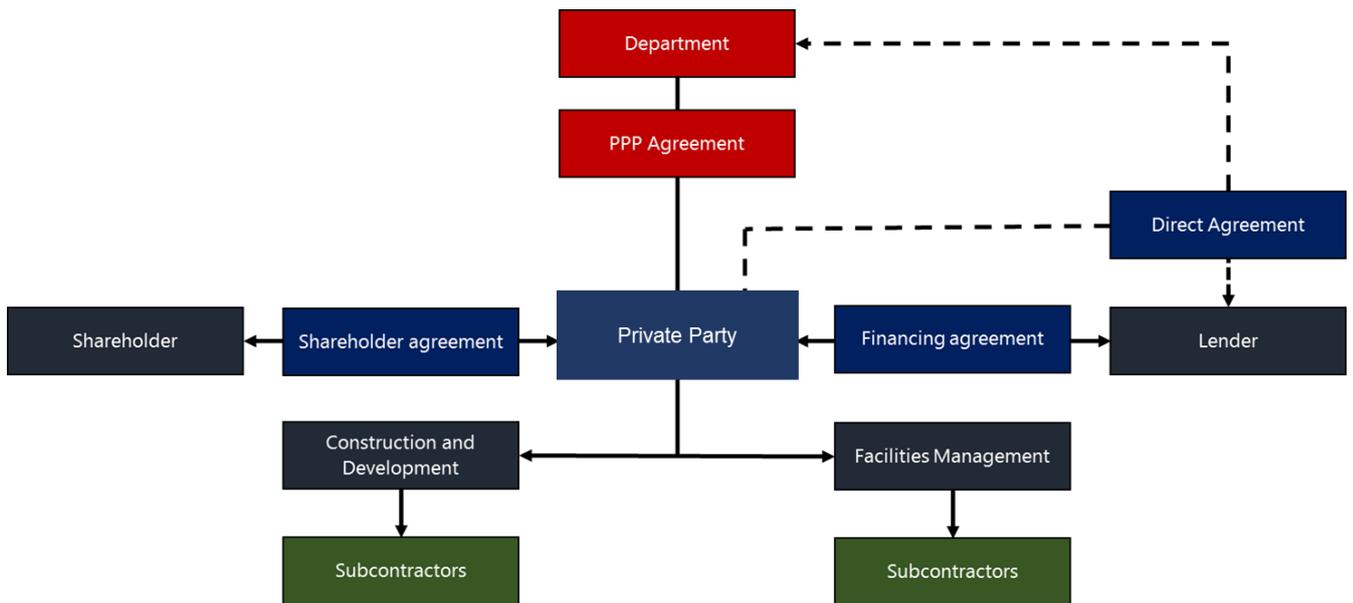
10.6 **Change in composition, control and membership structure of Respondents**

- 10.6.1 No change in the composition, control or structure of a Respondent or any one or more of its Members from that set out in their response to the RFP, will be permissible without the Department's prior written consent.
- 10.6.2 If there is a proposed change in composition, control or structure of a Respondent or in one of more of its Members, then the Respondent must forthwith apply to the Department for consent, prior to any change in their composition, control or structure or in the change in composition, control or structure of one or more of its Members, from that set out in their response to this RFP.
- 10.6.3 If a change in the composition, control or structure of a Respondent, or its Members of the kind referred to in Clause 10.6.1 or 10.6.2 occurs without the prior approval of the Department, then such Respondent and/or its Members may, at the Department's sole discretion, be disqualified from further stages of the procurement process, or allowed to continue, subject to such conditions as the Department may consider appropriate in light of the possible implications of the relevant change in composition, control or structure, on the matters on which evaluation under Clause 18 of this RFP below is based.
- 10.6.4 If a change in the composition, control or structure of a Respondent or Member of the kind referred to in Clause 10.6.2 occurs, the Department may require the relevant Respondent or Member to supply further information in relation to the relevant change.

- 10.6.5 In the event of a Relevant Entity, or Key Contractor (or Designated Member, if any) (“the exiting entity”) of the Respondent ceasing to be a Member of the Respondent, then the Department requires the following:
- 10.6.5.1 a letter addressed by the exiting entity to the Respondent, copied to the Department, stating that it no longer wishes to participate as a Member of the Respondent or, alternatively, a resolution passed by the Members at a duly convened and quorate meeting of the Respondent, wherein it was resolved that the participation of the exiting entity be terminated, in a manner contemplated in the agreement regulating the relationship between the members of the Respondent;
 - 10.6.5.2 a letter from the Respondent indicating how the equity interest is to be held in the Respondent occasioned by the departure of the exiting entity;
 - 10.6.5.3 a statement from the Respondent stating which of the remaining Members are going to fulfil the role(s), responsibility(ies) or obligation(s) which were previously allocated to the exiting entity; and
 - 10.6.5.4 the submission by the Respondent, of an amended consortium agreement, or any agreement of that sort, if one was previously concluded and provided to the Department and if not so concluded and provided, then the submission of a consortium agreement from the Respondent.

11 PROPOSED PROJECT STRUCTURE

11.1 The development of the Bhishe Office Precinct will be in terms of the traditional PPP transaction structure as illustrated below:



11.2 Respondents will be required to form a construction entity and an operation management entity to effectively execute the Project Deliverables.

12 PROJECT SITE

- 12.1 The proposed site for the Project is the Remainder of Erf 4785, Bhisho.
- 12.1.1 The Department will, pursuant to the PPP Agreement, make the land available to the Private Party over a notarial deed for the duration of the Project.
- 12.1.2 The Department purchased the proposed site from BCMM in terms of a land sale agreement executed by both parties dated 12 July 2016.
- 12.1.3 The proposed site was registered in the Department's name on the 28th of February 2019. The title deed is annexed hereto as **Annexure 3**.
- 12.1.4 The Private Party will have limited rights to the land to develop the Project.
- 12.1.5 The Private Party will lease the Bhisho Office Precinct to the Department over a registered lease against the notarial deed.
- 12.1.6 At the termination of the lease, all rights and ownership of the Bhisho Office Precinct and the land will revert to the Department without further compensation.

13 PROJECT SITE DUE DILLIGENCE

13.1 Specialist Studies Conducted

13.1.1 The Department has engaged the services of a specialist team to conduct the following specialised studies:

13.1.1.1 traffic impact study;

13.1.1.2 geotechnical study; and

13.1.1.3 environmental impact study.

13.1.2 Bidders are to complete the declaration attached as **Annexure 4**, indicating whether they accept or rejects the results of the specialised studies undertaken by the Department.

13.1.3 The Preferred Bidder may at its **own** cost commission its own specialist studies and any other additional studies it may deem necessary.

13.2 On-site Sewerage Package Plant

13.2.1 The Department has undertaken investigations on the existing bulk infrastructure services on the Project Site. The outcomes of the investigations indicated that there is insufficient capacity to the existing bulk infrastructure services (water, sanitation and electricity) to adequately accommodate the development of the Project. BCMM is in the process of upgrading bulk infrastructure in Bhisho. BCMM intends to spend approximately R1 billion on bulk water, bulk sanitation and bulk electricity over a 5 (five) year period.

13.2.2 The Department commissioned the design of an on-site sewerage package plant to address the inadequate sanitation bulk infrastructure provision on the Project Site.

13.2.2.1 Design plans for the on-site sewerage package plant were submitted to BCMM for approval. The on-site sewerage package plant was conditionally approved on the 2nd of August 2018. This approval is annexed hereto as **Annexure 5**.

13.2.2.2 The majority of the conditions stipulated in the conditional approval received from BCMM can only be implemented once the on-site package plant is constructed.

13.2.2.3 The conditional approval states that the package plant needs to meet the national Special Permit Standards as specified by the Department of Water and Sanitation (“DWS”). The DWS carried out a site visit on the Project Site on the 23rd of November 2018.

13.2.2.4 On the 18th of January 2019 the DWS issued the correspondence titled “*Motivation Report: Rezoning and Site Development Plan Approval: Remainder Erf 4785 Precinct*” on this correspondence recommended that a Geohydrological study be undertaken on the Project Site.

13.2.2.5 The Department is currently in the process of completing the Geohydrological study.

13.2.2.6 The findings of the Geohydrological study to Bidders once the study is completed.

- 13.2.2.7 Plans to the sewerage package plant are annexed to Volume: 3 (Output Specifications) of this RFP.
- 13.2.2.8 The estimated cost of the on-site sewerage package plant is R 10 million (ten million rand), as indicated in the BOQ.
- 13.2.2.9 The on-site sewerage package plant will be a temporary solution and will be decommissioned once BCMM has completed upgrades to the bulk infrastructure services in the area.

13.3 Environmental Impact Assessment

- 13.3.1 On the 19th of September 2018, the Department submitted an “Application for Environmental Impact Assessment Approval for the Proposed Government Office Precinct Development on Rem of Erf 4785, Bhisho”, to the Eastern Cape Department of Economic Development, Environmental Affairs and Tourism (“**DEDEAT**”).
- 13.3.2 On the 25th of September 2018, the Department received correspondence from DEDEAT that the “proposed development on erf 4785 Bhisho as it relates to the Government Office Precinct and the Sewerage Package Plant did not trigger any listed activities in terms of the National Environment Management Act, its associated Environmental Impact Assessment Regulations and Listing Notices of 2014 as amended.
- 13.3.3 The correspondence relating to Environmental Impact Assessment is annexed to this Volume 1 as **Annexure 6**.

13.4 Planning Approvals Received to Date

13.4.1 To date the Department has made submissions for the following planning approvals:

Approval	Status	Anticipated Date of Completion
Rezoning	<p>An application for the rezoning of the project site to “Business Zone 1” was submitted to BCMMM. Approval of the rezoning application was received from BCMM on the 27th of February 2019, currently awaiting final approval from the MEC of Cooperative Governance and Traditional Affairs.</p> <p>The approval from BCMM is annexed to this Volume 1 as Annexure 7.</p>	TBA
Site Development Plan	<p>Application approved by BCMM on the 27th of February 2019, currently awaiting final approval from the MEC of COGTA.</p> <p>The approval from BCMM is annexed to this Volume 1 as Annexure 7.</p>	TBA
Subdivision	Subdivision is currently being processed.	TBA
Building Plans	Plans currently in circulation at BCMM.	TBA
Fire Approval	Approval still pending. Fire drawings are currently in circulation at BCMM.	TBA

13.4.2 Bidders will be updated of any progress relating to the planning approvals.

14 OUTPUT SPECIFICATIONS OF THE PROJECT

14.1 Building Designs

14.1.1 The Department engaged the services of a Technical Team to design the proposed Bhisho Office Precinct.

14.1.2 The Technical Team has prepared design documentation to stage 4.1 in terms of South African Council for the Architectural Profession (“**SACAP**”) Standard Services Work Stage¹.

14.2 Design principles

14.2.1 The following design principles were utilised to achieve fit-for-purpose design, and avoidance of overdesign to achieve competitive pricing from Respondents:

14.2.1.1 the Bhisho Office Precinct is guided by the GIAMA minimum space norms;

14.2.1.2 the office layout is guided by the requirements of GIAMA space norms to optimize space utilisation;

14.2.1.3 the Project Site layout facilitates growth for initial departments and makes provision for additional departments;

14.2.1.4 the precinct is spread across the site to avoid deep foundations, multi-basement parking and high-rise buildings, in order to minimize development costs;

¹ Board Notice 72 of 2015, as amended from time to time.

- 14.2.1.5 to achieve a grade B rating, materials used in the construction specification and fit out are functional and robust;
- 14.2.1.6 the precinct incorporates shared services building to centralize common services and avoid over supply of support spaces;
- 14.2.1.7 the buildings within the precinct are designed and specified with low maintenance finishes and landscape vegetation; and
- 14.2.1.8 the building orientation allows for natural heating, cooling and ventilation.

14.3 **Technical Team**

14.3.1 The Private Party may at its own election appoint the Technical Team which has been appointed by the Department.

14.3.1.1 In the event that the Private Party elects to appoint the Technical Team it will be required to sign Professional Consultants Services Agreement (“**PROCSA**”) agreements for the appointment of the Technical Team.

14.3.1.2 In the event that the Private Party elects not to appoint the Technical Team, the Department and the Private Party will undertake to perform a reconciliation of work done to date, in order to determine the exit professional fees due to the Technical Team.

- 14.3.2 The Technical Team has prepared design documentation to Stage 4.1 in SACAP Standard Services Work Stages.
- 14.3.3 The appointment of the Technical Team by the Department will terminate at the close out stage (Stage 6 of the SACAP Standard Services Work Stages) or at a later stage as agreed between the parties.
- 14.3.4 The Department has agreed on a fee with the Technical Team, equivalent to 10% of the total construction costs for the Project.
- 14.3.5 To date the Department has paid the Technical Team for work done till Stage 2 of the SACAP Standard Services Work Stages. The Private Party will be expected to reimburse the Department for these fees, through the use of a suitable mechanism which will be concluded during the negotiations phase.
- 14.3.6 The Private Party will be expected to pay the Technical Team:
- 14.3.6.1 the outstanding fees for work completed to date (Stage 3 – Stage 4.1 of the SACAP Standard Services Work Stages); and
 - 14.3.6.2 future fees for work to be completed.

15 PROJECT PROCUREMENT PROCESS AND PROGRAMME

15.1 Procurement Process

15.1.1 The Project procurement process philosophy is based, amongst other things, on the following considerations:

15.1.1.1 an accelerated procurement strategy being adopted;

15.1.1.2 extensive Respondent interaction being introduced at the early stage of the bid; and

15.1.1.3 curtailed negotiation phase with prompt Financial Close being pursued by the Department.

15.1.2 The Project procurement process consists of the following phases:

15.1.2.1 issuance of the RFP;

15.1.2.2 submission of Respondents' proposals;

15.1.2.3 evaluation of proposals, if necessary, a BAFO phase;

15.1.2.4 selection and announcement of Preferred Bidder and Reserve Bidder; and

15.1.2.5 commercial close and Financial Close.

15.2 Project Procurement Programme

15.2.1 The procurement of the Private Party, will be undertaken in a single phase, being the RFP phase, which may at the discretion of the Department include a BAFO.

15.2.2 The dates and milestones below are a guideline of the Project procurement program and are subject to change at the discretion of the Department.

	Milestones	Date
1.	Issue of RFP documentation	9 September 2019
2.	Compulsory briefing session	18 September 2019
3.	Compulsory site visit	18 September 2019
4.	Final date to submit queries	17 October 2019
5.	Closing date of RFP	31 October 2019
6.	Proposal evaluation, adjudication and Selection of Preferred Bidder and Reserve Bidder	22 November 2019
7.	Anticipated National Treasury TA II B and start negotiation with the Preferred Bidder	20 December 2019
8.	Anticipated National Treasury TA III approval	31 January 2020
9.	Sign PPP Agreement	7 February 2020
10.	Financial Close	14 February 2020

15.3 Meetings

15.3.1 Respondent meetings:

15.3.1.1 In order to ensure that the submission date deadline is met and to enable well thought through and thorough proposals, the procurement process envisages on-going interactions with Respondents that are structured in such a way so as to not prejudice the process or compromise the competitive position of any Respondent, but that will enable transparency and a competitive outcome that will benefit the Department.

15.3.1.2 Prospective Respondents will be required to attend a compulsory briefing session on the Project.

15.3.2 Further meetings:

The Department reserves the right to arrange Respondent interviews to further clarify matters relating to submitted proposals.

15.3.3 Briefing Notes

All information in written form provided on an ad hoc basis by the Department whether in response to a query or otherwise will be issued in the form of a Briefing Note. Briefing Notes will be sequentially numbered. It will be the responsibility of each Respondent to ensure that it refers to and takes account of such Briefing Note(s) in any submission(s) to the Department, or its proposal. Briefing Notes will be provided electronically to Bidders.

16 MANDATORY RESPONSE REQUIREMENTS

16.1 Respondents must meet the following minimum requirements in order to be considered for the functionality criteria (**Stage 3: Evaluation Criteria**):

Mandatory Response Requirements	
Item	Description
1.	Respondents must submit a technical proposal for the construction and operations management phases.
2.	<p>(i) The construction entity of the Respondent must have a Construction Industry Development Board (“CIDB”) grading of 9GB and 9CE.</p> <p>(ii) Respondents are to submit proof of their CIDB grading of 9GB and 9CE.</p>
3.	<p>(i) The operations management entity must have experience in facilities/Property management of developments of a similar size or nature.</p> <p>(ii) The operations management entity must complete Annexure 8 evidencing experience in facilities/property management of developments of a similar size or nature.</p>
4.	Respondents must submit a letter of intent from a registered financial institution.
5.	Respondents must submit a comprehensive financial model in accordance with Annexure 9 and Clause 17.1.3.2.
6.	<p>(i) All shareholders of the proposed Private Party are to submit audited financial statements for the last three years.</p> <p>(ii) Each member of the construction entity must submit audited financial statements for the last three years.</p> <p>(iii) Each member of the operations management entity must submit audited financial statements for the last three years.</p>

7.	Respondents must submit copies of their Joint Venture or Consortium agreements.
8.	Respondents must submit their comments and mark-ups to the PPP Agreement in accordance with the instructions detailed in Clause 17.3.4.
9.	Each Respondent must submit a statement setting out all legal proceedings which it is a party to.
10.	Each Respondent must submit a statement indicating that it has not presently been debarred, suspended, proposed for debarment, declared ineligible, restricted or excluded from trading with the government.
11.	Respondents must sub-contract a minimum of 30% of the project value to contractor(s), who are an EMEs or QSEs, which is at least 51% owned by Black People living in townships and rural areas.
12.	Respondents must submit a consolidated BBBEE certificate.
13.	Each member of the Respondent must submit a Tax Clearance certificate.
14.	<p>Respondents must complete and submit the following Standard Bidding Declaration (SBD) Forms:</p> <ul style="list-style-type: none"> (i) SBD 6.1: Preference Points Claim Form in Terms of the Preferential Procurement Regulations 2017 (Annexure 15); (ii) SBD 6.2: Declaration Certificate for Local Production and Content for Designated Sectors and Annexures C, D and E of SBD 6.2(Annexure 16); (iii) SBD 1: Invitation to Bid and Terms and Conditions for Bidding (iv) SBD 4: Declaration of Interest (Annexure 18); (v) SBD 8: Declaration of Bidder's Past Supply Chain Management Practices (Annexure 19); and (vi) SBD 9: Certificate of Independent Bid Determination (Annexure 20)

17 ESSENTIAL MINIMUM REQUIREMENTS

The financial, technical, and legal proposals must include requirements outlined in this Clause 17.

17.1 Financial Proposal Requirements:

17.1.1 The Department has resolved to adopt a PPP model for procuring the Project Deliverables from a technical, legal and financial perspective. The PPP model aims to achieve:

17.1.1.1 Affordability;

17.1.1.2 Value for Money; and

17.1.1.3 Substantial (but manageable) risk transfer to the Private Party.

17.1.2 Affordability

17.1.2.1 In terms of the Treasury Regulations, the Department is not allowed to conclude a PPP agreement with a Respondent, unless its proposal is affordable for the Department.

17.1.2.2 A feasibility study was conducted to evaluate the viability of the Project in accordance with the National Treasury Regulations. The feasibility study confirmed the existence of mechanism that can ensure affordability of the Project.

17.1.2.3 The Unitary Payment will only commence on occupation of the Bhishe Office Precinct.

17.1.2.4 The Unitary Payment shall be payable in terms of the proposed payment mechanism for the provision of accommodation and related services by the Private Party. The Unitary Payment is in the form of an annual Unitary Payment, paid monthly in arrears in accordance with the provisions of Payment Mechanism (Schedule 14 of the PPP Agreement), subject to the Private Party achieving specified performance standards.

17.1.3 **Financial Models**

17.1.3.1 Respondents are required to submit a financial model in their bid. The model must be developed to reflect the risk transfer obligations reflected in the draft PPP Agreement. All information and numbers provided must reconcile fully, be coordinated to all aspects of the Project and be comprehensively reflected in the financial model.

17.1.3.2 It is essential that Respondents submit a financial model with its pricing proposal that permits a comparison with the Department's Feasibility Study financial model and with the other Bidders' models. Bidders are to develop their financial models in accordance with the requirements set out in **Annexure 9**.

17.1.4 **Underwritten Financial Proposals**

17.1.4.1 Respondents are required to submit a fully underwritten RFP proposal, in respect of all forms of finance. All Equity finance should be fully underwritten and remain so

throughout the Project life. The debt finance to be fully underwritten shall be the total debt finance.

17.1.4.2 Responses that provide funding structures, which are non-committal or are highly conditional may result in their proposal being non-compliant and rejected.

17.1.4.3 Respondents are required to clearly demonstrate an ability to implement the proposed funding structures in their proposals without protracted negotiations with the Department.

17.1.5 Respondents must attach their Financial Proposals as **Annexure 10**.

17.2 **Technical Proposal Requirements**

17.2.1 Technical requirements for the Project are set out in Volume 3: Output Specifications of the RFP.

17.2.2 Part A of the technical proposal must be specific to the development and construction phase of the Project and must include:

17.2.2.1 the Respondents experience in property developments of a similar size or nature;

17.2.2.2 an approach and methodology statement for the development management of the project;

17.2.2.3 a detailed construction programme;

17.2.2.4 demonstrate Respondents experience in general building construction works. Respondents are to provide completion

certificates and reference letters evidencing the stated relevant experience; and

17.2.2.5 demonstrate the experience of key personnel in relation to the construction phase of the Project.

17.2.3 Part B of the technical proposal must be specific to the operations phase of the Project and must include:

17.2.3.1 relevant experience in the facilities management of developments of a similar size or nature. Respondents are required to submit 3 (three) references evidencing relevant experience;

17.2.3.2 an approach and methodology statement for the operations phase. The statement must address key issues relating to the facilities management of Project;

17.2.3.3 the experience of key personnel in relation to the operations in relation to the operations management of the Project.

17.2.4 Respondents must attach their Technical Proposals as **Annexure 11**.

17.3 Legal Proposal Requirements

17.3.1 The contracting entity with which the Department intends to contract for the Project, referred to as the Private Party, is expected to:

17.3.1.1 be a single legal entity, created specifically for the Project;

17.3.1.2 be competent to transact with the Department;

17.3.1.3 have its registered address and principal place of business within South Africa; and

17.3.1.4 for tax purposes, be a resident in South Africa.

17.3.2 Respondents are to provide a copy of their shareholder's agreement. The ownership structure of the Respondent should reflect the minimum requirements highlighted in Schedule 15 of Volume 2 (BBBEE Obligations).

17.3.3 The Department intends selecting (subject to other criteria set out in this RFP) as Preferred Bidder, the Bidder which, in its proposal demonstrates the greatest willingness to accept a range of risks throughout the contract period, given that affordability, Value for Money and substantial risk transfer are essential components of the Project.

17.3.3.1 Respondents are expected to review the PPP Agreement and complete **Annexure 12** (Risk Matrix). Further Respondents are expected to set-out their commitment to the risk transfer obligations reflected in the PPP Agreement.

17.3.4 Finalising the PPP Agreement

17.3.4.1 Respondents may only make comments and mark-up the PPP Agreement on matters of commercial importance.

17.3.4.2 Mark-ups and Comments to the PPP Agreement should be marked-up and presented electronically in MS Word format, 2003 version or later, and submitted on an electronic disc or USB.

17.3.4.3 Respondents are to comment and mark-up the PPP Agreement in the following manner.

17.3.4.3.1 Documents must be marked up with tracked changes, documents that have not been marked-up with tracked changes will be not be considered.

17.3.4.3.2 Each mark-up is to be motivated by way of a consecutively numbered footnote to the change.

17.3.4.3.3 word processor changes should be in the following format:

- (a) deletion - strike through and tracked;
- (b) insertions - underlined, in bold and tracked;
- (c) comments/ reasons for changes - footnote, to be inserted immediately after the proposed change, and inserted as an "Insertion" (i.e. underlined, in bold and tracked);
- (d) Bidders are not allowed to renumber any provisions of the PPP Agreement.

17.3.4.4 Respondents that have not marked up the PPP Agreement are also required to return the PPP Agreement for record keeping purposes.

17.3.4.5 Respondents who have not submitted a marked PPP Agreement, will not be allowed to raise any comments or mark-ups to the PPP Agreement after the closing date.

17.3.4.6 Respondents are to complete the declaration attached as **Annexure 13** indicating whether they accept the PPP Agreement as is or if they accept it with marks-ups and comments.

17.3.5 Bidders are to attach their Legal Proposal as **Annexure 14**.

18 QUALIFICATION AND EVALUATION

18.1 Evaluation Structure

18.1.1 The Department has formed a series of bodies to undertake the evaluation process against the stated evaluation criteria. There will be a 3 (three) tier approach, being:

18.1.1.1 the Bid Evaluation Committee, comprised of officials from the Department and any other government official(s) or external expert(s), who may be appointed by the accounting officer in writing, to provide professional advice and input regarding the technical, financial and BBBEE aspects of the proposals, reporting to the Bid Adjudication Committee. The Bid Evaluation Committee, assisted by its sub-committees on technical, financial, and BBBEE aspects, shall evaluate the proposals received from the Respondents, considering the inputs, reports and advice, if any, from the Transaction Advisors of the Department.

18.1.1.2 National, Provincial Treasury and the Transaction Advisor will participate in the Bid Evaluation committee as observers and advisors of the evaluation of process (“the **Observers**”).

18.1.1.3 the Bid Adjudication Committee, comprised of the Department’s officials and any other government official or external specialists will consider the recommendations from the Bid Evaluation Committee and Observers on the Preferred Bidder and Reserve Bidder (if any). The Bid Adjudication Committee

will, on the basis of the recommendations received from the Bid Evaluation Committee, further recommend to the Project Steering Committee and Accounting Officer the outcome of the Bid Evaluation Committee' report.

18.1.1.4 The Project Steering Committee, chaired by the Accounting Officer shall, after taking into consideration inputs and conclusion(s) of the Bid Evaluation Committee, recommendation of the Bid Adjudication Committee and input professional advice, make a determination which Respondent, if any, is to be awarded Preferred Bidder status, and which Respondent, if any, is to be awarded Reserve Bidder status.

18.1.2 The Accounting Officer reserves the right to modify and amend the above procedures, subject to applicable law at its discretion in appropriate circumstances. Bidders will be notified of any material changes.

18.2 **Evaluation Approach**

18.2.1 The Department has adopted a 4 (four) stage approach in assessing, analysis and evaluating Proposals, being:

18.2.1.1 First stage: assessment of compliance of proposals with the Mandatory Response Requirements to determine a compliant bid. Respondents are to refer to Clause 16, failure to comply with the criteria in the above-mentioned clauses will lead to disqualification.

18.2.1.2 Second stage: analysis of proposal to determine a qualifying bid and report on compliance of proposals with the Essential Minimum Requirements, in terms of the:

18.2.1.2.1 technical proposal requirements;

18.2.1.2.2 financial proposal requirements; and

18.2.1.2.3 legal proposal requirements

for purposes of determining if a Respondent may advance to next stage.

18.2.1.3 Third stage: evaluating of proposals on technical, financial, and local economic development and in line with the functionality criteria; and

18.2.1.4 Fourth stage: determination and announcing of Preferred Bidder and Reserve Bidder, if any.

18.2.2 The Department shall at its own absolute discretion disqualify any Respondent for failure to comply with the requirements referred to in Clause 17 of this document.

18.2.3 Failure of a Respondent to respond adequately to any of the headings or aspects of evaluation criteria in respect of price and BBBEE, shall have an adverse impact on the evaluation of its proposal and shall entitle the Department, in its sole discretion, to allocate no or less points to the Respondent's Proposal.

18.3 First stage: Compliance with Mandatory Response Requirements

The Department will assess proposals received to determine if the proposal is a compliant bid. For a bid to be a compliant bid, it should be in compliance with the Mandatory Response Requirements in Clause 16.

18.4 Second stage: Qualification Criteria

18.4.1 The Department shall thereafter conduct analysis of proposals to determine compliance with the technical proposal requirements, financial proposal requirements, technical proposal requirements and local economic development proposal requirements.

18.4.2 The purpose of application of qualification criteria is to determine the functionality of each proposal by assessing the quality and the robustness of thereof.

18.4.3 The PFMA requires other criteria to be taken into consideration to determine the best Value for Money which is defined in the Treasury Regulations to include cost, risk transfer, quantity, quality, and general benefit to the Department. The best Value for Money considerations, in terms of the PFMA regulations, will be covered as part of the functionality in terms of the PPPFA.

18.5 Third stage: Evaluation Criteria and Weighting

18.5.1 All qualifying proposals received from Respondents will be scored based on a scale of 0 to 100 with thresholds of comparative merit defined as set out in the table below.

- 18.5.2 Over and above the scoring below, a weighting factor will be applied in respect of comparative critique of one aspect over another.
- 18.5.3 One or more Respondents must meet the Mandatory Requirements.
- 18.5.4 As indicated above, bids will be evaluated as total solutions to the output specifications and commercial requirements, the latter generally deemed tick box items.
- 18.5.5 Independently of proposals from the prospective Private Party, the Department will internally generate, or have independently generated, an independent Value for Money assessment of the Project from a real property investment point of view as a bench marking exercise.
- 18.5.6 The weighting model for scoring and comparative evaluation of Respondent proposals will be as follows:

18.5.6.1 **Technical functionality score**

Criteria	Total
Technical Proposal	50
Financial Proposal	30
Legal Proposal	20
Total	100

18.5.6.2 Below is a detailed breakdown of the scoring criteria for each individual proposal:

Functionality Evaluation Category	Sub-Criteria	Score	Max subtotal	Max total
Technical Proposal				
Respondents experience in property development of a similar size or nature over the past 10 years Respondents are to submit completion certificates evidencing the stated relevant experience.	Respondent has participated in developments of a similar size or nature totaling over R400 million or more over the past 10 years.	5	5 Points	50 Points
	Respondent has participated in developments of a similar size or nature totaling less than R400 million but more than R200 million over the past 10 years.	3		
	Respondent has participated in developments of a similar size or nature totaling less R200 million over the past 10 years.	1		
An approach and methodology statement for the development management of the Project	Approach and methodology statement demonstrating approach during the pre-construction, construction, and post-construction phases. The approach substantially reflects the requirements of the PPP Agreement.	5	5 Points	
	Approach and methodology statement demonstrating approach during the pre-construction, construction, and post-construction phases. The approach partially reflects on the requirements of the PPP Agreement.	3		
	Approach and methodology statement demonstrating approach during the pre-construction, construction, and post-construction phases. The approach does not reflect on the requirements of the PPP Agreement.	1		
	No approach and methodology statement.	0		
A detailed construction programme	A construction programme with realistic time frames, key tasks, clear critical path, sub tasks, Distribution of resources, and cost projections with project duration of 36 months or less	5	5 Points	
	A construction programme with realistic time frames, key tasks, clear critical path, sub tasks, and distribution of resources, with project duration of 36 months or less, but does not contain cost projections.	4		
	Construction programme with a realistic time frames, key tasks, clear critical path, sub task with project duration of 36 months or less, but does not contain cost projections, distribution of resources.	3		
	Construction programme with a realistic time frames, 2 key tasks and clear critical path, with project duration 36 months or less, but does not contain cost projections sub tasks, and the distribution of resources.	2		
	Construction Programme with realistic time frames, 1 key tasks, with project duration of 36 months or less, but does not contain, cost projections, sub tasks, critical path, and distribution of resources.	1		

	No construction Programme	0		
Relevant experience in general building construction works Respondents are to provide completion certificates and reference letters evidencing the stated relevant experience.	Individual project/s in equal or in excess of R200 million.	5	5 Points	
	Individual project/s less than R200 million but more than a R150 million.	3		
	Individual project/s of R130 million.	1		
Experience of key personnel in relation to the construction phase of the project Respondents are to Attach CV's with contactable references, certified copies of qualifications and certified professional registration (PR). Key personnel refers to the following: 1 Professionally Registered Construction Manager - Certified Registration with the South African Council for the Project and Construction Management Profession (SACPCMP) 1 Professionally Registered Quantity Surveyor - Certified Registration with the South African Council for the Quantity Surveying Profession (SACQSP) 1 Professional Health and Safety Officer/Health and Safety Manager/Health and Safety agent registered with South African Council for the Project and Construction Management Profession (SACPCMP)	Professional Construction Manager (5 Points) 9 years or more experience - 5 points 7-8 years' experience - 4 points 5-6 years' experience - 3 points 3-4 years' experience - 2 points 1-2 years' experience - 1 point Less than 1-year experience - 0 points Professional Quantity Surveyor (5 points) 9 years or more experience - 5 points 7-8 years' experience - 4 points 5-6 years' experience - 3 points 3-4 years' experience - 2 points 1-2 years' experience - 1 point Less than 1-year experience - 0 points Professional Health & Safety Officer/Health & Safety Manager/ Health and Safety agent (5 points) 9 years or more experience - 5 points 7-8 years' experience - 4 points 5-6 years' experience - 3 points 3-4 years' experience - 2 points 1-2 years' experience - 1 point Less than 1-year experience - 0 points		15 Points	
Relevant experience in the facilities or property management of developments of a similar size or nature	3 or more reference letters.	5	5 Points	
	2 reference letters.	3		

Respondents are to submit reference letters	1 reference letters.	1		
Approach and methodology statement for the facilities management of the project	Approach and methodology statement substantially demonstrates the ability to execute the scope detailed in Part F of Volume 3 (Output Specifications).	5	5 Points	
	Approach and methodology statement partially demonstrates the ability to execute the scope detailed in Part F of Volume 3 (Output Specifications).	3		
	Approach and methodology statement does not demonstrate the ability to execute the scope detailed in Part F of Volume 3 (Output Specifications).	1		
	No approach and methodology statement.	0		
Experience of the key personnel in relation to the operations management Respondents are to attach CV's with contactable references, and certified copies of qualifications. Key personnel refers to the following: 1 Facilities Manager	Facilities Manager (2.5 Points) 5-6 years' experience - 2.5 points 3-4 years' experience - 2 points 1-2 years' experience- 1 point Less than 1-year experience - 0 points		2.5 Points	
Operations entity is affiliated with the South African Facilities Management Association (SAFMA) Respondents are to attach certified proof of registration.	Proof of registration provided – 2.5 points No proof of registration – 0 points		2.5 Points	
Financial Proposal				
Proof of Debt Funding	Term sheet from a registered financial institution, still subject to final credit approval.	15	15 Points	
	Expression of interest letter from a registered financial institution.	10		
Proof of Equity Funding	Letter from a financial institution or auditors or lawyers confirming that funds are freely available be invested into the project.	15		30 Points

	Letter from a financial institution or a reputable investor confirming that equity funding will be provided upon award.	10	15 Points	
Legal Proposal				
Proposed allocation of risks between the Department and Respondent Does the Respondent commit to the required risk allocation for the project?	The Respondent substantially commits to the risk allocation for the project, with comments.	20	20 Points	20 Points
	The Respondent partially commits to the risk allocation for the project, with comments.	10		
	The Respondent does not sufficiently commit to the risk allocation for the project, with comments.	5		
	Total Functionality Points			100
	Minimum Threshold Points			70

18.5.6.3 Respondents must score a minimum score of 70 points from the above functionality requirements in order to advance to the next evaluation criteria, Price and BBEE.

18.6 Price and BBBEE

18.6.1 For the second evaluation criteria Respondents will be evaluated using the 90/10 preference point system in terms of the PPPFA.

Criteria	Weighting
Price	90
BBBEE	10
Total	100

18.6.2 The following formula will be used to calculate the points for price in respect of the bid, as the Rand value of the Project is above R50 000 000:

$$P_s = 90 \left[1 - \frac{P_t - P_{\min}}{P_{\min}} \right]$$

18.6.3 Where

P_s = Points scored for price of tender

P_t = Rand value of tender

P_{\min} = Rand value of lowest acceptable tender

18.6.4 Only the bid with the highest number of points scored may be selected.

18.6.5 The following formula will be used to calculate the points for BBBEE in respect of the bid, based on a consolidated BBBEE score card for the Respondent:

BBBEE status level of contributor	Number of points (90/10 system)
1	10
2	9
3	6
4	5
5	4
6	3
7	2
8	1
Non-compliant contributor	0

18.7 Fourth stage: Determination and announcing of Preferred Bidder and Reserve Bidder

The Department shall determine and select a Preferred Bidder, after having considered the recommendations prepared by the Bid Evaluation Committee and the report(s) of the Bid Adjudication Committee based on the Bid Evaluation Committee's recommendations.

19 CONFIDENTIAL INFORMATION

- 19.1 Respondents agree to keep information provided pursuant to this RFP confidential ("**Confidential Information**").
- 19.2 All Confidential Information provided (including all copies thereof) remains the property of the Department and must be delivered to the Department on demand.
- 19.3 By receiving this RFP each Respondent and each of its Members agree to maintain its submission in response to this RFP confidential from third parties other than the Department and its officials, officers and advisors who are required to review the same for the purpose of procurement of the Project.
- 19.4 The Confidential Information provided by the Department may be made available to a Respondent's Relevant Entity, members, employees and professional advisors who are directly involved in the appraisal of such information (who must be made aware of the obligation of confidentiality);
- 19.5 Respondent's Relevant Entity, members, employees and professional advisors shall not be entitled to, either in whole or in part; copy, reproduce, distribute or otherwise make available to any other party the Confidential Information without the prior written consent of the Department;

- 19.6 The Confidential Information may not be used for any other purpose than that for which it is intended.
- 19.7 The requirements in this Clause 19 do not apply to any information, which is or becomes publicly available or is shown to have been made so available (otherwise than through a breach of a confidentiality obligation).
- 19.8 All Confidential Information provided (including all copies thereof) remains the property of the Department and must be delivered to the Department on demand.
- 19.9 Respondents, Relevant Entities, members, employees and professional advisors may be required to sign confidentiality agreements.

20 INTELLECTUAL PROPERTY

All materials and data which are submitted by Respondents shall become the sole property of the Department, with the exception of copyrighted material, trade secrets or other proprietary information clearly identified as such by Respondents.

21 INDEMNITY

Respondents shall be deemed by their submission of a proposal to agree to indemnify the Department and hold it harmless from any claim or liability and defend any action brought or legal step against the Department for its refusal to disclose materials marked confidential, trade secret or other proprietary information to any person seeking access thereto.

22 GOVERNING LAWS AND RULES

22.1 The primary enabling legislation for the Project is the PFMA together with the Treasury Regulations, which regulate and create the competency of the Department to procure and implement the Project.

22.2 This RFP is issued by the Department in terms of the Treasury Regulations read with the PFMA, as the formal step of the procurement process to procure a Private Party.

22.3 Procurement of the Project will be carried out following prescribed legislation, which includes the Constitution, the Preferential Procurement Policy Framework Act, Number 5 of 2000 and the PFMA.

22.4 Respondent's Responsibilities

22.4.1 If a Respondent identifies any ambiguities, errors or inconsistency between the various documents that form part of this RFP, the Respondents should notify the Department and the Department will provide clarification as to the intended position.

22.4.2 To the extent that any inconsistency exists between the terms of the PPP Agreement and any other provision in the RFP, but such inconsistency is not identified by any Respondent and/or clarified by the Department prior to submission of the Respondent's Proposal, the terms of the PPP Agreement shall prevail.

22.5 Contact Policy

22.5.1 Respondents and their constituent Members, as well as their agents and advisors and related parties may not contact the employees, advisors of the Department or any other Department's official(s) who may be associated with this solicitation (other than the Project Officer), without the prior written approval of the Project Officer save in the case of pre-existing commercial relationships, in which case contact may be maintained only with respect thereto and, in making such permitted contact, no party may make reference to this solicitation or procurement.

22.5.2 This no-contact policy does not apply to any information deemed to be in the public domain, or which is readily available from public bodies within the Republic of South Africa where such information is not Project specific and is not under the control of the Department.

22.5.3 Respondents, Members, their agents, advisors and related parties may not contact the employees, advisors of the Department or any of the

Department official(s) engaged in the Project, with a view to offering, whether directly or indirectly, any one or more of them an employment opportunity with the Respondent or any Member thereof.

22.6 **Corruption**

22.6.1 The Department is committed to ethical and clean business practice and will not tolerate any impropriety in any respect and in particular with regard to the Project.

22.6.2 If any Respondent, Member or their employees, shareholders, representatives, advisors or agents make or offers to make any gift or other gratuity to any public official or employee of the Department, relevant authority, or consultant to the Department on the Project either directly or through an intermediary, the Department reserves the right to terminate its relationship, without prejudice to any of Government's rights, with that Respondent or responsible party or entity.

22.6.3 The Department and each Respondent must give an undertaking that everything possible would be done to avoid irregularities, bribery and corruption. The Department reserves the right to appoint an independent probity auditor to monitor in this regard the procurement process and the activities during the contract period.

22.6.4 The Department reserves the right to request Respondents to conclude an anti-bribery pact agreement with the Department, at any time during the Project procurement process, to contractually bind all participants to the undertakings referred to in this Clause 22.6.

22.7 No partnership, No offer

22.7.1 This RFP is not an offer to enter into contractual relations but merely a solicitation of proposals to select a Preferred Bidder (with or without a Reserve Bidder) and to conclude negotiations with such Preferred Bidder. Proposals shall constitute an offer to enter into a contractual relationship with the Department on the basis of the PPP Agreement. The Department shall not entertain any proposal which constitutes an offer to enter into a partnership or other contractual relationship with the Department which is not on the basis of the PPP Agreement.

22.8 Independent Submission

22.8.1 By responding to this RFP each Respondent and its constituent Members certifies that:

22.8.1.1 its proposal has been submitted independently, without consultation, communication, or agreement for restricting competition, with any other Respondent or to any other competitor or potential competitor;

22.8.1.2 unless otherwise required by law, the relevant proposal has not been knowingly disclosed by it and will not knowingly be disclosed by it prior to opening, directly or indirectly to any other Respondent, member of another Respondent or to any competitor or potential competitor; and

22.8.1.3 no attempt has been made or will be made by it to induce any other person or firm to submit a proposal for the purpose of restricting competition.

22.8.2 The attention of each Respondent and their constituent Members is also drawn to Section 4(1) (b) (iii) of the Competition Act Number 89 of 1998, which prohibits 'collusive tendering'.

22.8.3 Any material failure on the part of a Bidder to comply with the Mandatory Response Requirements and Essential Minimum Requirements in this RFP, to the extent that same are not waived by the Department, may result in a proposal being treated as non-compliant. Non-compliant responses may be rejected without being further evaluated.

22.9 **Grounds for Disqualification**

22.9.1 The following events, in addition to any other events contained in this RFP, constitute (without being exhaustive) grounds upon which a Respondent (or if appropriate in the Department's determination, any Member thereof) may be disqualified at any stage of the Project procurement process:

22.9.1.1 an infringement of the confidentiality undertaking by any Respondent, Member or any director, officer, agent, trustee or advisor of the Respondent and/or Member;

22.9.1.2 past, present, or future participation by any Respondent, Member or any director, officer, agent, trustee or advisor of the Respondent and/or Member in any activity which may constitute corruption, bribery or impropriety, during the Project procurement process, or any other government procurement process;

22.9.1.3 an infringement by any Respondent, Member or any director, officer, agent, trustee or advisor of the Respondent and/or

Member of any one or more of the provisions of Clause 22.5 (Contact Policy), Clause 22.8 (Independent Submission), or Clause 22.6 (Corruption) or any portion of such section(s).

22.9.1.4 Any Respondent and/or their constituent Member(s) that engages or communicates with any of the officials, agents or advisors to the Project on any matter concerning the Project at any time during the Project procurement process, without due authority of the Project Officer, shall be disqualified from further participation in the procurement process.

22.9.1.5 Respondents are required to submit correct and true information. Failure to provide correct and true information constitutes a ground for disqualification.

22.9.1.6 Any change in composition, control or structure of a Respondent or any one or more of its Members from that set out in their response to the RFP, without the prior written consent for the Department constitutes a ground for disqualification.

22.10 Undertaking by Respondents

22.10.1 By signing a submission in response to this RFP, each Respondent signatory warrants that save as disclosed in writing to the Department, the response to the RFP and the information supplied by it (and its constituent members) remains true and warrants further that, save for any disclosures in writing to the Department, each Member of the Respondent has:

22.10.1.1 not passed a resolution nor is the subject of an order by the court for the company's winding-up;

22.10.1.2 not been convicted of a criminal offence relating to the conduct of its business or profession;

22.10.1.3 not committed an act of grave misconduct in the course of its business or profession;

22.10.1.4 fulfilled obligations relating to the payment of taxes under the laws of the Republic of South Africa;

22.10.1.5 not made any misrepresentation in providing any of the information required in relation to the above; and

22.10.1.6 not had any of their directors and/or shareholders listed on the Register of Tender Defaulters in terms of the Prevention and Combating of Corrupt Activities Act Number 12 of 2014, as a person prohibited from doing business with the public sector.

23 VARIANT PROPOSALS

23.1.1 Bidders are encouraged to submit variant proposals, to the extent that they, are affordable and demonstrate improved Value for Money for the Department, whilst still ensuring sufficient and appropriate risk transfer. All variant proposals are to be accompanied by a summary stating the principal deviations from the proposal requirements and from the standard proposal and how those deviations lead to improved Value for Money for the Department. Bidders should note that they are not required to submit variant proposals.

23.1.2 No variant proposals will be considered unless a standard proposal is also submitted. All Variant Proposals shall conform to the essential minimum requirements as described in Clause 17. The benefits of the deviation

from requirements of the technical specifications shall be motivated, particularly against the standard proposal and the project objectives and demonstrating better Value for Money for the Department.

23.1.3 All Variant proposals will be evaluated in a similar manner and standard proposals.

23.1.4 Variant proposals may cover changes to the standard proposal requirements and/or an alternative mark-up of the PPP Agreement. This alternative mark-up will (in addition to the amendments proposed as part of the standard proposal mark up, contain such amendments to the PPP Agreement as the Respondent considers will, if accepted by the Department, provide the Department with Value for Money.)

23.1.5 Respondents should note that any change to the standard proposal requirements and any amendment to the PPP Agreement contained in the alternative marked up PPP Agreement (other than those also contained in the standard proposal mark-up) that is not fully motivated and which does not result in a quantified saving for the Department will be disregarded by the Department and will adversely affect the assessment by the Department of the Respondent's Proposal.

----- END-----



Province of the
EASTERN CAPE
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Province of the
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ANNEXURE 1 - DECLARATION THAT ALL DOCUMENTS SIGNED BY THE RESPONDENT ARE FACTUALLY CORRECT AND TRUE

I, the undersigned
(name).....

Hereby declare that all the documents signed by me are factually correct and true as per Clause 7.3.1.1.2 or Clause 7.3.1.2.5 of Volume 1 of the RFP.

I accept that the Department may disqualify this bid for any incorrect and misleading information in terms of Clause 7.6 of Volume 1 of the RFP.

Signed at _____ on _____ 2019

On behalf of

Signature:

.....

Position on Respondent

.....



Annexure 2 – Consortium or Joint Venture Agreement

Respondents are to provide a copy of their consortium or joint venture agreement

R 3 545 400-00

fr

Fee Endorsement		Amount	Office Fee
Purchase Price/Value	BAX KAPLAN RUSSELL INCORPORATED		R. 1577.00
Capital Gain	CLEVEDON HOUSE		
Stamp Duty	CLEVEDON ROAD		
Reason For Exemption	SILBORNE		
	EAST LONDON		
Category Exemption			

BAX KAPLAN RUSSELL INC
 137
 043 050 5420

Prepared by me

CONVEYANCER
JONATHAN EDWARD BAX

DEED OF TRANSFER

T 3219 / 2019

BE IT HEREBY MADE KNOWN THAT

MARGARET ELEANOR BROOKS

appeared before me, REGISTRAR OF DEEDS at King William's Town, the said
appearer being duly authorised thereto by a Power of Attorney granted to him by

BUFFALO CITY METROPOLITAN MUNICIPALITY

which said Power of Attorney was signed at EAST LONDON on 16 NOVEMBER
2018

And the said appearer declared that his principal had, on 10 SEPTEMBER 2018 truly and legally sold by it, and that he, the said Appearer, in his capacity aforesaid, did, by these presents, cede and transfer to and on behalf of:

THE PROVINCIAL GOVERNMENT OF THE EASTERN CAPE

its Successors in Title or Assigns, in full and free property

REMAINING EXTENT OF ERF 4785 BISHO
BUFFALO CITY METROPOLITAN MUNICIPALITY
DIVISION OF KING WILLIAM'S TOWN
PROVINCE OF THE EASTERN CAPE

IN EXTENT 11,3233 (ELEVEN COMMA THREE TWO THREE THREE)
HECTARES

FIRST REGISTERED and still held by Certificate of Consolidated Title
Number T402/1995 with Diagram SG Number 94/1994 relating thereto

**AS TO THE PORTIONS LETTERED t.u.z.v.w AND w.x.C.D.E.F.y AND G.r.s.y on
Diagram SG No. 94/1994**

1. **SUBJECT** to the conditions referred to in Deed of Transfer No. 414/1956(KWT) save in so far as these may have since lapsed or been cancelled.

**AS TO THE PORTIONS LETTERED u.B.x.v.z AND w.x.C.D.E.F.y on Diagram SG
No. 94/1994**

2. **FURTHER SUBJECT** to a Servitude to convey electricity by means of one transmission line/s in favour of Escom together with ancillary rights as will more fully appear from Deed of Servitude K4/1985s.

AS TO THE WHOLE PROPERTY

SUBJECT to the following conditions imposed in terms of the provisions of the Land Use Regulation Act No. 15 of 1987 (Ciskei), imposed and created by endorsement on Certificate of Consolidated Title No. T402/1995, reading :-

The person who, at the time, is the owner of each land unit directly involved in the subdivision shall be required, without compensation :

- (a) To allow gas mains, electricity, telephone and telephone and television cables and, or wire, main and/or other water pipes and foul sewers and stormwater pipes, ditches and channels of any other land unit or units to be conveyed across the land unit concerned and surface installations such as mini-substations, meter kiosks and services pillars to be installed thereon if considered necessary by the Council in such manner and position as may from time to time be reasonably required. This shall include the right of access to the land unit at any reasonable time for the purpose of construction, altering, removing or inspecting any works connected with the above and;
- (b) To receive such material or permit such excavation on the land unit as may be required to allow use of the full width of an abutting street and provide a safe and proper slope to its bank necessitated by differences between the level of the street as finally constructed and the level of the land unit, unless he elects to build retaining walls to the satisfaction of and within a period to be determined by the Council.
- (c) This erf shall be used only for such purposes as are permitted by the Zoning Scheme of the local authority and subject to the conditions and restrictions stipulated by the scheme.

fr

WHEREFORE the said Appearer, renouncing all right and title which the said

BUFFALO CITY METROPOLITAN MUNICIPALITY

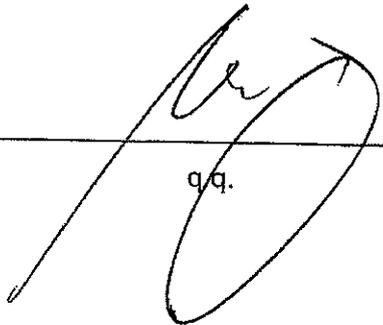
heretofore had to the premises, did in consequence also acknowledge it to be entirely dispossessed of, and disentitled to the same, and that by these presents, the said

THE PROVINCIAL GOVERNMENT OF THE EASTERN CAPE

its Successors in Title or Assigns, now are and henceforth shall be entitled thereto, conformably to local custom, the State, however reserving its rights, and finally acknowledging the purchase price to be the sum of R3 545 400.00 (THREE MILLION FIVE HUNDRED AND FORTY FIVE THOUSAND FOUR HUNDRED RAND).

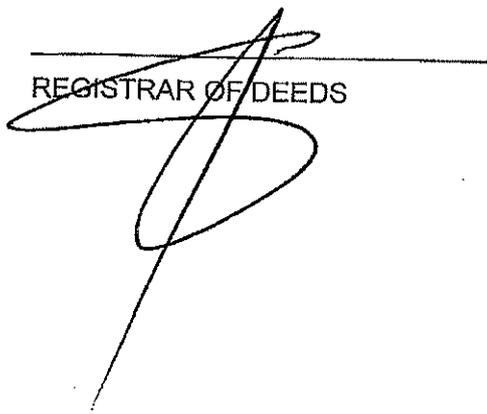
IN WITNESS WHEREOF, I the said Registrar, together with the Appearer, have subscribed to these presents and have caused the Seal of Office to be affixed thereto.

THUS DONE AND EXECUTED at the Office of the REGISTRAR OF DEEDS at King William's Town on 28 FEB 2019



q.q.

In my presence



REGISTRAR OF DEEDS





Province of the
EASTERN CAPE
PUBLIC WORKS

ANNEXURE 4 – ACCEPTANCE OF THE RESULTS OF THE DEPARTMENT’S SPECIALIST STUDIES

1. I,(name and surname) in my capacity as director of(registered name of Bidder) with registration number :

1.1. hereby confirm that the Bidder accpets or rejects the results of the specialist studies conducted by the Department.

Signed at on 2019

Signature:

.....

Duly Authorised

Buffalo City Metropolitan Municipality
East London | Bhisho | King William's Town
Province of the Eastern Cape
South Africa

Website: www.buffalocity.gov.za



Directorate of Infrastructure Services
PO Box 81, East London, 5200
26 Oxford Street, East London, 5201

Tel: 043 705 2408 | Fax: 043 743 5266
Email: NtombiyethuM@buffalocity.gov.za

MEMORANDUM

Date 2018 -08- 0 2

From HOD: INFRASTRUCTURE SERVICES
GENERAL MANAGER: WATER, WASTEWATER & SCIENTIFIC SERVICES

To HOD: SPATIAL PLANNING & DEVELOPMENT
CITY PLANNING DIVISION
ATTENTION: T. LANGE

Our Ref. 37 / SEW
Ons Verw.
FILE NO:

Please Ask For / Vra Asseblief Om
MR M. WESTERBERG (Ext 2084)

Your Ref.
U Verw.

PRIVATE PROPOSAL: PROPOSED REZONING OF ERF 4785 FOR DEVELOPMENT OF PROPOSED GOVERNMENT OFFICE PRECINCT, INDEPENDENCE AVENUE, BHISHO, APPLICANT: SETPLAN ON BEHALF OF THE EASTERN CAPE DEPARTMENT OF PUBLIC WORKS

Existing municipal sewers are indicated by red solid lines on the plan returned herewith.

The Sanitation Division has reviewed the proposal submitted, proposing an alternative on site package plant as a form of sanitation system to be used for serving the development. This is due to the bulk sewer constraints currently experienced by the catchment which this development fall under.

The following conditions are to be fulfilled before development takes place.

1. An on-site Package Plant as specified in the proposal will need to be constructed for the office complex.
2. The effluent from the Package Plant needs to meet the national Special Permit Standards as specified by the Department of Water Affairs(DWAF).
3. The effluent from the Package Plant is to be re-used for flushing of all office complex toilets only, this means that a dual system is to be used.
4. The effluent re-used for flushing of toilets is required to undergo tertiary treatment through sand filtration or similar approved system prior to on-site storage.
5. The excess treated effluent from the office development is to be pumped or gravitated to the Bhisho Ponds final discharge point through a separate sewer, from where it will be directed to the Bhisho Ponds Irrigation Area.



BUFFALOCITYMETROPOLITANMUNICIPALITY

A city growing with you!

2/...



6. Inlet works screenings at the package plant and waste sludge is to be disposed to an approved municipal landfill site.
7. A Service Level Agreement between the municipality, The Department of Public Works, and the Package Plant Operator is required to be entered into and signed by all three stakeholders prior to commissioning.
8. The sewer designs for the pipeline or rising main with pump station mentioned in 5 above are to be submitted by the appointed Civil Engineering Consultant to the Sanitation division for comment and approval before construction takes place.
9. The Package plant is to be designed and constructed in such a way that once the moratorium is lifted, it can easily connect into the municipal sewer line.

All the costs to fulfil the above conditions are to be borne by the applicant.

N. NCUNYANA
HOD: INFRASTRUCTURE SERVICES
N. MDIYA (1090)/wk

DATE: _____

CC: SENIOR TECHNICIAN



Province of the
EASTERN CAPE

ECONOMIC DEVELOPMENT,
ENVIRONMENTAL AFFAIRS & TOURISM



Contact Person: Kwandiwe Mayekiso

Tel: 043 605 7318 | Fax: 043 605 7300 || Email: Kwandiwe.Mayekiso@dedea.gov.za

Web: www.dedea.gov.za

Department of Public Work, Property House
Phalo Avenue
Bhisho
5605
Private Bag X0022
South Africa

Tell : (+27) 71 519 8510

Fax : (+27) 86 774 0948

Email : george.mcdonald@ecdpw.gov.za

Attention: MR H.B SIMON

RE: APPLICATION FOR ENVIRONMENTAL IMPACT ASSESSMENT APPROVAL FOR THE PROPOSED GOVERNMENT OFFICE PRECINCT DEVELOPMENT ON REM ERF 4785, BHISHO

Your letter, dated 19 September 2018, regarding the above matter bears reference.

Please advised that the proposed development on erf 4785 Bhisho in so far as it relates to the Government Office Precinct and the Sewerage Package Plant with estimated flow of 167 kilolitres per day do not trigger any listed activities in terms of the National Environmental Management Act, its associated Environmental Impact Assessment Regulations and Listing Notices of 2014 as amended.

Any deviation from the activities that are detailed in the said letter (attached hereto) have to be brought to the attention of the Department for further advice.

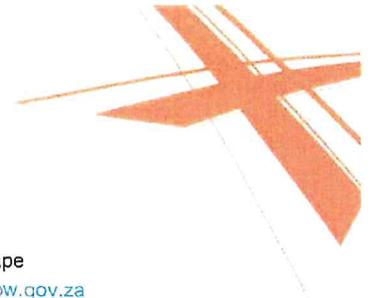
Hope you find the above in order.

Regards,

**S GQALANGILE
MANAGER: ENVIRONMENTAL IMPACT MANAGEMENT
HEAD OFFICE**

DATE: 25/09/2018

"Innovation for Sustainable Development"



PROPERTY MANAGEMENT

Department of Public Works • Property House • Phalo Avenue • Bhisho • Eastern Cape
Private Bag X0022 • Bhisho • 5605 • REPUBLIC OF SOUTH AFRICA • website: www.ecdpw.gov.za
Tel: +27 71 519 8510 • Fax: 086 774 0948 • Email: george.mcdonald@ecdpw.gov.za

**TO : MANAGER: ENVIRONMENTAL IMPACT MANAGEMENT
MR S. GQALANGILE**
**FROM : DIRECTOR: FACILITIES MANAGEMENT
MR H.B. SIMON**
DATE : 19 SEPTEMBER 2018

RE: APPLICATION FOR ENVIRONMENTAL IMPACT ASSESSMENT APPROVAL FOR THE PROPOSED GOVERNMENT OFFICE PRECINCT DEVELOPMENT ON REM OF ERF 4785, BHISHO

1. PURPOSE

To obtain approval from the Department of Economic Development, Environmental Affairs and Tourism (DEDEAT) with regards to an Environmental Impact Assessment in respect of the Proposed Government Office Precinct Development off Independence Avenue in Bhisho on Remainder of ERF 4785.

2. BACKGROUND

In 2010, The Eastern Cape Provincial Department of Public Works commissioned a Strategic Implementation Plan for a project to be called the Master Plan for Bhisho Revitalization. The Master Plan proposes the revitalization of Bhisho through a number of strategic projects that can be implemented by public and private sector agents. The revitalization of Bhisho is to be implemented through medium to long term projects which is to include transportation, offices and residential developments.

In February 2013, the Department of Public Works announced plans for a Government Office Precinct Project known as the Bhisho Precinct. The shortage of appropriate office accommodation for Provincial Government Departments in Bhisho had reached crisis proportions, impacting negatively on the performance of employees and thus the Province's ability to achieve its service delivery objectives. In response to this crisis situation, the Department allowed a number of Provincial Departments to relocate to East London and King Williams Town.

This was based on the understanding that once their office accommodation needs have been addressed in Bhisho, they would return.

Remainder of ERF 4785 was identified as the ideal location for the proposed development. As the proposal for the Government Office Precinct would require building substantially higher than 2 (two) storeys as permitted in terms of the Existing Zoning, Business 4. It was necessary to apply to rezone to Business Zone 1.



RE: APPLICATION FOR ENVIRONMENTAL IMPACT ASSESSMENT APPROVAL FOR THE PROPOSED GOVERNMENT OFFICE PRECINCT DEVELOPMENT ON REM OF ERF 4785, BHISHO

3. EXPOSITION OF FACTS

As per our discussion on Tuesday, 18th September 2018 at your offices in King Williams, it was recommended that we at Department of Public Works – Facilities Management formally submit an application to the DEDEAT for their comment, approval or authorization for the proposed development in respect of the Environmental Impact Assessment for the affected ERF. Based on the information supplied in the meeting it was determined that the development may not require an Environmental Impact Assessment. However, that a formal letter providing these specifications be drafted and submitted to DEDEAT in order for them to respond officially. Those details and Specifications are supplied below:

- ERF : REM of ERF 4785
- ERF EXTENT : 118728.78m²
- DEVELOPMENT EXTENT : 56 433m²
- CURRENT ZONING : BUSINESS ZONE 4 (rezoning in process for business zone 1)
- SERVICES ON SITE : Sewerage Treatment Package Plant

- Package Plant Information and Details:

The Package Plant will be built as a temporary solution until such time that the BCMM sewerage infrastructure upgrade has been completed. Once completed the sewerage system will then be connected to the Municipal System. The Package Plant will consist of the following:

- a) Pump house, pumps, sand filters and odour control mechanisms
- b) The estimate sewerage flow is 167 kiloliters per day as designed and calculated by the appointed civil engineers.
- c) Kindly find attached for your reference:
 - a. Site Development Plan
 - b. Sewerage Treatment Package Plant
 - c. BCMM Sanitation Department requirements

We trust that the information supplied above meets with your approval. We look forward to your positive response in this regard.

Yours sincerely,



**DIRECTOR: FACILITIES MANAGEMENT
MR H.B. SIMON**

DATE: 19/9/18

Buffalo City Metropolitan Municipality
East London | Bhisho | King William's Town
Province of the Eastern Cape
South Africa

Website: www.buffalocity.gov.za



Directorate of Infrastructure Services
PO Box 81, East London, 5200
26 Oxford Street, East London, 5201

Tel: 043 705 2408 | Fax: 043 743 5266
Email: NtombiyethuM@buffalocity.gov.za

MEMORANDUM

Date 2018 -08- 0 2

From HOD: INFRASTRUCTURE SERVICES
GENERAL MANAGER: WATER, WASTEWATER & SCIENTIFIC SERVICES

To HOD: SPATIAL PLANNING & DEVELOPMENT
CITY PLANNING DIVISION
ATTENTION: T. LANGE

Our Ref. 37 / SEW

Ons Verw.

FILE NO:

Please Ask For / Vra Asseblief Om
MR M. WESTERBERG (Ext 2084)

Your Ref.
U Verw.

PRIVATE PROPOSAL: PROPOSED REZONING OF ERF 4785 FOR DEVELOPMENT OF PROPOSED GOVERNMENT OFFICE PRECINCT, INDEPENDENCE AVENUE, BHISHO, APPLICANT: SETPLAN ON BEHALF OF THE EASTERN CAPE DEPARTMENT OF PUBLIC WORKS

Existing municipal sewers are indicated by red solid lines on the plan returned herewith.

The Sanitation Division has reviewed the proposal submitted, proposing an alternative on site package plant as a form of sanitation system to be used for serving the development. This is due to the bulk sewer constraints currently experienced by the catchment which this development fall under.

The following conditions are to be fulfilled before development takes place.

1. An on-site Package Plant as specified in the proposal will need to be constructed for the office complex.
2. The effluent from the Package Plant needs to meet the national Special Permit Standards as specified by the Department of Water Affairs(DWAF).
3. The effluent from the Package Plant is to be re-used for flushing of all office complex toilets only, this means that a dual system is to be used.
4. The effluent re-used for flushing of toilets is required to undergo tertiary treatment through sand filtration or similar approved system prior to on-site storage.
5. The excess treated effluent from the office development is to be pumped or gravitated to the Bhisho Ponds final discharge point through a separate sewer, from where it will be directed to the Bhisho Ponds Irrigation Area.



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A city growing with you!

2/...



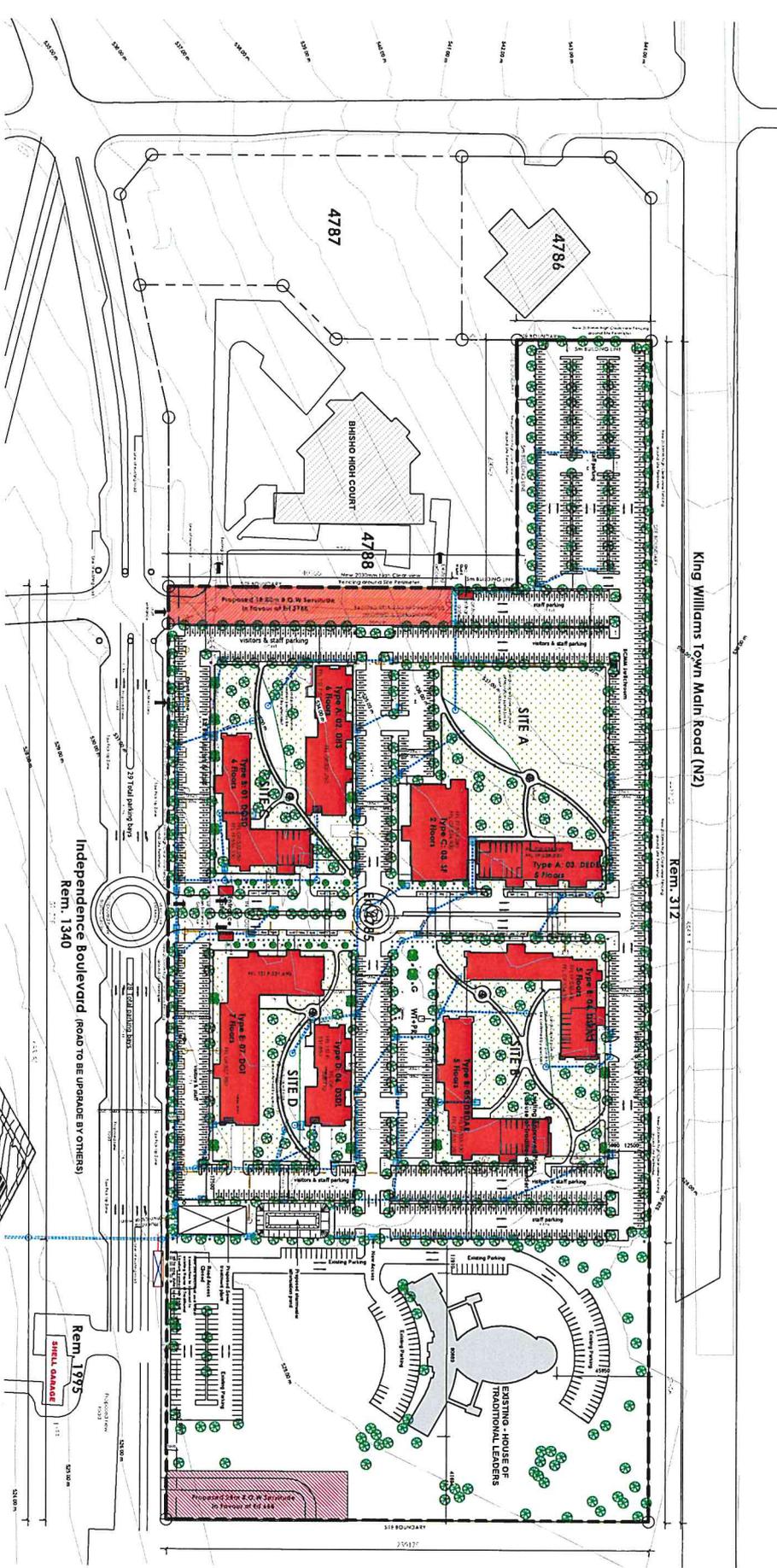
6. Inlet works screenings at the package plant and waste sludge is to be disposed to an approved municipal landfill site.
7. A Service Level Agreement between the municipality, The Department of Public Works, and the Package Plant Operator is required to be entered into and signed by all three stakeholders prior to commissioning.
8. The sewer designs for the pipeline or rising main with pump station mentioned in 5 above are to be submitted by the appointed Civil Engineering Consultant to the Sanitation division for comment and approval before construction takes place.
9. The Package plant is to be designed and constructed in such a way that once the moratorium is lifted, it can easily connect into the municipal sewer line.

All the costs to fulfil the above conditions are to be borne by the applicant.

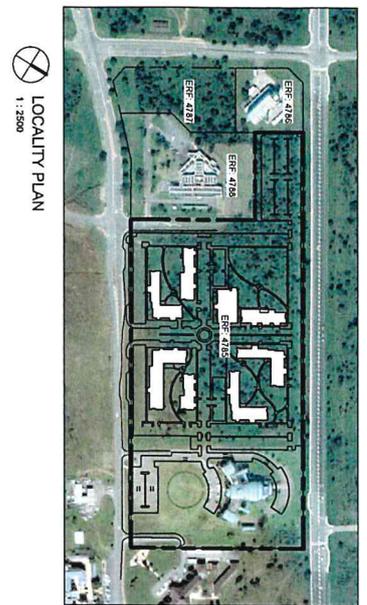
N. NCUNYANA
HOD: INFRASTRUCTURE SERVICES
N. MDIYA (1090)/wk

DATE: _____

CC: SENIOR TECHNICIAN

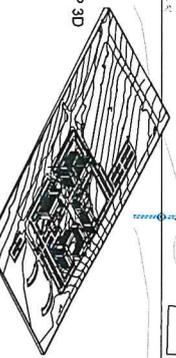


SITE DEVELOPMENT PLAN
1:750



LOCALITY PLAN
1:2500

PROPOSED WORKING OUT OF FRAMEWORK - (AMOUNT WORKING OUT)		TOTAL EXISTING		TOTAL PROPOSED	
STREETS	STREET	STREETS	STREET	STREETS	STREET
1. 100m x 100m	100m x 100m	100m x 100m	100m x 100m	100m x 100m	100m x 100m
2. 100m x 100m	100m x 100m	100m x 100m	100m x 100m	100m x 100m	100m x 100m
3. 100m x 100m	100m x 100m	100m x 100m	100m x 100m	100m x 100m	100m x 100m
4. 100m x 100m	100m x 100m	100m x 100m	100m x 100m	100m x 100m	100m x 100m
5. 100m x 100m	100m x 100m	100m x 100m	100m x 100m	100m x 100m	100m x 100m
6. 100m x 100m	100m x 100m	100m x 100m	100m x 100m	100m x 100m	100m x 100m
7. 100m x 100m	100m x 100m	100m x 100m	100m x 100m	100m x 100m	100m x 100m
8. 100m x 100m	100m x 100m	100m x 100m	100m x 100m	100m x 100m	100m x 100m
9. 100m x 100m	100m x 100m	100m x 100m	100m x 100m	100m x 100m	100m x 100m
10. 100m x 100m	100m x 100m	100m x 100m	100m x 100m	100m x 100m	100m x 100m



REVISION HISTORY

NO.	REVISION	DATE
1	ISSUED FOR PERMITTING	15/08/2024
2	ISSUED FOR PERMITTING	15/08/2024
3	ISSUED FOR PERMITTING	15/08/2024
4	ISSUED FOR PERMITTING	15/08/2024

LEGEND

- TYPE A
- TYPE B
- TYPE C
- TYPE D
- TYPE E
- TYPE F
- TYPE G
- TYPE H
- TYPE I
- TYPE J
- TYPE K
- TYPE L
- TYPE M
- TYPE N
- TYPE O
- TYPE P
- TYPE Q
- TYPE R
- TYPE S
- TYPE T
- TYPE U
- TYPE V
- TYPE W
- TYPE X
- TYPE Y
- TYPE Z

PROJECT STATUS

Project Status: ON TRACK

CLIENT

Client: **THE BISHOP**

DATE

Date: **15/08/2024**

PROJECT MANAGER

Project Manager: **JOHN SMITH**

DESIGNER

Designer: **ABC ARCHITECTS**

SCALE

Scale: **1:750**

APPROVED BY

Approved By: **JOHN SMITH**

DATE

Date: **15/08/2024**

SCALE

Scale: **1:750**

PROJECT MANAGER

Project Manager: **JOHN SMITH**

DESIGNER

Designer: **ABC ARCHITECTS**

SCALE

Scale: **1:750**

PROJECT MANAGER

Project Manager: **JOHN SMITH**

DESIGNER

Designer: **ABC ARCHITECTS**

SCALE

Scale: **1:750**

APPROVED BY

Approved By: **JOHN SMITH**

DATE

Date: **15/08/2024**

SCALE

Scale: **1:750**

PROJECT MANAGER

Project Manager: **JOHN SMITH**

DESIGNER

Designer: **ABC ARCHITECTS**

SCALE

Scale: **1:750**

APPROVED BY

Approved By: **JOHN SMITH**

DATE

Date: **15/08/2024**

SCALE

Scale: **1:750**

Buffalo City Metropolitan Municipality
East London | Bhisho | King William's Town
Province of the Eastern Cape
South Africa

Website: www.buffalocitymetro.gov.za



Directorate of Spatial Planning &
Development

PO Box 81, East London, 5200
26 Oxford Street, East London, 5201
Tel: 043 705 2000 | Fax: 043 743 5266
Email: diane@buffalocity.gov.za

Our ref.: Ifayileyethu:	4785, BHISHO	Enq.: Imibuzo:	TIM LANGE 043 – 604 8501/02	Your ref.: Ifayileyakho:
----------------------------	---------------------	-------------------	----------------------------------------------	-----------------------------

Setplan, East London
P.O. Box 19017
Centrahil
TECOMA
5214

27 FEB 2019

Attention: Mr. P. Jonas

Dear Sir,

**RE: REZONING OF ERF 4785, BHISHO, FOR THE DEVELOPMENT OF THE BHISHO
GOVERNMENT OFFICE PRECINCT: INDEPENDENCE AVENUE.**

Your submitted application in the above-mentioned regard refers.

Kindly be hereby informed that the above-mentioned land development application has been officially recommended for approval by Buffalo City Metropolitan Municipality by virtue of Council Resolution No: BCMC 674/18 and the municipal City Planning process is therefore complete.

Kindly note that, in accordance with the said Council Resolution, the matter is to be submitted to the MEC of Co-Operative Governance and Traditional Affairs for final approval. It is hereby confirmed that the municipal recommendation for approval being indicative of applicable approval conditions together with relevant supporting documentation has been submitted on Tuesday, 26 February 2019, to the office of the Acting Senior Manager: Land Use Management and Administration for such final decision. Once a decision has been taken by the higher authority and official approval furnished upon the municipal City Planning office (KWT/ Inland), you shall be contacted to collect accordingly.

Should you require any additional information in this regard, please do not hesitate to contact Mr. Tim Lange on 043 604 8501/02.

Yours Faithfully,


N. MBALI-MAJENG
HOD: SPATIAL PLANNING & DEVELOPMENT

TIM LANGE
FILE: ERF 2021, BREIDBACH



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Province of the Eastern Cape
South Africa

Website: www.buffalocitymetro.gov.za



BUFFALO CITY
METROPOLITAN MUNICIPALITY

Directorate of Spatial Planning and Development
PO Box 81, East London, 5200
26 Oxford Street, East London, 5201

Tel: 043 705 2253 | Fax: 043 743 5266
Email: dianej@buffalocitymetro.gov.za

Our ref.: Ifayile yethu:	4785,BHISHO 06/19- BHISHO	Enq.: Imibuzo:	TIM LANGE 043 – 6048501/02	Your ref.: Ifayile yakho:
-----------------------------	------------------------------------------------------	-------------------	---------------------------------------------	------------------------------

COGTA
Private Bag X0023
BHISHO
5605

26 FEB 2019

Attention: Acting Senior Manager: Land Use Management & Land Administration

Dear Sir,

RE: APPROVAL REQUIRED IN TERMS OF SECTION 9 OF THE LAND USE REGULATION ACT 15 OF 1987: PROPOSED REZONING OF ERF 4785, BHISHO: INDEPENDENCE AVENUE: PROPOSED PROVINCIAL GOVERNMENT OFFICE PRECINCT.

Kindly find the following documents attached:

1. Council resolution and recommendation for approval document with list of development conditions;
2. Land Use Application form, Sections A and B duly completed;
3. All relevant supporting documentation attached as required in terms of Section B of the Land Development application form and COGTA land development Check-list.
4. 10 copies of each of the relevant maps and plans.

Kindly process the above in order to obtain final MEC approval accordingly.

Yours faithfully,


N. MBALI-MAJENG
HOD: SPATIAL PLANNING & DEVELOPMENT
TIM LANGE

RECEIVED BY: 
SIGNATURE: M. S. SIKHANA
DESIGNATION: Manager
DEPARTMENT: COGTA
DATE: 26/02/2019

FILE: ERF 4785, BHISHO



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ANNEXURE 8 – EXPERIENCE IN FACILITIES/PROPERTY MANAGEMENT DEVELOPMENTS OF A SIMILAR SIZE OR NATURE

1. Bidders are required to complete the table below and indicate their relevant experience in facilities/property management developments of a similar size or nature.
2. Bidders may replicate the table below as many times as necessary.

Outline of experience in facilities/property management developments of a similar size or nature	
Client	
Development name and type (example: retail, office accommodation)	
Development size in square meters	
Duration of contract	
Contract Value	
Contact person	
contact details	



ANNEXURE 9 - FINANCIAL MODEL REQUIREMENTS

1. Overview of Criteria

It is essential that each Bidder submits a financial model with its Pricing Proposal that permits a comparison with the Department's Feasibility Study financial model and with the other Bidders' models.

Assessment	What is Assessed?
Commercial feasibility	Private sector cash flows for the project under PPP delivery
Fiscal feasibility /affordability	Public sector cash flows for the project under PPP delivery
Value for money	Public sector (or user) cash flows for the project under PPP delivery in comparison to public sector (or user) cash flows for the project under traditional delivery
Economic feasibility	All costs and benefits of the project to society
Risk allocation	Acceptance of substantially all risk by the Private Party

2. Contents of the Financial Model

Bidders must accurately describe the project in financial terms to allow for several feasibility exercises to produce meaningful results. Therefore, the model submitted shall conform to the following requirements.

2.1 Base Date

The start date of the revenue inflows of the model shall be:

- Construction start date
- Construction complete date
- Beneficial occupation period
- Rental start date

2.2 Gross Lettable Area

The GLA for the project shall be 49,208m² comprising of

- office accommodation with a GLA of 46,735m²;
- a shared service building with a GLA of 2,077m²; and
- other amenities totalling 395m².

Bidders are to refer to Clause 8.4 of Volume 1 (Instructions for Bidders) for a more detailed breakdown of the GLA.

2.3 Number of Parking Bays

The project will have 1,372 parking bays.

2.4 Lease Term

The project should be structured over a maximum lease term of twenty-five (25) years.

2.5 Inflation assumptions

For purposes of their proposals, Bidders shall assume inflation linked to CPI per annum.

2.6 Model Requirements

The financial model shall:

- a) be presented on an electronic disc or USB, and be compatible with Microsoft Excel software;
- b) disclose all macroeconomic, microeconomic and general assumptions;
- c) set forth information and data on a monthly basis for the development period, and thereafter on an annual basis for the length of the project;
- d) present all required data in nominal terms;
- e) indicate the discount rate and the net present value amount;

- f) indicate the funding structure of the Project, including types and proposed levels of debt and equity;
- g) demonstrate the likely equity input of each member of the consortium (if applicable), showing the percentage of total equity or sub-debt to be provided by each member. Equity and shareholders loan details must include the source of funds, the amount of funds that shareholders are prepared to commit, and the timing of their contribution;
- h) show the cost of debt, clearly detailing the level of fees and margin and full details on the basis for and factors comprising these fees and what the margins are based on and what went into them;
- i) show assumptions relating to asset replacement, disposal and life cycle costs;
- j) show capital expenditure according to the phases set forth in the RFP, for all capital items;
- k) show project start-up costs;
- l) show operating costs;
- m) contain a funding plan and funding assumptions schedule identifying all sources, amounts and application of finance, conditions, terms, base costs, margins and fees; a debt schedule for each credit facility, including a draw-down schedule, interest paid, fees and repayment schedules;
- n) show balances of all reserve accounts and insurance structures;
- o) show total operating cost and maintenance assumptions, including replacement schedules;
- p) show a forecast Statement of Financial Position, Statement of Comprehensive income, and Statement of Cash-flow;
- q) set forth details of all taxation assumptions and treatment and the ability to enable or disable any or all such assumptions or treatments in the model;
- r) show the projected internal rate of return (IRR) for the project before financing and taxes in both real and nominal terms;
- s) the projected (IRR) for the equity investors in the project;
- t) show the projected internal rate of return (IRR) for the debt providers in the project;
- u) show the weighted average cost of capital (WACC) for the project; and
- v) show risk pricing and a detailed risk matrix.

3. Key Outputs

The financial model should specifically indicate the following key outputs:

- a) starting rental per m², per month in relation to office accommodation in the first year of the contract period;
 - b) starting parking rental per parking bay, per month in relation to parking in the first year of the contract period;
 - c) the annual escalation rate applicable to the starting rental for office accommodation for the duration of the contract;
 - d) the annual escalation rate applicable to the starting parking rental for parking bays for the duration of the contract; and
 - e) the starting unitary payment for the first year and for the rest of the contract period.
4. Any proposal that intends to source funding off shore must demonstrate how exchange rate and currency risks will be managed, in as much as all fluctuations between the South African Rand and the currency of any foreign-sourced financing shall be at the risk of the Bidder.

----- END-----



Annexure 10 – Financial Proposal

(Respondents to insert)



Province of the
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Annexure 11 – Financial Proposal

(Respondents to insert)



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ANNEXURE 12 – RISK MATRIX

Bidders to complete the risk matrix below in line with Clause 17.3.3.1 of Volume 1 (Instructions to Bidders)

Type of Risk	Description	Mitigation	Allocation (Department/Private Party/shared)
Availability risk	The possibility that the Bhisho Office Precinct to be constructed by the Private Party does not meet the specifications of the Department.		
Completion risks	The possibility that the completion of the Bhisho Office precinct may be (i) delayed so that the Department cannot lease the premises on the scheduled service commencement date, or (ii) delayed, unless greater expenditure is incurred to keep to the scheduled service commencement date, or (iii) delayed because of variations.		
Cost over-run risk	The possibility that during the design and construction phase, the actual project costs will exceed projected project costs.		
Design risk	The possibility that the design may not achieve the required specifications.		
Environmental risk	The possibility of liability for losses caused by environmental damage arising (i) from construction or operating activities (refer to) during the project term, or (ii) from pre-transfer activities whether undertaken by the Department or a third party and not attributable to the activities of the Private Party or its subcontractors.		
Exchange rate risk	The possibility that exchange rate fluctuations will impact on the envisaged costs of imported inputs required for the construction or operations phase of the project.		

Type of Risk	Description	Mitigation	Allocation (Department/Private Party/shared)
Inflation risk	The possibility that the actual inflation rate will exceed the projected inflation rate. This risk is more apparent during the operational phase of the Bhisho Office Precinct.		
Force Majeure risks	The possibility of the occurrence of certain unexpected events that are beyond the control of the parties (whether natural or "man-made"), which may affect the construction or operation of the Bhisho Office Precinct.		
Insolvency risk	The possibility of insolvency of the Private Party.		
Insurance risk	The possibility (i) that any risks that are insurable as at the signature date of the agreement pursuant to the agreed project insurances later become uninsurable or (ii) of substantial increases in the rates at which insurance premiums are calculated.		
Interest rate risk	These are factors affecting the availability and cost of funds.		
Latent defect risk	The possibility of loss or damage arising from latent defects in the Bhisho Office Precinct.		
Maintenance risk	The possibility that (i) the cost of maintaining assets in the required condition may vary from the projected maintenance costs, or (ii) maintenance is not carried out.		
Market, demand or volume risk	The possibility that the demand for the Bhisho Office Precinct may be less than projected (whether for example because the need for the lease accommodation ceases or decreases, or because of other office precinct developments occurring in the market, or because of Government opposition to the leasing of office accommodation).		
Operating risk	Any factors (other than Force Majeure) impacting on the operating requirements of the Bhisho Office Precinct, including projected operating expenditure and skills requirements, for example, labour disputes, employee competence, employee fraud, technology failure, environmental incidents and any failure to obtain, maintain and comply with necessary operating consents.		

Type of Risk	Description	Mitigation	Allocation (Department/Private Party/shared)
Planning risk	The possibility that the proposed use of the project site in terms of the partnership agreement and, in particular, the construction of the Bhisho Office Precinct on the site will fail to comply with any applicable laws relating to planning, land-use or building (for example, any town- planning or land-zoning scheme) or any consents required pursuant thereto, or that any such consents will be delayed or cannot be obtained or, if obtained, can only be implemented at a greater cost than originally projected.		
Political risk	The possibility of (i) unforeseeable conduct by Department or by a Government authority that materially and adversely affects the expected return on investment, debt service or otherwise results in increased costs to the developer, or (ii) expropriation, nationalisation or privatisation (collectively, “expropriating actions”) of the assets of the Private Party This risk overlaps with some financial risks (e.g. tax rate change risk).		
Regulatory risk	The possibility that consents required from other Government authorities will not be obtained or, if obtained, can only be implemented at a greater cost than originally projected.		
Residual value risk	The risk that the Bhisho Office Precinct at termination or expiry of the partnership agreement will not be in the prescribed condition for hand back to Department.		
Resource or input risk	The possibility of a failure or shortage in the supply of the inputs or resources (for example, coal or other fuels) required for the operation of a project including deficiencies in the quality of available supplies.		
Subcontractor risk	The risk of subcontractor (first-tier and below) defaults or insolvency. This risk may arise at the construction and/or operations phases of the project.		
Tax rate change risk	The possibility that changes in applicable tax rates (income tax rate, VAT) or new taxes may decrease the anticipated return on investment.		

Type of Risk	Description	Mitigation	Allocation (Department/Private Party/shared)
Technology risk	The possibility that (i) the technology inputs for the Bhisho Office Precinct may fail to deliver the required specifications, or (ii) technological improvements may render these technology inputs out-of-date ("technology refresh or obsolescence risk").		
Utilities risk	The possibility that (i) the utilities (e.g. water, electricity or gas) required for the construction and/or operation of a project may not be available, or (ii) the project will be delayed because of delays in relation to the removal or relocation of utilities located at the project site.		



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PUBLIC WORKS

ANNEXURE 13 – DECLARATION OF ACCEPTANCE/NON-ACCEPTANCE OF PPP AGREEMENT

1. I,(name and surname) in my capacity as director of(registered name of Bidder) with registration number

1.1. accept the PPP Agreement (Volume 2) in its current form and confirm that the Bidder has not attached mark-ups to the PPP Agreement.

1.2. do not accept the PPP Agreement (Volume 2) in its current form and confirm that the Bidder has attached mark-ups to the PPP Agreement.

Signed at on 2019

Signature:

.....
Duly Authorised



Province of the
EASTERN CAPE
PUBLIC WORKS

Annexure 14 – Legal Proposal

(Respondents to insert)

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

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

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

1. GENERAL CONDITIONS

1.1 The following preference point systems are applicable to all bids:

- the 80/20 system for requirements with a Rand value of up to R50 000 000 (all applicable taxes included); and
- the 90/10 system for requirements with a Rand value above R50 000 000 (all applicable taxes included).

1.2

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

1.3 Points for this bid shall be awarded for:

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

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

	POINTS
PRICE	90
B-BBEE STATUS LEVEL OF CONTRIBUTOR	10
Total points for Price and B-BBEE must not exceed	100

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

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

2. DEFINITIONS

- (a) **“B-BBEE”** means broad-based black economic empowerment as defined in section 1 of the Broad-Based Black Economic Empowerment Act;
- (b) **“B-BBEE status level of contributor”** means the B-BBEE status of an entity in terms of a code of good practice on black economic empowerment, issued in terms of section 9(1) of the Broad-Based Black Economic Empowerment Act;

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

5. BID DECLARATION

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

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

6.1 B-BBEE Status Level of Contributor: . =(maximum of 10 or 20 points)
(Points claimed in respect of paragraph 7.1 must be in accordance with the table reflected in paragraph 4.1 and must be substantiated by relevant proof of B-BBEE status level of contributor.

7. SUB-CONTRACTING

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

(Tick applicable box)

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

7.1.1 If yes, indicate:

- i) What percentage of the contract will be subcontracted.....%
- ii) The name of the sub-contractor.....
- iii) The B-BBEE status level of the sub-contractor.....
- iv) Whether the sub-contractor is an EME or QSE

(Tick applicable box)

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

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

Designated Group: An EME or QSE which is at last 51% owned by:	EME	QSE
	√	√
Black people		
Black people who are youth		
Black people who are women		
Black people with disabilities		
Black people living in rural or underdeveloped areas or townships		
Cooperative owned by black people		
Black people who are military veterans		
OR		
Any EME		
Any QSE		

8. DECLARATION WITH REGARD TO COMPANY/FIRM

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

8.2 VAT registration number:.....

8.3 Company registration number:.....

8.4 TYPE OF COMPANY/ FIRM

- Partnership/Joint Venture / Consortium
- One person business/sole propriety
- Close corporation
- Company
- (Pty) Limited

[TICK APPLICABLE BOX]

8.5 DESCRIBE PRINCIPAL BUSINESS ACTIVITIES

.....

.....

.....

.....

.....

8.6 COMPANY CLASSIFICATION

- Manufacturer
- Supplier
- Professional service provider



- Other service providers, e.g. transporter, etc.
[TICK APPLICABLE BOX]

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

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

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

WITNESSES	
1.
2.

.....	
SIGNATURE(S) OF BIDDERS(S)	
DATE:
ADDRESS

DECLARATION CERTIFICATE FOR LOCAL PRODUCTION AND CONTENT FOR DESIGNATED SECTORS

This Standard Bidding Document (SBD) 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, 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) make 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 produced 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 South African Reserve Bank (SARB) at 12:00 on the date of advertisement of the bid as indicated 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%20development/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:

No.	Description of services, works or goods	Unit (e.g. m2, m3, ton, etc)	Quantity	Stipulated minimum threshold
1	Mild steel reinforcement (various sizes): 6mm, 8mm, 10 mm diameter bars	tonnes	349	100%
2	High tensile steel reinforcement (various sizes): 10mm, 12mm,16mm,20mm, 25mm diameter bars	tonnes	2769	100%
3	Welded Mesh High tensile steel various sizes (Ref. 193, 245, 395) fabric reinforcement	m2	10927	100%
4	Galvanized brick reinforcement (various sizes): 75mm, 150mm, 230mm Wide reinforcement	m	152 552	100%
5	Galvanized hoop irons, wall tiles, mild, dowel bars, iron cramps, etc. (various items).	No.	34 534	100%
6	Hinges, floor spring hinges, bolts, panic bolts, etc (various items):	No.	2 484	100%
7	Grab Rails, Etc	No.	63	100%
8	Letters, Nameplates, Etc	No.	397	100%
9	Galvanised Steel Columns And Beams: I-sections and H-sections (various sizes)	tonnes	224	100%
10	Galvanised Steel Trusses, etc (various sizes)	tonnes	61	100%
11	Galvanised Steel Purlins, Girts, etc. (various sizes)	tonnes	53	100%
12	Welded bracing, anti-sag rails, etc with flat connection plates, bolted steel	tonnes	82	100%
13	Metal Work: Stainless Steel Balustrades, Handrails, Etc. (various sizes)	tonnes	82	100%
14	Metal Work: Stainless Steel Balustrades, Handrails, Etc.	tonnes	982	100%
15	Galvanised Steel Gates, Screens, etc	m	4	100%
16	Sundry Galvanised Steelwork	m	79 537	100%
17	Hot Dip Galvanised Pressed Steel Door Frames	m	43	100%
18	Galvanised Pressed Steel Transformer Room Doors And Frames.	No.	59	100%
19	Steel Strong room Doors, Ventilators, etc	No	4	100%
20	Heavy Security Fencing: Mesh Panel galvanised , then marine fusion bond coated heavy duty high security welded panel fencing with panels (various items)	m	4688	100%
21	Gratings, covers, etc	No.	32	100%
22	Galvanised medium steel pipes with screwed and socketed joints:	m	732	100%
23	Galvanised fittings (various sizes)	No.	168	100%

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

(Tick applicable box)

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

- 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 SARB for the specific currency at 12:00 on the date of advertisement of the bid.

The relevant rates of exchange information is accessible on 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):

Currency	Rates of exchange
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 AO/AA 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)

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/industrialdevelopment/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 percentage (%) 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	
<p>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.</p> <p>(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.</p> <p>(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 14 of the Preferential Procurement Regulations, 2017 promulgated under the Preferential Policy Framework Act (PPPFA), 2000 (Act No. 5 of 2000).</p> <p>SIGNATURE: _____ DATE: _____</p> <p>WITNESS No. 1 _____ DATE: _____</p> <p>WITNESS No. 2 _____ DATE: _____</p>	



Department of Roads & Public Works • Qhasana Building • Independence Avenue • Bhisho • Eastern Cape • Private Bag X0022 • Bhisho • 5605 • REPUBLIC OF SOUTH AFRICA • website: www.ecdpw.gov.za • Tel: +27 (0)40 602 4000 • Fax: +27 (0)40 639 2926 • Email: info@ecdpw.gov.za

PART A

INVITATION TO BID

YOU ARE HEREBY INVITED TO BID FOR REQUIREMENTS OF THE (NAME OF DEPARTMENT/ PUBLIC ENTITY)						
BID NUMBER:	SCMU5-19/20-PM008		CLOSING DATE:	31 October 2019	CLOSING TIME:	11h00
DESCRIPTION:	FINANCING, CONSTRUCTION, OPERATION AND MAINTENANCE OF THE NEW BHISHO OFFICE PRECINCT.					
BID RESPONSE DOCUMENTS MAY BE DEPOSITED IN THE BID BOX SITUATED AT (STREET ADDRESS)						
GROUND FLOOR, QHASANA BUILDING, INDEPENDENCE AVENUE						
BIDDING PROCEDURE ENQUIRIES MAY BE DIRECTED TO			TECHNICAL ENQUIRIES MAY BE DIRECTED TO:			
CONTACT PERSON	Mr Sipiwo Qangani		CONTACT PERSON	Mr Luvuyo Cweya		
TELEPHONE NUMBER	040 602 4542		TELEPHONE NUMBER	082 782 2802		
FACSIMILE NUMBER	086 298 5372		FACSIMILE NUMBER			
E-MAIL ADDRESS	Sipiwo.Qangani@ecdpw.gov.za		E-MAIL ADDRESS	Luvuyo.Cweya@ecdpw.gov.za		
SUPPLIER INFORMATION						
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:	MAAA	
B-BBEE STATUS LEVEL VERIFICATION CERTIFICATE	TICK BOX] APPLICABLE		B-BBEE STATUS LEVEL SWORN AFFIDAVIT	[TICK APPLICABLE BOX]		
	<input type="checkbox"/> Yes <input type="checkbox"/> No	<input type="checkbox"/>		<input type="checkbox"/> Yes	<input type="checkbox"/> No	
[A B-BBEE STATUS LEVEL VERIFICATION CERTIFICATE/ SWORN AFFIDAVIT (FOR EMES & QSEs) MUST BE SUBMITTED IN ORDER TO QUALIFY FOR PREFERENCE POINTS FOR B-BBEE]						
a) 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]		b) ARE YOU A FOREIGN BASED SUPPLIER FOR THE GOODS /SERVICES /WORKS OFFERED?	<input type="checkbox"/> Yes <input type="checkbox"/> No [IF COMPLETE YES, COMPLETE QUESTIONNAIRE BELOW]		
QUESTIONNAIRE TO BIDDING FOREIGN SUPPLIERS						
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

1. BID SUBMISSION:

- 1.1. BIDS MUST BE DELIVERED BY THE STIPULATED TIME TO THE CORRECT ADDRESS. LATE BIDS WILL NOT BE ACCEPTED FOR CONSIDERATION.
- 1.2. **ALL BIDS MUST BE SUBMITTED ON THE OFFICIAL FORMS PROVIDED– (NOT TO BE RE-TYPED) OR IN THE MANNER PRESCRIBED IN THE BID DOCUMENT.**
- 1.3. THIS BID IS SUBJECT TO THE PREFERENTIAL PROCUREMENT POLICY FRAMEWORK ACT, 2000 AND THE PREFERENTIAL PROCUREMENT REGULATIONS, 2017, THE GENERAL CONDITIONS OF CONTRACT (GCC) AND, IF APPLICABLE, ANY OTHER SPECIAL CONDITIONS OF CONTRACT.
- 1.4. **THE SUCCESSFUL BIDDER WILL BE REQUIRED TO FILL IN AND SIGN A WRITTEN CONTRACT FORM (SBD7).**

2. TAX COMPLIANCE REQUIREMENTS

- 2.1 BIDDERS MUST ENSURE COMPLIANCE WITH THEIR TAX OBLIGATIONS.
- 2.2 BIDDERS ARE REQUIRED TO SUBMIT THEIR UNIQUE PERSONAL IDENTIFICATION NUMBER (PIN) ISSUED BY SARS TO ENABLE THE ORGAN OF STATE TO VERIFY THE TAXPAYER'S PROFILE AND TAX STATUS.
- 2.3 APPLICATION FOR TAX COMPLIANCE STATUS (TCS) PIN MAY BE MADE VIA E-FILING THROUGH THE SARS WEBSITE WWW.SARS.GOV.ZA.
- 2.4 BIDDERS MAY ALSO SUBMIT A PRINTED TCS CERTIFICATE TOGETHER WITH THE BID.
- 2.5 IN BIDS WHERE CONSORTIA / JOINT VENTURES / SUB-CONTRACTORS ARE INVOLVED; EACH PARTY MUST SUBMIT A SEPARATE TCS CERTIFICATE / PIN / CSD NUMBER.
- 2.6 WHERE NO TCS IS AVAILABLE BUT THE BIDDER IS REGISTERED ON THE CENTRAL SUPPLIER DATABASE (CSD), A CSD NUMBER MUST BE PROVIDED.
- 2.7 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:



SBD 4

DECLARATION OF INTEREST

1. Any legal person, including persons employed by the state¹, or persons having a kinship with persons employed by the state, including a blood relationship, may make an offer or offers in terms of this invitation to bid (includes an advertised competitive bid, a limited bid, a proposal or written price quotation). In view of possible allegations of favouritism, should the resulting bid, or part thereof, be awarded to persons employed by the state, or to persons connected with or related to them, it is required that the bidder or his/her authorised representative declare his/her position in relation to the evaluating/adjudicating authority where-

- the bidder is employed by the state; and/or
- the legal person on whose behalf the bidding document is signed, has a relationship with persons/a person who are/is involved in the evaluation and or adjudication of the bid(s), or where it is known that such a relationship exists between the person or persons for or on whose behalf the declarant acts and persons who are involved with the evaluation and or adjudication of the bid.

2. **In order to give effect to the above, the following questionnaire must be completed and submitted with the bid.**

2.1 Full Name of bidder or his or her representative:

2.2 Identity Number:.....

2.3 Position occupied in the Company (director, trustee, shareholder², member):
.....

2.4 Registration number of company, enterprise, close corporation, partnership agreement or trust:
.....

2.5 Tax Reference Number:

2.6 VAT Registration Number:

2.6.1 The names of all directors / trustees / shareholders / members, their individual identity numbers, tax reference numbers and, if applicable, employee / PERSAL numbers must be indicated in paragraph 3 below.

¹"State" means –

- (a) any national or provincial department, national or provincial public entity or constitutional institution within the meaning of the Public Finance Management Act, 1999 (Act No. 1 of 1999);
- (b) any municipality or municipal entity;
- (c) provincial legislature;
- (d) national Assembly or the national Council of provinces; or
- (e) Parliament.

²"Shareholder" means a person who owns shares in the company and is actively involved in the management of the enterprise or business and exercises control over the enterprise.

2.7 Are you or any person connected with the bidder presently employed by the state? **YES / NO**

2.7.1 If so, furnish the following particulars:

Name of person / director / trustee / shareholder/ member:



.....

Name of state institution at which you or the person connected to the bidder is employed :

.....

Position occupied in the state institution:

Any other particulars:

.....

.....

.....

2.7.2 If you are presently employed by the state, did you obtain the appropriate authority to undertake remunerative work outside employment in the public sector? **YES / NO / N/A**

2.7.2.1 If yes, did you attach proof of such authority to the bid document? **YES / NO / N/A**

(Note: Failure to submit proof of such authority, where applicable, may result in the disqualification of the bid.

2.7.2.2 If no, furnish reasons for non-submission of such proof:

.....

.....

.....

2.8 Did you or your spouse, or any of the company's directors / trustees / shareholders / members or their spouses conduct business with the state in the previous twelve months? **YES / NO**

2.8.1 If so, furnish particulars:

.....

.....

.....

2.9 Do you, or any person connected with the bidder, have any relationship (family, friend, other) with a person employed by the state and who may be involved with the evaluation and or adjudication of this bid? **YES / NO**

2.9.1 If so, furnish particulars.

.....

.....

.....

2.10 Are you, or any person connected with the bidder, aware of any relationship (family, friend, other) between any other bidder and any person employed by the state who may be involved with the evaluation and or adjudication of this bid? **YES/NO**



2.10.1 If so, furnish particulars.

.....
.....
.....

2.11 Do you or any of the directors / trustees / shareholders / members of the company have any interest in any other related companies whether or not they are bidding for this contract? **YES/NO**

2.11.1 If so, furnish particulars:

.....
.....
.....

3 Full details of directors / trustees / members / shareholders.

Full Name	Identity Number	Personal Income Tax Reference Number	State Employee Number / Peral Number

4 DECLARATION

I, THE UNDERSIGNED (NAME).....

CERTIFY THAT THE INFORMATION FURNISHED IN PARAGRAPHS 2 and 3 ABOVE IS CORRECT.

I ACCEPT THAT THE STATE MAY REJECT THE BID OR ACT AGAINST ME SHOULD THIS DECLARATION PROVE TO BE FALSE.

.....
Signature

.....
Date

.....
Position

.....
Name of bidder

SBD 8

DECLARATION OF BIDDER'S PAST SUPPLY CHAIN MANAGEMENT PRACTICES

- 1 This Standard Bidding Document must form part of all bids invited.
- 2 It serves as a declaration to be used by institutions in ensuring that when goods and services are being procured, all reasonable steps are taken to combat the abuse of the supply chain management system.
- 3 The bid of any bidder may be disregarded if that bidder, or any of its directors have-
 - a. abused the institution's supply chain management system;
 - b. committed fraud or any other improper conduct in relation to such system; or
 - c. failed to perform on any previous contract.
- 4 **In order to give effect to the above, the following questionnaire must be completed and submitted with the bid.**

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



CERTIFICATION

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

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

.....
Signature

.....
Date

.....
Position

.....
Name of Bidder

SBD 9

CERTIFICATE OF INDEPENDENT BID DETERMINATION

- 1 This Standard Bidding Document (SBD) must form part of all bids¹ invited.
- 2 Section 4 (1) (b) (iii) of the Competition Act No. 89 of 1998, as amended, prohibits an agreement between, or concerted practice by, firms, or a decision by an association of firms, if it is between parties in a horizontal relationship and if it involves collusive bidding (or bid rigging).² Collusive bidding is a *pe se* prohibition meaning that it cannot be justified under any grounds.
- 3 Treasury Regulation 16A9 prescribes that accounting officers and accounting authorities must take all reasonable steps to prevent abuse of the supply chain management system and authorizes accounting officers and accounting authorities to:
 - a. disregard the bid of any bidder if that bidder, or any of its directors have abused the institution's supply chain management system and or committed fraud or any other improper conduct in relation to such system.
 - b. cancel a contract awarded to a supplier of goods and services if the supplier committed any corrupt or fraudulent act during the bidding process or the execution of that contract.
- 4 This SBD serves as a certificate of declaration that would be used by institutions to ensure that, when bids are considered, reasonable steps are taken to prevent any form of bid-rigging.
- 5 In order to give effect to the above, the attached Certificate of Bid Determination (SBD 9) must be completed and submitted with the bid:

¹ Includes price quotations, advertised competitive bids, limited bids and proposals.

² Bid rigging (or collusive bidding) occurs when businesses, that would otherwise be expected to compete, secretly conspire to raise prices or lower the quality of goods and / or services for purchasers who wish to acquire goods and / or services through a bidding process. Bid rigging is, therefore, an agreement between competitors not to compete.

CERTIFICATE OF INDEPENDENT BID DETERMINATION

I, the undersigned, in submitting the accompanying bid:

(Bid Number and Description)

in response to the invitation for the bid made by:

(Name of Institution)

do hereby make the following statements that I certify to be true and complete in every respect:

I certify, on behalf of _____ that:

(Name of Bidder)

1. I have read and I understand the contents of this Certificate;
2. I understand that the accompanying bid will be disqualified if this Certificate is found not to be true and complete in every respect;
3. I am authorized by the bidder to sign this Certificate, and to submit the accompanying bid, on behalf of the bidder;
4. Each person whose signature appears on the accompanying bid has been authorized by the bidder to determine the terms of, and to sign the bid, on behalf of the bidder;
5. For the purposes of this Certificate and the accompanying bid, I understand that the word "competitor" shall include any individual or organization, other than the bidder, whether or not affiliated with the bidder, who:
 - (a) has been requested to submit a bid in response to this bid invitation;
 - (b) could potentially submit a bid in response to this bid invitation, based on their qualifications, abilities or experience; and
 - (c) provides the same goods and services as the bidder and/or is in the same line of business as the bidder

SBD 9

6. The bidder has arrived at the accompanying bid independently from, and without consultation, communication, agreement or arrangement with any competitor. However communication between partners in a joint venture or consortium³ will not be construed as collusive bidding.
7. In particular, without limiting the generality of paragraphs 6 above, there has been no consultation, communication, agreement or arrangement with any competitor regarding:
 - (a) prices;
 - (b) geographical area where product or service will be rendered (market allocation)
 - (c) methods, factors or formulas used to calculate prices;
 - (d) the intention or decision to submit or not to submit, a bid;
 - (e) the submission of a bid which does not meet the specifications and conditions of the bid; or
 - (f) bidding with the intention not to win the bid.
8. In addition, there have been no consultations, communications, agreements or arrangements with any competitor regarding the quality, quantity, specifications and conditions or delivery particulars of the products or services to which this bid invitation relates.
9. The terms of the accompanying bid have not been, and will not be, disclosed by the bidder, directly or indirectly, to any competitor, prior to the date and time of the official bid opening or of the awarding of the contract.

³ **Joint venture or Consortium means an association of persons for the purpose of combining their expertise, property, capital, efforts, skill and knowledge in an activity for the execution of a contract.**

SBD 9

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

.....
Signature

.....
Date

.....
Position

.....
Name of Bidder