



045 932 8196



1, Seller Street, Maclear, 5480



086 216 8784



kwaneles@elundini.gov.za

Dear Sir / Madam

REQUEST FOR FORMAL WRITTEN PRICE QUOTATIONS

Kindly furnish me with a written quotation for the supply of materials as detailed in the enclosed list.

The quotation must be submitted on the letterhead of your business **must** be deposited in the tender box situated in 1 Seller Street Maclear, Finance Department, Cashier Reception area before 12h00 on the **01 February 2018**. For **queries** please email to kwaneles@elundini.gov.za or faxed to 086 216 8784

For Technical Queries: MS V Nodikana
For Supply Chain Queries: Mr K Sobekwa

Tel: 045 932 8214
Tel: 045 932 8198

Provision for the design of a business model for the Elundini furniture manufacturing entity- ELM-/006/2017-2018

The following mandatory documents must be submitted with the quotation and failure to submit will lead to the bids being declared non-responsive:

- Price(s) quoted must be valid for at least thirty (30) days from date of your offer.
- Price(s) quoted must be firm and must be inclusive of VAT.
- Valid Tax Clearance Certificate OR Tax Compliance status documents with PIN from SARS.
- Proof of registration with Web Central Supplier Database (A bidder must attach CSD registration report with Supplier No. and Unique Code)
- Original B-BBEE Certificate or a certified copy thereof (Joint venture, consortium or trust must submit a consolidated certificate) Failure to submit this certificate will lead into not getting points for B-BBEE Level) or Sworn Affidavit confirming BBBEE Level. Only certified DTI format sworn Affidavit will be considered (Obtainable on ELM website www.elundini.gov.za)
- Certified copies of Company Registration certificate and IDs.
- Completed MBD 4, MBD 6.1, MBD 8 and MBD 9 (downloadable on the website and found at Supply Chain Office).
- A statement of Municipal Account that is not older than three months or Lease Agreement OR Affidavit from SAPS stating that the bidder is not obliged to pay municipal rates OR a letter from a ward councillor.
- Joint Venture must also attach the JV agreement, original or certified copy of consolidated BBBEE certificate and the letter of signatory.

NB: No quotations will be considered from persons in the service of the state¹

BIDDERS SHOULD TAKE NOTE OF THE FOLLOWING BID CONDITIONS:

- The Elundini Local Municipality Supply Chain Management Policy will apply;
- The Elundini Local Municipality does not bind itself to accept the lowest bid or any other bid and reserves the right to accept the whole or part of the bid;
- Bids which are late, incomplete, unsigned, faxed or sent electronically will not be accepted;
- Bids submitted are to hold good for a period of 30 days;
- **Bidders will be required to register as a supplier/service provider on the ELM's Supplier/Service Provider Database, if not already registered**
- The latest General Conditions of Contract and any Special Conditions of Contract will apply.
- Failure to comply with these conditions may invalidate your offer.
- Upon submission of a bid/quote the bidder automatically grants confirmation that SARS may, on ongoing basis during the contract term the bidder's tax compliance status to the municipality.

SIGNATURE _____

DATE 25-01-2018

Terms of reference for the design of a business model for the Elundini Furniture Manufacturing Entity

1. Project Purpose

A service provider is required to provide the Elundini Local Municipality with the business solutions that will provide a design for the business model for the Elundini Furniture Manufacturing Entity.

The project is meant to address the socio economic needs of the community of Elundini and was designed as an extension to the investment by PG Bison to create business opportunities that will benefit the greater community of Elundini Municipality.

A business entity was funded and established for such purpose. The entity however requires an intervention to create a successful business model and operational plan so that the entity can achieve its objectives as stated below:

1.2 Project objectives as stated in the original business plan to access the funding

- Decent employment opportunity of initially 20 permanent positions (Both Youth and Women)
- Production of highly skilled technicians in the sub region
- Up skilling the existing furniture manufactures as well as introducing new entrants in industry.

1.3 Further description of the targeted group (Degree of involvement of the community into the project)

- Youth, unemployed matriculates, existing backyard carpenters who operate as survivalists and various unemployed members of the community who have an interest in the wood-working industry within the borders of the municipality.

2. Current status of the entity

- The entity functions under a registered company whose shareholding is comprised of a Community and Worker's Trusts.
- The entity is currently not functioning but has got premises provided by PG Bison in Ugie that are ready for operations, with security provided by the municipality.
- A group of 18 prospective entrepreneurs have previously been trained in the operations of the existing woodworking machines and provided with wood-working skills including upholstery.

- The board of directors is currently not functional and the municipality, as the body that initiated the formation of the business, has taken over the responsibility to have the entity revived.

3. Critical challenges that need to be addressed are:

- Development of a comprehensive business plan in order to access additional funding from the Industrial Development Council (IDC) and/or other government funding institutions.
- Restructuring of the ownership structure of the entity so that the control and governance of the entity becomes effective.
- Creation of an operational model that will create steady employment and mentoring for individuals looking at creating own businesses.
- Promotion of the business to be in a position to access markets

4. Preferred service provider

The intention is to secure a service provider which has a practical experience in the design and implementation of a business model.

The service provider will be required to introduce the business model and implement the solutions addressing the challenges that have been experienced as proposed by the new model. The envisaged service provider should have the full understanding of the timber industry and the value addition streamlines towards the manufacturing of furniture and other related products. It is important that the company should also reflect on the value that it can add to this business after the model has been designed and implemented.

5. Functionality Evaluation Score Card

Bids that scores less than 80 (seventy) points out of 100 (one hundred) points in respect of the following pre-evaluation eligibility criteria, will be regarded as non-responsive

Points	CRITERIA TO BE USED
20 points	1. <i>Must</i> have experience in formulating an operational plan in manufacturing <ul style="list-style-type: none"> • 10 years – 10 points • 20 years - 20 points Bidders to provide proof of experience through appointment letters and copies of documents.
20 points	1. Experience working in Small Rural Towns and ability to design and support business model implementation in the rural communities. <ul style="list-style-type: none"> • Describe the model or models that have been used previously • Explain how the rural communities were involved.
10 points	1. Practical experience of the model implementation (Advantages and disadvantages and how the challenges were resolved) 2. 5 years 5 3. 10 years 10
25 points	1. Timber manufacturing related experience (5, 10, 15, 20 and 25)
10 points	1. Demonstrate knowledge of the working management systems in timber manufacturing factory <ul style="list-style-type: none"> • Description of the working systems
15 points	1. Locality <ul style="list-style-type: none"> • Eastern cape based company (15 marks) • Outside Eastern Cape (5 marks)
20 points	6. Project plan (how will you design the model) Within 4 months

20 points	7. A technical project leader person leading the model design should have B.CoM / B.Admin / Finance/ Law /Any business related degree.
10 points	8. Value that it can add to the business after the model has been designed
140 total Marks	

EVALUATION CRITERIA

The 80/ 20 preferential procurement point system will be applied as the project is estimated to be more than R30, 000.00

Price - 80 points


B-BEE status level of Contribution - 20 points

BBBEE Points Breakdown:

LEVEL	POINTS AWARDED
1	20
2	18
3	14
4	12
5	8
6	6
7	4
8	2
Non-compliant	0

DELIVERY ADDRESS:

Elundini Local Municipality
 No.1 Seller Street,
 Maclear
 5480


 Published on 25 January 2018