



ELUNDINI LOCAL MUNICIPALITY
REQUEST FOR PROPOSAL

Elundini Local Municipality is calling for service providers to bid for the following services:

Project Name	Contract Number	Closing Date
Provision of Auctioneer services for the period of three years	ELM-2/008/2018-2019	Monday, 12 November 2018

The minimum terms of reference and functionality is detailed in the bid document.

OBTAINING OF TENDER DOCUMENTS

Bid Documents will be available from the SCM Unit upon payment of a **non-refundable** cash fee of **R250.00 (Two hundred and Fifty rands only)** (paid in cash or by means of an electronic funds transfer (EFT)) made payable to Elundini Local Municipality. The deposit is to be paid at the Cashier's office between the hours of **08h00 and 16h00** during the normal working hours prior to the collection of the bid documents from SCM Unit. The bid documents will be available from **Monday, 15 October 2018**.

SUBMISSION OF TENDERS:

Completed bid documents and supporting documentation are to be placed in a sealed envelope endorsed with **Provision of Auctioneer services for the period of three years: ELM-2/008/2018-2019** must be delivered to the **ELUNDINI LOCAL MUNICIPALITY** offices, at No. 1 Seller Street, Maclear and placed in the Tender Box situated at the cashier's reception area, Finance Department not later than **12H00 on Monday, 12 November 2018** at which time the tenders will be opened in public.

Only those tenderers who satisfy the following eligibility criteria and who provide the required evidence in their tender submission are eligible to submit tenders and have their tenders evaluated:

1. Tender offers will only be accepted if:

- 1) the tenderer is registered on the Central Supplier Database (CSD) for the South African government (see <https://secure.csd.gov.za/> /) unless it is a foreign supplier with no local registered entity.
- 2) the tenderer provides written proof from SARS that the tenderer either has no Tax obligations or has made arrangements to meet outstanding Tax obligations,
- 3) the tenderer or any of its directors/shareholders is not listed on the Register of Tender Defaulters in
- 4) the financial offer is market related (See Regulation 6 (9) and section 7 (9) of the 8(9) OF Preferential Procurement Regulation 2017.
- 5) the tenderer or any of its directors/shareholders is not listed on the Register of Tender Defaulters in terms of the Prevention and Combating of Corrupt Activities Act of 2004 as a person prohibited from doing business with the public sector terms of the Prevention and Combating of Corrupt Activities Act of 2004 as a person prohibited from doing business with the public sector;
- 6) the tenderer has not:
 - i) abused the Employer's Supply Chain Management System; or
 - ii) failed to perform on any previous contract and has been given a written notice to this effect; and
 - iii) the tenderer has completed the Compulsory Declaration and there are no conflicts of interest
Which may impact on the tenderer's ability to perform the contract in the best interests of the employer or potentially compromise the tender process.
- 7) the 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 with a letter from a ward councillor is submitted with the tender document.
- 8) the Joint Venture has attached the following :
 - a) J V agreement,
 - b) original or certified copy of consolidated BBBEE certificate, and
 - c) letter of signatory.

2. The tenderer is required to submit with his tender the following certificates:

- 1) Proof of registration with Central Supplier Database must be attached.
- 2) A Copy of business entity registration certificate e.g. CK Document
- 3) Certified ID copy/s of business entity owners
- 4) Tax Compliance status documents with PIN from SARS must be attached.
- 5) Proof of B-BBEE status level of contributor in the form of an appropriate original or certified completed affidavit downloaded from www.thedti.gov.za/economic_empowerment/bee_codes.jsp or an original or certified copy of a valid verification certificate from a verification agency accredited by SANAS and recognized as an Accredited B-BBEE Verification Agencies (www.sanas.co.za/afdirectory/bbbee_list.php) or accounting officers as contemplated in the CCA or registered auditors.

3. Returnable schedules required for tender evaluation processes

- MBD 1: Invitation to tender
- MBD 4: Declaration of Interest form
- MBD 3.3 Price schedule – professional services
- MBD 6.1: Preference Points Claim Form In Terms Of the Preferential procurement Regulations 2017
- MBD 8: Declaration of Bidder's Past Supply Chain Management Practices
- MBD 9: Certificate of Independent Bid Determination

Please note the following:

- Failure to submit required information will lead to zero score on Functionality stage.
- Tender documents must be completed with non-erasable ink. Any tender document completed with pencil will not be acceptable and shall be disqualified.
- Ensure that there are no errors or omissions.
- The submission should be entirely legible. Any changes made to the original text of bid should be crossed through and signed for.
- If correct delivery is not received by the indicated agreed date the contract will immediately be terminated
- DO NOT USE CORRECTION FLUID as this may invalidate your submission.
- Bidders must FULLY complete, SIGN tender document and INITIAL every page. Failure to do so may lead to the tender deemed non-responsive.

PREFERENTIAL PROCUREMENT POLICY FRAMEWORK ACT (PPPFA) POINTS WILL BE AWARDED AS FOLLOWS:

Price Points	- 80 points
B-BBEE Status Level of Contributor	-20 points
TOTAL	100 points

FUNCTIONALITY

Bidders to note that a Pre-qualification Evaluation (table attached in tender document) will be undertaken. A minimum score of 70 points out of 100 points must be score in order to proceed to the Financial Evaluation.

Stage 1 of Evaluation – Functionality

Stage 2 of Evaluation – Price and Preferential Points

Description	Maximum Points Allocated
STAGE 1 OF EVALUATION - FUNCTIONALITY	
FUNCTIONALITY	
• Registered Membership	40 Points
• Client Rating	40 points
• Experience	20 points
TOTAL	100 points
STAGE 2 OF EVALUATION – PRICE & B BBEE	
PRICE	80
BBBEE POINTS	20

NB: For EFT payments use this reference No. 020114350000. The banking details and detailed breakdown of functionality (stage 1 of evaluation criteria) are available on ELM Website. www.elundini.gov.za and also attached in the tender document.

BIDDERS SHOULD TAKE NOTE OF THE FOLLOWING BID CONDITIONS:

- The Elundini Local Municipality Supply Chain Management Policy will apply. This policy is obtainable from Elundini Local Municipality offices in Maclear and is available on ELM Website:www.elundini.gov.za
 - The Elundini Local Municipality does not bind itself to accept the lowest bid or any other bid and reserves the right to accept whole or part of the bid;
 - Bids which are late, incomplete, unsigned or submitted by facsimile or electronically, will not be accepted;
 - Bids submitted are to hold good for a period of 90 days;
 - Bidders will be required to register as a supplier/service provider on the ELM's Supplier/Service Provider Database, if not already registered prior to the tender closing date.
 - 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 an ongoing basis during the contract term disclose the bidders Tax Compliance status to the municipality

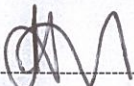
Technical enquiries Contract

Bidding Process Enquires should be directed to:

Mrs T. Zilwa [E-mail:thuthulas@elundini.gov.za](mailto:thuthulas@elundini.gov.za)

Technical Queries should be directed to:

Mr S Mveku [E-mail: sisam@elundini.gov.za](mailto:sisam@elundini.gov.za)



K. GASHI
MUNICIPAL MANAGER
ELUNDINI MUNICIPAL

ELUNDINI LOCAL MUNICIPALITY



TERMS OF REFERENCE

AUCTIONEERING SERVICES FOR A THREE YEAR PERIOD

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AUCTIONEERING SERVICES FOR A THREE YEAR PERIOD
SPECIFICATIONS

1. Introduction

Elundini Local Municipality would like to appoint a registered professional service provider(s) to provide auctioneering services to dispose of municipal moveable assets.

2. Background

Currently the disposal of moveable property is conducted by means of public auctions and the disposal of immovable property (land and buildings) is conducted by means of closed bids.

3. Scope

Elundini Local Municipality requires the services of a capable and experienced auctioneering service provider(s) for a three year period to conduct periodical auctions of:

- 3.1 Redundant/ Impounded Vehicles
- 3.2 Impounded Livestock
- 3.3 Equipment
- 3.4 Scrap Metal; or
- 3.5 Other Materials

4. General

- 4.1 Auctioneer's commission or fees is payable by Elundini Local Municipality;
- 4.2 The auction(s) will take place on a date(s) set by the Municipality and the Auctioneer;
- 4.3 Auctions will be conducted in Ugie, Maclear and Mount Fletcher at the municipal premises on periodical dates, to be negotiated and agreed upon with the appointed service provider;
- 4.4 The Municipality will, before each auction, make available a preliminary list of moveable assets to be auctioned;
- 4.5 No offer may be accepted by the auctioneer before or after the bid has been allocated at the auction;
- 4.6 The Municipality is VAT registered and VAT must be paid on all sales of movable assets, except passenger vehicles, irrespective of whether or not the buyer is VAT registered;

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- 4.7 The Auctioneer must, as part of the sales conditions, announce that the bid price will be exclusive of VAT.
- 4.8 The municipality reserves the right to award a portion, or the whole of the contract to one or more successful bidder(s).

5. The service provider will be responsible for:

- 5.1 Placement of advertisements for the auctions in newspapers. These are reimbursed to the auctioneer at Actual Cost.
- 5.2 Marking and arranging of the items to be sold at the site of the auction.
- 5.3 Registering of potential bidders and the collection of the Amount Payable by bidders, with regard to items sold.
- 5.4 The proceeds of the auction must be paid to the Municipality within 7 (seven) working days after the auction date.
- 5.5 A final detailed statement for items sold, must be submitted within 7 (seven) working days after the auction date.
- 5.6 Own travelling expenses.

PRICING SCHEDULE

Specify auctioneers commission percentage and highlight costing structure as follows: e.g. 30% Auctioneer's Commission = R30:

Pricing Schedule

Assume bid closed at R100.00 then:				
	Year 1	Year 2	Year 3	
Bid Value	R 100.00	R 100.00	R 100.00	Payable by the Buyer

Auctioneers Commission 1.

Auctioneer's Commission to the municipality	R	R	R	Payable by the municipality
VAT 15%	R	R	R	Payable by the municipality
TOTAL	R	R	R	Total Amount Payable by municipality

Auctioneers Commission 2

Auctioneer's Commission to the Buyer	R	R	R	Payable by the buyer
VAT 15%	R	R	R	Payable by the buyer
TOTAL	R	R	R	Total Amount Payable by the Buyer

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FUNCTIONALITY

With regard to functionality the following criteria will be applicable and the maximum points of each criterion are indicated.

Only bidders who score 70% and more on stage 1 to be evaluated further on price evaluation.

DESCRIPTION	DELIVERABLES	SCORING CRITERIA	POINTS ALLOCATED
Registered Membership			Maximum 40 Points
Registered Member of SAIA (South African Institute of Auctioneers) or recognized body of auctioneering profession	Certificate Membership with recognised recognized body of auctioneering profession	1. No SAIA Registration	0 Points
		2. Registration with SAIA	40 Points
Client Rating			Maximum 40 Points
Signed Reference Letters 4x Organizations for Auctioneering Services	Signed Reference Letters from 4x Organizations Auctioneering Services	1. No reference letters	0 Points
		2. Unsatisfactory Performance	0 Points
		3. Satisfactory Performance	10 Points each letter
Experience			Maximum 20 Points
Experience of the auctioneer assigned to the project	Curriculum Vitae of auctioneer that will be conducting the auction with contactable references	• No CV attached	0 Points
		• >=2 years' experience as an auctioneer.	10 Points
		• >=3 years' experience as an auctioneer.	15 Points
		• >= 5 years' experience as an auctioneer.	20 Points

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