



**BID NO: --/20..**

**PROJECT NAME**

**CONDITIONS TO SUBMIT BID (LUMP SUM)**

**Definitions:**

In this Agreement, unless the context clearly indicates a contrary intention, the following words will have the following meanings and cognate expressions will have corresponding meanings:

The “Contractor” means the company or person appointed under this bid for the purposes of delivering the service for this Project to the Client as described in the Scope of Works (**CBD 4**). For the purposes of this document, the terms “Contractor” and “Service Provider” are assumed to have the same meaning.

“Project Manager” means an official appointed and in charge of coordinating the project at **Casidra** SOC Ltd. in accordance with the provisions of these terms and conditions.

“Project” means **(describe the project)** as further identified under the project name as above.

“Service level” means the stipulated criteria applicable to the indicated project, including any set of criteria relating to the performance of the Contractor.

“Project Team” or “Steering Committee“ means the people appointed by the Client and identified to guide the project and approve achievements.

“Client” or “the Client” means **Casidra** SOC Ltd.

“Employee” means a person employed in the public administration including persons contemplated in section 12A of the Public Service Act (advisors to executive authority) and a person performing similar functions in a municipality or a provincial public entity, whether permanently or temporarily.

“Family member“ means a spouse (partner in marriage, customary union according to indigenous law or a relationship in which the parties live together in a manner resembling a marital partnership), child, parent, brother or sister, whether such relationship results from birth, marriage or adoption.

“Construction work” means any work as defined in the Construction regulations 2014 under the definitions

- Construction work including working at heights
- Excavation work
- Structure including demolition
- Temporary works

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Unless the context clearly indicates a contrary intention, any word denoting any gender includes the other gender, the singular includes the plural and vice versa, natural person includes artificial persons and vice versa and insolvency includes provision or final sequestration, liquidation or judicial management.

“**acceptable tender/bid**” means any tender which, in all respects, complies with the specifications and conditions of tender as set out in the tender document.

**1. Lump Sum Bid**

These documents are for a **lump sum** bid for all labour and material as set out in the Scope of Works. For the purposes of variation orders, the hourly or unit rates rate of the services should also be given if requested on the form **CBD 3.1**.

**2. Premises in Occupation**

The premises for the works **will be** in occupation during the contract period. Approval to access the premises must be obtained from the land owner.

**3. Fixed Price Bids**

3.1 No contract price adjustment of whatever nature, except for decreases or increases in the Value-added Tax (VAT) and / or Variation Orders, shall be applicable in this contract. The Contractor will make provision in his bid for possible fluctuations in costs.

3.2 If the instruction / appointment for the construction of certain phases is done after the validity of the bid has expired, prices may, on request, be updated or re-negotiated within the reasonable norms of escalation.

**4. Project Manager**

The person appointed by the Client to act as the Project Manager is \_\_\_\_\_ and is responsible for the project management of this contract and can be reached at 0 \_\_\_\_\_, email address is \_\_\_\_\_@casidra.co.za.

**5. Acceptance of Bids**

The Client is not bound to accept the lowest bid nor is it required to give reasons for selecting one Contractor in favour of another.

**6. Expenses in Preparation of Bid**

The Client will not be responsible for, subject to the Preferential procurement regulations, nor pay any expenses for losses which the bidder may incur in preparation of this bid.

**7. Value Added Tax**

The total quoted price must **include** Value Added Tax (VAT).

**8. Contract Period**

The contract period for the completion and delivery of all the work in this contract is     **days** commencing **7 (seven) days** after the date of appointment of the Contractor and shall include all statutory and building industry holidays to reach “the completion date”.

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**9. Inspection of Site**

Bidders must familiarise themselves with the local conditions, the accessibility of the site, the full extent and nature of the work to be done and the conditions affecting the execution and pricing of the bid. Claims on the grounds of lack of knowledge in such respects or otherwise will not be entertained.

If a site meeting is held, notice of attendance must be forwarded to the contact person.

Only information given in writing to the Contractor by the Engineer during the tender period will be regarded as binding on the Contract. Verbal information, given during the site inspection or at any other time prior to the award of the Contract, will not be regarded as binding on the Contract.

**10. Site**

The site to be occupied will be clearly pointed out to the Contractor at the site handover. The Contractor will not be allowed to extend his operations beyond the boundaries of the site.

**11. Water for the Works**

The Contractor may use water free of charge from the existing supply **if available**. He will obtain permission from the Representative / Land Owner before any connection to or extension of the existing supply is made, which will be executed, removed and made good on completion of the works at the Contractor’s own expense.

**12. Electricity & Lighting for the Works**

The Contractor may use the existing power supply free of charge **if available**. He will obtain permission from the Representative / Land Owner before any connection to or extension of the existing supply is made, which shall be executed, removed and made good on completion of the works at the Contractor’s own expense.

The Contractor will allow for the risk of failure in the electrical supply or in case of an insufficient supply, in which case he will make his own arrangements and all costs that may arise shall be for his own account.

**13. Scaffolding & Hoisting Equipment**

The Contractor will provide for the supply, erection and removal of scaffolding and / or hoisting equipment as required.

**14. Tools, Equipment & Machinery**

The Contractor will provide all his own tools and equipment as well as facilities and transport for this project. Machinery should be sufficient to complete the works in the allocated time.

**15. Existing Services**

If the Contractor encounters any existing services such as cables, pipes or sewers during the execution of the works, he must immediately notify the Client, halting all work in the vicinity thereof, until instructions to proceed have been given by the Project Manager.

Electric wires, telephone wires, pipes, etc. will not be interfered with during the course of the contract but if it should be necessary to disconnect or cut any such wires or pipes, the Client will be advised thereof and his instruction awaited.

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## 16. Accounts and Payments

Payment of accounts received by the Client in terms of the works completed, shall be effected within 30 days after receipt of a correctly completed and approved invoice for the work module. The Client does not accept responsibility for delays in payment due to faulty accounts or paperwork.

Payments will be done maximum on a bi-weekly basis and will only be made for work done/completed.

## 17. Responsibility of the Client

The Client will:

- 17.1 Ensure that payments are done in accordance with the agreed payment schedule.
- 17.2 Not unnecessarily and for an unreasonable period delay any approvals or directives that are needed for the project to proceed.
- 17.3 If applicable: Provide the Contractor with a Occupational Health and safety baseline risk assessment.
- 17.4 If applicable: Prepare a site specific health & safety specification based upon the risk assessment.

## 18. Responsibility of the Contractor

The Contractor will:

- 18.1 Ensure all building and construction works are executed within the requirements as stipulated in the Occupational Health and Safety Act, No. 85 of 1993.
  - The Contractor must sufficiently made provision for Occupational Health and Safety requirements in his bid.
  - The Contractor must have and provide proof of sufficient resources to carry out the work safely as required by the Occupational Health and Safety Act.
  - The Contractor must have and provide proof of the necessary personnel that is qualified and has suitable experience, competencies, skills and training to do work safely and meet the requirements of the Occupational Health and Safety Act and regulations.
  - For construction works - The Contractor must ensure and provide proof that all personnel have a valid medical certificate of fitness specific to construction and operate construction vehicles and mobile plant.
  - For construction works - The Contractor must provide proof, as part of the bid documents, a letter of good standing in terms of COIDA. Failure to submit will result in invalidation of the bid.
- 18.2 Have all the necessary equipment and qualified personnel to execute the works successfully.

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18.3 **Wage Rates**

- Be responsible for all the sub-Contractors appointed by him to complete the works. A minimum of **75%** of local labour must be incorporated in the project and all **workers must be SA citizens.**
- The following guidelines should be considered when setting rates of pay for workers:
  - The rate set should take into account wages paid for comparable unskilled work in the local area per sector, if necessary. **LandCare project rates should be compatible with the minimum wage determination for Agriculture.**
  - The rate should be an appropriate wage to offer an incentive for work, to reward effort provided and to ensure a reasonable quality of work.
  - It should not be more than the average local rate to ensure people are not recruited away from other employment and jobs with longer-term prospects.
  - Men, women, disabled persons and the aged must receive the same pay for work of equal value.
  - **LandCare project wage rates should include the payment of all leave and public holidays to workers, as in the Basic Conditions of Employment Act. For this purpose 16% should be added to the minimum daily rate.**
  - Provision should be made in the tender for value for payment of UIF and COIDA statutory levies.

18.4 Will provide and demonstrate a suitable and sufficiently documented Health & Safety Plan, which will be applied from the date of commencement of and for the duration of the contract. If the risks involved in the project are of such nature, based on the severity and probability, that safety is compromised, and/or the Contractor is not meeting the requirements of this Clause, the Client reserves the right to appoint an Occupational Health and Safety Officer at the cost of the Contractor.

18.5 Will be required to keep an attendance register, which meets certain criteria, of all employees who work at the project and submit this information on a bi-weekly basis to the Client who, in return, will submit a report to the funder / donor.

18.6 The Contractor’s supervisor, who shall be identified in writing to the Client’s representative and empowered to act on his / her behalf, shall constantly be present in meetings. The supervisor shall attend to any problems or complaints that may arise and directives given to him / her by the Client’s representative shall be deemed to be given to the Contractor. The supervisor must be contactable at all reasonable times, preferably to be equipped with a cellular phone.

18.7 Conform to all Laws, Regulations or By-Laws of any Department of State, Provincial Administration or Local Authority which may be applicable hereto.

18.8 Be responsible for the travelling, accommodation, work tools and management of its services.

18.9 Keep a site instruction book with numbered pages on site where all the events and instructions for the works are documented. This book must be completed in triplicate, one copy to the Contractor, one copy to the Client and the 3<sup>rd</sup> copy always kept in the book as reference.

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**19. General**

- 19.1 Under no circumstances must the Contractor accept that he has been appointed without the completed documentation as described hereafter.
- 19.2 The successful Contractor will be given notification in writing / by means of an appointment letter and the signing of **CBD 8**, together with this document, will form the contract.
- 19.3 Late bids will only be considered on the recommendation of the Adjudicating Committee.
- 19.4 The Contractor is responsible to complete all the work according to the quoted price.
- 19.5 The Contractor must be able to give a one (1) year guarantee – if not, this must be indicated on the quotation on the page named **“Changes Made By Bidder”**.
- 19.6 According to the evaluation of the bid it can be insisted that an interview be conducted with the Contractor to test his knowledge on the subject, or to give further information on its product, service or pricing.
- 19.7 If the above-mentioned requirements are not met, a motivation together with the quotation must be submitted and indicated on the page named **“Changes Made By Bidder”**.
- 19.8 The attached form, **CBD 5.1**, “PPP – Evaluation Criteria of the Contractor”, **MUST** be completed, signed and handed in as part of the bid documents by the Contractor.
- 19.9 The Contractor must provide all details of any references of previous work of a similar nature or that demonstrates the ability of the Contractor to perform a task of this nature (refer “PPP – Evaluation Criteria: References of previous work”).
- 19.10 The Client retains the right to conduct a “credit reference check” as part of the appointment conditions.
- 19.11 The Contractor **must include** all relative information and documents that will not be available on the CSD (e.g. copy of B-BBEE certificate, company profile and CVs of employees if requested) with the quotation in order to successfully complete the application.  
**Registration on the CSD and Tax clearance is compulsory for the principle and all sub-contractors**
- 19.12 The Client retains the right to partially or completely amend the quotation to award or cancel the bid.
- 19.13 NO TIPP-EX may be used to rectify mistakes.
- 19.14 The Client retains the right to amend financial / accounting calculations and to accept the amended amount as the new bid amount.

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19.15 The outcome of the bid will **not be made public or each bidder be individually communicated to on their outcome / be advertised on the website etenders.gov.za and/or i-Tender@cidb.co.za. (select the applicable method)**. Enquiries on the outcome can be made to to project manager as to improve the bidder’s competitiveness, ensure correct and complete bids for future reference.

**20 Cancellation of the Project**

The Client retains the right to partially or completely, amend, award or cancel this project before appointing any Contractor.

**21 Evaluation of the Bid**

The awarding of bids are dependent on the special evaluation criteria as set out in the policies of **Casidra**. The evaluation criteria of this Preferential Procurement Policy is based on the **“Preferential Procurement Policy Framework (Act 5 of 2000)”** and related Regulations and updates.

Further detail on the application of these regulations is as in document **CBD 5.1**. Awarding of the bid is dependent on a preferential points system, and every presentation is measured against the specific evaluation criteria as indicated. The completion and signing of this document is thus a prerequisite to qualify as a service provider.

**22 Declaration of Interest**

Public Administration Management Act 11 of 2014, Section 8(2):

*An “employee” may not – (a) conduct business with the State or (b) be a director of a public or private company conducting business with the State.*

Public Service Proclamation Act 103 of 1994 – Section 30: Directive

*“Conflict of interest” as a conflict between the public duties and private interests of an employee, in which the employee has private interest which could improperly influence him/her, and/or negative impact... on the public interest.*

Prevention and Combating of Corrupt Activities Act 12 of 2004, Section 17:

*Any public officer who, ... acquires or hold a private interest in any contract, agreement or investment emanating from or connected with the public body in which he or she is employed or which is made on account of that public body, is guilty of an offence.*

Public Service Regulations 2016 – Code of conduct:

Paragraph 13(b): *(An employee shall) – not engage in any transaction or action that is in conflict with or infringes on the execution of his or her official duties;*

Paragraph 13(c): *(An employee shall) – not conduct business with any organ of state or be a director of a public or private company conducting business with an organ of state, unless such employee is in an official capacity a director of a company listed in schedule 2 and 3 of the PFMA;*

Paragraph 13 (d): *- will recuse himself or herself from any official action or decision-making process which may result in improper personal gain, and this should be properly declared by the employee;*

In view of possible allegations of favouritism, it is required that the bidder declare his/her position in relation to the Client. The bid may be disregarded if that bidder or its directors have abused the Client’s supply chain management system, committed fraud or any other improper conduct in relation to such system.

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**23 Construction Insurance**

Proof of construction insurance for planned work must be submitted by the successful contractor. If you do not have insurance, for smaller (less than R100 000) projects, **Casidra** can put it under its insurance portfolio for your own costs (0.5% of the contract value). We must be given enough prior notice regarding this.

**24 Inspections, Tests and Analysis**

- 24.1. All pre-bidding testing will be for the account of the contractor.
- 24.2. If it is a bid condition that supplies to be produced or services to be rendered should at any stage during production or execution or on completion be subject to inspection, the premises of the contractor shall be open, at all reasonable hours, for inspection by a representative of the Client or an organization acting on behalf of the Client.
- 24.3. If there are no inspection requirements indicated in the bidding documents and no mention is made in the contract, but during the contract period it is decided that inspections shall be carried out, the Client shall itself make the necessary arrangements, including payment arrangements with the testing authority concerned.
- 24.4. If the inspections, tests and analyses show the supplies to be in accordance with the contract requirements, the cost of the inspections, tests and analyses shall be defrayed by the Client.
- 24.5. Where the supplies or services do not comply with the contract requirements, irrespective of whether such supplies or services are accepted or not, the cost in connection with these inspections, tests or analyses shall be defrayed by the contractor.
- 24.6. Supplies and services which do not comply with the contract requirements may be rejected.
- 24.7. Any contract supplies may on or after delivery be inspected, tested or analysed and may be rejected if found not to comply with the requirements of the contract. Such rejected supplies shall be held at the cost and risk of the contractor who shall, when called upon, remove them immediately at his own cost and forthwith substitute them with supplies which do comply with the requirements of the contract. Failing such removal the rejected supplies shall be returned at the contractors cost and risk. Should the contractor fail to provide the substitute supplies forthwith, the Client may, without giving the supplier further opportunity to substitute the rejected supplies, purchase such supplies as may be necessary at the expense of the contractor.
- 24.8. The provisions of clauses 24.4 to 24.7 shall not prejudice the right of the Client to cancel the contract on account of a breach of the conditions thereof, or to act in terms of the conditions of contract.

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**25 Warranty**

- 25.1 The contractor warrants that the goods supplied under the contract are new, unused, of the most recent or current models, and that they incorporate all recent improvements in design and materials unless provided otherwise in the contract. The contractor further warrants that all goods supplied under this contract shall have no defect, arising from design, materials, or workmanship (except when the design and/or material is required by the Client’s specifications) or from any act or omission of the contractor, that may develop under normal use of the supplied goods in the conditions prevailing in the country of final destination.
- 25.2 This warranty shall remain valid for twelve (12) months after the goods, or any portion thereof as the case may be, have been delivered to and accepted at the final destination indicated in the contract, or for eighteen (18) months after the date of shipment from the port or place of loading in the source country, whichever period concludes earlier, unless specified otherwise.
- 25.3 The Client shall promptly notify the contractor in writing of any claims arising under this warranty.
- 25.4 Upon receipt of such notice, the contractor shall, within the period specified and with all reasonable speed, repair or replace the defective goods or parts thereof, without costs to the Client.
- 25.5 If the contractor, having been notified, fails to remedy the defect(s) within the period specified, the Client may proceed to take such remedial action as may be necessary, at the contractor’s risk and expense and without prejudice to any other rights which the Client may have against the contractor under the contract

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