OVERSTRAND MUNICIPALITY

GENERAL CONDITIONS OF TENDER

(a) Sealed tenders / quotations, with "Tender / Quotation No SC ./2008" clearly endorsed on the envelope, must be deposited in the t**ender box** at the offices of the Overstrand Municipality, Magnolia Avenue, Hermanus.

(b) The tender must be lodged by the Tenderer in the tender box in the Main Cash Hall, Hermanus Municipal Offices, Magnolia Road, Hermanus

Please Note:

- **Tenders that are deposited in the incorrect box will not be considered.**
- **Tender box deposit slot is 28cm x 2.5cm.**
- **Mailed, telegraphic or faxed tenders will not be accepted**.

(c) Any Tender received after the appointed time for the closing of Tenders shall not be considered but shall be filed unopened with the other Tenders received or may be returned to the Tenderer at his request.

(d) Tenders may **not** be telefaxed to the Municipality and therefore any tenders received by fax will **not** be considered.

(e) A separate Tender box is provided for the reception of Tenders and no Tender will be considered which, subsequent to the closing hour for Tenders, may be found in another box.

f) Tenders shall be opened in public at the Hermanus Municipal Offices as soon as possible after the closing time for the receipt of tenders.

g) Alterations or deletions not signed by the Tenderer may render the tender invalid.

h) the Municipality shall have the right summarily to disqualify any Tenderer who, either at the date of submission of this tender or at the date of its award, is indebted to the Municipality in respect of any rental, levies, rates and/or service charges; ALTERNATIVELY;

That an agreement be signed whereby the Tenderer agrees that a percentage or fixed amount at the discretion of the Municipality, be deducted from payments due to him for this tender, until the debt is paid in full.

The tenderer shall declare **all** the Municipal account numbers in the Overstrand Area for which the enterprise or the proprietors or directors in their personal capacity is/ are responsible or co-responsible.

i) All prices shall be quoted in South African currency and be **inclusive** of

VAT.

INVOICES, VAT AND PAYMENTS

1. Invoices

All invoices must be forwarded to the following address:
Overstrand Municipality, PO Box 20, Hermanus, 7200.

2. Value-Added Tax (VAT)

Tax invoices are to comply with the requirements as contained in the Value Added Tax Act, Act 89 of 1991. The content of the invoice must contain sufficient information for audit purposes.

It is a requirement of this contract that the amount of value-added tax (VAT) must be shown clearly on each invoice.

The amended Value-Added Tax Act requires that a Tax Invoice for supplies in excess of R1 000 should, in addition to the other required information, also disclose the VAT registration number of the recipient, with effect from 1 March 2005.

The VAT registration number of the Municipality is **4140106396**.

3. Payments

There will be one payment per month to the Contractor.

Standard Payment Terms

Invoices received for services for a particular calendar month's services, will be paid between the 20th and 25th of the ensuing month.

Payments to SMME / HDI Contractors

Invoices received for services for a particular calendar month, will be paid between the 11th and 16th of the ensuing month.

SPECIAL CONDITIONS OF TENDER FOR CONTRACTS FOR SERVICES

1. DEFINITIONS (applicable to the whole tender document)

Unless inconsistent with or expressly indicated otherwise by context:

1.1 "Approved" or "Approval" shall mean "approved" or "approval" by the Municipality.

1.2 "MUNICIPALITY" shall mean OVERSTRAND MUNICIPALITY or its duly authorised representative.

1.3 "Contractor" shall mean the Tenderer whose tender has been accepted by the Municipality and shall include the Tenderer's legal personal representative, heirs, successors and assigns.

1.4 "Contract" shall mean and include the Municipality's Specification and Special Conditions of Tender for Contracts for Services and any agreement entered into in terms of these conditions.

1.5 "Contract Price(s)" shall mean the price(s) tendered by the Contractor and accepted by the Municipality for the execution of the Contract.

1.6 "Date of Tender" shall mean the date and time on which Tenders are due to be deposited in terms of the advertisement calling for Tenders.

1.7 "Month" shall mean calendar month.

1.8 "Writing" shall include any manuscript, typewritten or printed statement, under or over signature or seal as the cases may be.

2. APPLICANT TO SATISFY HIMSELF AS TO THE CONDITIONS AND CIRCUMSTANCES OF TENDER

By Tendering, the Tenderer shall be deemed to have satisfied himself as to the conditions and circumstances affecting the Tender.

3. COMPLETE ACCEPTANCE OF CONDITIONS

3.1 The Tenderer shall be deemed to know and understand the Tender Conditions of which this clause forms part and the submission of a Tender shall presume complete acceptance of the said Conditions of Tender. The non-acceptance or variation of any of these Conditions or the inclusion of any other conditions will render the Tender liable to rejection.

3.2 Subject to the provisions of the foregoing sub-clause, the Tenderer may qualify any one or more of the said Conditions but no qualification of a Condition shall, if his Tender be accepted, form part of his contract with Municipality unless at the time of the tender he shall have indicated in writing, specifically in relation to each and every Condition so qualified, the number of the Condition and the exact extent to which it is qualified. Provided, however, that in any contract to which any special conditions imposed by the Municipality apply, such special conditions shall be embodied in the tender relating to that Contract and shall be supplementary to and additional to any of the Conditions set out herein. Should any such special conditions conflict with these Conditions, the special conditions shall apply.

4. ASSIGNMENT

This contract is personal to the Contractor and the Contractor shall not sublet, assign or make over the Contract or any part thereof, or any share or interest therein, to any other person without the written consent of the Municipality and on such conditions as it may approve.

5. DISCREPANCIES

Should there appear to be any discrepancies, ambiguities or want of agreement in description, dimensions, qualities or quantities in the Contract, the Contractor shall be obliged to refer the matter to the Municipality's representative for decision before proceeding to execute the contract or part thereof in respect of which the said discrepancies, ambiguities or want of agreement appear to exist.

6. ALTERNATIVES

The Tenderer may submit alternatives which, in his opinion, are to the Municipality's advantage economically and technically.

7. DEFAULT

Should it appear to the Municipality that the Contractor is not executing the Contract in accordance with the true intent and meaning thereof, or that he is refusing or delaying to execute the Contract or that he is not carrying on the Work at such rate of progress as to ensure delivery by the Date of Delivery or that the time has expired within which delivery should have taken place or in the event of any other failure or default by the Contractor, then and in any of such events the Municipality may give notice in writing to the Contractor to make good the failure or default and should the Contractor fail to comply with the notice within the period specified therein, then and in such case the Municipality shall, without prejudice to any of its rights under the Contract, be at liberty forthwith to

perform such work as the Contractor may have neglected to do, or to take the Contract wholly or in part out of the Contractor's hands and assign that portion to any other person. The Contractor shall be responsible for any loss the Municipality may sustain by reason of such action as the Municipality may take in terms of this Clause.

8. PATENTS

The Contractor shall pay all royalties and expenses and be liable for all claims in respect of the use of patent rights, trade marks or other protected rights and hereby indemnifies the Municipality against any claims arising there from.

9 COMPLIANCE WITH LEGISLATION

9.1 The Tenderer shall comply with all Industrial Laws and Regulations relating to wages, hours and conditions generally governing the employment of labour. All aspects of the Compensation for Occupational Injuries and Diseases Act, the Occupational Health and Safety Act, UIF, etc must be adhered to by the Tenderer.

9.2 Prior to the commencement of work, the successful Tenderer will be required to appoint a competent person to sign the attached Form of Undertaking in Respect of the Occupational Health and Safety Act, 1993.

10 INDEMNITY

The successful Tenderer shall indemnify and keep the Municipality indemnified against all actions, proceedings, claims, costs, demands, damages and expenses which may be levied or made against the Municipality, or which the Municipality may sustain or incur by reason of any injury or damage to persons or property arising directly out of any action by the successful Tenderer or his agents in the execution of the Tender.

11 INJURY OR DAMAGE TO CONTRACTORS PERSONNEL, ETC

It is to be clearly understood that in the event of injury or damage to the Contractor's personnel, vehicles, gear or animals, no claim for damage or responsibility will be accepted by the Municipality.

12 LAW TO APPLY

The Contract shall in all respects be construed in accordance with the law of the Republic of South Africa and any difference that may arise between

the Municipality and the Contractor in regard to the Contract shall be settled the Magistrates Court in the Republic of South Africa.

13 OFFERING OF COMMISSION OR GRATUITY

If a Tenderer or Contractor, or any person employed by him, is found, to have either directly or indirectly offered, promised or given to any Councillor or employee of the Municipality, any commission, gratuity, gift or other consideration, the Municipality shall have the right summarily and without recourse to law and without prejudice to any other legal remedy which it may have in regard to any loss and/or additional cost or expenses, to disqualify the Tender or cancel the Contract without paying any compensation to the aforesaid Tenderer or Contractor.

14 SAVING CLAUSE

Nothing in these conditions or in any other part of this Contract contained shall be construed as preventing the Municipality from recovering from the Contractor any damages to which the Municipality may be entitled in law as a consequence of any breach by the Contractor of any of the terms of this Contract. Should any issue arise in the duration of the contract for which no provision is made in the tender conditions, the Municipality reserves its right to make an appropriate ruling and such ruling will be deemed to be included in the tender conditions.