



water & sanitation

Department:
Water and Sanitation
REPUBLIC OF SOUTH AFRICA

MINUTES OF THE COMPULSORY CLARIFICATION MEETING FOR BID: EOI NOTICE NO: DWS24-0124 WTE

FRAMEWORK AGREEMENT FOR THE SERVICES OF A MANAGEMENT CONTRACTOR FOR BULK WATER AND SANITATION PROJECTS AND OTHER REGIONAL INFRASTRUCTURE PROJECTS IN THE NORTH WEST, GAUTENG, LIMPOPO, AND NORTHERN CAPE FOR CONSTRUCTION WEST OVER A FOUR- YEAR TERM. ONLY BIDDERS WITH CIDB GRADING 8CE OR HIGHER ARE ELIGIBLE TO BID

DATE: 30 JANUARY 2024

TIME: 10:00am

VENUE: CONSTRUCTION WEST: POTCHEFSTROOM OFFICE

DEPARTMENT OF WATER AND SANITATION OFFICIALS PRESENT

Ms Thea Gouws	Construction Technical Representative - Head office
Mr. Khwezi Siziba	Construction Technical Representative – Construction West
Ms Ntombizethu Nzimande	Supply Chain Management Representative – Head Office
Ms Idah Selolo	Supply Chain Management Representative – Head Office
Ms Sinah Lelaka	Supply Chain Management Representative – Construction West
Ms Maggy Naicker	Supply Chain Management Representative - Construction West

Technical Presentation: Ms. Thea Gouws

SCM Presentation: Ms. Ntombizethu Nzimande

1. OPENING AND WELCOME

Ms. Thea Gouws opened the meeting and welcomed everyone present. She introduced herself and handed over to other DWS officials to introduce themselves.

2. ATTENDANCE

The attendees were requested to sign the attendance register (Company Name, contact details and name of the company representative). Bidders were informed that the information to be provided on the attendance register needed to be clear as possible as SCM will use the details on the attendance register to provide minutes of the briefing session and/or other documents before the closing date. Bidders were also informed that after the briefing session the Certificate of Attendance (Form D) at Compulsory Clarification Meeting would be signed by a DWS representatives and that the signed form should be submitted with the bidder's bid proposal.

3. PRESENTATION OUTLINE

- Background
- Objective
- Primary procurement objective
- Secondary objective
- Services Required
- SCM Presentation
- Submission of bid documents
- Technical Presentation
- Closure
- Questions and Answers

No.	ITEM
3.1	Background
	The Department of Water and Sanitation (DWS) has its own Construction Units which undertake a range of water infrastructure projects falling within the DWS's mandate. These construction infrastructure projects are clustered in 5 based construction unit offices over different regions. Construction West unit office area is in Potchefstroom in the North West Province.
3.2	Objective
	The objective of this call for an expression of interest is to prequalify interested CIDB registered contractors so that they can be invited to submit tenders for management contracting services within North West, Gauteng, Limpopo and Northern Cape.
3.3	Primary procurement objectives
	<ul style="list-style-type: none">• accelerate progress in improving the reliability of the water service and access to sustainable sanitation services.• respond rapidly to emerging needs and emergencies as and when they arise in the shortest possible time.• enable DWS Construction Units to function efficiently, effectively and

	<p>economically through the timeous and in-sequence delivery of resources to sites or workshops.</p> <ul style="list-style-type: none"> • reduce costs through more efficient procurement practices. • reduce the time taken to solicit tenders and award contracts. • improve the quality of existing and future infrastructure. • increase the internal capacity and capability of DWS to deliver infrastructure projects efficiently, economically, and effectively; and deliver value for money, while minimising the scope for corruption
3.4	Secondary objectives
	<ul style="list-style-type: none"> • promote broad-based black economic empowerment in support of the economic transformation of South Africa. • develop internal skills and capacity to execute projects. • support skills development by increasing the number of people who have part qualifications, national qualifications and professional designations awarded by statutory councils. • promote and support local participation throughout the supply chain and local employment through the delivery of infrastructure. • promote enterprise development amongst CIDB registered contractors. • promote local production and content of designated goods.
3.5	Services Required
	<p>The works associated with a project may comprise any or all the following over a four- year term without any commitment to a quantum of work:</p> <ul style="list-style-type: none"> • the provision of engineering and construction works including any level of design responsibility for a site. • the supply and delivery of goods, materials, construction plant and equipment to a delivery place or site. • the supply of plant and related services including design, manufacture, delivery and installation for a site. • the servicing, maintenance, and repair of the DWS construction plant and equipment. • the provision of professional services which are required to support the work of an Employer's Construction Unit or for a site; and the management and provision of a service to support the work of an Employer's Construction Unit or for an affected property for a period of time.
3.6	SCM Presentation
	<p>Ms. Nzimande took bidders through the bidding procedure and compliance thereof. The presentation was outlined as follows:</p> <p>Bid Requirements</p> <p>It is estimated that bidders must have the following CIDB contractor grading of 8CE or higher.</p> <p>Evaluation of the Framework agreement</p> <p>The Respondents will be evaluated in a two-phase process.</p> <p>Phase 1: will be this document: the Expression of Interest for the framework agreement. This will be evaluated and all bidders who comply with the requirements as set out will be requested to complete a second document.</p>

Phase 2: Respondents who are invited to submit tenders will be evaluated based on financial offer, preference, quality, and other requirements. Tenderers will be required to tender their direct fee percentage and subcontracted fee percentages. These parameters will be reduced to a comparative offer in terms of a tender assessment schedule. A framework agreement will be entered into with the highest-scoring tenderers.

Evaluation Criteria: Submission Data

Only those respondents who are registered with the Construction Industry Development Board or are capable of being so registered within 21 working days from the closing date for submission of tenders (EOI), in a contractor grading designation of 8CE or higher, are eligible to have their submissions evaluated.

5.1 Only those respondents who satisfy the prescribed CIDB Contractor Grading Designation requirements and the following eligibility criteria and who provide the required evidence in their submissions are eligible to submit submissions, have their submission evaluated and be invited to submit tender offers.

- 1) The respondent is:
 - a) An incorporated joint venture only (the respondent joint venture, must be incorporated, such that the JV track record can be proven); and
 - b) registered in terms of the Companies Act, 2008 (Act 71 of 2008) or Close Corporation Act, 1984, (Act No. 69 of 1984);
- 2) The respondent and any of its directors/shareholders are not listed on the Register of Tender Defaulters in terms of the Prevention and Combating of Corrupt Activities Act of 2004 or the National Treasury's Database of Restricted Suppliers (see www.treasury.gov.za) as a person prohibited from doing business with the public sector;
- 3) The respondent has completed the Compulsory Declaration and there are no legal reasons for not permitting the respondent from contracting with the Employer;
- 4) The respondent, unless a foreign supplier, is tax compliant or provides written proof from SARS that the respondent has made arrangements to meet outstanding tax obligations;
- 5) The respondent's municipal rates and taxes and municipal service charges are not in arrears (Municipal account must be in the company's name; outstanding municipal accounts may not be older than 30 days, or if there is an account dispute lodged, proof must be provided in form of a case number or similar). Where respondents are from a non-municipal area, the respondent should submit a confirmation letter from the closest municipality stating that the respondent is from a non-municipal area, and that must be supported by an affidavit;
- 6) The respondent should provide audited financial statements for two financial years (24 months) immediately preceding the tender closing date complying with applicable legislation;
- 7) The respondent has a best annual turnover from the two financial years immediately preceding the tender closing date which is not less than R 65 million;
- 8) The respondent can provide at least three contactable references as a main contractor for works comprising dams, water abstraction works or water transfer schemes including associated specialist mechanical and

- electrical works having a contract value of at least R 30 million including VAT and which has been satisfactorily completed during the last five years.
- 9) The respondent is registered and in good standing with the compensation fund or with a licensed compensation insurer.
- 10) The respondent is capable of producing a health and safety plan for a dam, water abstraction works or water transfer scheme; and
- 11) The respondent 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.

List of Returnable Documents

Doc. Ref. Nr.	Description
SBD 1	Invitation to bid
SBD 4	Respondents Disclosure
Form A	Compulsory Declaration
Form B	Municipal Declaration
Form C	Enterprise Declaration: together with the following attachments:
	a. Proof of company registration in terms of the Companies Act, 2008 (Act 71 of 2008) or Close Corporation Act, 1984, (Act No. 69 of 1984) as applicable;
	b. Annual Financial Statements Declaration for the respondent including suitable annual financial statements for the best annual turnover from the two financial years immediately preceding the Tender closing date (Annexure A);
	c. Confirms experience in works as required, and provided three contacts (Annexure B)
	d. National Treasury Central Supplier Data Base unless the respondent is a foreign supplier with no local registered entity – CSD Registration report printed not earlier than 2 weeks prior to the closing date for submissions;
	e. A letter of good standing from the Compensation Fund or a licensed compensation insurer as contemplated in the Compensation for Occupational Injuries and Disease Act, 1993 (Act No. 130 of 1993);
	f. a copy of a recent health and safety plan for works of a similar nature
Form D	Certificate of Attendance at the Compulsory Clarification Meeting

3.7

Submission of bid documents

Closing date and time for submissions: 20 February 2024 then extended to 08 March 2024 at 11:00am

Telephonic, telegraphic, telex, facsimile or e-mailed submissions offers will not be accepted.

	<p>The employer's address for delivery of submissions and identification details to be shown on each submission package are:</p> <p>Location of tender box: THE BID BOX AT THE ENTRANCE</p> <p>Physical address: ZWAMADAKA BUILDING 157 FRANCIS BAARD STREET, PRETORIA, 0001</p> <p>Identification details:</p> <p>Tender No, EOI NOTICE NO: DWS24-0124 WTE</p> <p>Title of Project: FRAMEWORK AGREEMENT FOR THE SERVICES OF A MANAGEMENT CONTRACTOR FOR BULK WATER AND SANITATION PROJECTS AND OTHER REGIONAL INFRASTRUCTURE PROJECTS IN THE NORTH WEST, GAUTENG, LIMPOPO AND NORTHERN CAPE FOR CONSTRUCTION WEST OVER A FOUR-YEAR TERM. ONLY RESPONDENTS WITH CIDB GRADING 8CE OR HIGHER ARE ELIGIBLE TO BID.</p> <p>Parts of each submission communicated on paper shall be submitted as an original plus two copies.</p> <p>The respondent is requested to also provide a scanned PDF copy of the complete submission in electronic format on a flash disk and to include this in their submission.</p> <p>Postal submission, the bid response must be delivered at:</p> <p>Department of Water and Sanitation (Supply Chain Management WTE), Private Bag X313, Pretoria, 0001</p> <p>Disclaimer for utilization of postal delivery: It is the responsibility of the bidder to ensure that the bid response is submitted within a reasonable time and that Bid Office officials are informed at least 3 days prior to the closing date about the delivery method chosen in order to make necessary arrangement for collection with bid response at registry. Without arrangements there will be no collection and any late bid will not be considered.</p> <p>Courier services, the bid response must be sent to :</p> <p>Department of Water and Sanitation, Zwamadaka Building, 157 Francis Baard Street, Pretoria 0002</p> <p>Disclaimer for utilization of courier services: It is the responsibility of the bidder to ensure that the bid response is submitted within a reasonable time and that the signing of the bid response during delivery is done with the relevant Bid Office officials only. It will remain the bidder's responsibility to ensure that the bid document is submitted in the tender box situated at the address mentioned above on or before the closing time of the bid. It is advised that the document response be submitted a day before the closing date to avoid disappointment. Bid office officials will not be held liable for any delays.</p>
3.8	Technical Presentation
	See technical presentation attached as Annexure A.

Questions and Answers (During and after briefing meeting)

No.	Questions	Answers
01	Why is the Department having two methods of JV's in the bid document and at the same time they are saying only JV's that are incorporated will be acceptable.	Please refer to Addendum No. 2 (The addendum will be sent to bidders and posted on the website as well)
02	Why is the Department now opting for incorporated JV's and choose to disadvantage the unincorporated JV.	The Department has done their risk analysis and determine that it will be to big risk to enter into unincorporated JV's for this specific type of contract.
03	Is the above requirement even regulated?	<i>Yes, as the Department it is our duty to due risk analysis and to determine and eliminate any risk, as determine by SANS 10845 and CIDB regulations.</i>
04	Bidders asked if they can apply to register as incorporated JV after this process if they are found eligible – of which the answer provided was	No sorry, not an option, you must be incorporated JV at the time of submitting the EOI or 21days as per CIDB regulations after closing of the bid. This also comes therefore back to the correction need on the wording added by IDBSC on bullet 5.1)1) a).
05	Are bidders required to submit key personnel, plant if so is there any criteria that they should use to submit those?	No requirement for submitting key personnel, plant etc.
06	What experience is required for the tender document?	The experience required for this EOI is as stipulated in bullet 8, under clause 5.1 (eligibility criteria) page 6 of EOI document namely <i>"The respondent can provide at least three contactable references as a main contractor for works comprising dams, water abstraction works or water transfer schemes including associated specialist mechanical and electrical works having a contract value of at least R 30 million including VAT and which has been satisfactorily completed during the last five years"</i> .
07	Does the project require consultants?	No
08	Will it be possible for the Department to get companies that have similar experience of the project that were done for the past 5 years since the country was hit by Covid 19 for almost 3 years?	Yes, work was done from February 2019, which was before covid. This requirement is also in line with CIDB requirement.
09	Is it possible for the Department to reconsider to increase the number of years to 10 years?	No, this requirement is in line with CIDB grading registration requirement.

10	Please advise/clarify how an enterprise should fill under Form B Municipal Declaration, if the enterprise doesn't have a municipal account as they are renting office space?	Please refer to Addendum No. 2 (The addendum will be sent to bidders and posted on the website as well)
11	The respondent should provide audited financial statements for two financial years (24 months) immediately preceding the tender closing date complying with applicable legislation. What should then happen to the companies that are not required by law to have their financial statements audited?	Please refer to Addendum No. 2 (The addendum will be sent to bidders and posted on the website as well)
12	If we were in a JV contract and the projects were completed by the JV. Can we use those completion certificates as referrals for the tender, alternatively we can have completion certificate for the portion done by our company?	Yes, it is allowed if you can provide a completion certificate for the portion done by your company.

Closure

Meeting adjourned at 13:30pm



Chairperson (Technical)
Ms. Theas Gouws
Date: 06/03/2024

Scriber (SCM Secretariat)
Ms. Idah Selolo
Date: