

RECEIVED NO. 44(S/2010/11

ORIGINAL DOCUMENT

WARRANT OF EXECUTION AT THE
COUNTY OF LOS ANGELES

IN THE DISTRICT COURT OF THE
COUNTY OF LOS ANGELES

[REDACTED]

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CITY OF CAPE TOWN

WATER AND SANITATION

CONTRACT NO. 441S/2010/11

PROVISION OF OPERATION, MAINTENANCE AND MANAGEMENT SERVICES AT THE ZANDVLIET
WASTEWATER TREATMENT WORKS

General Tender Information

TENDER ADVERTISED	:	Friday, 6 May 2011
SITE VISIT/CLARIFICATION MEETING	:	09h00 on Wednesday, 25 May 2011 (compulsory)
VENUE FOR SITE VISIT/CLARIFICATION MEETING	:	Administration Building in the Zandvliet Wastewater Treatment Works
CLOSING DATE	:	Monday, 13 June 2011
CLOSING TIME	:	10h00
CLOSING VENUE	:	Tender Box 72 at the Tender Submission Office,
TENDER BOX 72	:	The Tender Document (which includes the Form of Offer and Acceptance) completed in all respects, plus any additional supporting documentation required, must be submitted in a sealed envelope with the name and address of the tenderer, the tender No. and title, the tender box No. and the closing date indicated on the envelope. The sealed envelope must be inserted into the appropriate official tender box before closing time. If the tender offer is too large to fit into the abovementioned box or the box is full, please enquire at the public counter opposite the tender boxes for an alternative tender box. The onus remains with the tenderer to ensure that the tender is placed in either the original or alternative box.

CITY OF CAPE TOWN

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WASTEWATER TREATMENT WORKS

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CITY OF CAPE TOWN

WATER AND SANITATION

CONTRACT NO. 441S/2010/11

PROVISION OF OPERATION, MAINTENANCE AND MANAGEMENT SERVICES AT THE ZANDVLIET
WASTEWATER TREATMENT WORKS

T1.1 Tender Notice and Invitation to Tender

The CITY OF CAPE TOWN, Director: Water and Sanitation, invites tenders for Tender No. **441S/2010/11: Provision of Operation, Maintenance and Management Services at the Zandvliet Wastewater Treatment Works.**

Tenderers must be registered on the City of Cape Town's Vendor Database.

Tenderers who are not registered on the City of Cape Town's Vendor Database are not precluded from submitting tenders, but must however be registered prior to the evaluation of tenders in order for their tenders to be responsive.

Preferences are offered to tenderers who have HDI Equity Ownership status.

In order to qualify for preference points in the evaluation of tenders, tenderers must be registered and verified on the Western Cape Supplier Database prior to the evaluation of tenders.

The physical address for collection of tender documents is:

Tender Distribution Office,

Documents may be collected during working hours between 08:30 –15:00 from **Friday, 6 May 2011.**

A non-refundable tender deposit of R100.00 payable by crossed cheque made out in favour of the City of Cape Town is required on collection of the tender documents.

Queries relating to the issue of these documents may be addressed to _____, Fax No. _____,
e mail _____.

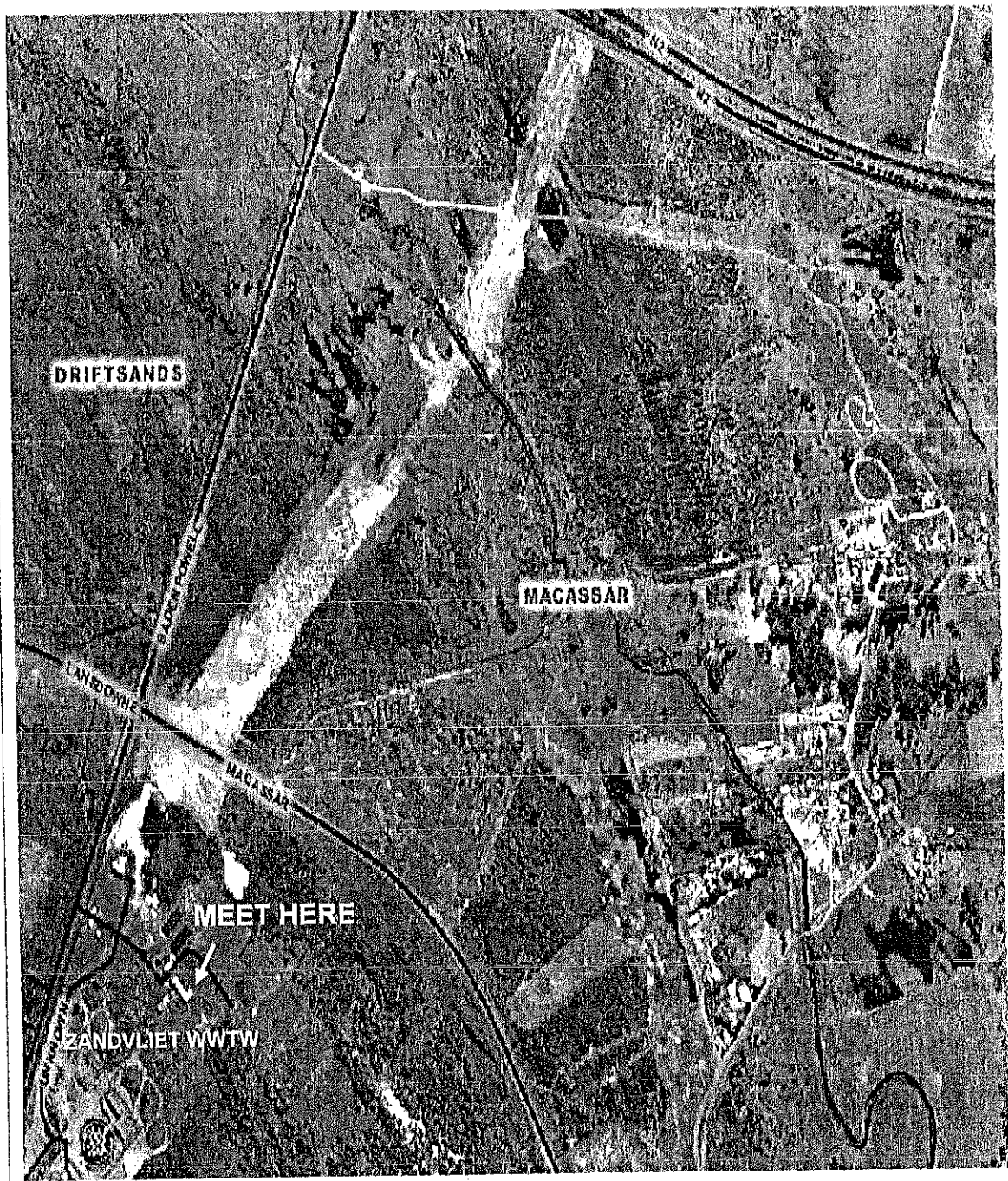
A **compulsory** site visit/clarification meeting will be held on **Wednesday, 25 May 2011 at 09h00** at the Administration Building in the Zandvliet Wastewater Treatment Works.

The closing time for receipt of tenders is **10h00 on Monday, 13 June 2011.**

Telegraphic, telephonic, telex, facsimile and late tenders will not be accepted.

Tenders may only be submitted on the tender documentation that has been issued.

Requirements for sealing, addressing, delivery, opening and assessment of tenders are stated in the Tender Data.



CITY OF CAPE TOWN
 WATER AND SANITATION
 CONTRACT NO. 441S/2010/11
 PROVISION OF OPERATION, MAINTENANCE AND MANAGEMENT SERVICES AT THE ZANDVLIET
 WASTEWATER TREATMENT WORKS
LOCALITY PLAN – SITE VISIT/CLARIFICATION MEETING VENUE

T1.2 Standard Conditions of Tender

(CIDB Standard Conditions of Tender (Annex F))

F.1 General

F.1.1 Actions

F.1.1.1 The employer and each tenderer submitting a tender offer shall comply with these conditions of tender. In their dealings with each other, they shall discharge their duties and obligations as set out in F.2 and F.3, timeously and with integrity, and behave equitably, honestly and transparently, comply with all legal obligations and not engage in anticompetitive practices.

F.1.1.2 The employer and the tenderer and all their agents and employees involved in the tender process shall avoid conflicts of interest and where a conflict of interest is perceived or known, declare any such conflict of interest, indicating the nature of such conflict. Tenderers shall declare any potential conflict of interest in their tender submissions. Employees, agents and advisors of the employer shall declare any conflict of interest to whoever is responsible for overseeing the procurement process at the start of any deliberations relating to the procurement process or as soon as they become aware of such conflict, and abstain from any decisions where such conflict exists or recuse themselves from the procurement process, as appropriate.

- Note:
- 1) A conflict of interest may arise due to a conflict of roles which might provide an incentive for improper acts in some circumstances. A conflict of interest can create an appearance of impropriety that can undermine confidence in the ability of that person to act properly in his or her position even if no improper acts result.
 - 2) Conflicts of interest in respect of those engaged in the procurement process include direct, indirect or family interests in the tender or outcome of the procurement process and any personal bias, inclination, obligation, allegiance or loyalty which would in any way affect any decisions taken.

F.1.1.3 The employer shall not seek and a tenderer shall not submit a tender without having a firm intention and the capacity to proceed with the contract.

F.1.2 Tender Documents

The documents issued by the employer for the purpose of a tender offer are listed in the tender data.

F.1.3 Interpretation

F.1.3.1 The tender data and additional requirements contained in the tender schedules that are included in the returnable documents are deemed to be part of these conditions of tender.

F.1.3.2 These conditions of tender, the tender data and tender schedules which are only required for tender evaluation purposes, shall not form part of any contract arising from the invitation to tender.

F.1.3.3 For the purposes of these conditions of tender, the following definitions apply:

- a) **conflict of interest** means any situation in which:
 - i) someone in a position of trust has competing professional or personal interests which make it difficult to fulfill his or her duties impartially;
 - ii) an individual or organisation is in a position to exploit a professional or official capacity in some way for their personal or corporate benefit; or
 - iii) incompatibility or contradictory interests exist between an employee and the organisation which employs that employee.
- b) **comparative offer** means the tenderer's financial offer after all tendered parameters that will affect the value of the financial offer have been taken into consideration in order to enable comparisons to be made between offers on a comparative basis

- c) **corrupt practice** means the offering, giving, receiving or soliciting of anything of value to influence the action of the employer or his staff or agents in the tender process; and
- d) **fraudulent practice** means the misrepresentation of the facts in order to influence the tender process or the award of a contract arising from a tender offer to the detriment of the employer, including collusive practices intended to establish prices at artificial levels
- e) **organization** means a company, firm, enterprise, association or other legal entity, whether incorporated or not, or a public body
- f) **quality (functionality)** means the totality of features and characteristics of a product or service that bear on its ability to satisfy stated or implied needs.

F.1.4 Communication and employer's agent

Each communication between the employer and a tenderer shall be to or from the employer's agent only, and in a form that can be readily read, copied and recorded. Communication shall be in the English language. The employer shall not take any responsibility for non-receipt of communications from or by a tenderer. The name and contact details of the employer's agent are stated in the tender data.

F.1.5 The employer's right to accept or reject any tender offer

F.1.5.1 The employer may accept or reject any variation, deviation, tender offer, or alternative tender offer, and may cancel the tender process and reject all tender offers at any time before the formation of a contract. The employer shall not accept or incur any liability to a tenderer for such cancellation and rejection, but will give written reasons for such action upon written request to do so.

F.1.5.2 The employer may not subsequent to the cancellation or abandonment of a tender process or the rejection of all responsive tender offers re-issue a tender covering substantially the same scope of work within a period of six months unless only one tender was received and such tender was returned unopened to the tenderer.

F.1.6 Procurement procedures

F.1.6.1 General

Unless otherwise stated in the tender data, a contract will, subject to F.3.13, be concluded with the tenderer who in terms of F.3.11 is the highest ranked or the tenderer scoring the highest number of tender evaluation points, as relevant, based on the tender submissions that are received at the closing time for tenders.

F.1.6.2 Competitive negotiation procedure

F.1.6.2.1 Where the tender data require that the competitive negotiation procedure is to be followed, tenderers shall submit tender offers in response to the proposed contract in the first round of submissions. Notwithstanding the requirements of F.3.4, the employer shall announce only the names of the tenderers who make a submission. The requirements of F.3.8 relating to the material deviations or qualifications which affect the competitive position of tenderers shall not apply.

F.1.6.2.2 All responsive tenderers, or not less than three responsive tenderers that are highest ranked in terms of the evaluation method and evaluation criteria stated in the tender data, shall be invited in each round to enter into competitive negotiations, based on the principle of equal treatment and keeping confidential the proposed solutions and associated information. Notwithstanding the provisions of F.2.17, the employer may request that tenders be clarified, specified and fine-tuned in order to improve a tenderer's competitive position provided that such clarification, specification, fine-tuning or additional information does not alter any fundamental aspects of the offers or impose substantial new requirements which restrict or distort competition or have a discriminatory effect.

F.1.6.2.3 At the conclusion of each round of negotiations, tenderers shall be invited by the employer to make a fresh tender offer, based on the same evaluation criteria, with or without adjusted weightings. Tenderers shall be advised when they are to submit their best and final offer.

F.1.6.2.4 The contract shall be awarded in accordance with the provisions of F.3.11 and F.3.13 after tenderers have been requested to submit their best and final offer.

F.1.6.3 Proposal procedure using the two stage-system

F.1.6.3.1 Option 1

Tenderers shall in the first stage submit technical proposals and, if required, cost parameters around which a contract may be negotiated. The employer shall evaluate each responsive submission in terms of the method of evaluation stated in the tender data, and in the second stage negotiate a contract with the tenderer scoring the highest number of evaluation points and award the contract in terms of these conditions of tender.

F.1.6.3.2 Option 2

F.1.6.3.2.1 Tenderers shall submit in the first stage only technical proposals. The employer shall invite all responsive tenderers to submit tender offers in the second stage, following the issuing of procurement documents.

F.1.6.3.2.2 The employer shall evaluate tenders received during the second stage in terms of the method of evaluation stated in the tender data, and award the contract in terms of these conditions of tender.

F.2 Tenderer's obligations

F.2.1 Eligibility

F.2.1.1 Submit a tender offer only if the tenderer satisfies the criteria stated in the tender data and the tenderer, or any of his principals, is not under any restriction to do business with employer.

F.2.1.2 Notify the employer of any proposed material change in the capabilities or formation of the tendering entity (or both) or any other criteria which formed part of the qualifying requirements used by the employer as the basis in a prior process to invite the tenderer to submit a tender offer and obtain the employer's written approval to do so prior to the closing time for tenders.

F.2.2 Cost of tendering

Accept that, unless otherwise stated in the tender data, the employer will not compensate the tenderer for any costs incurred in the preparation and submission of a tender offer, including the costs of any testing necessary to demonstrate that aspects of the offer complies with requirements.

F.2.3 Check documents

Check the tender documents on receipt for completeness and notify the employer of any discrepancy or omission.

F.2.4 Confidentiality and copyright of documents

Treat as confidential all matters arising in connection with the tender. Use and copy the documents issued by the employer only for the purpose of preparing and submitting a tender offer in response to the invitation.

F.2.5 Reference documents

Obtain, as necessary for submitting a tender offer, copies of the latest versions of standards, specifications, conditions of contract and other publications, which are not attached but which are incorporated into the tender documents by reference.

F.2.6 Acknowledge addenda

Acknowledge receipt of addenda to the tender documents, which the employer may issue, and if necessary apply for an extension to the closing time stated in the tender data, in order to take the addenda into account.

F.2.7 Clarification meeting

Attend, where required, a clarification meeting at which tenderers may familiarize themselves with aspects of the proposed work, services or supply and raise questions. Details of the meeting(s) are stated in the tender data.

F.2.8 Seek clarification

Request clarification of the tender documents, if necessary, by notifying the employer at least five working days before the closing time stated in the tender data.

F.2.9 Insurance

Be aware that the extent of insurance to be provided by the employer (if any) might not be for the full cover required in terms of the conditions of contract identified in the contract data. The tenderer is advised to seek qualified advice regarding insurance.

F.2.10 Pricing the tender offer

F.2.10.1 Include in the rates, prices, and the tendered total of the prices (if any) all duties, taxes (except Value Added Tax (VAT), and other levies payable by the successful tenderer, such duties, taxes and levies being those applicable 14 days before the closing time stated in the tender data.

F.2.10.2 Show VAT payable by the employer separately as an addition to the tendered total of the prices.

F.2.10.3 Provide rates and prices that are fixed for the duration of the contract and not subject to adjustment except as provided for in the conditions of contract identified in the contract data.

F.2.10.4 State the rates and prices in Rand unless instructed otherwise in the tender data. The conditions of contract identified in the contract data may provide for part payment in other currencies.

F.2.11 Alterations to documents

Do not make any alterations or additions to the tender documents, except to comply with instructions issued by the employer, or necessary to correct errors made by the tenderer. All signatories to the tender offer shall initial all such alterations. Erasures and the use of masking fluid are prohibited.

F.2.12 Alternative tender offers

F.2.12.1 Unless otherwise stated in the tender data submit alternative tender offers only if a main tender offer, strictly in accordance with all the requirements of the tender documents, is also submitted. The alternative tender offer is to be submitted with the main tender offer together with a schedule that compares the requirements of the tender documents with the alternative requirements the tenderer proposes.

F.2.12.2 Accept that an alternative tender offer may be based only on the criteria stated in the tender data or criteria otherwise acceptable to the employer.

F.2.13 Submitting a tender offer

F.2.13.1 Submit one tender offer only, either as a single tendering entity or as a member in a joint venture to provide the whole of the works, services or supply identified in the contract data and described in the scope of works, unless stated otherwise in the tender data.

F.2.13.2 Return all returnable documents to the employer after completing them in their entirety, either electronically (if they were issued in electronic format) or by writing legibly in non-erasable ink.

F.2.13.3 Submit the parts of the tender offer communicated on paper as an original plus the number of copies stated in the tender data, with an English translation of any documentation in a language other than English, and the parts communicated electronically in the same format as they were issued by the employer.

F.2.13.4 Sign the original and all copies of the tender offer where required in terms of the tender data. The employer will hold all authorized signatories liable on behalf of the tenderer. Signatories for tenderers proposing to contract as joint ventures shall state which of the signatories is the lead partner whom the employer shall hold liable for the purpose of the tender offer.

F.2.13.5 Seal the original and each copy of the tender offer as separate packages marking the packages as "ORIGINAL" and "COPY". Each package shall state on the outside the employer's address and identification details stated in the tender data, as well as the tenderer's name and contact address.

F.2.13.6 Where a two-envelope system is required in terms of the tender data, place and seal the returnable documents listed in the tender data in an envelope marked "financial proposal" and place the remaining returnable documents in an envelope marked "technical proposal". Each envelope shall state on the outside the employer's address and identification details stated in the tender data, as well as the tenderer's name and contact address.

F.2.13.7 Seal the original tender offer and copy packages together in an outer package that states on the outside only the employer's address and identification details as stated in the tender data.

F.2.13.8 Accept that the employer shall not assume any responsibility for the misplacement or premature opening of the tender offer if the outer package is not sealed and marked as stated.

F.2.13.9 Accept that tender offers submitted by facsimile or e-mail will be rejected by the employer, unless stated otherwise in the tender data.

F.2.14 Information and data to be completed in all respects

Accept that tender offers, which do not provide all the data or information requested completely and in the form required, may be regarded by the employer as non-responsive.

F.2.15 Closing time

F.2.15.1 Ensure that the employer receives the tender offer at the address specified in the tender data not later than the closing time stated in the tender data. Accept that proof of posting shall not be accepted as proof of delivery.

F.2.15.2 Accept that, if the employer extends the closing time stated in the tender data for any reason, the requirements of these conditions of tender apply equally to the extended deadline.

F.2.16 Tender offer validity

F.2.16.1 Hold the tender offer(s) valid for acceptance by the employer at any time during the validity period stated in the tender data after the closing time stated in the tender data.

F.2.16.2 If requested by the employer, consider extending the validity period stated in the tender data for an agreed additional period with or without any conditions attached to such extension.

F.2.16.3 Accept that a tender submission that has been submitted to the employer may only be withdrawn or substituted by giving the employer's agent written notice before the closing time for tenders that a tender is to be withdrawn or substituted.

F.2.16.4 Where a tender submission is to be substituted, submit a substitute tender in accordance with the requirements of F.2.13 with the packages clearly marked as "SUBSTITUTE".

F.2.17 Clarification of tender offer after submission

Provide clarification of a tender offer in response to a request to do so from the employer during the evaluation of tender offers. This may include providing a breakdown of rates or prices and correction of arithmetical errors by the adjustment of certain rates or item prices (or both). No change in the competitive position of tenderers or substance of the tender offer is sought, offered, or permitted.

Note: Sub-clause F.2.17 does not preclude the negotiation of the final terms of the contract with a preferred tenderer following a competitive selection process, should the Employer elect to do so.

F.2.18 Provide other material

F.2.18.1 Provide, on request by the employer, any other material that has a bearing on the tender offer, the tenderer's commercial position (including notarized joint venture agreements), preferencing arrangements, or samples of materials, considered necessary by the employer for the purpose of a full and fair risk assessment. Should the tenderer not provide the material, or a satisfactory reason as to why it cannot be provided, by the time for submission stated in the employer's request, the employer may regard the tender offer as non-responsive.

F.2.18.2 Dispose of samples of materials provided for evaluation by the employer, where required.

F.2.19 Inspections, tests and analysis

Provide access during working hours to premises for inspections, tests and analysis as provided for in the tender data.

F.2.20 Submit securities, bonds, policies, etc.

If requested, submit for the employer's acceptance before formation of the contract, all securities, bonds, guarantees, policies and certificates of insurance required in terms of the conditions of contract identified in the contract data.

F.2.21 Check final draft

Check the final draft of the contract provided by the employer within the time available for the employer to issue the contract.

F.2.22 Return of other tender documents

If so instructed by the employer, return all retained tender documents within 28 days after the expiry of the validity period stated in the tender data.

F.2.23 Certificates

Include in the tender submission or provide the employer with any certificates as stated in the tender data.

F.3 The Employer's undertakings

F.3.1 Respond to requests from the tenderer

F.3.1.1 Unless otherwise stated in the Tender Data, respond to a request for clarification received up to five working days before the tender closing time stated in the Tender Data and notify all tenderers who drew procurement documents.

F.3.1.2 Consider any request to make a material change in the capabilities or formation of the tendering entity (or both) or any other criteria which formed part of the qualifying requirements used to prequalify a tenderer to submit a tender offer in terms of a previous procurement process and deny any such request if as a consequence:

- a) an individual firm, or a joint venture as a whole, or any individual member of the joint venture fails to meet any of the collective or individual qualifying requirements;
- b) the new partners to a joint venture were not prequalified in the first instance, either as individual firms or as another joint venture; or
- c) in the opinion of the Employer, acceptance of the material change would compromise the outcome of the prequalification process.

F.3.2 Issue Addenda

If necessary, issue addenda that may amend or amplify the tender documents to each tenderer during the period from the date the tender documents are available until three working days before the tender closing time stated in the Tender Data. If, as a result a tenderer applies for an extension to the closing time stated in the Tender Data, the Employer may grant such extension and, shall then notify all tenderers who drew documents.

F.3.3 Return late tender offers

Return tender offers received after the closing time stated in the Tender Data, unopened, (unless it is necessary to open a tender submission to obtain a forwarding address), to the tenderer concerned.

F.3.4 Opening of tender submissions

F.3.4.1 Unless the two-envelope system is to be followed, open valid tender submissions in the presence of tenderers' agents who choose to attend at the time and place stated in the tender data. Tender submissions for which acceptable reasons for withdrawal have been submitted will not be opened.

F.3.4.2 Announce at the meeting held immediately after the opening of tender submissions, at a venue indicated in the tender data, the name of each tenderer whose tender offer is opened and, where applicable, the total of his prices, preferences claimed and time for completion for the main tender offer only.

F.3.4.3 Make available the record outlined in F.3.4.2 to all interested persons upon request.

F.3.5 Two-envelope system

F.3.5.1 Where stated in the tender data that a two-envelope system is to be followed, open only the technical proposal of valid tenders in the presence of tenderers' agents who choose to attend at the time and place stated in the tender data and announce the name of each tenderer whose technical proposal is opened.

F.3.5.2 Evaluate the quality of the technical proposals offered by tenderers, then advise tenderers who remain in contention for the award of the contract of the time and place when the financial proposals will be opened. Open only the financial proposals of tenderers, who score in the quality evaluation more than the minimum number of points for quality stated in the tender data, and announce the score obtained for the technical proposals and the total price and any preferences claimed. Return unopened financial proposals to tenderers whose technical proposals failed to achieve the minimum number of points for quality.

F.3.6 Non-disclosure

Not disclose to tenderers, or to any other person not officially concerned with such processes, information relating to the evaluation and comparison of tender offers, the final evaluation price and recommendations for the award of a contract, until after the award of the contract to the successful tenderer.

F.3.7 Grounds for rejection and disqualification

Determine whether there has been any effort by a tenderer to influence the processing of tender offers and instantly disqualify a tenderer (and his tender offer) if it is established that he engaged in corrupt or fraudulent practices.

F.3.8 Test for responsiveness

F.3.8.1 Determine, after opening and before detailed evaluation, whether each tender offer properly received:

- a) Complies with the requirements of these Conditions of Tender,
- b) has been properly and fully completed and signed, and
- c) is responsive to the other requirements of the tender documents.

F.3.8.2 A responsive tender is one that conforms to all the terms, conditions, and specifications of the tender documents without material deviation or qualification. A material deviation or qualification is one which, in the Employer's opinion, would:

- a) detrimentally affect the scope, quality, or performance of the works, services or supply identified in the Scope of Work,
- b) significantly change the Employer's or the tenderer's risks and responsibilities under the contract, or
- c) affect the competitive position of other tenderers presenting responsive tenders, if it were to be rectified.

Reject a non-responsive tender offer, and not allow it to be subsequently made responsive by correction or withdrawal of the non-conforming deviation or reservation.

F.3.9 Arithmetical errors, omissions and discrepancies

F.3.9.1 Check responsive tenders for discrepancies between amounts in words and amounts in figures. Where there is a discrepancy between the amounts in figures and the amount in words, the amount in words shall govern.

F.3.9.2 Check the highest ranked tender or tenderer with the highest number of tender evaluation points after the evaluation of tender offers in accordance with F.3.11 for:

- a) the gross misplacement of the decimal point in any unit rate;
- b) omissions made in completing the pricing schedule or bills of quantities; or
- c) arithmetic errors in:
 - i) line item totals resulting from the product of a unit rate and a quantity in bills of quantities or schedules of prices; or
 - ii) the summation of the prices.

F.3.9.3 Notify the tenderer of all errors or omissions that are identified in the tender offer and either confirm the tender offer as tendered or accept the corrected total of prices.

F.3.9.4 Where the tenderer elects to confirm the tender offer as tendered, correct the errors as follows:

- a) If bills of quantities or pricing schedules apply and there is an error in the line item total resulting from the product of the unit rate and the quantity, the line item total shall govern and the rate shall be corrected. Where there is an obviously gross misplacement of the decimal point in the unit rate, the line item total as quoted shall govern, and the unit rate shall be corrected.
- b) Where there is an error in the total of the prices either as a result of other corrections required by this checking process or in the tenderer's addition of prices, the total of the prices shall govern and the tenderer will be asked to revise selected item prices (and their rates if bills of quantities apply) to achieve the tendered total of the prices.

F.3.10 Clarification of a tender offer

Obtain clarification from a tenderer on any matter that could give rise to ambiguity in a contract arising from the tender offer.

F.3.11 Evaluation of tender offers

F.3.11.1 General

Appoint an evaluation panel of not less than three persons. Reduce each responsive tender offer to a comparative offer and evaluate them using the tender evaluation methods and associated evaluation criteria and weightings that are specified in the tender data.

F.3.11.2 Method 1: Financial offer

In the case of a financial offer:

- a) Rank tender offers from the most favourable to the least favourable comparative offer.
- b) Recommend the highest ranked tenderer for the award of the contract, unless there are compelling and justifiable reasons not to do so.

- c) Re-rank all tenderers should there be compelling and justifiable reasons not to recommend the highest ranked tenderer and recommend the highest ranked tenderer, unless there are compelling and justifiable reasons not to do so and the process set out in this subclause is repeated.

F.3.11.3 Method 2: Financial offer and preference

In the case of a financial offer and preferences:

- a) Score each tender in respect of the financial offer made and preferences claimed, if any, in accordance with the provisions of F.3.11.7 and F.3.11.8.
b) Calculate the total number of tender evaluation points (T_{EV}) in accordance with the following formula:

$$T_{EV} = N_{FO} + N_P$$

where: N_{FO} is the number of tender evaluation points awarded for the financial offer made in accordance with F.3.11.7;
 N_P is the number of tender evaluation points awarded for preferences claimed in accordance with F.3.11.8.

- c) Rank tender offers from the highest number of tender evaluation points to the lowest.
d) Recommend the tenderer with the highest number of tender evaluation points for the award of the contract, unless there are compelling and justifiable reasons not to do so.
e) Rescore and re-rank all tenderers should there be compelling and justifiable reasons not to recommend the tenderer with the highest number of tender evaluation points, and recommend the tenderer with the highest number of tender evaluation points, unless there are compelling and justifiable reasons not to do so and the process set out in this subclause is repeated.

F.3.11.4 Method 3: Financial offer and quality

In the case of a financial offer and quality:

- a) Score each tender in respect of the financial offer made and the quality offered in accordance with the provisions of F.3.11.7 and F.3.11.9, rejecting all tender offers that fail to score the minimum number of points for quality stated in the tender data, if any.
b) Calculate the total number of tender evaluation points (T_{EV}) in accordance with the following formula:

$$T_{EV} = N_{FO} + N_Q$$

where: N_{FO} is the number of tender evaluation points awarded for the financial offer made in accordance with F.3.11.7;
 N_Q is the number of tender evaluation points awarded for quality offered in accordance with F.3.11.9.

- c) Rank tender offers from the highest number of tender evaluation points to the lowest.
d) Recommend tenderer with the highest number of tender evaluation points for the award of the contract, unless there are compelling and justifiable reasons not to do so.
e) Rescore and re-rank all tenderers should there be compelling and justifiable reasons not to recommend the tenderer with the highest number of tender evaluation points and recommend the tenderer with the highest number of tender evaluation points, unless there are compelling and justifiable reasons not to do so and the process set out in this subclause is repeated.

F.3.11.5 Method 4: Financial offer, quality and preferences

In the case of a financial offer, quality and preferences:

- a) Score each tender in respect of the financial offer made, preference claimed, if any, and the quality offered in accordance with the provisions of F.3.11.7 to F.3.11.9, rejecting all tender offers that fail to score the minimum number of points for quality stated in the tender data, if any.
b) Calculate the total number of tender evaluation points (T_{EV}) in accordance with the following formula, unless otherwise stated in the Tender Data:

$$T_{EV} = N_{FO} + N_P + N_Q$$

where: N_{FO} is the number of tender evaluation points awarded for the financial offer made in accordance with F.3.11.7;
 N_P is the number of tender evaluation points awarded for preferences claimed in accordance with F.3.11.8;
 N_Q is the number of tender evaluation points awarded for quality offered in accordance with F.3.11.9.

- c) Rank tender offers from the highest number of tender evaluation points to the lowest.
- d) Recommend the tenderer with the highest number of tender evaluation points for the award of the contract, unless there are compelling and justifiable reasons not to do so.
- e) Rescore and re-rank all tenderers should there be compelling and justifiable reasons not to recommend the tenderer with the highest number of tender evaluation points and recommend the tenderer with the highest number of tender evaluation points, unless there are compelling and justifiable reasons not to do so and the process set out in this subclause is repeated.

F.3.11.6 Decimal places

Score financial offers, preferences and quality, as relevant, to two decimal places.

F.3.11.7 Scoring Financial Offers

Score the financial offers of remaining responsive tender offers using the following formula:

$$N_{FO} = W_1 \times A$$

where: N_{FO} is the number of tender evaluation points awarded for the financial offer.
 W_1 is the maximum possible number of tender evaluation points awarded for the financial offer as stated in the Tender Data.
 A is a number calculated using the formula and option described in Table F.1 as stated in the Tender Data.

Table F.1: Formulae for calculating the value of A

Formula	Comparison aimed at achieving	Option 1 ^a	Option 2 ^a
1	Highest price or discount	$A = (1 + \frac{(P - P_m)}{P_m})$	$A = P/P_m$
2	Lowest price or percentage commission/ fee	$A = (1 - \frac{(P - P_m)}{P_m})$	$A = P_m/P$
^a P_m is the comparative offer of the most favourable comparative offer. P is the comparative offer of the tender offer under consideration.			

F.3.11.8 Scoring preferences

Confirm that tenderers are eligible for the preferences claimed in accordance with the provisions of the tender data and reject all claims for preferences where tenderers are not eligible for such preferences.

Calculate the total number of tender evaluation points for preferences claimed in accordance with the provisions of the tender data.

F.3.11.9 Scoring quality

Score each of the criteria and subcriteria for quality in accordance with the provisions of the Tender Data.

Calculate the total number of tender evaluation points for quality using the following formula:

$$N_Q = W_2 \times S_O / M_S$$

where: S_O is the score for quality allocated to the submission under consideration;
 M_S is the maximum possible score for quality in respect of a submission; and
 W_2 is the maximum possible number of tender evaluation points awarded for the quality as stated in the tender data.

F.3.12 Insurance provided by the employer

If requested by the proposed successful tenderer, submit for the tenderer's information the policies and/or certificates of insurance which the conditions of contract identified in the contract data, require the employer to provide.

F.3.13 Acceptance of tender offer

Accept the tender offer, if in the opinion of the employer, it does not present any unacceptable commercial risk and only if the tenderer:

- a) is not under restrictions, or has principals who are under restrictions, preventing participating in the employer's procurement,
- b) can, as necessary and in relation to the proposed contract, demonstrate that he or she possesses the professional and technical qualifications, professional and technical competence, financial resources, equipment and other physical facilities, managerial capability, reliability, experience and reputation, expertise and the personnel, to perform the contract,
- c) has the legal capacity to enter into the contract,
- d) is not insolvent, in receivership, bankrupt or being wound up, has his affairs administered by a court or a judicial officer, has suspended his business activities, or is subject to legal proceedings in respect of any of the foregoing,
- e) complies with the legal requirements, if any, stated in the tender data, and
- f) is able, in the opinion of the employer, to perform the contract free of conflicts of interest.

F.3.14. Prepare contract documents

F.3.14.1 If necessary, revise documents that shall form part of the contract and that were issued by the employer as part of the tender documents to take account of:

- a) addenda issued during the tender period,
- b) inclusion of some of the returnable documents, and
- c) other revisions agreed between the employer and the successful tenderer.

F.3.14.2 Complete the schedule of deviations attached to the form of offer and acceptance, if any.

F.3.15 Complete adjudicator's contract

Unless alternative arrangements have been agreed or otherwise provided for in the contract, arrange for both parties to complete formalities for appointing the selected adjudicator at the same time as the main contract is signed.

F.3.16 Notice to unsuccessful tenderers

F.3.16.1 Notify the successful tenderer of the employer's acceptance of his tender offer by completing and returning one copy of the form of offer and acceptance before the expiry of the validity period stated in the tender data, or agreed additional period.

F.3.16.2 After the successful tenderer has been notified of the employer's acceptance of the tender, notify other tenderers that their tender offers have not been accepted.

F.3.17 Provide copies of the contracts

Provide to the successful tenderer the number of copies stated in the Tender Data of the signed copy of the contract as soon as possible after completion and signing of the form of offer and acceptance.

F.3.18 Provide written reasons for actions taken

Provide upon request written reasons to tenderers for any action that is taken in applying these conditions of tender, but withhold information which is not in the public interest to be divulged, which is considered to prejudice the legitimate commercial interests of tenderers or might prejudice fair competition between tenderers.

T1.3 Tender Data

The conditions of tender are the Standard Conditions of Tender as contained in Part T1.2 herein.

The Standard Conditions of Tender make several references to the Tender Data for details that apply specifically to this tender. The Tender Data shall have precedence in the interpretation of any ambiguity or inconsistency between it and the standard conditions of tender. Each item of data given below is cross-referenced to the clause in the Standard Conditions of Tender to which it mainly applies.

The following variations, amendments and additions to the Standard Conditions of Tender as set out in the Tender Data below shall apply to this tender:

Clause number	Tender Data
F.1	General
F.1.1	Actions <i>Add the following:</i> The Employer is the City of Cape Town, represented by the Director: Water and Sanitation.
F.1.2	Tender Documents <i>Add the following:</i> The following documents form part of this tender: 1. This tender document issued by the Employer (Tender No. 441S/2010/11, in respect of: Provision of Operation, Maintenance and Management Services at the Zandvliet Wastewater Treatment Works), in which is bound: The Tender Part T1: Tendering Procedures T1.1 Tender notice and invitation to tender T1.2 Standard Conditions of Tender T1.3 Tender data Part T2: Returnable Documents T2.1 List of returnable documents T2.2 Returnable schedules The Agreement Part C1: Agreements C1.1 Scope of Work C1.2 General Conditions of Contract C1.3 Contract data C1.4 Form of offer and acceptance C1.5 Form of Guarantee/Performance Security C1.6 Occupational Health and Safety Agreement C1.7 Insurance Broker's Warranty Part C2: Pricing data C2.1 Pricing Assumptions C2.2 Activity Schedule

This document must be returned to the Employer, completed in all respects, together with any additional supporting documentation required, in terms of submitting a tender offer.

F.1.4 Communication and employer's agent

Add the following:

The Employer's agent, for the purposes of any communication between the employer and tenderer, is:

Name:

Postal address:

Tel:

Fax:

E-mail:

Attention is drawn to the fact that verbal information given by the employer's agent prior to the close of tenders will not be regarded as binding on the Employer. Only information issued formally by the employer in writing to tenderers will be regarded as amending the tender documents.

F.1.6.2 Competitive negotiation procedure

Add the following to F.1.6.2

A competitive negotiation procedure will not be followed.

F.1.6.3 Proposal procedure using the two-stage system

Add the following to F.1.6.3

A two-stage system will not be followed.

F.2 Tenderer's obligations

F.2.1 Eligibility

Add the following to F.2.1.1

F.2.1.1 Only those tenderers who satisfy the following eligibility criteria are eligible to submit tenders:

F.2.1.1.1 City of Cape Town Vendor Database Registration

Only those tenderers who are registered on the City of Cape Town's Vendor Database as a service provider prior to the evaluation of submissions are eligible to have their tender evaluated (the evaluation of tenders shall be deemed to take place when the Employer's Bid Evaluation Committee meets to make a recommendation to the Bid Adjudication Committee). The Employer will only enter into a formal contract with a tenderer who is registered on the City of Cape Town's Vendor Database. In the case of Joint Venture partnerships this requirement will apply individually to each party of the Joint Venture.

Tenderers who wish to register on the City of Cape Town's Vendor Database may collect registration forms from the Manager: Supplier Management,

F.2.1.1.2 Western Cape Supplier Database Registration

In order to qualify for preference points in the evaluation of tenders, tenderers must be registered and verified on the Western Cape Supplier Database prior to the evaluation of tenders (the evaluation of tenders shall be deemed to take place when the Employer's Bid Evaluation Committee meets to make a recommendation to the Bid Adjudication Committee). In the case of Joint Venture partnerships this will apply individually to each party of the Joint Venture. That is, if one of the parties is not registered and verified prior to the evaluation of tenders, the percentage contribution of that party shall be excluded from the calculation of the HDI status of the Joint Venture itself. It is the responsibility of tenderers to ensure that this requirement is complied with prior to the evaluation of tenders.

Tenderers who wish to register on the Western Cape Supplier Database may contact the Western Cape Supplier Database Help Desk on _____ or e-mail _____

F.2.1.1.3 Compulsory site visit/clarification meeting

Only those tenderers whose representative has attended the compulsory site visit/clarification meeting, and who has signed and completed the attendance register, are eligible to submit tenders.

F.2.1.1.4 Key personnel

In order to be considered for an appointment in terms of this tender, the tenderer must have the following key personnel in its permanent employment at the close of tender.

- A Project Manager who will be eligible for classification as a Class V Process Controller (as per DWA) (and be eligible for registration as a professional (ECSA or Natural Scientists) with at least 10 (ten) years' verifiable post graduate experience in the management of the operation, maintenance and management of wastewater treatment works. He/she will be the project leader, and responsible for all work carried out in terms of this tender.
- A Class V Process Controller (DWA classification) with at least five (5) years' verifiable operation, maintenance, and management experience at a similar size wastewater treatment works, who will be the Manager of the Zandvliet Wastewater Treatment Works.
- The operational staff operating the Works on a 24 hour shift basis shall be accordingly DWA graded and registered.
- The daily repairs and maintenance on the site shall be supervised by a Millwright with 10 years' experience or a fitter with 15 years' experience on a wastewater treatment works.

Schedule 8, Part T2.2 : Returnable Schedules must be completed, and the Curriculum Vitae of all key personnel must be submitted with the tender submission, appended to Schedule 8.

Key personnel will be expected to operate out of the local office, as the exigencies of this project require.

F.2.1.1.5 Support resources

Key personnel must have access to and familiarity with, besides the Microsoft suite of software, simulation programmes such as UCTPHO, Biowin and asset management software.

Details of the software package/s that will be used must be indicated on Schedule 9, Part T2.2 : Returnable Schedules.

F.2.1.1.6 Indemnity insurance

The employer shall not award a contract to any tenderer that is not eligible to hold indemnity insurance providing cover in an amount of not less than R20 000 000 in respect of each and every claim during the period of insurance. Proof of insurance or confirmation from a reputable Insurance Broker that the tenderer is eligible for the prescribed indemnity insurance cover should he/she be awarded the contract, must be submitted with the tender, appended to Schedule 10, Part T2.2 : Returnable Schedules.

F.2.1.1.7 Minimum score for quality

In order to be considered for a contract in terms of this tender, tenderers must achieve the minimum score for quality as stated below.

The description of the quality criteria and the maximum possible score for each is shown in the table below. The score achieved for quality (S_0) will be the sum of the scores achieved for the individual criteria.

Description of quality criteria	Maximum possible score
Proposed work plan (approach and methodology)	15
Expertise of key personnel	12
Availability/allocation of resources	7
Track record of tenderer (CAS)	6
Track record of tenderer (MBR)	7
ISO 9001, ISO14001 and ISO 18001 Certification	3
Maximum possible score (M_s)	50

The minimum score for quality is 40. Tenderers that fail to achieve the minimum score for quality will be rejected.

A more detailed explanation of the quality criteria is given below :

Proposed work plan

A proposed work plan must be provided with the tender submission, attached to Schedule 11, Part T2.2: Returnable Schedules, which must be of sufficient detail (but preferably not more than 30 pages in length) to indicate that the project brief has been understood. That is, tenderers must show that they have appreciated that the nature of the problem, and indicate the approach and methodology that they intend following in order to reach the required outcome. Tenders will be awarded from zero to 15 score points for this aspect of their tender submission.

The tenderer shall provide the following, in the work plan, which is being done/was done on the wastewater treatment plants (WWTPs) that the tenderer is operating, maintaining and managing/has operated, maintained and managed:

- a) Process and mechanical audit on the Wastewater Treatment Plants
- b) An example of the data collected and the management of the information
- c) Risk assessment and abatement measures
- d) The Operational and Maintenance Plan
- e) An Infrastructure and Asset Management Plan
- f) The extract of the daily process monitoring and process control sheets
- g) An example of a method statement of programming a process change and a Standard Operating Procedure
- h) The Emergency Procedure and Environmental Incident Protocol
- i) An extract of the Risk, Health and Safety statistics collected on a monthly basis
- j) Process investigation on the Wastewater Treatment Plants
- k) Budget Plan and expenditure program
- l) An example of the shift roster and number of staff per shift
- m) Effluent quality (yearly performance and load)

Expertise of key personnel

As the work required in terms of this tender is of a technically complex nature, requiring considerable expertise, it is essential that suitably qualified and experienced personnel be assigned to this project. Besides the minimum requirements specified in the eligibility criteria, it would be extremely advantageous if the key personnel can demonstrate recent experience related to specific aspects of this project, namely the operation, maintenance and management of wastewater treatment works. Aside from submitting a general CV for each of the key personnel (required in terms of clause F.2.1.1.4) tenderers must submit a statement for each of the key personnel which highlights any particular fields of specialisation and experience that is relevant to this particular project. These statements must be appended to Schedule 12, Part T2.2 : Returnable Schedules, based on which up to 12 score points will be awarded to the tenderer in question.

Availability/allocation of resources

Tenderers must indicate what resources (human and otherwise) that they have available and intend allocating to this project, and on what basis (that is, for what aspect of the work, and whether full or part time), if successful. This will include the key personnel, plus others (Specialists). Other resources, for example, would be the type of specialist simulation software package intended for use on this project, whether or not it is owned or licensed to the tenderer, or whether it is available through some other means. An intended resource allocation schedule must be appended to Schedule 16, Part T2.2 : Returnable schedules. Tenderers should note that, during the course of any contract arising from this tender, any of the personnel listed at tender stage may only be replaced with personnel of similar qualification and experience, subject to the approval of the employer. Up to 7 score points will be awarded for the allocation of resources over and above the key personnel listed in clause F.2.1.1.4 above.

Track Record (CAS and MBR)

Tenderers must complete Schedule 13, Part T2.2, Returnable Schedules, which is a list all the operation, maintenance and management of wastewater treatment works projects that have been successfully completed in the past ten years, or that are underway at present. Up to 6 score points for CAS, and 7 score points for MBR, projects will be awarded for quality according to the nature and scale of projects listed.

In addition

- The Contractor shall have a minimum of 10 years' experience operating, maintaining and managing wastewater treatment works.
- The Contractor shall demonstrate familiarity with operating, maintaining and managing an MBR for at least 2 years.

Note : Where the entity tendering is a joint venture a score for track record will be awarded to each party to the joint venture, which will then be combined in proportion to the percentage contribution of each party to the joint venture.

ISO Certification

Tenderers who are certified as being compliant to the International Organization for Standardization's ISO 9001 quality management, ISO 14001 environmental management, and ISO 18001 health and safety standards will be awarded 3 score points. Proof of certification must be attached to Schedule 14, Part T2.2 : Returnable Schedules in order to qualify for these points.

Note : Where the entity tendering is a joint venture, provided one of the parties is ISO 9001, ISO 14001 and ISO 18001 certified, and it has been indicated on the work plan submitted that that party will take responsibility for quality management, environmental management, and health and safety standards, then the joint venture will be awarded 3 score points in this respect.

F.2.7 Clarification meeting

Add the following:

A **compulsory** site visit/clarification meeting will be held on **Wednesday, 25 May 2011 at 09h00** at the Administration Building in the Zandvliet Wastewater Treatment Works.

Tender offers from tenderers who have not attended the **compulsory** site visit/clarification meeting will be rejected.

The tenderer's representative at this meeting shall sign and complete the attendance register in accordance with clause F.2.1.1.3.

The tenderer shall complete Returnable Schedule 2A.

F.2.12 Alternative tender offers

Add the following to F.2.12.1:

F.2.12.1 The Tenderer may submit alternative tender offers which, in his opinion, are suitable and advantageous to the Employer. The Employer will examine such proposals but shall not be bound to accept any such tenders.

All alternative tenders shall be accompanied by a covering letter clearly stating where the alternative tender differs from the Tender.

Any proposed technical and methodological characteristics as well as the modified Activity Schedule shall be submitted with the alternative tender, in order to allow the Employer to fully evaluate the offer and identify any deviations from specified requirements.

F.2.13 Submitting a tender offer

Add the following to F.2.13.1:

F.2.13.1 i) Deviations

Where the Tenderer cannot tender in all respects in accordance with the foregoing provisions, such deviations shall be clearly and separately listed in Schedule 15: Proposed Amendments and Qualifications by Tenderer in Part T2.2 Returnable Schedules, or in a Tenderer's covering letter.

The Employer will examine such deviations but shall not be bound to accept any such deviations or qualifications.

The rates and on-cost percentages tendered in the Tender Offer shall be deemed to include for all such deviations or qualifications listed or referred to in Schedule 15: Proposed Amendments and Qualifications by Tenderer.

Deviations which are contained in literature, detailed or general descriptions, drawings, equipment lists, etc. provided with the Tender but which are not clearly and separately listed as described above will not be accepted by the Employer and the Tender shall be deemed to comply in all respects with the foregoing provisions and all costs in this regard shall be for the Contractor's account.

ii) Options

The Tenderer may submit options for alternative materials, methods or equipment to that specified for any of the items in the Activity Schedule, which in his opinion are suitable and advantageous to the Employer. The Employer will examine such options but shall not be bound to accept any such options.

Such options shall be offered as separately priced items in a Tenderer's covering letter which must accompany the Tender under the heading "Options". Such options shall NOT be listed in Schedule 15: Proposed Amendments and Qualifications by Tenderer.

The rates tendered in the Tender Offer shall be deemed to exclude all such Options.

Joint Venture Agreement

Where the tendering entity is a joint venture it is recommended that a standard Joint Venture Agreement be used.

Replace subclause F.2.13.2 with the following:

- F.2.13.2 Return all returnable documents to the employer after completing them in their entirety, either electronically (if they were issued in electronic format) or by writing in **non-erasable ink**.

Add the following to F.2.13.3:

- F.2.13.3 Parts of each tender offer communicated on paper shall be submitted as an original, plus 0 (nought) copies.

- F.2.13.4 *Add the following after the first sentence of F.2.13.4:*

The tender shall be signed by a person duly authorised to do so. Tenders submitted by joint ventures of two or more firms shall be accompanied by the document of formation of the joint venture, authenticated by a notary public or other official deputed to witness sworn statements, in which is defined precisely the conditions under which the joint venture will function, its period of duration, the persons authorised to represent and obligate it, the participation of the several firms forming the joint venture, and any other information necessary to permit a full appraisal of its functioning.

- F.2.13.5 *Add the following to F.2.13.5:*

The Employer's address for delivery of tender offers and identification details to be shown on each tender offer package are:

Location of tender box: Tender Box 72.
Physical address: Tender Submission Office,

Identification details: Tender number :
Title of tender: Provision of Operation, Maintenance and Management Services at the Zandvliet Wastewater Treatment Works

Name and address of tenderer: (to be inserted by tenderer)

Sealed tenders with the identification details on the envelope must be placed in the appropriate official tender box at the abovementioned address.

- F.2.13.6 *Add the following to F.2.13.6:*
A two-envelope procedure will not be followed.

- F.2.13.10 *Add the following sub-clause after F.2.13.9:*
By signing the offer part of C1.4 Form of Offer and Acceptance the tenderer declares that all information provided in the tender submission is true and correct.

F.2.15 Closing time

- Add the following to F.2.15.1:*

- F.2.15.1 The closing time for submission of tender offers is as stated in the Tender Notice and Invitation to Tender. Telephonic, telegraphic, telex, facsimile or e-mailed tender offers will not be accepted.

F.2.16 Tender offer validity

- Add the following to F.2.16.1:*

- F.2.16.1 The tender offer validity period is **18 weeks (126 days)**

F.2.17 Clarification of tender offer after submission

- Add the following to F.2.17:*

A tender may be rejected as non-responsive if the tenderer fails to provide any clarification requested by the employer within the time for submission stated in the employer's written request for such clarification.

F.2.18 **Provide other material**
Delete the following word in F.2.18.1:

F.2.18.1 notarized

Add the following to F.2.18.1:
F.2.18.1 Provide, on written request by the Employer, where the "tendered amount" (refer to clause F.3.11.7) inclusive of VAT, multiplied by the contract period, **exceeds R 10 million:**

- i) audited annual financial statement for 3 years, or for the period since establishment if established during the last 3 years, if required by law to prepare annual financial statements for auditing;
- ii) a certificate certifying that the tenderer has no undisputed commitments for municipal services towards a municipality or other service provider in respect of which payment is overdue for more than 30 days;
- iii) particulars of any contracts awarded to the tenderer by an organ of state during the past five years, including particulars of any material non-compliance or dispute concerning the execution of such contract;
- iv) a statement indicating whether any portion of the goods or services are expected to be sourced from outside the Republic, and, if so, what portion and whether any portion of payment from the municipality or municipal entity is expected to be transferred out of the Republic.

Each party to a Consortium/Joint Venture shall submit separate certificates/statements in the above regard.

F.2.23 **Certificates**

Add the following:

F.2.23.1 **Tax Clearance Certificate**

Tenderers shall be registered and in good standing with the South African Revenue Service (SARS) and shall submit documentary evidence in the form of an **original** valid Tax Clearance Certificate issued by SARS or proof that he or she has made arrangements with SARS to meet his or her outstanding tax obligations.

Each party to a Consortium/Joint Venture shall submit a separate valid Tax Clearance Certificate, or proof that he or she has made the necessary arrangements with SARS.

F.3 **The Employer's undertakings**

F.3.2 **Issue Addenda**

Add the following to F.3.2:

Notwithstanding any requests for confirmation of receipt of Addenda issued, the tenderer shall be deemed to have received such addenda if the employer can show proof of transmission thereof (or a notice in respect thereof) via electronic mail, facsimile or registered post.

F.3.4 **Opening of tender submissions**

Add the following to F.3.4.1:

F.3.4.1 The time and location for opening of the tender offers is:

Time: Tenders will be opened immediately after the closing time for receipt of tenders as stated in the Tender Notice and Invitation to Tender, or as stated in any Addendum extending the closing date.

Location: Tender Submission Office,

F.3.8 **Test for responsiveness**

Add the following:

Tenders will be considered non-responsive if, inter alia:

- the tenderer does not comply with the eligibility criteria listed in F.2.1 above;
- the tenderer is not registered on the City of Cape Town's Vendor Database prior to the evaluation of submissions;
- the tenderer has failed to clarify or submit any supporting documentation within the time for submission stated in the employer's written request;
- the Tenderer has failed to achieve the minimum score for quality as stated in F.2.1.1.7.

F.3.11 Evaluation of tender offers

F.3.11.1 General

Add the following:

The procedure for the evaluation of responsive tenders is **Method 2**: Financial offer and preference.

F.3.11.3 Method 2: Financial offer and preference

The procedure for the evaluation of responsive tenders is **Method 2**, where the total number of tender evaluation points $T_{EV} = N_{FO} + N_P$ as detailed below.

Where N_{FO} = The number of tender evaluation points achieved for the Financial Offer.
 N_P = The number of tender evaluation points achieved for HDI Equity Ownership.

F.3.11.7 Scoring Financial Offers

Add the following:

The financial offer will be scored using **Formula 2 (Option 1)** where the value of W_1 is 90 points.

The financial offer will be brought to a comparative level by means of a sensitivity analysis, taking into account variable influent volumes and quality, and other relevant factors. The comparative level will be expressed in terms of a "tendered amount" for one (1) year's operation, maintenance and management of the Works.

F.3.11.8 Scoring Preferences

Add the following new subclause:

Up to 10 $(100 - W_1)$ tender evaluation points (NOP) will be awarded for preference in respect of HDI (Historically Disadvantaged Individual) equity ownership. The score for preference (N_P) will be calculated using the following formula for each responsive tender under consideration.

$$N_P = NOP \times \frac{EP}{100} \text{ where,}$$

N_P = number of preference points achieved,

NOP = maximum tender evaluation points provided for in the Regulations pertaining to the Preferential Procurement Policy Framework Act (Act 5 of 2000) $(100 - W_1 \text{ evaluation points})$,

EP = the percentage of equity ownership by HDIs within the business enterprise.

Tenderers are reminded that they must be registered and verified on the Western Cape Supplier Database (WCSD) prior to the evaluation of tenders in order to qualify for preference points. It is the responsibility of the tenderers to ensure that this requirement is complied with. Tenderers must submit their Western Cape Supplier Database registration number on Schedule 4B), Part T2.2: Returnable Schedules, and must apply for preference based on their HDI equity ownership percentage on Schedule 19, Part T2.2. The Employer will verify the HDI equity ownership percentage claimed by the tenderer against that given on the WCSD. If any discrepancy exists, the Employer shall use the percentage given on the WCSD, in the formula above, to calculate the number of preference points achieved by the tenderer.

Note : Tenderers should note that, as regards the price/preference points system applied to public sector procurement, the employer has adopted a direct preferencing approach in respect of the procurement of services. This means that the HDI equity ownership status of the tendering entity only, is considered in the awarding of points for HDI equity ownership. Evaluation points are neither gained nor lost in respect of sub-contractor agreements with HDI, or non-HDI owned service providers.

Tenderers attention is also drawn to the fact that the Employer regards a consortium and a joint venture as being one and the same. In this regard, the Employer will only enter into a contract with a formally constituted Joint Venture Partnership, in which all parties are jointly and severally liable.

Where the entity tendering is a joint venture, the HDI equity ownership percentage of each party to the joint venture shall be combined in proportion to the percentage contribution of each party to the joint venture, in order to determine the HDI status of the joint venture itself. The joint venture agreement must clearly stipulate the percentage contribution of each party to the Joint Venture.

Add the following new sub-clause

F.3.11.10 Risk Analysis

The Employer will perform a risk analysis in respect of the following:

- (a) reasonableness of the financial offer
- (b) reasonableness of unit rates and prices, and on-cost percentages

- (c) the tenderers ability to fulfill its obligations in terms of the tender document, that is, that the tenderer can demonstrate that he/she possesses the necessary professional and technical qualifications, professional and technical competence, financial resources, equipment and other physical facilities, managerial capability, reliability, experience, reputation, personnel to perform the contract, etc.

No tenderer will be recommended for an award unless the tenderer has demonstrated that he/she has the resources and skills required.

F3.13 Acceptance of tender offer

Add the following to F.3.13:

F.3.13.1 Tender offers will only be accepted if:

- a) the tenderer is registered and in good standing with the South African Revenue Service (SARS) and has submitted evidence in the form of an **original** valid Tax Clearance Certificate issued by SARS or proof that he or she has made arrangement with SARS to meet his or her outstanding tax obligations;
- b) the tenderer is registered on the City of Cape Town's Vendor Database;
- c) the tenderer or any of its directors 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;
- d) the tenderer has not:
 - i) abused the Employer's Supply Chain Management System; or
 - ii) failed to pay municipal rates and taxes or service charges and such rates, taxes and charges are not in arrears for more than three months;
- e) the tenderer has completed the Compulsory Enterprise Questionnaire 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.

F.3.13.2 Disputes, objections, complaints and queries relating to the award of this tender

In terms of Regulations 49 and 50 of the Local Government: Municipal Finance Management Act, 2003 – Municipal Supply Chain Management Regulations (Notice 868 of 2005):

- a) Persons aggrieved by decisions or actions taken by the City of Cape Town in the implementation of its supply chain management system, may lodge within 14 days of the decision or action, a written objection or complaint or query or dispute against the decision or action.
- b) Objections, complaints, queries and disputes must be submitted in writing to the City Manager, Executive Support, 5th Floor, Podium, Civic Centre, 12 Hertzog Boulevard, Cape Town or posted to Private Bag X9181, Cape Town, 8000 or faxed to (021) 418 9009.

F3.13.3 Appeals relating to this tender award

- a) In terms of Section 62 of the Systems Act 32 of 2000 a person whose rights are affected by a decision taken by the City in the implementation of its supply chain management system, may appeal against that decision by giving written notice of the appeal and reasons to the City Manager within 21 days of the date of the notification of the decision.
- b) An appeal must contain the following:
 - i) Reasons and/or grounds for the appeal
 - ii) The way in which the appellants rights have been affected
 - iii) Remedy sought by appellant
- c) Appeals must be submitted in writing to the City Manager, Executive Support,

F.3.13.4 Right to approach the courts & rights in terms of Promotion of Administrative Justice Act (Act 3 of 2000) and Promotion of Access to Information (Act 2 of 2000)

Clauses F.3.13.2 and F.3.13.3 do not influence any affected person's rights to approach the High Court at any time or its rights in terms of the Promotion of Administrative Justice Act and Promotion of Access to Information Act.

- a) All legal process and pleadings must be served on the Administrative Manager, Legal Services, 20th Floor, Tower Block, Civic Centre, 12 Hertzog Boulevard, Cape Town.
- b) All requests in terms of PAJA and PAIA must be submitted in writing to the Access to Information Office,

F.3.16 Notice to unsuccessful tenderers

Replace the heading above with:

Notice to successful and unsuccessful tenderers

F.3.16.1 *Add the following to F.3.16.1:*
Before accepting the tender of the successful tenderer the Employer shall notify the successful tenderer in writing of the decision of the Employer's Bid Adjudication Committee to award the tender to the successful tenderer. No rights shall accrue to the successful tenderer in terms of this notice, and only once the processes described in F.3.13.2 and F.3.13.3 above have been completed can the Employer sign the Acceptance part of the Form of Offer and Acceptance.

F.3.16.2 *Replace sub-clause F.3.16.2 with the following:*
The Employer shall, at the same time as notifying the successful tenderer of the Bid Adjudication Committee's decision to award the tender to the successful tenderer, also give written notice to the other tenderers informing them that they have been unsuccessful.

F.3.18 **Provide copies of the contract**
Add the following:
The number of paper copies of the signed contract to be provided by the Employer is one.

F.4 Additional Conditions of Tender

The additional conditions of tender are:

F.4.1 Invalid tenders
Tenders shall be considered invalid and shall be endorsed and recorded as such in the tender opening record, by the responsible official who opened the tender, in the following circumstances:

- a) if the tender offer is not submitted on the Form of Offer and Acceptance bound into this tender document (form C1.4, Part C1: Agreements);
- b) if the tender is not completed in non-erasable ink;
- c) if the Form of Offer and Acceptance has not been signed;
- d) if the Form of Offer and Acceptance is signed, but the name of the tenderer is not stated or is indecipherable.

F.4.2 Negotiations with preferred tenderers
The Employer may negotiate the final terms of a contract with tenderers identified through a competitive tendering process as preferred tenderers provided that such negotiation:

- a) does not allow any preferred tenderer a second or unfair opportunity;
- b) is not to the detriment of any other tenderer; and
- c) does not lead to a higher price than the tender as submitted.

Minutes of any such negotiations shall be kept for record purposes.

F.4.3 General supply chain management conditions applicable to tenders
In terms of its Supply Chain Management Policy the City may not consider a tender unless the provider who submitted the tender:

- a) has furnished the City with that provider's:
 - full name;
 - identification number or company or other registration number; and
 - tax reference number and VAT registration number, if any;
- b) has indicated whether:
 - the provider is in the service of the state, or has been in the service of the state in the previous twelve months;
 - the provider is not a natural person, whether any of the directors, managers, principal shareholders or stakeholders is in the service of the state, or has been in the service of the state in the previous twelve months; or
 - whether a spouse, child or parent of the provider or of a director, manager, share holder or stakeholder referred to above is in the service of the state, or has been in the service of the state in the previous twelve months.

Irrespective of the procurement process followed, the City is prohibited from making an award to a person:

- who is in the service of the state;
- if the person is not a natural person, a juristic entity of which any director, manager, principal shareholder or stakeholder is in the service of the state; or
- who is an advisor or consultant contracted with the City.

In this regard, tenderers shall complete Schedule 1, Part T2.2: Returnable Schedules: Compulsory Enterprise Questionnaire. Failure to complete this schedule may result in the tender not being considered.

F.4.4**Combating abuse of the Supply Chain Management Policy**

In terms of the City's Supply Chain Management Policy, the Employer may reject the tender of any tenderer if that tenderer or any of its directors has:

- a) failed to pay municipal rates and taxes or municipal service charges and such rates, taxes and charges are in arrears for more than three months;
- b) failed, during the last five years, to perform satisfactorily on a previous contract with the City or any other organ of state after written notice was given to that tenderer that performance was unsatisfactory;
- c) abused the supply chain management system of the City or has committed any improper conduct in relation to this system;
- d) been convicted of fraud or corruption during the past five years;
- e) wilfully neglected, reneged on or failed to comply with any government, municipal or other public sector contract during the past five years; or
- f) been listed with the Register of Tender Defaulters in terms of section 29 of the Prevention and Combating of Corrupt Activities Act (No 12 of 2004) or has been listed on National Treasury's database as a person or juristic entity prohibited from doing business with the public sector.

In this regard, tenderers shall complete Schedules 5A and 5B, Part T2.2: Returnable Schedules: Declaration in terms of the Municipal Finance Management Act and Certificate of Independent Tender Determination. Failure to complete these schedules may result in the tender not being considered.

F.4.5**Water and Sanitation services provided to organs of state**

In terms of the Municipal Supply Chain Management Regulations (Notice 868 of 2005), and the City's Supply Chain Management Policy, tenderers must furnish the City with particulars of all Water and Sanitation operation, maintenance and management services provided to an organ of state in the last five years. The information required should include services provided by all offices country wide.

In this regard, tenderers shall complete Schedule 6, Part T2.2: Returnable Schedules: Water and Sanitation Services Provided to Organs of State. Failure to complete this schedule may result in the tender not being considered.

F.4.6**Compliance with Occupational Health and Safety Act 1993**

Tenderers are to note the requirements of the Occupational Health and Safety Act (No. 85 of 1993) and the Construction Regulations 2003 issued in terms of Section 43 of the Act. The tenderer shall be deemed to have read and fully understood the requirements of the above Act and Regulations and to have allowed for all costs in compliance therewith. Tenderers are to note that the service provider is required to ensure that all sub-consultants/sub-contractors or others engaged in the performance of this contract also comply with the above requirements.

The service provider will be required to complete and submit to the Employer the Occupational Health and Safety Agreement (included in Part C1.6 of the Contract Document), within 14 days of acceptance of this tender.

F.4.7**UIF payments**

The Tenderer shall submit to Council a letter from the Industrial Council indicating his good standing with regard to UIF payments upon being requested to do so.

F.4.8**Claims arising after submission of tender**

No claim for any extras arising out of any doubt or obscurity as to the true intent and meaning of anything contained in the Conditions of Contract, Scope of Work, Agreement and Pricing Data, will be admitted by the Employer after the submission of any tender and the Tenderer shall be deemed to have:

- 1) read and fully understood the whole text of the Scope of Work and Pricing Data and thoroughly acquainted himself with the nature of the works proposed and generally of all matters which may influence the Contract.
- 2) visited the site of any proposed works.
- 3) requested the Employer's agent to make clear the actual requirements of anything contained in the Scope of Work and Pricing Data, the exact meaning or interpretation of which is not clearly intelligible to the Tenderer.

Before submission of any tender, the Tenderer should check the number of pages, and if any are found to be missing or duplicated, or the figures or writing indistinct, or if the Pricing Data contain any obvious errors, the Tenderer must apply to the Employer's agent at once to have the same rectified, as no liability will be admitted by the Employer's agent in respect of errors in any tender due to the foregoing.

F.4.9**Requests for contract documents, or parts thereof, in electronic format**

The Employer shall not formally issue tender documents in electronic format as contemplated in clauses F.2.13.2 and F.2.13.3 and shall only issue tender documents in hardcopy. An electronic version of the issued tender documents may be made available to the tenderer, upon written request in terms of this clause, subject to the following:

- (a) Electronic copies of the contract document, or parts thereof, will only be provided to tenderers who have been issued with the tender documents as contemplated in F.1.2 in hardcopy.
- (b) The electronic version shall not be regarded as a substitute for the issued tender documents.
- (c) The Employer shall not accept tenders submitted in electronic format. Tenderers may not complete and submit a printed copy of the electronic version of the tender document or part thereof. Only those tenders that have been completed on the issued hard copy tender document shall be considered.
- (d) The Employer accepts no responsibility or liability arising from any reliance on or use of the electronic version provided in terms of this clause. The Employer further does not guarantee that the electronic version corresponds with the issued tender documents in all respects. Tenderers are alerted to the fact that electronic versions of the tender documents may not reflect any notices or addenda that amend the tender document.
- (e) Any non-compliance with these provisions, including effecting any unauthorised alterations to the tender document as contemplated in F.2.11, shall render the tender invalid. The Employer reserves the right to take any action against such tenderer allowed in law including, in circumstances where the tender had already been awarded, the right to cancel the contract.
- (f) In requesting the electronic version of the tender document or parts thereof, the tenderer is deemed to have read, understood and accepted all of the above conditions.

Part T2: Returnable Documents

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T2.1 List of Returnable Documents

The tenderer must complete the following Returnable Documents in **black ink**:

1. Returnable Schedules required for tender evaluation purposes

	Pages
1: COMPULSORY ENTERPRISE QUESTIONNAIRE	29-30
2: CERTIFICATE OF AUTHORITY FOR JOINT VENTURES	31
2A: SITE VISIT/CLARIFICATION MEETING CERTIFICATE.....	32
3: A) TAX CLEARANCE CERTIFICATE AND B) INFORMATION REQUIRED FOR CONTRACTS OVER R10 MILLION	33
4: A) CONFIRMATION OF CoCT VENDOR DATABASE REGISTRATION AND B) CONFIRMATION OF WCSD REGISTRATION.....	34
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10: INDEMNITY INSURANCE.....	42
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12: EXPERTISE OF KEY PERSONNEL	44
13: TRACK RECORD.....	45
14: ISO CERTIFICATION.....	46
15: PROPOSED AMENDMENTS AND QUALIFICATIONS BY TENDERER	47

2. Other documents required for tender evaluation purposes

- A copy of the Joint Venture Agreement (if applicable) - append to Schedule 2.
- An original valid Tax Clearance Certificate issued by the South African Revenue Services - append to Schedule 3.
- Curriculum Vitae of Key Personnel as applicable - append to Schedule 8.
- Documentary evidence/proof of Indemnity Insurance - append to Schedule 10.
- A proposed work plan - append to Schedule 11.
- A statement of expertise/experience of key personnel relevant to project - append to Schedule 12.
- Documentary evidence/proof of ISO 9001, ISO 14001 and ISO 18001 certification - append to Schedule 14.
- A proposed resource allocation schedule - append to Schedule 16.

3. Returnable Schedules that will be incorporated into the Contract

16: AVAILABILITY/ALLOCATION OF RESOURCES	48
17: AUTHORISATION FOR THE DEDUCTION OF OUTSTANDING AMOUNTS OWED TO COUNCIL	49
18: RECORD OF ADDENDA TO TENDER DOCUMENTS	50

4. Other documents that will be incorporated into the contract

19: PREFERENCING SCHEDULE.....	51-52
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6. C1.4 The offer portion of the Form of Offer and Acceptance	130-131
7. C2.2 Activity Schedule	145-151

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T2.2 Returnable Schedules

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SCHEDULE 1 : COMPULSORY ENTERPRISE QUESTIONNAIRE

The following particulars must be furnished. In the case of a joint venture, separate enterprise questionnaires in respect of each partner must be completed

Section 1: Name of enterprise:

Physical address of enterprise:

(LOCAL OFFICE)

Section 2: VAT registration number, if any:

Section 3: Not used

Section 4: Particulars of sole proprietors and partners in partnerships

Name*	Identity number*	Personal income tax number*
N.A.		

* Complete only if sole proprietor or partnership and attach separate page if more than 3 partners

Section 5: Particulars of companies and close corporations

Company registration number:

Close corporation number: N.A.:

Tax reference number:

Section 6: Record of service of the state

Indicate by marking the relevant boxes with a cross, if any sole proprietor, partner in a partnership or director, manager, principal shareholder or stakeholder in a company or close corporation is currently or has been within the last 12 months in the service of any of the following:

- | | |
|---|---|
| ☐ a member of any municipal council | ☐ an employee of any provincial department, national or provincial public entity or constitutional institution within the meaning of the Public Finance Management Act, 1999 (Act 1 of 1999) |
| ☐ a member of any provincial legislature | ☐ a member of an accounting authority of any national or provincial public entity |
| ☐ a member of the National Assembly or the National Council of Provinces | ☐ an employee of Parliament or a provincial legislature |
| ☐ a member of the board of directors of any municipal entity | |
| ☐ an official of any municipality or municipal entity | |

If any of the above boxes are marked, disclose the following:

Name of sole proprietor, partner, director, manager, principal shareholder or stakeholder	Name of institution, public office, board or organ of state and position held	Status of service (tick appropriate column)	
		current	Within last 12 months
N.A.			

*insert separate page if necessary

Section 7: Record of spouses, children and parents in the service of the state

Indicate by marking the relevant boxes with a cross, if any spouse, child or parent of a sole proprietor, partner in a partnership or director, manager, principal shareholder or stakeholder in a company or close corporation is currently or has been within the last 12 months been in the service of any of the following:

- | | |
|--|---|
| ☐ a member of any municipal council | ☐ an employee of any provincial department, national or provincial public entity or constitutional institution within the meaning of the Public Finance Management Act, 1999 (Act 1 of 1999) |
| ☐ a member of any provincial legislature | ☐ a member of an accounting authority of any national or provincial public entity |
| ☐ a member of the National Assembly or the National Council of Province | ☐ an employee of Parliament or a provincial legislature |
| ☐ a member of the board of directors of any municipal entity | |
| ☐ an official of any municipality or municipal entity | |

Name of spouse, child or parent	Name of institution, public office, board or organ of state and position held	Status of service (tick appropriate column)	
		Current	Within last 12 months
N.A.			

*insert separate page if necessary

The undersigned, who warrants that he/she is duly authorised to do so on behalf of the enterprise:

- authorizes the Employer to obtain a tax clearance certificate from the South African Revenue Services that my / our tax matters are in order;
- confirms that the neither the name of the enterprise or the name of any partner, manager, director or other person, who wholly or partly exercises, or may exercise, control over the enterprise appears on the Register of Tender Defaulters established in terms of the Prevention and Combating of Corrupt Activities Act of 2004;
- confirms that no partner, member, director or other person, who wholly or partly exercises, or may exercise, control over the enterprise appears, has within the last five years been convicted of fraud or corruption;
- confirms that I / we are not associated, linked or involved with any other tendering entities submitting tender offers and have no other relationship with any of the tenderers or those responsible for compiling the scope of work that could cause or be interpreted as a conflict of interest; and
- confirms that the contents of this questionnaire are within my personal knowledge and are to the best of my belief both true and correct.

SIGNED ON BEHALF OF TENDERER:

CITY OF CAPE TOWN

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WASTEWATER TREATMENT WORKS

SCHEDULE 1 : COMPULSORY ENTERPRISE QUESTIONNAIRE

The following particulars must be furnished. In the case of a joint venture, separate enterprise questionnaires in respect of each partner must be completed and submitted.

Section 1: Name of enterprise:

Physical address of enterprise:
(LOCAL OFFICE)

Section 2: VAT registration number, if any:

Section 3: Not used

Section 4: Particulars of sole proprietors and partners in partnerships

Name*	Identity number*	Personal income tax number*
N.A.		

* Complete only if sole proprietor or partnership and attach separate page if more than 3 partners

Section 5: Particulars of companies and close corporations

Company registration number

Close corporation number . N.A.

Tax reference number

Section 6: Record of service of the state

Indicate by marking the relevant boxes with a cross, if any sole proprietor, partner in a partnership or director, manager, principal shareholder or stakeholder in a company or close corporation is currently or has been within the last 12 months in the service of any of the following:

- | | |
|---|---|
| ☐ a member of any municipal council | ☐ an employee of any provincial department, national or provincial public entity or constitutional institution within the meaning of the Public Finance Management Act, 1999 (Act 1 of 1999) |
| ☐ a member of any provincial legislature | ☐ a member of an accounting authority of any national or provincial public entity |
| ☐ a member of the National Assembly or the National Council of Provinces | ☐ an employee of Parliament or a provincial legislature |
| ☐ a member of the board of directors of any municipal entity | |
| ☐ an official of any municipality or municipal entity | |

If any of the above boxes are marked, disclose the following:

Name of sole proprietor, partner, director, manager, principal shareholder or stakeholder	Name of institution, public office, board or organ of state and position held	Status of service (tick appropriate column)	
		current	Within last 12 months
N.A.			

*insert separate page if necessary

Section 7: Record of spouses, children and parents in the service of the state

Indicate by marking the relevant boxes with a cross, if any spouse, child or parent of a sole proprietor, partner in a partnership or director, manager, principal shareholder or stakeholder in a company or close corporation is currently or has been within the last 12 months been in the service of any of the following:

- | | |
|--|---|
| ☐ a member of any municipal council | ☐ an employee of any provincial department, national or provincial public entity or constitutional institution within the meaning of the Public Finance Management Act, 1999 (Act 1 of 1999) |
| ☐ a member of any provincial legislature | ☐ a member of an accounting authority of any national or provincial public entity |
| ☐ a member of the National Assembly or the National Council of Province | ☐ an employee of Parliament or a provincial legislature |
| ☐ a member of the board of directors of any municipal entity | |
| ☐ an official of any municipality or municipal entity | |

Name of spouse, child or parent	Name of institution, public office, board or organ of state and position held	Status of service (tick appropriate column)	
		Current	Within last 12 months
N.A.			

*insert separate page if necessary

The undersigned, who warrants that he/she is duly authorised to do so on behalf of the enterprise:

- authorizes the Employer to obtain a tax clearance certificate from the South African Revenue Services that my / our tax matters are in order;
- confirms that the neither the name of the enterprise or the name of any partner, manager, director or other person, who wholly or partly exercises, or may exercise, control over the enterprise appears on the Register of Tender Defaulters established in terms of the Prevention and Combating of Corrupt Activities Act of 2004;
- confirms that no partner, member, director or other person, who wholly or partly exercises, or may exercise, control over the enterprise appears, has within the last five years been convicted of fraud or corruption;
- confirms that I / we are not associated, linked or involved with any other tendering entities submitting tender offers and have no other relationship with any of the tenderers or those responsible for compiling the scope of work that could cause or be interpreted as a conflict of interest; and
- confirms that the contents of this questionnaire are within my personal knowledge and are to the best of my belief both true and correct.

SIGNED ON BEHALF OF TENDERER:

CITY OF CAPE TOWN

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WASTEWATER TREATMENT WORKS**

SCHEDULE 2 : CERTIFICATE OF AUTHORITY FOR JOINT VENTURES

This returnable schedule is to be completed by joint ventures.

We, the undersigned, are submitting this tender offer in joint venture and hereby authorize Mr/Ms
....., authorised signatory of the company, close corporation or partnership
....., acting in the capacity of lead partner, to sign all documents in
connection with the tender offer and any contract resulting from it on our behalf.

NAME OF FIRM	ADDRESS	DULY AUTHORISED SIGNATORY
Lead partner		Signature..... Name..... Designation.....
		Signature..... Name..... Designation.....
		Signature..... Name..... Designation.....
		Signature..... Name..... Designation.....

Handwritten note across the table: "Pls Refer Annexure A9 of Supporting Documentation"

Note :

A copy of the Joint Venture Agreement (Refer to F2.13.1 in Part T1.2) showing clearly the percentage contribution of each partner to the Joint Venture shall be appended to this schedule.

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SCHEDULE 2A : SITE VISIT/CLARIFICATION MEETING CERTIFICATE

This is to certify that I/we,

of (tenderer)

of (address)

telephone number

fax number

on (date)

25 May 2011

attended the compulsory site visit/clarification meeting at which I/we, the tenderer's representative, signed and completed the attendance register, and the I/we have examined the Site of the Works and its surroundings for which I/we am/are submitting this Tender and have, so far as is practicable, familiarized myself/ourselves with all the information, risks, contingencies and other circumstances which may influence or affect my/our Tender.

SIGNED ON BEHALF OF TENDERER:

CITY OF CAPE TOWN

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**SCHEDULE 3 : A) TAX CLEARANCE CERTIFICATE AND B) FINANCIAL STATEMENTS FOR CONTRACTS
OVER R10 MILLION**

A. TAX CLEARANCE CERTIFICATE

*Pls Refer Annexure A3
of Supporting Documentation*

An original valid Tax Clearance Certificate from the South African Revenue Service (SARS) shall be attached to this Schedule or proof that the tenderer has made arrangements with SARS to meet his or her outstanding tax obligations.

Each party to a Consortium/Joint Venture shall submit a separate Tax Clearance Certificate, or proof that he or she has made the necessary arrangements with SARS.

SIGNED ON BEHALF OF TENDERER:

B. INFORMATION REQUIRED FOR CONTRACTS OVER R10 MILLION

Tenderers are referred to clause F.2.18.1 and shall provide, on written request by the Employer, the required documentation where the "tendered amount" (refer to clause F.3.11.7) inclusive of VAT, multiplied by the contract period, exceeds R10 million.

Each party to a Consortium/Joint Venture shall submit a separate set of documents.

SIGNED ON BEHALF OF TENDERER:

CITY OF CAPE TOWN

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**SCHEDULE 4: A) CONFIRMATION OF CoCT VENDOR DATABASE REGISTRATION AND B) CONFIRMATION
OF WCSD REGISTRATION**

A) CONFIRMATION OF CoCT VENDOR DATABASE REGISTRATION

Please Refer To Annexure A11 of Supporting Documentation

COMPANY NAME	REGISTERED YES/NO	REGISTRATION NUMBER IF APPLICABLE

Tenderers who are not registered on the City of Cape Town's Vendor Database are not precluded from submitting tenders, but must however be registered prior to the evaluation of tenders in order for their tenders to be responsive.

In this regard it is the sole responsibility of tenderers to ensure that this requirement is complied with. In the case of Joint Venture Partnerships this requirement will apply to each party to the Joint Venture.

B) CONFIRMATION OF WCSD REGISTRATION

Please Refer To Annexure A12 of Supporting Documentation

COMPANY NAME	REGISTERED YES/NO	REGISTRATION NUMBER IF APPLICABLE

Tenderers who are not registered and verified on the Western Cape Supplier Database are not precluded from submitting tenders, but must be registered and verified prior to the evaluation of tenders in order to qualify for preference points.

In this regard it is the sole responsibility of tenderers to ensure that this requirement is complied with. In the case of Joint Venture Partnerships this requirement will apply to each party to the Joint Venture.

Note: The evaluation of tenders shall be deemed to take place when the Employer's Bid Evaluation Committee meets to make a recommendation to the Bid Adjudication Committee.

SIGNED ON BEHALF OF TENDERER:

CITY OF CAPE TOWN

WATER AND SANITATION

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WASTEWATER TREATMENT WORKS

SCHEDULE 4: A) CONFIRMATION OF CoCT VENDOR DATABASE REGISTRATION AND B) CONFIRMATION OF WCSD REGISTRATION

A) CONFIRMATION OF CoCT VENDOR DATABASE REGISTRATION

Please Refer To Annexure All of Supporting Documentation

COMPANY NAME	REGISTERED YES/NO	REGISTRATION NUMBER IF APPLICABLE
	Yes	

Tenderers who are not registered on the City of Cape Town's Vendor Database are not precluded from submitting tenders, but must however be registered prior to the evaluation of tenders in order for their tenders to be responsive.

In this regard it is the sole responsibility of tenderers to ensure that this requirement is complied with. In the case of Joint Venture Partnerships this requirement will apply to each party to the Joint Venture.

B) CONFIRMATION OF WCSD REGISTRATION

Please Refer To Annexure A12 of Supporting Documentation

COMPANY NAME	REGISTERED YES/NO	REGISTRATION NUMBER IF APPLICABLE
	Yes	

Tenderers who are not registered and verified on the Western Cape Supplier Database are not precluded from submitting tenders, but must be registered and verified prior to the evaluation of tenders in order to qualify for preference points.

In this regard it is the sole responsibility of tenderers to ensure that this requirement is complied with. In the case of Joint Venture Partnerships this requirement will apply to each party to the Joint Venture.

Note: The evaluation of tenders shall be deemed to take place when the Employer's Bid Evaluation Committee meets to make a recommendation to the Bid Adjudication Committee.

SIGNED ON BEHALF OF TENDERER:

CITY OF CAPE TOWN

WATER AND SANITATION

CONTRACT NO. 441S/2010/11

PROVISION OF OPERATION, MAINTENANCE AND MANAGEMENT SERVICES AT THE ZANDVLIET
WASTEWATER TREATMENT WORKS

SCHEDULE 5A : DECLARATION IN TERMS OF THE MUNICIPAL FINANCE MANAGEMENT ACT (No. 56 of 2003)

Item	Question	Yes	No
1.1	Is the Tenderer or any of its directors listed on the National Treasury's database as a company or person prohibited from doing business with the public sector? (Companies or persons who are listed on this database were informed in writing of this restriction by the National Treasury after the <i>audi alteram partem</i> rule was applied).	☐	☒
1.1.1	If so, furnish particulars: N.A.		
1.2	Is the Tenderer or any of its directors listed on the Register for Tender Defaulters in terms of section 29 of the Prevention and Combating of Corrupt Activities Act (No 12 of 2004)? (To access this Register enter the National Treasury's website, www.treasury.gov.za , click on the icon "Register for Tender Defaulters" or submit your written request for a hard copy of the Register to facsimile number 012 3265445).	☐	☒
1.2.1	If so, furnish particulars: N.A.		
1.3	Was the Tenderer or any of its directors convicted by a court of law (including a court of law outside the Republic of South Africa) for fraud or corruption during the past five years?	☐	☒
1.3.1	If so, furnish particulars: N.A.		
1.4	Does the Tenderer or any of its directors owe any municipal rates and taxes or municipal charges to the municipality / municipal entity, or to any other municipality / municipal entity, that is in arrears for more than three months?	☐	☒
1.4.1	If so, furnish particulars: N.A.		
1.5	Was any contract between the Tenderer and the municipality / municipal entity or any other organ of state terminated during the past five years on account of failure to perform on or comply with the contract?	☐	☒
1.5.1	If so, furnish particulars: N.A.		

CERTIFICATION

I, THE UNDERSIGNED (FULL NAME) *Authorised Signatory*
CERTIFY THAT THE INFORMATION FURNISHED ON THIS DECLARATION FORM TRUE AND CORRECT.

I ACCEPT THAT, IN ADDITION TO CANCELLATION OF A CONTRACT, ACTION MAY BE TAKEN AGAINST ME SHOULD THIS DECLARATION PROVE TO BE FALSE.

Signature
Director
Position

23 May 2011
Date

Name of Tenderer

*where the entity tendering is a joint venture, each party to the joint venture must sign a declaration in terms of the Municipal Finance Management Act and attach it to this schedule

CITY OF CAPE TOWN

WATER AND SANITATION

CONTRACT NO. 441S/2010/11

PROVISION OF OPERATION, MAINTENANCE AND MANAGEMENT SERVICES AT THE ZANDVLIET
WASTEWATER TREATMENT WORKS

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Item	Question	Yes	No
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1.1.1	If so, furnish particulars: N.A.		
1.2	Is the Tenderer or any of its directors listed on the Register for Tender Defaulters in terms of section 29 of the Prevention and Combating of Corrupt Activities Act (No 12 of 2004)? (To access this Register enter the National Treasury's website, www.treasury.gov.za , click on the icon "Register for Tender Defaulters" or submit your written request for a hard copy of the Register to facsimile number 012 3265445).	☐	☒
1.2.1	If so, furnish particulars: N.A.		
1.3	Was the Tenderer or any of its directors convicted by a court of law (including a court of law outside the Republic of South Africa) for fraud or corruption during the past five years?	☐	☒
1.3.1	If so, furnish particulars: N.A.		
1.4	Does the Tenderer or any of its directors owe any municipal rates and taxes or municipal charges to the municipality / municipal entity, or to any other municipality / municipal entity, that is in arrears for more than three months?	☐	☒
1.4.1	If so, furnish particulars: N.A.		
1.5	Was any contract between the Tenderer and the municipality / municipal entity or any other organ of state terminated during the past five years on account of failure to perform on or comply with the contract?	☐	☒
1.5.1	If so, furnish particulars: N.A.		

CERTIFICATION

I, THE UNDERSIGNED (FULL NAME),
CERTIFY THAT THE INFORMATION FURNISHED ON THIS DECLARATION FORM TRUE AND CORRECT. *Authorised Signatory*

I ACCEPT THAT, IN ADDITION TO CANCELLATION OF A CONTRACT, ACTION MAY BE TAKEN AGAINST ME
SHOULD THIS DECLARATION PROVE TO BE FALSE.

Signature:

Director
Position

23 May 2011
Date

Name of Tenderer

*where the entity tendering is a joint venture, each party to the joint venture must sign a declaration in terms of the Municipal Finance Management Act and attach it to this schedule

CITY OF CAPE TOWN

WATER AND SANITATION

CONTRACT NO. 441S/2010/11

**PROVISION OF OPERATION, MAINTENANCE AND MANAGEMENT SERVICES AT THE ZANDVLIE
WASTEWATER TREATMENT WORKS**

SCHEDULE 5B : CERTIFICATE OF INDEPENDENT TENDER DETERMINATION

I, the undersigned, in submitting this tender for Contract No. 441S/2010/11: **PROVISION OF OPERATION, MAINTENANCE AND MANAGEMENT SERVICES AT THE ZANDVLIE WASTEWATER TREATMENT WORKS**

in response to the invitation for the tender made by the City of Cape Town, do hereby make the following statements that I certify to be true and complete in every respect:

I certify, on behalf of: _____ that:
(Name of Tenderer)

1. I have read and I understand the contents of this Certificate;
2. I understand that this tender will be disqualified if this Certificate is found not to be true and complete in every respect;
3. I am authorized by the tenderer to sign this Certificate, and to submit this tender on behalf of the tenderer;
4. Each person whose signature appears on this tender has been authorized by the tenderer to determine the terms of, and to sign, the tender, on behalf of the tenderer;
5. For the purposes of this Certificate and this tender, I understand that the word "competitor" shall include any individual or organization, other than the tenderer whether or not affiliated with the tenderer, who:
 - (a) has been requested to submit a tender in response to this invitation to tender;
 - (b) could potentially submit a tender in response to this invitation to tender, based on their qualifications, abilities or experience; and
 - (c) provides the same goods and services as the tenderer and/or is in the same line of business as the tenderer;
6. The tenderer has arrived at this tender independently from, and without consultation, communication, agreement or arrangement with any competitor. However, communication between partners in a joint venture or consortium¹ will not be construed as collusive tendering;
7. In particular, without limiting the generality of paragraph 6 above, there has been no consultation, communication, agreement or arrangement with any competitor regarding:
 - (a) prices;
 - (b) geographical area where product or service will be rendered (market allocation);
 - (c) methods, factors or formulas used to calculate prices;
 - (d) the intention or decision to submit or not to submit a tender;
 - (e) the submission of a tender which does not meet the specifications and conditions of the tender; or
 - (f) tendering with the intention not to win the tender;
8. In addition, there have been no consultations, communications, agreements or arrangements with any competitor regarding the quality, quantity, specifications and conditions or delivery particulars of the products or services to which this invitation to tender relates;

¹ Joint venture or Consortium means an association of persons for the purpose of combining their expertise, property, capital, efforts, skill and knowledge in an activity for the execution of a contract.

9. The terms of this tender have not been, and will not be, disclosed by the tenderer, directly or indirectly, to any competitor, prior to the date and time of the official tender opening or of the awarding of the contract;
10. I am aware that , in addition and without prejudice to any other remedy provided to combat any restrictive practices related to tenders and contracts, tenders that are suspicious will be reported to the Competition Commission for investigation and possible imposition of administrative penalties in terms of section 59 of the Competition Act No. 89 of 1998 and or may be reported to the National Prosecuting Authority (NPA) for criminal investigation and or may be restricted from conducting business with the public sector for a period not exceeding ten (10) years in terms of the Prevention and Combating of Corrupt Activities Act No. 12 of 2004 or any other applicable legislation.

.....
Signature

23 May 2011
.....
Date

.....
Name

Authorised Signatory
.....
Position

CITY OF CAPE TOWN

WATER AND SANITATION

CONTRACT NO. 441S/2010/11

PROVISION OF OPERATION, MAINTENANCE AND MANAGEMENT SERVICES AT THE ZANDVLIE
WASTEWATER TREATMENT WORKS

SCHEDULE 6 : WATER AND SANITATION SERVICES PROVIDED TO ORGANS OF STATE

The tenderer shall indicate on the schedule below particulars of all water and sanitation operation, maintenance and management services provided to organs of state by all offices country wide in the last five years. Tenderers shall also indicate, by means of a cross (x) in the last column, which, if any, of the services listed are of a similar nature, to those being tendered for in terms of this tender.

Where the entity tendering is a joint venture, the particulars of services provided to organs of state by each party to the joint venture, must be submitted as part of this schedule (additional pages may be added if necessary).

WATER AND SANITATION SERVICES PROVIDED TO ORGANS OF STATE				
TITLE OF PROJECT	VALUE OF CONTRACT	EMPLOYER	DATE COMPLETED	SIMILAR SERVICE
Pls Refer Annexure A A				

SIGNED ON BEHALF OF TENDERER:

CITY OF CAPE TOWN

WATER AND SANITATION

CONTRACT NO. 441S/2010/11

PROVISION OF OPERATION, MAINTENANCE AND MANAGEMENT SERVICES AT THE ZANDVLIT
WASTEWATER TREATMENT WORKS

SCHEDULE NO. 7: CERTIFICATE FOR MUNICIPAL SERVICES AND PAYMENTS TO SERVICE PROVIDER

To: THE CITY MANAGER, CITY OF CAPE TOWN

**CERTIFICATE FOR MUNICIPAL SERVICES
AND PAYMENTS TO SERVICE PROVIDER**

Information required in terms of the City's Supply Chain Management Policy, Clauses 45.1 and 114.2

**TENDER NO: 441S/2010/11: PROVISION OF OPERATION, MAINTENANCE AND MANAGEMENT SERVICES
AT THE ZANDVLIT WASTEWATER TREATMENT WORKS**

NAME OF THE TENDERER:

FURTHER DETAILS OF THE TENDERER/S; Proprietor / Director/s / Partners, etc:

Physical Business address of the Tenderer	Municipal Account number(s)

If there is not enough space for all the names, please attach the additional details to the Contract Document

Name of Director / Member / Partner	Identity Number	Physical residential address of Director / Member / Partner	Municipal Account number(s)

I, _____, the undersigned,
(full name in block letters)

certify that the information furnished on this declaration form is correct and that I/we have no undisputed commitments for municipal services towards a municipality or other service provider in respect of which payment is overdue for more than 30 days.

Signature
THUS DONE AND SIGNED for and on behalf of the Tenderer/Contractor

at Johannesburg on the 23rd day of May 2011
(PLACE) (DATE) (MONTH) (YEAR)

Please Note:

Even if the requested information is not applicable to the Tenderer, the table above should be endorsed
Not Applicable and THIS DECLARATION MUST STILL BE SIGNED

Tender
Part T2: Returnable documents
Reference No. 441S/2010/11

CITY OF CAPE TOWN

WATER AND SANITATION

CONTRACT NO. 441S/2010/11

**PROVISION OF OPERATION, MAINTENANCE AND MANAGEMENT SERVICES AT THE ZANDVLIET
WASTEWATER TREATMENT WORKS**

SCHEDULE 8 : KEY PERSONNEL

Pls Refer Annexure A 8 of Supporting Documentation

The tenderer is referred to clause F.2.1.1.4 of the Tender Data and shall insert in the spaces provided below details of the key personnel required to be in the employment of the tenderer, in order for the tenderer to be eligible to submit a tender for this project. The Curriculum Vitae of each individual must be appended to this schedule.

PROJECT MANAGER				
NAME	JOB TITLE	QUALIFICATIONS	ECSA OR NATURAL SCIENTIST REGISTRATION NO.	NO. OF YEARS SPECIFIED EXPERIENCE
	Chief Operating Officer/ Director			18
WORKS MANAGER				
NAME	JOB TITLE	QUALIFICATIONS	DWA GRADE AND REGISTRATION NO.	NO. OF YEARS SPECIFIED EXPERIENCE
	Works Manager			19,5
ASSISTANT WORKS MANAGER				
NAME	JOB TITLE	QUALIFICATIONS	DWA GRADE AND REGISTRATION NO.	ACCREDITATION (SANRAL OR COCT)
	Assistant Works Manager			16,5
MAINTENANCE MANAGER				
NAME	JOB TITLE	QUALIFICATIONS	ECSA REGISTRATION NO./TRADE CERTIFICATE	NO. OF YEARS SPECIFIED EXPERIENCE
	Technician (Maintenance Manager)			11,5 years at 20,5 years at

SIGNED ON BEHALF OF TENDERER:

CITY OF CAPE TOWN

WATER AND SANITATION

CONTRACT NO. 441S/2010/11

PROVISION OF OPERATION, MAINTENANCE AND MANAGEMENT SERVICES AT THE ZANDVLIET
WASTEWATER TREATMENT WORKS

SCHEDULE 9 : SUPPORT RESOURCES

The tenderer is referred to clause F.2.1.1.5 of the Tender Data and shall state below what software packages are available for use on this project and whether or not they are currently owned/licensed by the tenderer, or are available through other means.

SOFTWARE PACKAGE/S AVAILABLE FOR USE		
NAME OF PACKAGE	DESCRIPTION	CURRENTLY OWNED/ LICENCED OR OTHER
Microsoft Office Orgplus Adobe Acrobat Accpac VIP Payroll PIVOTAL	Word, Excel, Powerpoint, Project Documentation Full accounting package Wages Platform for own-developed mis system [LIMS, Asset Management, Call Centre, Tanker Management, NCR + SHEQ System, Process Management System]	Purchased annual licence Annual licence Licence and own IP
Autocad Inventor PHA Works OLI BIOWIN	Drawing Design + HAZOP review Models chemical reactions Process Modelling (Purchasing BIOWIN through annual licence)	Licence Licence Licence Consultant support, Licence

SIGNED ON BEHALF OF TENDERER:

CITY OF CAPE TOWN

WATER AND SANITATION

CONTRACT NO. 441S/2010/11

PROVISION OF OPERATION, MAINTENANCE AND MANAGEMENT SERVICES AT THE ZANDVLIE
WASTEWATER TREATMENT WORKS

SCHEDULE 10 : INDEMNITY INSURANCE

The tenderer is referred to clause F.2.1.1.6 of the Tender Data and shall state below details of the indemnity insurance held by the tenderer. Where the tenderer is a joint venture, each party to the joint venture must submit details of their indemnity insurance. Proof of insurance or confirmation from a reputable Insurance Broker that the tenderer is eligible for the prescribed indemnity insurance cover should he/she be awarded the contract, must be appended to this schedule.

INDEMNITY INSURANCE		
NAME OF INSURED	NAME OF INSURER	LIMIT OF INDEMNITY IRO EACH CLAIM
This policy covers: <i>Pls Refer Annexure A10 of Supporting Documentation</i>		

SIGNED ON BEHALF OF TENDERER:

CITY OF CAPE TOWN

WATER AND SANITATION

CONTRACT NO. 441S/2010/11

PROVISION OF OPERATION, MAINTENANCE AND MANAGEMENT SERVICES AT THE ZANDVLIE
WASTEWATER TREATMENT WORKS

SCHEDULE 11 : PROPOSED WORK PLAN

The tenderer shall append their proposed plan (approach and methodology) to this Schedule.

It should be noted that while a programme may form part of the required work plan, more than a programme is expected in response to this requirement. The work plan must indicate the approach and methodology that the tenderer intends following in order to reach the required outcomes. The work plan must show that the tenderer has appreciated the Scope of Work, and has good insight as to what actions or activities are required in order to comply with the Employer's objectives. The work plan must provide the items listed in clause F.2.1.1.7. The proposed work plan is an important document based upon which up to 15 score points for quality will be awarded. Tenderers should however endeavour to keep their submissions in this regard to a maximum of 30 pages.

SIGNED ON BEHALF OF TENDERER:

Please Refer To Part D of Supporting Documentation

CITY OF CAPE TOWN

WATER AND SANITATION

CONTRACT NO. 441S/2010/11

PROVISION OF OPERATION, MAINTENANCE AND MANAGEMENT SERVICES AT THE ZANDVLIET
WASTEWATER TREATMENT WORKS

SCHEDULE 12 : EXPERTISE OF KEY PERSONNEL

Notwithstanding having appended the Curriculum Vitae of the key personnel to Schedule 8 above, the tenderer shall append to this schedule, a statement for each of the individuals identified, which indicates any fields of specialisation and any recent experience that is relevant to this particular project (which may or may not have formed part of the individual's CVs). Tenderers should indicate what particular aspect of the project the specialisation or experience is relevant to.

Up to 12 score points for quality will be awarded for relevant expertise of the key personnel.

SIGNED ON BEHALF OF TENDERER:

- * Refer to Part C in "Proposal" of Supporting Documentation
for Key Personnel
- * Refer to Annexure A8 of supporting documentation
for CV's of Key Personnel

CITY OF CAPE TOWN

WATER AND SANITATION

CONTRACT NO. 441S/2010/11

PROVISION OF OPERATION, MAINTENANCE AND MANAGEMENT SERVICES AT THE ZANDVLIT
WASTEWATER TREATMENT WORKS

SCHEDULE 13 : TRACK RECORD

The tenderer is referred to clause F.2.1.1.7 and shall indicate on the schedule below all operation, maintenance and management of wastewater treatment works projects that have been successfully completed in the past ten years, or that are underway at present.

Where the entity tendering is a joint venture, the track record of each party to the joint venture must be submitted as part of this schedule (additional pages may be added if necessary). A score for each will be combined in proportion to the percentage contribution of each party to the joint venture.

Up to 6 score points for CAS, and 7 score points for MBR, projects will be awarded for quality according to the nature and scale of projects listed.

TRACK RECORD OF TENDERER (CAS) (up to 6 score points)			
TITLE AND BRIEF DESCRIPTION OF PROJECT	VALUE OF CONTRACT	EMPLOYER (include contact details)	DATE COMPLETED

TRACK RECORD OF TENDERER (MBR) (up to 7 score points)			
TITLE AND BRIEF DESCRIPTION OF PROJECT	VALUE OF CONTRACT	EMPLOYER (include contact details)	DATE COMPLETED

SIGNED ON BEHALF OF TENDERER:

CITY OF CAPE TOWN

WATER AND SANITATION

CONTRACT NO. 441S/2010/11

PROVISION OF OPERATION, MAINTENANCE AND MANAGEMENT SERVICES AT THE ZANDVLIE
WASTEWATER TREATMENT WORKS

SCHEDULE 14 : ISO CERTIFICATION

*As Refer Annexure A1
of supporting documentation*

If applicable, the tenderer shall append proof of their ISO 9001, ISO 14001 and ISO 18001 certification to this schedule.

Up to 3 score points for quality will be awarded to tenderers who are ISO certified. Where the entity tendering is a joint venture, provided one of the parties is ISO certified, and it has been indicated on the work plan submitted that that party will take responsibility for quality management, environmental management, and health and safety standards, then the joint venture will be awarded 3 score points in this respect.

SIGNED ON BEHALF OF TENDERER:

CITY OF CAPE TOWN

WATER AND SANITATION

CONTRACT NO. 441S/2010/11

PROVISION OF OPERATION, MAINTENANCE AND MANAGEMENT SERVICES AT THE ZANDVLIET
WASTEWATER TREATMENT WORKS

SCHEDULE 15: PROPOSED AMENDMENTS AND QUALIFICATIONS BY TENDERER

The Tenderer should record any proposed deviations or qualifications he may wish to make to the tender documents in this Returnable Schedule. Alternatively, a tenderer may state such proposed deviations and qualifications in a covering letter attached to his tender and reference such letter in this schedule. Tenderers are also referred to clause F.2.13.1 of the Tender Data.

The Tenderer's attention is drawn to clause F.3.8 of the Standard Conditions of Tender referenced in the Tender Data regarding the Employer's handling of material deviations and qualifications.

If no deviations or modifications are desired, the schedule hereunder is to be marked NIL and signed by the Tenderer.

PAGE	CLAUSE OR ITEM	PROPOSAL
Please Refer To Part E in "Proposal" of Supporting Doc		

Number of sheets, appended by the tenderer to this Schedule 6..... (If nil, enter NIL).

Please refer to Part E of
supporting documentation

SIGNED ON BEHALF OF TENDERER:

CITY OF CAPE TOWN

WATER AND SANITATION

CONTRACT NO. 441S/2010/11

PROVISION OF OPERATION, MAINTENANCE AND MANAGEMENT SERVICES AT THE ZANDVLIET
WASTEWATER TREATMENT WORKS

SCHEDULE 16 : AVAILABILITY/ALLOCATION OF RESOURCES

The tenderer shall append their proposed resource allocation to this schedule.

This schedule should include all personnel that are intended to be used in the execution of the work (including the key personnel and others (Specialists) as may be necessary) with details of their name, qualification, title/job description, a brief description of their function in relation to this project, whether or not they are in the employment of the tenderer at present, and on what basis they will be involved in this project (part time oversight role, full time for duration of certain activities, as and when required, etc).

This schedule should also include resources other than human (equipment, software, etc) that are relevant to/necessary for and are available, or will be bought/hired in, for use on this project.

Up to 7 score points for quality will be awarded for the allocation of resources over and above the key personnel named in Schedule 8 and scored in Schedule 12 above.

The employer may request more detailed information relating to the resources listed if deemed necessary.

SIGNED ON BE/ LF OF TENDERER:

1. All staff members are currently employed by _____ and
Project Manager, _____ spends part of his time on this
contract, others full time.
3. All resources readily available from _____

Refer to Part C in "Proposal" of Supporting Documentation,
as well as Annexure A8 for CV's

CITY OF CAPE TOWN

WATER AND SANITATION

CONTRACT NO. 441S/2010/11

PROVISION OF OPERATION, MAINTENANCE AND MANAGEMENT SERVICES AT THE ZANDVLIET
WASTEWATER TREATMENT WORKS

SCHEDULE 17: AUTHORISATION FOR THE DEDUCTION OF OUTSTANDING AMOUNTS OWED TO COUNCIL

To: THE CITY MANAGER, CITY OF CAPE TOWN

From: _____
(Name of Tenderer)

AUTHORISATION FOR THE DEDUCTION OF OUTSTANDING AMOUNTS OWED TO COUNCIL

Extract from Supply Chain Management Policy, Clause 45.1:

"The City Manager may reject the bid or quote of any person if that person or any of its directors has:
45.1 failed to pay municipal rates and taxes or municipal service charges and such rates, taxes and
charges as are in arrears for more than three months,"

I, THE UNDERSIGNED, _____

(FULL NAME IN BLOCK LETTERS)

hereby authorise the City of Cape Town to deduct the full amount outstanding by the business organisation /
Director / Partner, etc from any payment due to us / me.

.....
Signature

THUS DONE AND SIGNED for and on behalf of the Bidder / Contractor

at Johannesburg on the 23rd day of May 2011
(PLACE) (DATE) (MONTH)

In the presence of the subscribing witnesses.

CITY OF CAPE TOWN

WATER AND SANITATION

CONTRACT NO. 441S/2010/11

PROVISION OF OPERATION, MAINTENANCE AND MANAGEMENT SERVICES AT THE ZANDVLIT
WASTEWATER TREATMENT WORKS

SCHEDULE 18 : RECORD OF ADDENDA TO TENDER DOCUMENTS (ANNEX K)

We confirm that the following communications received from the Employer before the submission of this tender offer, amending the tender documents, have been taken into account in this tender offer:

	Date	Title or Details
1.		
2.		
3.		
4.		
5.		Please Refer To Annexure A15 and Part E in
6.		"Proposal" of Supporting Documentation
7.		
8.		
9.		
10.		

Attach additional pages if more space is required.

Signed _____

Date 23 May 2011

Name _____

Position Authorised Signatory

Tenderer _____

CITY OF CAPE TOWN

WATER AND SANITATION

CONTRACT NO. 441S/2010/11

TENDER SERIAL No.:		
INITIALS OF OFFICIALS		
1	2	3

PROVISION OF OPERATION, MAINTENANCE AND MANAGEMENT SERVICES AT THE ZANDVLIE
WASTEWATER TREATMENT WORKS

SCHEDULE 19: PREFERENCING SCHEDULE

PF1 : Preferencing Schedule where preferences are granted in respect of HDI equity

1 Definitions

The following definitions shall apply to this schedule:

Equity ownership: The percentage of an enterprise or business owned by individuals or, in respect of a company, the percentage of the company's shares that are owned by individuals, who are actively involved in the management of an enterprise or business and exercise control over the enterprise, commensurate with their degree of ownership at the closing date of the tender.

Note: All claims for HDI equity ownership by an HDI will be considered according to the following criteria:

- equity within private companies will be based on the percentage of equity ownership;
- preference points will not be awarded to public companies and tertiary institutions;
- equity claims for a trust will only be allowed in respect of those persons who are both trustees and beneficiaries and who are actively involved in the management of the Trust; and
- a consortium or joint venture may, based on the percentage of the contract value managed or executed by their HDI members, be entitled to equity ownership.

Historically disadvantaged individual (HDI): A South African citizen

- a) who, due to the apartheid policy that had been in place, had no franchise in national elections prior to the introduction of the Constitution of the RSA, 1983 (Act 110 of 1983) or the Constitution of the RSA, 1993 (Act 200 of 1993) ("the Interim Constitution"), or
 - b) who is a female; or
 - c) who has a disability;
- provided that a person who obtained South African citizenship on or after the coming to effect of the Interim Constitution, is deemed not to be an HDI;

2 Conditions associated with the granting of preferences

The tenderer who claims a preference, undertakes to:

- 1) not subcontract more than 25% of the Net Amount of the Contract to a person who is not an HDI or does not qualify for such preference.
- 2) maintain an HDI equity ownership of not less than that upon which the preference is based for the duration of the Contract;
- 3) accept the sanctions set out in Section 3 below should conditions 1 or 2 be breached;
- 4) complete the Tender Preference Claim in respect of Enterprise Status or Structure in the Tendering Entity contained in Section 4 below.

3 Sanctions relating to breaches of preferencing conditions

The sanctions for breaching the preferencing conditions are:

1. termination of the Contract; or
2. a financial penalty payable to the Employer equal to 1,25 times the number of tender evaluation points awarded in respect of the preference claimed, multiplied by the contract price including Value Added Tax, divided by 100

4 Tender preference claim in respect of enterprise status or structure of the tendering entity

Number of preference points = $\text{NOP} \times \text{EP} / 100$

NOP = maximum tender evaluation points provided for in the Preferential Procurement Policy Framework Act (Act 5 of 2000)

EP = the percentage of equity ownership by an HDI within the business enterprise.

I/we apply on behalf of my/our firm for a preference based on an HDI equity ownership percentage of **22,14%**
SEE NOTE OVERLEAF

NOTE:

Tenderers are required to be registered and verified on the Western Cape Supplier Database (WCSD) prior to the evaluation of tenders in order to qualify for preference points. The Employer will verify the HDI equity ownership percentage claimed by the tenderer (in 4 above) against that given on the WCSD. If any discrepancy exists, the employer shall use the percentage given on the WCSD, in the formula above, to calculate the number of preference points achieved by the tenderer. Where the entity tendering is a joint venture, the HDI equity ownership percentage of each party shall be combined in proportion to the percentage contribution of each party to the joint venture in order to determine the HDI status of the joint venture itself.

The undersigned, who warrants that he/she is duly authorised to do so on behalf of the firm or sole proprietor confirms that he/she understands the conditions under which such preferences are granted and confirms that the tenderer will satisfy the conditions pertaining to the granting of tender preferences.

Signature :

Name :

Duly authorised to sign on behalf of :

Telephone :

Fax :

Date : 23 May 2011

Part C1: Agreements

	Pages
C1.1 Scope of Work	54 – 60A
C1.2 General Conditions of Contract	61 – 69
C1.3 Contract Data	70 – 129
C1.4 Form of Offer and Acceptance	130 – 135
C1.5 Form of Guarantee/Performance Security	136 – 138
C1.6 Occupational Health and Safety Agreement	139 – 140
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CITY OF CAPE TOWN

WATER AND SANITATION

CONTRACT NO. 441S/2010/11

PROVISION OF OPERATION, MAINTENANCE AND MANAGEMENT SERVICES AT THE ZANDVLIT
WASTEWATER TREATMENT WORKS

C1.1 Scope of Work

CONTENTS

1. INTRODUCTION
2. BACKGROUND
3. CITY'S OBJECTIVE
4. CONTRACTED SERVICES
5. REFERENCE DATA
6. APPLICABLE NATIONAL AND INTERNATIONAL STANDARDS
7. APPROVALS
8. PROCUREMENT
9. FORMAT OF COMMUNICATION
10. KEY PERSONNEL
11. MANAGEMENT MEETINGS
12. CLAIMS FOR PAYMENT
13. PERFORMANCE INDICATORS
14. PENALTIES
15. CITY'S RIGHT TO RECOVER COSTS
16. APPENDICES

1. INTRODUCTION

The Zandvliet Wastewater Treatment Works (ZWWTW) is owned by the City of Cape Town. Currently, it is operated, maintained and managed by a private contractor (water service provider) and has been privately operated since its construction by the Provincial Administration: Western Cape in 1988.

The ZWWTW is located approximately 35 km east of the city centre of Cape Town, approximately 1 km south of the N2 highway off-ramp on the Baden Powell Drive and 2.5 km north of the False Bay Coast. It is on the corner of the Macassar Road to the north and Baden Powell Drive to the west. It is situated in the magisterial district of Somerset West and in the municipal Sub-Council 8 and Ward 15 (see Locality Plan on page 3).

The area of the existing site is 26.77 hectares; the area allocated for the future wastewater capacity extension is 17.92 hectares (see Annexure 1 attached to Application for Licence letter dated 4 January 2007 in **Appendix D** in Part C1.3 Contract Data). There are sand dunes reaching 25 metres above sea level on the southern and eastern boundaries. While these dunes provide an effective visual barrier in those directions, it is also the site for sand mining activities.

The land to the north east and east is owned by a number of persons and companies. To the north-east are the smallholdings of Sandvlei. Apart from an informal settlement (Madalabos) to the north east of the Macassar Road, the land to the east of the treatment works is used mainly for sand mining. To the west of Baden Powell Drive, opposite the Works is the burgeoning residential area of Khayelitsha.

More importantly, especially for the purposes of this tender, the Works is situated approximately 2.5 km from the confluence of the Eerste and Kuils Rivers in the sensitive Eerste-Kuils river catchment and into which the final effluent discharges. Furthermore, it should be noted that the surrounding communities are extremely environmentally conscious and are acutely aware of the potential negative impact that the ZWWTW can impose on the environment if not operated and maintained correctly.

Three pump stations viz., Kuyasa, Delft and Blue Downs, pump sewage from the areas which include Khayelitsha, Blue Downs, Mfuleni and Delft to the ZWWTW.

Approximately 105 informal settlements are located in the Zandvliet catchment and most of these settlements are presently being serviced by various types of non-waterborne sanitation technologies (see drawing titled "Zandvliet Drainage Region" dated 18 April 2011, bound at the back of this Contract Document). Until recently, the contents of the non-waterborne sanitation systems from some of these informal settlements were disposed of at this ZWWTW. While this has been temporarily placed on hold

due to the Works being at full capacity and due to the inadequate stercur receiving facilities, it is envisaged that this practice will be re-instituted once a more appropriate stercur receiving infrastructure is constructed.

The current Operation and Maintenance contract for ZWWTW has been in force prior to the promulgation of the Municipal Systems Act (Act 32 of 2000). The contract has since expired and it was therefore incumbent on the City of Cape Town to conduct an assessment (Section 78 of the MSA) to ascertain the most appropriate service delivery mechanism, namely internal or external. After a lengthy investigation period and the findings presented, the City, at the Council meeting of 6 October 2010, approved the internal 'department' option with the external service delivery agreement.

The purpose of this tender is to appoint a contractor (water service provider (WSP)) to operate, maintain and manage the ZWWTW.

2. BACKGROUND

2.1 Existing Plant

Zandvliet is a 72 megalitres a day (M/d) extended aeration WWTW which consists of a 54 M/d conventional activated sludge (CAS) plant and a separate 18 M/d membrane bioreactor (MBR). The process configuration for the CAS was designed on the Modified Ludzack Ettinger (MLE) configuration and that of the 18 M/d MBR is designed on the UCT process configuration. The sludge from both processes is mechanically dewatered by means of belt presses and the dewatered sludge is removed from site using a waste removal contract managed by the City. Due to the significant housing development in the catchment area, this plant will be extended in two phases (18 M/d and a 30 M/d) within the next five to eight years to an envisaged ultimate capacity of 120 M/d.

Presently, the ZWWTW consists of:

- **Two Inlet Pumping Stations:** Each pump station has a total capacity of 239.8M/d and comprises of 3 Archimedean Screw Pumps each (2 duty, 1 standby);
- **Inlet Works:** 2 x 10mm, mechanical screens complete with associated equipment and grit removal system;
- **Activated Sludge Plant:** 2 x circular bioreactors operating in parallel, each with anoxic and an aeration zone with 10 surface aerators;
- **Secondary Settling Tanks:** 8 x 29m diameter, 3.5m Side Wall Depth circular secondary settling tanks;
- **Membrane Bioreactor:** The bioreactor is a circular glass fused steel tank and the process design is based on the UCT process configuration. The membranes cassettes are located external to the biological reactor;
- **Disinfection:** Five off 1 ton Chlorine gas cylinders are used and the 2 contact tanks have a total volume of 2065m³;
- **Sludge Handling:** Sludge is wasted from aerobic zones and mechanically dewatered by means of 4 Belt Presses, each fitted with a linear screen, the width of belt and screen being 2,2m. The dewatered sludge is removed by a private waste removal contractor;
- **Ancillary equipment/infrastructure** include flow distribution facilities and pipework;
- **Electrical supply, networks, motor control centres and panels;**
- **Standby power generation;**
- **Instrumentation and SCADA;**
- **Offices, workshop, stores, etc.;**
- **Access roads, services, internal roads and storm water drainage.**

2.2 Condition of the Assets

The Assets have been well maintained. Once appointed, the contractor (WSP) will be required to examine the Assets and provide a written report which indicates any additional essential improvements that may be required. Any infrastructure/equipment which may require repair/refurbishments/replacement will, dependent on the quantum, either form part of the Agreement with this contractor (WSP) or as part of the City's Capital budget upgrade programme. The reliability will be determined where all the mechanical/ electrical/ process control systems (including SCADA) are performing their required functions under the specified conditions within the time required.

3. CITY'S OBJECTIVE

The primary objective of the City is to appoint a competent and experienced contractor (WSP) to operate, maintain and manage the ZWWTW on behalf of the City. This tender provides the essential information and data for the potential tenderers to be adequately informed of the objectives of the City and price accordingly. The tenderers may have access to the operational and maintenance manuals by prior arrangement. However, once appointed as the contractor (WSP) for the ZWWTW, it shall be required to comply with the Agreement which provides amongst others, the operational and maintenance obligations of the contractor (WSP), performance guarantees, target compliance, timeframes, penalties, etc.

3.1 Duration of the Appointment

The Employer's intention is to allow the contractor (WSP) to operate, maintain and manage the ZWWTW for a period of 15 years. The contractor's (WSP's) performance shall be reviewed annually. If the contractor's (WSP's) performance fails to consistently meet the Performance Guarantees and targets as specified in the Agreement, the necessary corrective actions will be instituted and ultimately the termination of the contract.

4. CONTRACTED SERVICES

The Contracted Services is related to the operation, maintenance and management of the ZWWTW. The contractor (WSP)

- shall conduct their business activities using the King Report III Code as a guide for corporate governance;
- shall conduct their business activities that ensure that the City does not suffer reputation loss;
- shall comply with all Legislative requirements (including Risk, Health, Safety and Environment) necessary to operate and maintain ZWWTW;
- shall operate, maintain and manage the Works and the Assets for 24 hours per day, 365 days per year, throughout the period of this Agreement in full compliance with the conditions of the Tender, the Agreement and the requirements of the License together with any other applicable regulatory legislation;
- shall ensure that the Works is adequately manned for the 24/7, 365 days operation and maintenance;
- shall be compliant with the Department of Water and Environmental Affairs' requirements with respect to quality of final effluent and sludges and maintain the Works and the Assets to the standard required by the City;
- will be required to operate, maintain and manage the Works in accordance with the design criteria and to satisfy DWA's Green Drop requirements;
- will be required to interface with the Department of Water and Environmental Affairs and be responsible for the performance of the Works and Assets;
- shall be committed to cost minimisation approach at all times;
- is required to have and develop written procedures for the operation, maintenance and management of the Assets as more fully set out in the Agreement;
- shall be skilled in predictive maintenance and conditional monitoring of the Assets;
- shall be demonstrably familiar with the operation, commissioning and testing of new equipment;
- shall keep detailed records concerning all aspects of the operation, maintenance and management of the ZWWTW. Maintenance shall be costed on activity based costing. The exact nature of these records shall be set out in the Agreement
- shall operate the Works in such a manner that any nuisances (such as noise or odour) from the Works will minimise complaints from the public and reduce reputational loss to the City;
- shall closely monitor the usage of utilities (water and electricity) and optimise and reduce their usage where possible;
- may be required to use some of the City's tenders for the procurement of consumables such as Chlorine, polyelectrolyte, lime, etc, unless the contractor (WSP) can source and procure these items at a cost cheaper than the City;
- shall ensure that the site and buildings are meticulously maintained;
- will sample influent raw wastewater, unit process and final effluent streams (liquid or sludge) in compliance with the requirements of the City. The influent and final effluent shall be sampled by means of automatic samplers;
- shall have weekly (or if required, daily) compliance samples analysed at the City's Scientific Services Branch's laboratories situated at Athlone WWTW. The results of these analyses shall be final and binding;
- shall use a South African National Accreditation System (SANAS) accredited laboratory for all other tests not performed at the Scientific Services Branch laboratories;
- is required to have an on-site laboratory for the daily plant performance tests;

- is required to hold regular meetings and issue reports to the City's representatives where all details regarding the Asset's operation, maintenance and management as determined by the Agreement shall be reported on (see Appendix E in Part C1.3 Contract Data);
- will not, in any way, limit the access to the site by the City or its representatives;
- shall be an active participant in all aspects of the site development. The contractor (WSP) shall attend all site meetings concerned with the development of the site;
- shall continue to operate, maintain and manage the site during any extensions to the site by a 3rd party contractor's period of tenure;
- will be required to provide a Work Skills Plan which will be updated annually and which will provide an indication of the training which has been provided to its staff.

In addition, the City's appointed agent may assess the ZWWTW in terms of the compliance with the OHS-Machinery regulations on a bi-yearly basis; the City shall impose penalties if the contractor (WSP) fails to perform or not comply with the requirements of the City as set out in the Agreement. These penalties will be deducted from the contractor's (WSP's) monthly remuneration.

5. REFERENCE DATA

5.1 Zandvliet WWTW: Design Criteria

Conventional Activated Sludge Plant

Parameter	Unit	Value
Flow		
Process (Average Dry Weather Flow)	M ³ /d	54
Peak Dry Weather Flow	M ³ /d	90
Peak Wet Weather Flow	M ³ /d	
Influent Raw sewage concentrations		
Chemical Oxygen Demand	mgCOD/l	1000
Total Kjeldahl Nitrogen	mgN/l	60
Free & Saline Ammonia	mgN/l	-
Total Phosphorus (as P)	mgP/l	10
Ortho-Phosphate (as P)	mgP/l	-
Suspended Solids	mgTSS/l	-
Alkalinity	mg/l as CaCO ₃	-

The Design Criteria for the Membrane Bio Reactor are:

Parameter	Unit	Value
Flow		
Process (Average Dry Weather Flow)	M ³ /d	18
Peak Dry Weather Flow	M ³ /d	18*
Peak Wet Weather Flow	M ³ /d	35 for 2-4 hours duration)
Influent Raw sewage concentrations		
Chemical Oxygen Demand	mgCOD/l	750
Total Kjeldahl Nitrogen	mgN/l	66
Free & Saline Ammonia	mgN/l	40
Total Phosphorus (as P)	mgP/l	10
Ortho-Phosphate (as P)	mgP/l	
Suspended Solids	mgTSS/l	306
Alkalinity	mg/l as CaCO ₃	-

*The flow to the MBR is limited to 18 M³/d, excess flow is passed to the CAS.

5.2 Zandvliet WWTW: Wastewater characteristics

The influent raw wastewater characteristics complete with the associated flows received at Zandvliet WWTW over the past three years (2008, 2009 and 2010) are displayed in the table below.

Influent Wastewater Characteristics complete with associated flowrates

	Flow ¹ (M ³ /d)	COD ² (mg/l)	SS ² (mg/l)	FSA ² (mgN/l)	Total P ² (mgP/l)	Ortho-P ² (mgP/l)
2008						
5%-ile	52.5	493	287	28	8.7	5.9
Average	63.7	778	430	45	14.0	9.4
95%-ile	81.7	997	544	63	17.8	11.8

2009						
5%-ile	57.3	504	298	35	10.9	6.5
Average	68.9	801	468	44	13.4	8.8
95%-ile	86.0	1026	671	56	15.9	11.0
2010						
5%-ile	62.6	621	361	38	13.5	6.4
Average	71.0	867	540	48	15.5	8.8
95%-ile	80.1	1126	839	65	17.2	11.1

1. Flow readings are taken daily. The values shown are calculated over the calendar year.
2. The sampling for the chemical parameters is weekly. The values shown are calculated over the calendar year.

Details of the flowrates of the influent raw wastewater are shown below

Flowrates (Ml/d) of influent sewage

	2008	2009	2010
ADWF	60.0	69.2	70.5
AWWF	67.4	68.6	71.6
PWWF	150.3	178.6	101.1

Dry Season is taken as Nov-April and Wet Season is taken as May-Oct

Final Effluent Requirements

The final effluent is discharged at the existing outfall channel into the Kuils River, a tributary of the sensitive Eerste River. At present the Department of Water Affairs' General Standard is applicable to the quality of the final effluent. An application for a licence in terms of the National Water Act has already been submitted to the Department. It is unknown at this stage whether the requirements imposed on the quality of the effluent discharged will change. While it is imperative to comply with the Standards with respect to the final effluent, the contractor is required to operate the CAS and the MBR in accordance with its design criteria.

Details of the Asset's performance are shown on Table 1 attached at the end of this Scope of Work on page 60A.

Sludge Production

Sludge production is shown below:

Year	Cubic metres per year	Percent Dry Solids	Tonnes Dry Solids
2008	32 304	15.8	5 104
2009	38 050	14.8	5 631
2010	43 116	15.1	6 511
2011	17 240	14.2	1 769

For 2011 the values only include January, February, March and April 2011.

Conventional Activated Sludge Plant (32340 m³) average sludge age: 11-14 days

Membrane Bioreactor average sludge age: 22-25 days

6. APPLICABLE NATIONAL AND INTERNATIONAL STANDARDS

The contractor (WSP) shall take cognizance of, and adhere to, all applicable national and international standards in the execution of the Contracted Services and when compiling specifications for the repair/refurbishment/replacement of the Assets.

International standards should only be used where no national standards exist, or where it is the norm to use or refer to international standards.

7. APPROVALS

The contractor (WSP) shall be responsible for obtaining written approvals from the Engineer for the following:

- Before any changes are made to the infrastructure/equipment/process control systems;
- Any wayleave approvals from all service authorities;

- Approval of building plans from the relevant authority;
- Any repairs/refurbishment/replacement of equipment over and above the quantum of operational budget allocated to the Contractor for this purposes.

Notwithstanding any approval received from the City, the contractor (WSP) shall remain responsible for all work carried out by the 3rd party which the contractor (WSP) procures.

8. PROCUREMENT

8.1 Preference for HDI Equity Ownership

The City applies and promotes the principles of preferential procurement. The tenderer is referred to Part T1.3: Tender Data, in this regard.

8.2 Sanctions Relating to Breaches of Preferencing Conditions

Sanctions as provided for in Schedule 19, Part T2.2: Returnable Schedules will be applied, if applicable.

9. FORMAT OF COMMUNICATION

All requests for formal approval from the City, or any other body, shall be submitted in writing in hardcopy format. Interim payment claims shall be submitted in the same format, accompanied by an original tax invoice. Ad-hoc communication between the City and the contractor (WSP) may be conducted per facsimile or in electronic format (e-mail).

All plans and contract documents submitted for approval shall be in hardcopy format.

10. KEY PERSONNEL

The contractor (WSP), who shall have 10 years' verifiable experience operating, maintaining and managing similar sized WWTPs, shall also maintain the involvement of the following key personnel (DWA requirements as guidelines) as the exigencies of this contract require:

- A Project Manager who will be eligible for classification as a Class V Process Controller (as per DWA) (and be eligible for registration as a professional (ECSA or Natural Scientists) with at least 10 (ten) years' verifiable post graduate experience in the management of the operation, maintenance and management of wastewater treatment works. He/she will be the project leader, and responsible for all work carried out in terms of this tender;
- A Class V Process Controller (DWA classification) with at least five (5) years' verifiable operation, maintenance and management experience at a similar sized WWTP who will be the Manager of the Zandvliet WWTW;
- The operational staff operating the Works on a 24 hour shift basis shall be accordingly DWA graded and registered;
- The daily repairs and maintenance on the Site shall be supervised by a Millwright with 10 years' experience or a fitter with 15 years' experience on a WWTW.

Should it become necessary to replace any of the key personnel listed at the time of tender during the course of this contract, they may only be replaced by individuals with similar or better qualifications and experience, who satisfy the minimum requirements and then only with the approval of the City.

11. MANAGEMENT MEETINGS

Once the contract has been awarded, Steering Committee (SC) meetings will be held monthly. The purpose of the SC meetings is for the City to measure the performance of the contractor (WSP). The contractor (WSP) will be required to feedback to the SC which includes the following: (1) the final effluent quality, (2) the performance of each unit process, (3) reliability of the Assets, (4) planned expenditure vs actual expenditure, (5) environmental issues, (6) management of its quality management systems (ISO), (7) occupational health and safety, (8) development and updating of the procedures including safe working procedure and standard operating procedures, etc.

Among others, the contractor's (WSP'S) Project Manager and the Plant Manager shall attend these meetings. The Project Manager shall co-ordinate all relevant actions there from, together with the arranging of the minute taking, any presentations and distribution thereof.

12. CLAIMS FOR PAYMENT

The contractor (WSP) shall submit monthly claims for payment by the 20th of each month. Payment will be effected between the 23rd and 26th of the next month. All claims must be accompanied by an original tax invoice.

The contractor (WSP) shall submit an Activity Schedule that will detail the Contracted Services rendered for the month, as more fully set out in the Agreement.

13. PERFORMANCE INDICATORS

In general, the performance of the contractor (WSP) shall be based, inter alia, on the following:

1. Final Effluent quality;
2. Sludge dewatering performance;
3. Planned maintenance;
4. Reactive and emergency repairs;
5. Consumption of consumables such as electricity, water, polyelectrolyte, chlorine, etc.
6. Health and Safety; and
7. General housekeeping.

14. PENALTIES

Penalties will be instituted for being non-compliant with the performance indicators. These will be determined based on the event which could either be controllable, in which case penalties will be instituted, or uncontrollable wherein the penalties will be imposed at the discretion of the Engineer.

15. CITY'S RIGHT TO RECOVER COSTS

The City reserves the right to recover, by way of a deduction from any amount due to the Contractor, any additional cost which the City incurs arising out of the non-performance or not achieving the performance guarantees referred to in the Agreement, without prejudice to any of the City's rights as set out in the Agreement.

16. APPENDICES

The Appendices attached to the Special Conditions of Contract contained in Part C1.3 Contract Data, shall be deemed to form part of the Scope of Work.

Existing Asset Performance

Details of the Asset's (ZWWTW's) performance are shown below. The actual compliant values comprises of both the effluents from the Membrane Bioreactor and the Conventional Activated Sludge Plant. The effluents from the Membrane Bioreactor and the Conventional Activated Sludge plant are also tabled.

Table 1

Parameter		DWA Standard	%Final compliance				Effluent				FE				%CAS compliance				effluent				%MBR compliance				effluent				MBR				effluent				quality																																																																																																																																																																																																																																																																																																																																																																																																																																																																																																																																																																																																																																																																																																																																																																																																																																																																																																																																																																																																																																																																																																																																																																																																																																																																																																																																																											
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2011 JANUARY – MARCH ONLY

CITY OF CAPE TOWN

WATER AND SANITATION

CONTRACT NO. 441S/2010/11

**PROVISION OF OPERATION, MAINTENANCE AND MANAGEMENT SERVICES AT THE ZANDVLIET
WASTEWATER TREATMENT WORKS**

C1.2 General Conditions of Contract

(National Treasury - General Conditions of Contract (revised July 2010))

TABLE OF CLAUSES

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1. Definitions

1. The following terms shall be interpreted as indicated:

1.1 "Closing time" means the date and hour specified in the bidding documents for the receipt of bids.

1.2 "Contract" means the written agreement entered into between the purchaser and the supplier, as recorded in the contract form signed by the parties, including all attachments and appendices thereto and all documents incorporated by reference therein.

1.3 "Contract price" means the price payable to the supplier under the contract for the full and proper performance of his contractual obligations.

1.4 "Corrupt practice" means the offering, giving, receiving, or soliciting of anything of value to influence the action of a public official in the procurement process or in contract execution.

1.5 "Countervailing duties" are imposed in cases where an enterprise abroad is subsidized by its government and encouraged to market its products internationally.

1.6 "Country of origin" means the place where the goods were mined, grown or produced or from which the services are supplied. Goods are produced when, through manufacturing, processing or substantial and major assembly of components, a commercially recognized new product results that is substantially different in basic characteristics or in purpose or utility from its components.

1.7 "Day" means calendar day.

1.8 "Delivery" means delivery in compliance of the conditions of the contract or order.

1.9 "Delivery ex stock" means immediate delivery directly from stock actually on hand.

1.10 "Delivery into consignees store or to his site" means delivered and unloaded in the specified store or depot or on the specified site in compliance with the conditions of the contract or order, the supplier bearing all risks and charges involved until the supplies are so delivered and a valid receipt is obtained.

1.11 "Dumping" occurs when a private enterprise abroad market its goods on own initiative in the RSA at lower prices than that of the country of origin and which have the potential to harm the local industries in the RSA.

1.12 "Force majeure" means an event beyond the control of the supplier and not involving the supplier's fault or negligence and not foreseeable. Such events may include, but is not restricted to, acts of the purchaser in its sovereign capacity, wars or revolutions, fires, floods, epidemics, quarantine restrictions and freight embargoes.

1.13 "Fraudulent practice" means a misrepresentation of facts in order to influence a procurement process or the execution of a contract to the detriment of any bidder, and includes collusive practice among bidders (prior to or after bid submission) designed to establish bid prices at artificial non-competitive levels and to deprive the bidder of the benefits of free and open competition.

1.14 "GCC" means the General Conditions of Contract.

1.15 "Goods" means all of the equipment, machinery, and/or other materials that the supplier is required to supply to the purchaser under the contract.

1.16 "Imported content" means that portion of the bidding price represented by the cost of components, parts or materials which have been or are still to be imported (whether by the supplier or his subcontractors) and which costs are inclusive of the costs abroad, plus freight and other direct importation costs such as landing costs, dock dues, import duty, sales duty or other similar tax or duty at the South African place of entry as well as transportation and handling charges to the factory in the Republic where the supplies covered by the bid will be manufactured.

1.17 "Local content" means that portion of the bidding price which is not included in the imported content provided that local manufacture does take place.

1.18 "Manufacture" means the production of products in a factory using labour, materials, components and machinery and includes other related value-adding activities.

1.19 "Order" means an official written order issued for the supply of goods or works or the rendering of a service.

1.20 "Project site," where applicable, means the place indicated in bidding documents.

1.21 "Purchaser" means the organization purchasing the goods.

1.22 "Republic" means the Republic of South Africa.

1.23 "SCC" means the Special Conditions of Contract.

1.24 "Services" means those functional services ancillary to the supply of the goods, such as transportation and any other incidental services, such as installation, commissioning, provision of technical assistance, training, catering, gardening, security, maintenance and other such obligations of the supplier covered under the contract.

1.25 "Written" or "in writing" means handwritten in ink or any form of electronic or mechanical writing.

2. Application

2.1 These general conditions are applicable to all bids, contracts and orders including bids for functional and professional services, sales, hiring, letting and the granting or acquiring of rights, but excluding immovable property, unless otherwise indicated in the bidding documents.

2.2 Where applicable, special conditions of contract are also laid down to cover specific supplies, services or works.

2.3 Where such special conditions of contract are in conflict with these general conditions, the special conditions shall apply.

3. General

3.1 Unless otherwise indicated in the bidding documents, the purchaser shall not be liable for any expense incurred in the preparation and submission of a bid. Where applicable a non-refundable fee for documents may be charged.

3.2 With certain exceptions, invitations to bid are only published in the Government Tender Bulletin. The Government Tender Bulletin may be obtained directly from the Government Printer, [redacted], or accessed electronically from [redacted]

4. Standards

4.1 The goods supplied shall conform to the standards mentioned in the bidding documents and specifications.

5. Use of contract documents and information; inspection.

5.1 The supplier shall not, without the purchaser's prior written consent, disclose the contract, or any provision thereof, or any specification, plan, drawing, pattern, sample, or information furnished by or on behalf of the purchaser in connection therewith, to any person other than a person employed by the supplier in the performance of the contract. Disclosure to any such employed person shall be made in confidence and shall extend only so far as may be necessary for purposes of such performance.

5.2 The supplier shall not, without the purchaser's prior written consent, make use of any document or information mentioned in GCC clause 5.1 except for purposes of performing the contract.

5.3 Any document, other than the contract itself mentioned in GCC clause 5.1 shall remain the property of the purchaser and shall be returned (all copies) to the purchaser on completion of the supplier's performance under the contract if so required by the purchaser.

5.4 The supplier shall permit the purchaser to inspect the supplier's records relating to the performance of the supplier and to have them audited by auditors appointed by the purchaser, if so required by the purchaser.

6. Patent rights

6.1 The supplier shall indemnify the purchaser against all third-party claims of infringement of patent, trademark, or industrial design rights arising from use of the goods or any part thereof by the purchaser.

7. Performance Security

7.1 Within thirty (30) days of receipt of the notification of contract award, the successful bidder shall furnish to the purchaser the performance security of the amount specified in SCC.

7.2 The proceeds of the performance security shall be payable to the purchaser as compensation for any loss resulting from the supplier's failure to complete his obligations under the contract.

7.3 The performance security shall be denominated in the currency of the contract, or in a freely convertible currency acceptable to the purchaser and shall be in one of the following forms:

- (a) a bank guarantee or an irrevocable letter of credit issued by a reputable bank located in the purchaser's country or abroad, acceptable to the purchaser, in the form provided in the bidding documents or another form acceptable to the purchaser; or
- (b) a cashier's or certified cheque

7.4 The performance security will be discharged by the purchaser and returned to the supplier not later than thirty (30) days following the date of completion of the supplier's performance obligations under the contract, including any warranty obligations, unless otherwise specified in SCC.

8. Inspections, tests and analyses

8.1 All pre-bidding testing will be for the account of the bidder.

8.2 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 bidder or contractor shall be open, at all reasonable hours, for inspection by a representative of the Department or an organization acting on behalf of the Department.

8.3 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 purchaser shall itself make the necessary arrangements, including payment arrangements with the testing authority concerned.

8.4 If the inspections, tests and analyses referred to in clauses 8.2 and 8.3 show the supplies to be in accordance with the contract requirements, the cost of the inspections, tests and analyses shall be defrayed by the purchaser.

8.5 Where the supplies or services referred to in clauses 8.2 and 8.3 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 supplier.

8.6 Supplies and services which are referred to in clauses 8.2 and 8.3 and which do not comply with the contract requirements may be rejected.

8.7 Any contract supplies may on or after delivery be inspected, tested or analyzed 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 supplier 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 suppliers cost and risk. Should the supplier fail to provide the substitute supplies forthwith, the purchaser may, without giving the supplier further opportunity to substitute the rejected supplies, purchase such supplies as may be necessary at the expense of the supplier.

8.8 The provisions of clauses 8.4 to 8.7 shall not prejudice the right of the purchaser to cancel the contract on account of a breach of the conditions thereof, or to act in terms of Clause 23 of GCC.

9. Packing

9.1 The supplier shall provide such packing of the goods as is required to prevent their damage or deterioration during transit to their final destination, as indicated in the contract. The packing shall be sufficient to withstand, without limitation, rough handling during transit and exposure to extreme temperatures, salt and precipitation during transit, and open storage. Packing, case size and weights shall take into consideration, where appropriate, the remoteness of the goods' final destination and the absence of heavy handling facilities at all points in transit.

9.2 The packing, marking, and documentation within and outside the packages shall comply strictly with such special requirements as shall be expressly provided for in the contract, including additional requirements, if any, specified in SCC, and in any subsequent instructions ordered by the purchaser.

10. Delivery and documents

10.1 Delivery of the goods shall be made by the supplier in accordance with the terms specified in the contract. The details of shipping and/or other documents to be furnished by the supplier are specified in SCC.

10.2 Documents to be submitted by the supplier are specified in SCC.

11. Insurance

11.1 The goods supplied under the contract shall be fully insured in a freely convertible currency against loss or damage incidental to manufacture or acquisition, transportation, storage and delivery in the manner specified in the SCC.

12. Transportation

12.1 Should a price other than an all-inclusive delivered price be required, this shall be specified in the SCC.

13. Incidental Services

13.1 The supplier may be required to provide any or all of the following services, including additional services, if any, specified in SCC:

(a) performance or supervision of on-site assembly and/or commissioning of the supplied goods;

- (b) furnishing of tools required for assembly and/or maintenance of the supplied goods;
- (c) furnishing of a detailed operations and maintenance manual for each appropriate unit of the supplied goods;
- (d) performance or supervision or maintenance and/or repair of the supplied goods, for a period of time agreed by the parties, provided that this service shall not relieve the supplier of any warranty obligations under this contract; and
- (e) training of the purchaser's personnel, at the supplier's plant and/or on-site, in assembly, start-up, operation, maintenance, and/or repair of the supplied goods.

13.2 Prices charged by the supplier for incidental services, if not included in the contract price for the goods, shall be agreed upon in advance by the parties and shall not exceed the prevailing rates charged to other parties by the supplier for similar services.

14. Spare parts

14.1 As specified in SCC, the supplier may be required to provide any or all of the following materials, notifications, and information pertaining to spare parts manufactured or distributed by the supplier:

(a) such spare parts as the purchaser may elect to purchase from the supplier, provided that this election shall not relieve the supplier of any warranty obligations under the contract; and

(b) in the event of termination of production of the spare parts:

(i) Advance notification to the purchaser of the pending termination, in sufficient time to permit the purchaser to procure needed requirements; and

(ii) following such termination, furnishing at no cost to the purchaser, the blueprints, drawings, and specifications of the spare parts, if requested.

15. Warranty

15.1 The supplier 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 supplier 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 purchaser's specifications) or from any act or omission of the supplier, that may develop under normal use of the supplied goods in the conditions prevailing in the country of final destination.

15.2 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 in SCC.

15.3 The purchaser shall promptly notify the supplier in writing of any claims arising under this warranty.

15.4 Upon receipt of such notice, the supplier shall, within the period specified in SCC and with all reasonable speed, repair or replace the defective goods or parts thereof, without costs to the purchaser.

15.5 If the supplier, having been notified, fails to remedy the defect(s) within the period specified in SCC, the purchaser may proceed to take such remedial action as may be necessary, at the supplier's risk and expense and without prejudice to any other rights which the purchaser may have against the supplier under the contract.

16. Payment

16.1 The method and conditions of payment to be made to the supplier under this contract shall be specified in SCC.

16.2 The supplier shall furnish the purchaser with an invoice accompanied by a copy of the delivery note and upon fulfillment of other obligations stipulated in the contract.

16.3 Payments shall be made promptly by the purchaser, but in no case later than thirty (30) days after submission of an invoice or claim by the supplier.

16.4 Payment will be made in Rand unless otherwise stipulated in SCC.

17. Prices

17.1 Prices charged by the supplier for goods delivered and services performed under the contract shall not vary from the prices quoted by the supplier in his bid, with the exception of any price adjustments authorized in SCC or in the purchaser's request for bid validity extension, as the case may be.

18. Contract Amendments

18.1 No variation in or modification of the terms of the contract shall be made except by written amendment signed by the parties concerned.

19. Assignment

19.1 The supplier shall not assign, in whole or in part, its obligations to perform under the contract, except with the purchaser's prior written consent.

20. Subcontracts

20.1 The supplier shall notify the purchaser in writing of all subcontracts awarded under this contracts if not already specified in the bid. Such notification, in the original bid or later, shall not relieve the supplier from any liability or obligation under the contract.

21. Delays in the supplier's performance

21.1 Delivery of the goods and performance of services shall be made by the supplier in accordance with the time schedule prescribed by the purchaser in the contract.

21.2 If at any time during performance of the contract, the supplier or its subcontractor(s) should encounter conditions impeding timely delivery of the goods and performance of services, the supplier shall promptly notify the purchaser in writing of the fact of the delay, its likely duration and its cause(s). As soon as practicable after receipt of the supplier's notice, the purchaser shall evaluate the situation and may at his discretion extend the supplier's time for performance, with or without the imposition of penalties, in which case the extension shall be ratified by the parties by amendment of contract.

21.3 No provision in a contract shall be deemed to prohibit the obtaining of supplies or services from a national department, provincial department, or a local authority.

21.4 The right is reserved to procure outside of the contract small quantities or to have minor essential services executed if an emergency arises, the supplier's point of supply is not situated at or near the place where the supplies are required, or the supplier's services are not readily available.

21.5 Except as provided under GCC Clause 25, a delay by the supplier in the performance of its delivery obligations shall render the supplier liable to the imposition of penalties, pursuant to GCC Clause 22, unless an extension of time is agreed upon pursuant to GCC Clause 21.2 without the application of penalties.

21.6 Upon any delay beyond the delivery period in the case of a supplies contract, the purchaser shall, without canceling the contract, be entitled to purchase supplies of a similar quality and up to the same quantity in substitution of the goods not supplied in conformity with the contract and to return any goods delivered later at the supplier's expense and risk, or to cancel the contract and buy such goods as may be required to complete the contract and without prejudice to his other rights, be entitled to claim damages from the supplier.

22. Penalties

22.1 Subject to GCC Clause 25, if the supplier fails to deliver any or all of the goods or to perform the services within the period(s) specified in the contract, the purchaser shall, without prejudice to its other remedies under the contract, deduct from the contract price, as a penalty, a sum calculated on the delivered price of the delayed goods or unperformed services using the current prime interest rate calculated for each day of the delay until actual delivery or performance. The purchaser may also consider termination of the contract pursuant to GCC Clause 23.

23. Termination for default

23.1 The purchaser, without prejudice to any other remedy for breach of contract, by written notice of default sent to the supplier, may terminate this contract in whole or in part:

(a) if the supplier fails to deliver any or all of the goods within the period(s) specified in the contract, or within any extension thereof granted by the purchaser pursuant to GCC Clause 21.2;

(b) if the Supplier fails to perform any other obligation(s) under the contract; or

(c) if the supplier, in the judgment of the purchaser, has engaged in corrupt or fraudulent practices in competing for or in executing the contract.

23.2 In the event the purchaser terminates the contract in whole or in part, the purchaser may procure, upon such terms and in such manner as it deems appropriate, goods, works or services similar to those undelivered, and the supplier shall be liable to the purchaser for any excess costs for such similar goods, works or services. However, the supplier shall continue performance of the contract to the extent not terminated.

23.3 Where the purchaser terminates the contract in whole or in part, the purchaser may decide to impose a restriction penalty on the supplier by prohibiting such supplier from doing business with the public sector for a period not exceeding 10 years.

23.4 If a purchaser intends imposing a restriction on a supplier or any person associated with the supplier, the supplier will be allowed a time period of not more than fourteen (14) days to provide reasons why the envisaged restriction should not be imposed. Should the supplier fail to respond within the stipulated fourteen (14) days the purchaser may regard the intended penalty as not objected against and may impose it on the supplier.

23.5 Any restriction imposed on any person by the Accounting Officer / Authority will, at the discretion of the Accounting Officer / Authority, also be applicable to any other enterprise or any partner, manager, director or other person who wholly or partly exercises or exercised or may exercise control over the enterprise of the first-mentioned person, and with which enterprise or person the first-mentioned person, is or was in the opinion of the Accounting Officer / Authority actively associated.

23.6 If a restriction is imposed, the purchaser must, within five (5) working days of such imposition, furnish the National Treasury, with the following information:

- (i) the name and address of the supplier and / or person restricted by the purchaser;
- (ii) the date of commencement of the restriction
- (iii) the period of restriction; and
- (iv) the reasons for the restriction.

These details will be loaded in the National Treasury's central database of suppliers or persons prohibited from doing business with the public sector.

23.7 If a court of law convicts a person of an offence as contemplated in sections 12 or 13 of the Prevention and Combating of Corrupt Activities Act, No. 12 of 2004, the court may also rule that such person's name be endorsed on the Register for Tender Defaulters. When a person's name has been endorsed on the Register, the person will be prohibited from doing business with the public sector for a period not less than five years and not more than 10 years. The National Treasury is empowered to determine the period of restriction and each case will be dealt with on its own merits. According to section 32 of the Act the Register must be open to the public. The Register can be perused on the National Treasury website.

24. Anti-dumping and countervailing duties and rights

24.1 When, after the date of bid, provisional payments are required, or antidumping or countervailing duties are imposed, or the amount of a provisional payment or anti-dumping or countervailing right is increased in respect of any dumped or subsidized import, the State is not liable for any amount so required or imposed, or for the amount of any such increase. When, after the said date, such a provisional payment is no longer required or any such anti-dumping or countervailing right is abolished, or where the amount of such provisional payment or any such right is reduced, any such favourable difference shall on demand be paid forthwith by the contractor to the State or the State may deduct such amounts from moneys (if any) which may otherwise be due to the contractor in regard to supplies or services which he delivered or rendered, or is to deliver or render in terms of the contract or any other contract or any other amount which may be due to him.

25. Force Majeure

25.1 Notwithstanding the provisions of GCC Clauses 22 and 23, the supplier shall not be liable for forfeiture of its performance security, damages, or termination for default if and to the extent that his delay in performance or other failure to perform his obligations under the contract is the result of an event of force majeure.

25.2 If a force majeure situation arises, the supplier shall promptly notify the purchaser in writing of such condition and the cause thereof. Unless otherwise directed by the purchaser in writing, the supplier shall continue to perform its obligations under the contract as far as is reasonably practical, and shall seek all reasonable alternative means for performance not prevented by the force majeure event.

26. Termination for insolvency

26.1 The purchaser may at any time terminate the contract by giving written notice to the supplier if the supplier becomes bankrupt or otherwise insolvent. In this event, termination will be without compensation to the supplier, provided that such termination will not prejudice or affect any right of action or remedy which has accrued or will accrue thereafter to the purchaser.

27. Settlement of Disputes

27.1 If any dispute or difference of any kind whatsoever arises between the purchaser and the supplier in connection with or arising out of the contract, the parties shall make every effort to resolve amicably such dispute or difference by mutual consultation.

27.2 If, after thirty (30) days, the parties have failed to resolve their dispute or difference by such mutual consultation, then either the purchaser or the supplier may give notice to the other party of his intention to commence with mediation. No mediation in respect of this matter may be commenced unless such notice is given to the other party.

27.3 Should it not be possible to settle a dispute by means of mediation, it may be settled in a South African court of law.

27.4 Mediation proceedings shall be conducted in accordance with the rules of procedure specified in the SCC.

27.5 Notwithstanding any reference to mediation and/or court proceedings herein,

- (a) the parties shall continue to perform their respective obligations under the contract unless they otherwise agree; and
- (b) the purchaser shall pay the supplier any monies due the supplier.

28. Limitation of Liability

28.1 Except in cases of criminal negligence or willful misconduct, and in the case of infringement pursuant to Clause 6;

(a) the supplier shall not be liable to the purchaser, whether in contract, tort, or otherwise, for any indirect or consequential loss or damage, loss of use, loss of production, or loss of profits or interest costs, provided that this exclusion shall not apply to any obligation of the supplier to pay penalties and/or damages to the purchaser; and

(b) the aggregate liability of the supplier to the purchaser, whether under the contract, in tort or otherwise, shall not exceed the total contract price, provided that this limitation shall not apply to the cost of repairing or replacing defective equipment.

29. Governing language

29.1 The contract shall be written in English. All correspondence and other documents pertaining to the contract that is exchanged by the parties shall also be written in English.

30. Applicable Law

30.1 The contract shall be interpreted in accordance with South African laws, unless otherwise specified in SCC.

31. Notices

31.1 Every written acceptance of a bid shall be posted to the supplier concerned by registered or certified mail and any other notice to him shall be posted by ordinary mail to the address furnished in his bid or to the address notified later by him in writing and such posting shall be deemed to be proper service of such notice.

31.2 The time mentioned in the contract documents for performing any act after such aforesaid notice has been given, shall be reckoned from the date of posting of such notice.

32. Taxes and Duties

32.1 A foreign supplier shall be entirely responsible for all taxes, stamp duties, license fees, and other such levies imposed outside the purchaser's country.

32.2 A local supplier shall be entirely responsible for all taxes, duties, license fees, etc., incurred until delivery of the contracted goods to the purchaser.

32.3 No contract shall be concluded with any bidder whose tax matters are not in order. Prior to the award of a bid the Department must be in possession of a tax clearance certificate, submitted by the bidder. This certificate must be an original issued by the South African Revenue Services.

33. National Industrial Participation (NIP) Programme

33.1 The NIP Programme administered by the Department of Trade and Industry shall be applicable to all contracts that are subject to the NIP obligation.

34 Prohibition of Restrictive practices

34.1 In terms of section 4 (1) (b) (iii) of the Competition Act No. 89 of 1998, as amended, an agreement between, or concerted practice by, firms, or a decision by an association of firms, is prohibited if it is between parties in a horizontal relationship and if a bidder (s) is / are or a contractor(s) was / were involved in collusive bidding (or bid rigging).

34.2 If a bidder(s) or contractor(s), based on reasonable grounds or evidence obtained by the purchaser, has / have engaged in the restrictive practice referred to above, the purchaser may refer the matter to the Competition Commission for investigation and possible imposition of administrative penalties as contemplated in the Competition Act No. 89 of 1998.

34.3 If a bidder(s) or contractor(s), has / have been found guilty by the Competition Commission of the restrictive practice referred to above, the purchaser may, in addition and without prejudice to any other remedy provided for, invalidate the bid(s) for such item(s) offered, and / or terminate the contract in whole or part, and / or restrict the bidder(s) or contractor(s) from conducting business with the public sector for a period not exceeding ten (10) years and / or claim damages from the bidder(s) or contractor(s) concerned.

CITY OF CAPE TOWN

WATER AND SANITATION

CONTRACT NO. 441S/2010/11

PROVISION OF OPERATION, MAINTENANCE AND MANAGEMENT SERVICES AT THE ZANDVLIET
WASTEWATER TREATMENT WORKS

C1.3 Contract Data

Part 1: Contract Data provided by the Employer

GENERAL CONDITIONS OF CONTRACT

The General Conditions of Contract are the **National Treasury General Conditions of Contract (revised July 2010)** as contained in Part C1.2 General Conditions of Contract, hereinbefore.

The General Conditions of Contract (GCC) make several references to the Special Conditions of Contract (SCC) for specific data, which together with the standard contract collectively describe the risks, liabilities and obligations of the contracting parties and the procedures for the administration of the Contract. The SCC shall have precedence in the interpretation of any ambiguity or inconsistency between it and the GCC.

The GCC shall be read in conjunction with the variations, amendments and additions set out in the SCC below. Where applicable, the items of data given in the SCC below are cross referenced to the clauses in the GCC to which they mainly apply.

SPECIAL CONDITIONS OF CONTRACT

The Special Conditions of Contract (SCC) applicable to this Contract, including the Appendices thereto, follow hereafter.

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SPECIAL CONDITIONS OF CONTRACT

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CITY OF CAPE TOWN

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WASTEWATER TREATMENT WORKS

SPECIAL CONDITIONS OF CONTRACT

RECITALS

- A. Whereas the City owns and is responsible for the operation, maintenance and management of the Zandvliet Wastewater Treatment Works ("ZWWTW"); and
- B. Whereas the City desires to have the ZWWTW operated, maintained and managed in the most effective manner possible, while complying with all applicable Laws; and
- C. Whereas the operation, maintenance and management of the ZWWTW require unique and specialized professional skills, together with experience in new technologies and engineering expertise; and
- D. Whereas the City desires to maintain ownership of the ZWWTW and to contract with an Entity that has the specialized professional skills, experience and resources to operate and maintain the ZWWTW; and
- E. Whereas the Contractor has responded to the Tender issued by the City for the operation, maintenance and management of the ZWWTW; and
- F. Whereas, the City has awarded the Tender to the Contractor to operate, maintain and manage the ZWWTW in accordance with the terms, conditions and provisions of this Agreement, and in reliance on the Contractor's representations of its skill, expertise and resources of supplying operational and maintenance services for such facilities as the ZWWTW; and
- G. Whereas the City desires to engage the services of the Contractor for the operation, maintenance and management of the ZWWTW, and the Contractor desires to perform such services for the compensation provided herein; and
- H. Whereas the City expects and desires that the relationship between City and the Contractor shall be a co-operative one, devoted to achieving the cost-saving goals of the City while also providing safe, economical and efficient services, meeting the current and future needs of the ZWWTW, maintaining the long-term integrity of the Assets and assuring safe and environmentally sound service while complying with the applicable Laws;
- I. Now therefore, by fully completing the Form of Offer and Acceptance, including the Schedule of Deviations, in Part C1.4 of the Contract Document, the Parties agree as follows:

1 DEFINITIONS AND INTERPRETATION

1.1 Definitions

In these SCC and the Recitals, unless clearly inconsistent with or otherwise indicated by the context -

- 1.1.1 "Activity Schedule" means Part C2.2 of the Contract Document;
- 1.1.2 "Additional Services" means the additional services provided by the Contractor which are outside the general scope of the Contract Services set forth in this Agreement, but are consistent with the purposes hereof and the effective operation of the City's municipal services as provided for in clause 18;
- 1.1.3 "Agreement" means the Contract as defined in GCC Clause 1.2, the terms of which are identified in the Acceptance part of the Form of Offer and Acceptance in Part C1.4 of the Contract Document; and "Contract" shall have a corresponding meaning;

- 1.1.4 "Assets" means –
- 1.1.4.1 the property of the City in respect of this Agreement, and comprising of:
- 1.1.4.1.1 the Site, including the boundary fence;
- 1.1.4.1.2 the Works, and any extensions and enhancements to the Works;
- 1.1.4.1.3 the building/s and structures on the Site;
- 1.1.4.1.4 the equipment, tools and machinery reasonably required for the operation of the Works; Equipment, tools and machinery will consist of items already on the Site at the Commencement Date and those acquired during the currency of this Agreement; and, without in any way limiting to the foregoing, shall include all lifting and ventilation equipment, machinery, pipe work and supports, control hardware and software, equipment support structures, cabling, Operation and Maintenance Manuals, drawings, plans, records, instrumentation and any extension of the Works as provided for in clause 17; and
- 1.1.4.1.5 chemicals and consumables brought on to the Site for purposes of this Agreement.
- 1.1.4.2 the term "Assets" shall not include:
- 1.1.4.2.1 the personal property of the Contractor's workmen and agents;
- 1.1.4.2.2 the property of other contractors and their workmen who may occupy the Site for construction or repair purposes; and
- 1.1.4.2.3 special equipment acquired on a temporary basis for work not likely to be repeated.
- 1.1.5 "Business Day" means a day other than a Saturday, Sunday or a gazetted public holiday in South Africa; and "Business Days" has a corresponding meaning;
- 1.1.6 "City" means the City of Cape Town or any successor-in-title; and "Council" shall have a corresponding meaning;
- 1.1.7 "Commencement Date" means the date upon which the Contractor receives the fully completed Form of Offer and Acceptance in Part C1.4 of the Contract Document;
- 1.1.8 "Contractor" means the Entity (Service Provider) that is awarded the Tender and with whom the Contract has been concluded in terms of the Form of Offer and Acceptance in Part C1.4 of the Contract Document or any successor-in-title;
- 1.1.9 "Contract Price" means the price or remuneration to be paid for the performance of the Contract Services; and "Remuneration" has a corresponding meaning;
- 1.1.10 "Contract Services" means the operational control and maintenance services to be rendered or provided by the Contractor in terms of this Agreement, including without limitation, the wastewater collection, treatment and all ancillary activities at the Works in accordance with the Contract;
- 1.1.11 "Control" of a company includes, without limiting the generality of the term –
- 1.1.11.1 the beneficial ownership of the majority of the issued shares of the company; or
- 1.1.11.2 the right to exercise the majority of the votes exercisable by the holders of shares in the company at a general meeting of shareholders; or

- 1.1.11.3 the beneficial ownership of issued shares of the company entitling the beneficial owner thereof to exercise less than a majority of the votes attaching to all the issued shares of the company, where such voting power is sufficiently dominant relative to the spread of other shareholdings that it does constitute de facto Control of the company; or
- 1.1.11.4 the right, through shareholding or otherwise, to appoint the director or those directors of the company who will when acting jointly be able to exercise the majority of the votes that directors of the Entity could exercise at a meeting of the Board of directors; or
- 1.1.11.5 the right otherwise to control the management of the company;
- 1.1.12 "Dispose" means sell, transfer, exchange, dispose of or otherwise alienate;
- 1.1.13 "Employer" means the City, represented by the Director: Water and Sanitation;
- 1.1.14 "Encumbrance" means any right to acquire, option or right of pre-emption, pledge, lien, assignment, hypothecation, title retention or other security agreement or arrangement; and "Encumbered" shall have a corresponding meaning;
- 1.1.15 "Engineer" means lead: Operations (South) (Wastewater, 10th Floor, 38 Wale Street, Cape Town 8001; tel fax 021 423 9540, email capetown.gov.za) of the City or any officer delegated by the Director: Water and Sanitation to act in his stead from time to time;
- 1.1.16 "Entity" includes any association, business, close corporation, company, concern, enterprise, firm, partnership, joint venture, person, trust, undertaking, voluntary association, body corporate, juristic person or any other similar entity, including also any governmental or quasi governmental entity;
- 1.1.17 "Event of Default" means any of the events or circumstances specified in clause 26;
- 1.1.18 "Exclusions" means the expenses, claims, costs or activities that the Contractor shall not be liable for, as set out in Appendix G;
- 1.1.19 "Final Effluent" means the disinfected liquid fraction of the wastewater treatment process; and "Treated Effluent" shall have a corresponding meaning;
- 1.1.20 "Financial Year" means the period 1 July until 30 June;
- 1.1.21 "Influent" means the wastewater received at the boundary of the Site mainly via the sewer system, which includes wastewater from residential, commercial, industrial and/or municipal sources, infiltration and inflows, but also includes the contents of sanitary buckets, chemical toilets and/or other liquid wastes;
- 1.1.22 "Laboratory" means the City's laboratories situated at the Scientific Services Branch in Athlone, Cape Town;
- 1.1.23 "Law/s" shall mean any applicable law, proclamation, ordinance, Act of Parliament, Regulation, Policy or other enactment having the force of law in the Republic of South Africa (including any amendment thereof) and applicable from time to time to:
- 1.1.23.1 the permitting, design, acquisition, construction, equipping, financing, ownership, possession, start-up, testing, operation, maintenance, repair, replacement or management of wastewater collection and treatment systems;
- 1.1.23.2 the conveyance, treatment, or discharge of Influent and Final Effluent to and from the Works;
- 1.1.23.3 the management, handling, processing, transportation or disposal of Sludge;
- 1.1.23.4 the air emissions from the Works;

- 1.1.23.5 the health and welfare of persons at or visiting the Works;
- 1.1.23.6 or any transaction or matter contemplated herein, including without limitation, any of the foregoing which pertain to sewer treatment, waste disposal, health, safety, fire, environmental protection, labour relations, building codes and preferential procurement in terms of the City's Supply Chain Management Policy;
- including, but not limited to the following legislation, namely:
- the National Environmental Management Act (Act 107 of 1998);
 - the National Water Act (Act 36 of 1998);
 - the Water Services Act (Act 108 of 1997);
 - the Municipal Systems Act (Act 32 of 2000);
 - the Municipal Structures Act (Act 33 of 2000);
 - Municipal Finance Management Act, No. 56 of 2003 (hereinafter referred to as the MFMA);
 - Insolvency Act, (Act 24 of 1936);
 - Companies Act, (Act 61 of 1973);
 - the Compensation for Occupational Injuries and Diseases Act No.130 of 1993, as amended (hereinafter referred to as the COIDA Act);
 - the Basic Conditions of Employment Act (Act 75 of 1997);
 - the Income Tax Act (Act 58 of 1962);
 - the Labour Relations Act (Act 66 of 1995);
 - the Skills Development Act (Act 7 of 1999);
 - the Skills Development Levies Act (Act 9 of 1999);
 - the Unemployment Insurance Contributions Act (Act 4 of 2002); and
 - the Unemployment Insurance Act (Act 63 of 2001).
- 1.1.24 "Licence" means all the regulatory licenses issued by the Department of Water and Environmental Affairs in terms of the provisions of the National Water Act or the regulatory permits issued by the Department of Water and Environmental Affairs in terms of the Water Act of 1956, to which the Works and its operation may be subject to, attached hereto as Appendix D;
- 1.1.25 "Maintenance" shall mean all of the Contractor's Contract Services in respect of the maintenance of the Assets, as more fully described in clause 6;
- 1.1.26 "Operation" means all Contract Services to be performed by the Contractor in execution of its obligation to effect the Operational Control and Maintenance; and "operate" and "operating" shall have a corresponding meaning;
- 1.1.27 "Operational Control" means all of the Contractor's Contract Services in respect of the operation and management of the Assets, as more fully described in clause 5;
- 1.1.28 "Operation and Maintenance Manuals" means:
- 1.1.28.1 the existing Operation and Maintenance Manuals for the Works; and

- 1.1.28.2 any supplier or vendor operation and maintenance manuals in respect of any of the Assets, including SCADA; and
- 1.1.28.3 any new operation and maintenance manuals in respect of any of the Assets;
- 1.1.29 **"Operation and Maintenance Plans"** means the plans specified in Appendix E;
- 1.1.30 **"Parties"** means the Employer and the Contractor, including their respective successors-in-title and/or permitted assignees; and **"Party"** means any one of them as the context may indicate;
- 1.1.31 **"Performance Guarantees"** means the guarantees of performance made by the Contractor, specifically set out in Appendix B and subject to penalties set out in Appendix H;
- 1.1.32 **"Process Change"** means:
- 1.1.32.1 taking a treatment process off-line permanently or for an extended time period (one month or more);
- 1.1.32.2 using a treatment process in a manner other than its intended use;
- 1.1.32.3 by-passing all or a portion of flow through a process; or
- 1.1.32.4 implementing an operational change that results in major modifications to the Operation and Maintenance Plans, the Operation and Maintenance Manuals or the SOPs;
- 1.1.33 **"Rand" or "R"** means the lawful currency of South Africa;
- 1.1.34 **"Residuals"** means the materials removed from the inlet screens and the grit removal process;
- 1.1.35 **"SCADA"** means supervisory control and data acquisition, which is a computerized management system utilized to collect data from the various components of the Works and then sends the data to a central computer that manages and controls the data;
- 1.1.36 **"Scope of Work"** means the document that defines the City's objectives and requirements and specifies the Contract Services which must or may be provided under this Agreement, which is incorporated herein by reference;
- 1.1.37 **"Signature Date"** means the date of signature of the Form of Offer and Acceptance in Part C1.4 of the Contract Document by the Party signing last in time;
- 1.1.38 **"Site"** means the area on which the Works are situated, known as Portion 54 of the Farm Driftsands No. 544 in the Cape District, in extent of 26.7666 ha, together with Portion 110 (Portion of Portion 3) of the Farm Zandvliet No. 644 in the Stellenbosch district, in extent 17.9190 ha, together with all improvements thereon. It is recorded that the extent of the Site may be adjusted in future at the election of the City;
- 1.1.39 **"Sludge"** means the residue removed from or remaining from the treatment, thickening or dewatering of wastewater, excluding the Residuals;
- 1.1.40 **"SOP"** means a standard operating procedure ;
- 1.1.41 **"Tender"** means the Offer part of the Form of Offer and Acceptance in Part C1.4 of the Contract Document, and all other documents which the Contractor submitted as Returnable Documents, as included in the Contract.
- 1.1.42 **"Termination Date"** means the date on which this Agreement terminates and is no longer in force or effect, which date shall be the last day of the period referred to in clause 2.1, unless earlier terminated as provided herein;

- 1.1.43 "Uncontrollable circumstance" means an act or event beyond the control of the Party relying thereon as justification for not performing an obligation or complying with any condition required of such Party in terms of this Agreement, and that materially interferes with or materially increases the cost of performing its obligations hereunder, to the extent that such act or event is not the result of the wilful or negligent act, error or omission, failure to exercise reasonable diligence, or breach of this Agreement on the part of such Party. Such acts or events shall include, and shall not be limited to, wars or revolutions, fires, floods, epidemics, quarantine restrictions, freight embargos and Acts of God;
- 1.1.44 "VAT" means value added tax as in terms of the Value Added Tax Act No 89 of 1991; and
- 1.1.45 "Works" means the Zandvliet Wastewater Treatment Works ("ZWWTW") situated within the boundaries of the Site, used for all processes and phases of the collection, management, transport and treatment of Influent and the management, transport and disposal of the Final Effluent and Sludge in accordance with the applicable Law and the Licences.
- 1.2 Interpretation
- 1.2.1 In this Agreement, unless clearly inconsistent with or otherwise indicated by the context -
- 1.2.1.1 any reference to the singular (including in the expressions defined in 1.1) includes the plural and vice versa, any reference to natural persons includes legal persons (corporate or unincorporated) and vice versa and any reference to a gender includes the other genders;
- 1.2.1.2 headings and the use of bold typeface are to be ignored;
- 1.2.1.3 references to any enactment shall include references to such enactment as it may, after the Signature Date, from time to time be amended, supplemented or re-enacted;
- 1.2.1.4 any reference to a number of days shall be a reference to calendar days, unless it is specifically stated that such reference is a reference to Business Days;
- 1.2.1.5 when a number of days is prescribed, the days shall be reckoned exclusively of the first day and inclusively of the last day unless the last day falls on a Saturday, Sunday or public holiday in which case the last day shall be the next succeeding Business Day;
- 1.2.1.6 a reference to any agreement or other document (including this Agreement) shall include references to such agreements and documents as they may, after the Signature Date, be amended;
- 1.2.1.7 where appropriate, meanings ascribed to defined words and expressions in 1.1, shall impose substantive obligations on the Parties;
- 1.2.1.8 a reference to a recital, clause, sub-clause, paragraph, sub-paragraph, schedule or appendix is, unless indicated to the contrary, a reference to a recital, clause, sub-clause, paragraph, sub-paragraph, schedule or appendix of this Agreement;
- 1.2.1.9 where any term is defined within the context of any particular clause or sub-clause, the term so defined shall, unless it appears clearly from such clause or sub-clause that such term has limited application to the relevant clause or sub-clause only, bear the meaning ascribed to it for all purposes in terms of this Agreement, notwithstanding that such term has not been defined in 1.1; and
- 1.2.1.10 the words "material" and "materially" mean, when used as an adjective in conjunction with an event, condition, circumstance, effect or other item, that there is a substantial likelihood that a reasonable expert would attach importance to the event, condition, circumstance, effect or item in evaluating the Party to which it relates and/or the event, condition, circumstance, effect or item contemplated in this Agreement.

- 1.2.2 Where this Agreement requires a Party to use its "**Best Endeavours**" in relation to an act or omission, that Party shall do all such things as are or may be necessary or desirable so as to achieve that act or to omit taking an action, until the Parties agree that it is not reasonable to take the action or to omit taking an action.
- 1.2.3 In the interpretation of this Agreement, the *contra proferentum* rule of interpretation shall not apply, nor shall this Agreement be construed in favour of or against any Party by reason of the extent to which any Party or its professional advisors participated in the preparation of this Agreement.
- 1.2.4 The use of the words "include", "including" and "in particular" in this Agreement followed by a specific example or examples shall not be construed or interpreted as limiting the meaning of the general wording preceding it and the *eiusdem generis* rule shall not be applied in the interpretation of such general wording and/or such specific example or examples and the words "other" or "otherwise" shall not be construed *eiusdem generis* with any preceding words where a wider construction is possible.
- 1.2.5 If any obligation or act is required to be performed on a particular day it shall be performed (unless otherwise stipulated) by 16h00 (local time at the place where the obligation or act is required to be performed) on that day.
- 1.2.6 If amounts or figures are specified in numerals and in words and if there is any discrepancy between the numerals and the words then the words shall apply.
- 1.2.7 The expiry or termination of this Agreement shall not affect such provisions as expressly provide that they will operate after any such expiration or termination or which of necessity must continue to have effect after such expiration or termination, notwithstanding that the clauses themselves do not expressly provide for this.

2 DURATION

- 2.1 This Agreement shall commence on the Commencement Date and shall thereafter continue for a period of 15 years (fifteen) years, unless terminated at an earlier date as provided for in this Agreement.
- 2.2 Nothing in this Agreement shall be construed as giving the Contractor any right of extension of this Agreement after the Termination Date.

3 CESSION AND ASSIGNMENT

- 3.1 The Contractor shall not cede, assign, delegate, alienate, transfer, dispose, sub-contract or otherwise part with any of its rights and/or obligations in terms of this Agreement, other than with the express prior written consent of the City.
- 3.2 The person or entity that Controls the Contractor may not change Control without the prior written consent of the City.
- 3.3 The City may, on written notice to the Contractor, cede, assign, delegate, alienate, transfer, sub-contract or otherwise part with any of its rights and/or obligations in terms of this Agreement to any person or entity without the consent of the Contractor, provided that it shall provide the Contractor with reasonable guarantees in respect of payment of the Contractor's remuneration.

4 HANDING OVER OF THE ASSETS

- 4.1 Within 7 days after the Commencement Date, the Contractor and the Engineer shall visit the Site and inspect the Assets for the following purposes:
- 4.1.1 to re-evaluate and record the condition of the Assets in comparison to its condition at the date of the Contractor's site visit as prospective tenderer, fair wear and tear accepted. The City shall be responsible for the necessary cost attributable to repair or replacement of any deteriorated Assets. It shall be in the City's sole discretion whether to repair or replace any such deteriorated Assets.

- 4.1.2 to establish the need for the acquisition by the Contractor of equipment and special tools essential for the operation and maintenance of the Assets, in addition to the items already on the Site and belonging to the City. The City shall be responsible for the cost of such additional equipment and special tools provided that the City has agreed to the necessity thereof and the method of acquisition; and
- 4.1.3 to make the arrangements for the handing over of possession from the present operator to the City and again from the City to the Contractor, within 14 days after the Commencement Date, provided that the Performance Bond and evidence of Insurances have been delivered to and approved by the Engineer.
- 4.2 Based on the review and inspection of the Assets as described in Clause 4.1, which the Contractor acknowledges to be sufficient for this purpose, the Contractor assumes the risk of the adequacy and sufficiency of the Assets and the existing "as-is" condition of the Assets to the extent that such condition may affect the ability of the Contractor to comply with the provisions of this Agreement.

5 CONTRACTOR'S OBLIGATIONS IN TERMS OF OPERATIONAL CONTROL

- 5.1 Within 14 days after the Commencement Date, the Contractor shall operate and manage the Assets on a 24 (twenty-four) hours per day, 7 (seven) days per week basis throughout the duration of this Agreement, and shall collect, receive and treat Influent; produce and discharge Final Effluent; manage the handling, transport and disposal of Sludge and Residuals, and otherwise render and perform the Contract Services so as to comply with all the provisions of this Agreement, the Scope of Work, the Licence, the applicable Laws, the Operation and Maintenance Manuals and specifically the provisions of the National Environmental Management Act (Act 107 of 1998) and the National Water Act (Act 36 of 1998).
- 5.2 The Contractor shall all times use its Best Endeavours to operate and manage the Assets cost effectively and in terms of the applicable Laws, optimizing the use of the Assets, preserving and operating the Assets in a manner that would minimize the occurrence of breakdowns and nuisance, and according to the best standards of practice in the industry.
- 5.3 The Contractor undertakes and agrees to execute its obligations in respect of the Operation of the Assets and perform the Contract Services with all reasonable care, diligence and skill in accordance with generally accepted professional techniques and standards.
- 5.4 The Contractor shall use its Best Endeavors to transfer to and apply at the Assets the benefit of the advances and improvements in technology, management practices and operating efficiencies which are developed by the Contractor through the operation of their wastewater treatment businesses and industry research and development activities over the full term of this Agreement, and which are useful and appropriate in the good faith judgment of the Contractor for carrying out the Contract Services.
- 5.5 The Contractor shall not implement any Process Change without the prior written approval from the City.
- 5.6 The Contractor's obligations in providing the Operational Control shall include but not be limited to the obligations as set out in **Appendix B** hereto.
- 5.7 Without in any way derogating from the generality of the foregoing, and in rendering the Contract Services, the Contractor shall:-
- 5.7.1 take possession of the Assets according to the City's arrangements for handover after the Commencement Date;
- 5.7.2 provide sufficient numbers of qualified staff available to provide for Operational Control of the Assets, including the 24 (twenty four) hour per day availability of a Project Manager or his delegate whose names and contact details shall be made available at all times. In this regard, the parties agree that the staffing regulations for wastewater treatment works as determined by the Department of Water and Environmental Affairs shall be used as a minimum requirement;
- 5.7.3 train its staff on a continuous basis with emphasis on preparedness for critical issues in the processes of wastewater treatment, situations resulting from equipment failure, and problems with the Influent, as well as the maintenance and care of the Assets;

- 5.7.4 maintain and revise as necessary the Operation and Maintenance Manuals and the written SOPs to the extent necessary and to supplement or refine procedures provided in the Operation and Maintenance Manuals, or to describe operational practices not specified in such manuals in order to facilitate and clarify operation procedures and techniques;
- 5.7.5 subject to what is stated in the remainder of the Agreement, respond in a timely manner to all complaints and comments relative to wastewater collection, treatment and discharge, including odour complaints. Responses shall be made and documented in writing, all complaints and responses shall be kept on file and available for inspection, and a copy of such complaint and response shall be filed with the City;
- 5.7.6 ensure that it adheres strictly to the time periods for the conducting and completion of the Contract Services and the Operational Control as determined in this Agreement;
- 5.7.7 ensure that it adheres strictly to the Scope of Work and the Licence in terms of which the Contract Services and Operational Control is to be carried out;
- 5.7.8 ensure that it strictly complies with all applicable safety and health standards and regulations;
- 5.7.9 ensure that it strictly complies with the requirements in respect of the quality of the Final Effluent and Sludge in accordance with provisions of the Scope of Work and the Licence;
- 5.7.10 provide such reports to the City pertaining to the provision of the Contract Services and the Operational Control as may be required by the City, from time to time, and in such format as may be reasonably required by the City;
- 5.7.11 provide such reports to the City for submission to the Department of Water and Environmental Affairs as may be required by the City from time to time;
- 5.7.12 provide adequate security and protect the integrity of the Site, Works and the Assets and the possession thereof as required by the City from time to time; and
- 5.7.13 acknowledge and agree that it is responsible for compliance with all the applicable Laws insofar as its employees are concerned.
- 5.8 The Contractor shall permit the execution of work by any persons who may be engaged by the City for the carrying out of work not embraced in terms of this Agreement, but directly or indirectly connected with it, and shall give all facilities necessary and proper to such persons. In the event of there being any dispute in this connection between the Contractor and such other persons, it shall be settled by the Engineer, whose decision shall be final.

6 CONTRACTOR'S OBLIGATIONS IN TERMS OF MAINTENANCE

- 6.1 The obligations of the Contractor are intended to assure that the equipment, machinery, tools, buildings, structures, grounds and other assets constituting the Assets are properly and regularly maintained, repaired and/or replaced in order to preserve their long term reliability, availability, durability and efficiency, and in such a way that the Assets are returned to the City at the end of the duration of the Agreement in a condition which does not require the City to undertake a significant overhaul or replacement thereof in order to continue to operate the Works.
- 6.2 As part of the Contract Services, the Contractor shall, and in all respects, be responsible for the Maintenance of the Assets as set out in **Appendix C** hereto.
- 6.3 Without in any way derogating to the generality of the foregoing, the Contractor shall be obliged to:
- 6.3.1 generally maintain, repair, restore and replace the Assets or any part thereof in the same manner as a careful and diligent owner;
- 6.3.2 provide or make provision for all labour, materials, supplies, equipment, spare parts, consumables and services that are necessary for the maintenance of the Assets;
- 6.3.3 maintain, repair, restore and where necessary replace the Assets or any part thereof as may break down, or be damaged or require repair or maintenance;

- 6.3.4 obtain three independent written quotations in respect of the replacement of the Assets (or part thereof), the cost of which exceeds R10 000,00 (ten thousand Rand) and subject to clause 6.4, which quotations must be submitted to the Engineer for approval prior to any replacement;
- 6.3.5 carry out such maintenance, refurbishment, painting, routine inspection, testing (technical and statutory), measurement of wear and tear and other operations necessary to ensure the continued good functioning of the Assets in accordance with the Operation and Maintenance Plans;
- 6.3.6 devote such of its resources as are necessary to maintain, repair and restore the Assets and record all maintenance, repair, replacement or restoration done;
- 6.3.7 ensure that the Assets are available for inspection at all time;
- 6.3.8 provide all plant, tools and equipment, without exception, necessary for any of the Contractor's obligations in terms of this Agreement;
- 6.3.9 be on standby to react to any breakdown to the Assets or any part thereof, twenty-four (24) hours per day for each and every day of the duration of this Agreement;
- 6.3.10 continue to maintain, repair, restore and replace the Assets pending the settlement of any dispute;
- 6.3.11 ensure strict compliance with the applicable Laws in carrying out all of its maintenance obligations in terms of this Agreement;
- 6.3.12 keep the City indemnified against all penalties and liability of every kind for any breach of the applicable Laws;
- 6.3.13 prepare and implement a contingency plan for the continued Operation and Maintenance of the Assets in the event of strikes by his employees;
- 6.3.14 notify the Engineer of any shut down of critical equipment (being equipment, if not functioning, will impact on the quality of the Final Effluent or will have a negative impact on public health and/or the environment), required for maintenance;
- 6.3.15 preserve the warranties on all equipment and machinery, while ensuring that the installation, configuration and commissioning of the equipment and machinery are within the specifications and operating conditions determined or approved by the City;
- 6.3.16 supply all and any information which the City may require to verify the performance warranties referred to in Clause 30.6;
- 6.3.17 perform predictive and preventative maintenance on all Assets in accordance with the Manufacturer's requirements;
- 6.3.18 provide regular updates of the Maintenance Plan referred to in **Appendix E**;
- 6.3.19 hold an annual workshop with the City to discuss the preceding year's maintenance activities and any changes to the Maintenance Plan for the upcoming year;
- 6.3.20 hold an annual workshop with the City to discuss any recommendations relating to capital improvements of the Assets for the upcoming year. The Contractor shall not be provided additional remuneration for identifying and providing planning recommendations. The Contractor shall prepare and submit an annual "capital improvements recommendation plan", within 30 (thirty) days following the workshop. Any replacement equipment must have equal or greater capacity, quality or durability than the equipment being replaced.
- 6.4 Save for the Exclusions referred to in **Appendix G**, the cost of any purchase, repair or replacement of any single item that is greater than R500 000,00 (five hundred thousand Rand) (inclusive of VAT), will be borne by the City on the basis that the Contractor shall contribute the first R500 000,00 (inclusive of VAT) and the City the remaining balance of the cost of the item, provided that:

- 6.4.1 the damage was not caused by a willful act of the Contractor or persons under its control;
- 6.4.2 the damage was not caused by misuse or negligence by the Contractor or persons under its control;
- 6.4.3 the damage was not caused by non compliance with the obligations set out in **Appendix B or C** and the Operation and Maintenance Plans referred to therein;
- 6.4.4 should the replacement item be an improved or better product that increases the treatment capacity of the Works, then the matter will in respect of such additional cost be dealt with as an extension of the Works as provided for in clause 17;
- 6.4.5 the Contractor has provided the City with three independent quotations for the cost of purchase, repair or replacement of any item, and in terms whereof the City shall have an exclusive discretion whether to accept any of the aforesaid quotations or not; and
- 6.4.6 these contributions shall only apply where the expenditure has been approved in writing by the City, unless remedial or repair work is urgently necessary for the safety of persons or the Assets.
- 6.5 Any item brought onto the Site for the convenience of the Contractor, and not reasonably required for the Operation, shall remain the Contractor's property, provided that the Contractor informed the City in writing of any such items at the time of submitting its next monthly report. Everything brought onto the Site and not so reported or items so reported but found to be necessary for the Contractor's duties shall be deemed to be the property of the City and may not be removed from the Site during the currency of the Agreement or on termination thereof.
- 6.6 Provided that the Contractor or its appointed security personnel has taken all reasonable care to prevent loss, the City shall be responsible for the cost of the replacement in respect of the Site's boundary fence. This expense and the manner in which it is incurred must be expressly approved by the City. In the event that any loss or damage to the boundary fence was as a result of the Contractor's, or its appointee's, negligence, then the Contractor shall be responsible for the cost of the repair or replacement of the boundary fence.
- 6.7 The City's authorized representatives will visit the Site on a monthly basis or such other time period as decided by the City's authorized representative to inspect the Assets in the presence of the Contractor and to discuss the monthly reports and problems that may have been encountered.
- 6.8 The City, at its sole discretion, may have the Assets inspected annually by an agent knowledgeable in corrosion protection to report on the condition of the Assets and to advise on necessary corrosion protection requirements.
- 6.9 The City, at its sole discretion, will have the Assets, the Works and all matters related to the Works inspected annually to ensure compliance with OSHA Regulations.
- 6.10 The Contractor shall employ in the execution of the Operational Control and Maintenance only such persons as are careful, competent and efficient and the Engineer shall be at liberty to object to and require the Contractor to remove from the Site forthwith any person employed by the Contractor in the execution of the Operational Control or Maintenance who in the opinion of the Engineer misconducts itself or is incompetent or negligent in the proper performance of its duties, and such person shall not be again employed upon the Site without the permission of the Engineer.
- 6.11 On the Termination Date the Contractor shall deliver the Assets to the City in good working order and first class condition, fair wear and tear accepted.

7 GENERAL OBLIGATIONS OF THE CONTRACTOR

7.1 Compliance with applicable Law

- 7.1.1 The Contractor shall perform the Contract Services in accordance with the applicable Law, and shall require all employees, agents, subcontractors and the like to comply with the applicable Law.

- 7.1.2 The Contractor shall perform and provide all sampling, laboratory testing and analyses, and quality assurance and quality control procedures and programs required by the City from time to time and in accordance with the provisions of this Agreement.
- 7.1.3 All raw Influent and Final Effluent and dewatered samples shall be analysed at the Laboratory and to the extent that other testing laboratories are used, those laboratories shall follow acceptable laboratory procedures, provided that it shall comply with the minimum requirements of the South African National Accreditation System (SANAS). The City may request copies of analyses performed by other laboratories on influent, in-process and effluent streams.
- 7.1.4 In connection with any actual or alleged event of non-compliance with any applicable Law, the Contractor shall, in addition to any other duties which the applicable Law may impose:
- 7.1.4.1 fully and promptly respond to all inquiries, investigations, inspections, and examinations undertaken by any relevant authority;
 - 7.1.4.2 attend meetings and hearings required by the relevant authority;
 - 7.1.4.3 provide corrective action plans, reports, submittals and documentation required by the relevant authority;
 - 7.1.4.4 in conjunction with the City, communicate in a timely and effective manner with the general public as to the nature of the event, the impact on the public, and the nature and timetable for the planned remediation measures;
 - 7.1.4.5 immediately on receipt thereof, provide the City with a true, correct and complete copy of any written notice of violation or non-compliance with the applicable Law; and
 - 7.1.4.6 assist the City in the defence of any legal proceedings arising from any non-compliance event.
- 7.1.5 In the event that the Contractor, or its employees, agents or subcontractors fail to comply with any applicable Law, the Contractor shall, without limiting any other remedy available to the City upon such occurrence and notwithstanding any other provision of this Agreement:
- 7.1.5.1 immediately correct such failure and resume compliance with the applicable Law;
 - 7.1.5.2 indemnify and hold harmless the City from any levies, impositions, penalties, or other charges;
 - 7.1.5.3 make all changes in the Operational Control and Maintenance which are necessary to assure that the failure of compliance with the applicable Law will not reoccur; and
 - 7.1.5.4 comply with any corrective action plan filed with or mandated by the relevant authority in order to remedy a failure of the Contractor to comply with the applicable Law.
- 7.1.6 The Contractor shall keep the Assets neat, clean and litter-free and ensure that the operation of the Assets does not create any odour, litter, noise, fugitive dust, vector, excessive light or other adverse environmental effects constituting a nuisance under any applicable Law.
- 7.2 Use of the Assets**
- 7.2.1 The Contractor agrees not to:
- 7.2.1.1 use the Works or the Site or the Assets for any purpose other than as a wastewater treatment and Sludge handling facility and matters ancillary thereto; and
 - 7.2.1.2 make any alterations or additions to the Works or the Assets without the prior written consent of the Engineer.

7.3 Utilities

- 7.3.1 The Contractor shall have the right and responsibility to arrange for the supply of and to pay for any and all utility services and installations whatsoever (including telephone and telecommunications) and all piping, wiring, conduits and other fixtures of every kind whatsoever related thereto or used in connection therewith.
- 7.3.2 The City shall have the exclusive right to arrange for the supply of electricity and water to the Assets, and to negotiate and establish electric rates and water usage rates with the supplier.
- 7.3.3 The Contractor shall be responsible for payment of electricity and water supply for the Works.

7.4 Consumables

- 7.4.1 The Contractor shall, as part of the Contract Services:
- 7.4.1.1 arrange for the supply of chemicals, including chlorine and polyelectrolyte, subject to the City's written approval of any supplier of such chemicals; and
- 7.4.1.2 oversee and manage any contracts or agreements related to the supply of chlorine and polyelectrolyte from a third party supplier;
- 7.4.2 The Contractor shall bear the responsibility for payments due under the aforesaid contracts or agreements to such third party suppliers for the chlorine and polyelectrolyte.
- 7.4.3 Save as specifically excluded in **Appendix G**, the Contractor shall be responsible for any and all costs and expenses relating to consumables used in the Operation of the Assets.

7.5 Sludge and Residuals

- 7.5.1 Save as provided for in **Appendix G**, the Contractor shall have full responsibility for and shall bear the on-Site costs and expenses associated with the dewatering and handling of Sludge.
- 7.5.2 The Contractor shall only utilize the services of the supplier appointed by the City for the removal and disposal of the Sludge.
- 7.5.3 The Contractor shall obtain proof that Sludge and Residuals disposal is performed in accordance with the applicable Law, the Licence and the City's SOP.
- 7.5.4 The Contractor shall keep and maintain such logs, records, manifests, bills of lading or other documentation pertaining to the Sludge as are necessary or appropriate to comply with the applicable Law and as requested by the City.
- 7.5.5 The Contractor shall collect and promptly provide the City with a copy of all weights and measures data and information relating to quantities of Sludge generated and removed off Site.

7.6 Operation and Maintenance Manuals

- 7.6.1 The Contract Services shall be performed substantially in compliance with the Operation and Maintenance Manuals, the Operation and Maintenance Plans, and SCADA.
- 7.6.2 The Contractor shall keep these documents and databases (including SAP) current, shall make all appropriate updates, supplement or revisions thereto and shall make such documents and databases available to the City on request.
- 7.6.3 The Operation and Maintenance Manuals, including those obtained electronically, shall be maintained and updated as required.
- 7.6.4 Any review of the operation and maintenance documents and databases shall not:
- 7.6.4.1 relieve the Contractor of any of its responsibilities under this Agreement; or

7.6.4.2 impose any liability on the City.

7.7 On Termination

7.7.1 The Contractor agrees on termination of this Agreement:

7.7.1.1 to deliver the Assets to the City in good, sound operating condition, fair wear and tear accepted; and

7.7.1.2 not to remove from the Site any item of whatsoever nature brought onto the Site to operate the Assets or any part thereof, save and except such items as the Contractor may have brought onto the Site which are not essential to the operation of the Assets. All other items are conclusively deemed to have become part of the Assets and the property of the City. The Contractor shall advise the Engineer in writing prior to termination of this agreement of such items as are brought onto the Site which the Contractor is entitled to remove on termination of this Agreement and unless the Engineer shall have been so advised, the Contractor shall not be entitled to remove any such item; and

7.7.1.3 to vacate the Site.

7.7.2 The City and/or its Agent and the Contractor shall, on the termination of this Agreement for whatever reason, jointly inspect the condition of the Assets, including any damage thereto, at 12h00 on the day that the Contractor shall vacate the Site and/or any other date as agreed upon and in writing between the City and the Contractor.

7.7.3 The Contractor shall be responsible to the City for payment of the cost of repair or replacement or any part of the Assets that is not in a good working condition or is damaged at the date of the inspection referred to in clause 7.7.2.

7.7.4 The City may apply any portion of the Performance Bond towards the payment of the costs of such repair or replacement of the Assets (or part thereof).

7.7.5 The Contractor also consents to any new contractor/s of the Contract Services (if any) being present at such outgoing inspection with the City and/or its Agent.

8 UTMOST GOOD FAITH

8.1 In the implementation of this Agreement the Contractor undertakes to observe the utmost good faith in all its dealings with the City.

8.2 Furthermore, the Contractor agrees to co-operate and co-ordinate fully with the City in all matters relating to the Operational Control and Maintenance of the Assets.

9 TRAINING

9.1 The Contractor shall provide sufficient training to enable the City's employees or agents to operate the Assets, if required by the City.

9.2 The Contractor shall provide such training to its personnel and the City's employees or agents as set out in **Appendix F**.

10 REPORTS

10.1 The Contractor shall submit written reports to the Engineer as specified in **Appendix E** and the Scope of Work.

10.2 Furthermore, the City shall have the right at any time to call for a written report on any matter relating to the Contractor's activities under this Agreement in order to determine that the Contractor is complying with its obligations in terms hereof.

11 MEETINGS AND COMMUNICATIONS

- 11.1 The City and the Contractor shall agree on a regular schedule for routine meetings and communication on all aspects of the Contract Services as specified in **Appendix E**.

12 DATA MANAGEMENT AND RECORDKEEPING

- 12.1 The Contractor shall maintain updated databases and records required to prepare reports in respect of the Assets as set out in **Appendix E** and the Scope of Work.
- 12.2 The Contractor shall also back-up data daily and store all back-up SCADA and computer data in an offsite facility to ensure complete data recovery, to the satisfaction of the Engineer.
- 12.3 The City shall at all times have access to all databases and records.

13 WORK TO BE TO THE SATISFACTION OF THE ENGINEER

- 13.1 The Contractor shall operate the Works in strict accordance with the terms and conditions of this Agreement, the Design Criteria, the Scope of Work, the Licence and to the satisfaction of the Engineer.
- 13.2 It is recognised that certain instructions and directions may not be explicitly defined in terms of this Agreement, but it is agreed that the Contractor shall use its Best Endeavours to comply with and adhere strictly to the Engineer's instructions and directions on any matter pertaining to this Agreement, provided that such instructions and directions are reasonable and fall within the Contractors Operational Control and Maintenance obligations.

14 THE CONTRACTOR'S RESPONSIBILITIES IN RESPECT OF RISK, HEALTH, SAFETY AND EMPLOYEES

- 14.1 For the duration of this Agreement, the Contractor shall ensure that it shall comply with all the provisions of the applicable Laws, including but not limited to, the following legislation and notices as issued in Government Gazette:
- 14.1.1 Occupational Health and Safety Act (No. 85 of 1993) together with its regulations;
- 14.1.2 GNR.295 of 26 February 1988: Driven machinery regulations;
- 14.1.3 GNR.533 of 16 March 1990: Regulations concerning the certificate of competency;
- 14.1.4 GN 639 of 28 April 1995: Regulations for the Integration of the Occupational Health and Safety Act, 1995;
- 14.1.5 GN R.692 of 30 July 2001: Major hazard installation regulations;
- 14.1.6 GNR.797 of 29 April 1994: Lift, escalator and passenger conveyor regulations;
- 14.1.7 GNR. 1010 of 18 July 2003: Construction Regulations;
- 14.1.8 GNR.1031 of 30 May 1986: General safety regulations;
- 14.1.9 GN 1179 of 25 August 1995: Hazardous chemical substances regulations;
- 14.1.10 GNR.1180 of 25 August 1995: Withdrawal of restriction as to employment in certain processes, issued in terms of section 24(3) of the Factories, Machinery and Building Work, 1941;
- 14.1.11 GNR.1521 of 5 August 1988: General machinery regulations;
- 14.1.12 GNR.1591 of 4 October 1996: Vessels under pressure regulations;
- 14.1.13 GNR.1593 of 12 August 1988: Electrical machinery regulations;

- 14.1.14 GNR.2281 of 16 October 1987: Environmental regulations for workplaces;
- 14.1.15 GNR.2375 of 5 October 1990: Incorporation of safety standards;
- 14.1.16 GNR.2550: Memorandum of Agreement Relating to Conditions contemplated in section 21 of the Machinery and Occupational Safety Act, 1983 (Act No. 6 of 1983); and
- 14.1.17 GNR.2920 of 23 October 1992: Electrical installation regulations.
- 14.2 The City shall not be liable for or in respect of any damages or compensation payable in respect of or in consequence of any accident or injury to any person in the employment of the Contractor, except an accident or injury resulting from any act or default of the City, its agents or servants, and the Contractor shall indemnify and keep indemnified the City against all claims, demands, proceedings, costs, charges and expenses whatsoever in respect thereof or in relation thereto.
- 14.3 The Contractor shall within 10 (ten) days after the last day of each calendar month, provide the Engineer with a written report on all risk, health and safety matters relevant to this Agreement.

15 REMUNERATION OF CONTRACTOR

- 15.1 The Contractor shall be remunerated for the Contract Services in accordance with the provisions as set out in the Pricing Assumptions and Activity Schedule in Part C2 Pricing Data of the Contract Document.
- 15.2 The Contractor understands that its remuneration is deemed to provide sufficiently to compensate it for profit and overheads, all labour, materials, equipment and energy, services to the Site, charges, levies, fees, deposits and other imposts, interest and finance costs, training, insurance and losses due to risks undertaken, assistance to the City and others in the terms of the Agreement, in total everything that results from this Agreement, except the Exclusions and those cost items for which the City assumes responsibility under this Agreement.
- 15.3 The Contractor shall be entitled to apply to the City for a change in the remuneration in the event of a variation of the Contract Services, in accordance with the Contract Price Adjustment formulae provided in the Activity Schedule.

16 PAYMENT

- 16.1 Payment of the Contractor shall be made to it on a monthly basis in arrears and will be in accordance with the provisions of the Pricing Data in Part C2 of the Contract Document.
- 16.2 The Contractor shall by the 20th of each month, submit a monthly tax invoice in which is detailed:
 - 16.2.1 the cost for Operational Control and Maintenance as per the Activity Schedule, comprising:
 - 16.2.1.1 the Fixed costs being the monthly charge;
 - 16.2.1.2 the Flow dependent and Sludge mass dependent costs;
 - 16.2.1.3 the On-costs for maintenance; and
 - 16.2.1.4 Contract Price Adjustment.
 - 16.2.2 any incidental costs incurred by the Contractor for which the Engineer has agreed to be responsible; and
 - 16.2.3 any Additional Services, extra or additional work ordered or sanctioned by the Engineer and completed to the satisfaction of the Engineer.
 - 16.2.4 any credits for scrap metal, etc.
- 16.3 Once the Engineer has approved the pro-forma invoice or part thereof the Contractor shall submit a tax invoice accordingly.

- 16.4 The City shall ensure that payment of the tax invoice or part thereof as may be approved by the Engineer is made to the Contractor between the 23rd and 26th of the month following the submission of the tax invoice.
- 16.5 If any Party shall dispute an amount owing to the other Party, such dispute shall be dealt with in terms of the provisions of clause 27.

17 EXTENSION OF THE WORKS AND CHANGES IN THE PROCESS OF WASTEWATER TREATMENT AND SLUDGE HANDLING

- 17.1 It is envisaged that the Works will be extended during the currency of this Agreement.
- 17.2 Any change in the wastewater treatment and/or Sludge handling process will of necessity change the operating process/es. Bearing in mind the effect that the changes may have on this Agreement, the City shall be entitled to select options that would lead to the most advantageous overall process or system of its choice.
- 17.3 In the event of an extension of the Works or a change in the process, the Contractor hereby agrees and undertakes to:
- 17.3.1 liaise and co-operate with the City and with any other contractor/s in programming and effecting the process changes with the concomitant changes or extension of the Works;
- 17.3.2 negotiate with possible other contractors to establish the boundaries of activities and responsibility and the effect it will have on staffing, security, insurance, responsibility for damage and third party claims and a possible sharing of facilities;
- 17.3.3 negotiate adjustment in the remuneration with the City based on calculation of the cost effect of changes in the processes envisaged in this clause 17.2. Failing agreement between the parties on changes in remuneration the matter shall be adjudicated by arbitration as described hereinafter; and
- 17.3.4 accepts that any alteration or extension of the Works may cause inconvenience and additional work to be performed and carried out by it, but that the City will only be obliged to consider additional compensation if this leads to inescapable additional cost to the Contractor.
- 17.3.5 make any process changes and/or flow diversions necessary to enable connecting up of new civil structures, etc.

18 CLAIMS FOR ADDITIONAL SERVICES TO AGREEMENT

- 18.1 The Engineer shall have the right to instruct the Contractor in respect of Additional Services, whereupon the Contractor shall forthwith comply with such instructions.
- 18.2 The Contractor shall submit to the Engineer full and detailed particulars of any claim for additional payment to which the Contractor may consider itself entitled in respect of Additional Services rendered.
- 18.3 Every such claim shall be submitted within 30 (thirty) days of circumstances giving rise to such claim. The Engineer shall determine the amount, if any, to be paid in respect of such claim.
- 18.4 Failure to agree as to whether or not there is an Additional Service and any failure to agree as to the amount thereof shall be referred to an arbitrator for final determination in accordance with clause 27.

19 INDEMNITY

- 19.1 Without detracting from, and in addition to, any other indemnities in this Agreement, the Contractor shall be solely liable for and hereby indemnify and hold harmless the City, and keep the City indemnified, against all losses and against all claims for injury or damage to any person or property whatsoever, including property and employees of the Contractor and the City, which may arise out of or in consequence of the Contractor's performance of the Agreement; and against all claims,

demands, proceedings, damages, costs, charges and expenses of whatsoever nature which may arise as a consequence of the Contractor's performance of this Agreement.

- 19.2 The Contractor shall however not be liable in terms of clause 19.1 for, or in respect of, or to indemnify the City against, any compensation or damages which may arise out of or in consequence of injury or damage to persons or property resulting from any act or omission or negligence by the City, its agents, servants or other contractors (not being employed by the Contractor) for or in respect of any claims, demands, proceedings, damages, costs, charges and expenses thereof or in relation thereto.
- 19.3 The Contractor shall be liable, and indemnifies the City, against any fines or claims or liability arising from non-compliance with the Licence or any applicable Law or from pollution or nuisance arising from the operation of the Works not attributable to circumstances beyond its control.
- 19.4 The indemnities given in clause 19.3 shall include all liabilities, fines, claims, demands, proceedings, damages, costs and charges in relation thereto of whatsoever nature.
- 19.5 Any insurance that the Contractor shall decide to take in respect of its liability in terms of Clause 19 shall be at its own expense, but it shall inform the City of such insurance cover.

20 CITY'S RIGHT OF ACCESS

- 20.1 The City's authorized representatives and agents shall have unrestricted access to the Site for official purposes, but the Contractor may require written authorization from the Engineer for such persons, and shall require identification of persons not known to the Contractor or its employees.
- 20.2 Official purposes shall inter alia include control testing and measurement, verifying the Contractor's compliance with the conditions of this Agreement, inspection of the Assets and in general the protection of the City's interests.

21 CITY'S LIABILITY FOR LOSS

Save as otherwise provided for in this Agreement, the City shall have no liability for any loss, damage or injury which may be caused to any asset or employee of the Contractor.

22 OWNERSHIP

- 22.1 The Assets shall remain the property of the City.
- 22.2 The Contractor shall not in any way Encumber the Assets.

23 PERFORMANCE SECURITY (GCC CLAUSE 7)

- 23.1 Within 14 days after the Commencement Date, the Contractor shall provide, as a continuing covering security for the due performance of the Agreement an annual performance bond (the "Performance Bond") in favour of the City in an amount equal to the Contractor's remuneration for one year, inclusive of VAT (identified as the "Guaranteed Sum" in the Form of Guarantee/Performance Security referred to in clause 23.2 below).
- 23.2 The aforesaid Performance Bond shall be in the form given in Part C1.5 Form of Guarantee/Performance Security in this Contract Document.
- 23.3 The obtaining of such Performance Bond shall be at the expense of the Contractor. The Contractor shall instruct such recognised financial institution/s that provides the Performance Bond to honour any draw that the City may present, without prior notice or approval of the Contractor.
- 23.4 Should the Contractor fail to perform in full any of its obligations under this Agreement, the City shall be entitled, without prejudice to any other remedies at its disposal, to draw the whole or any part of the Performance Bond referred to in Clause 23.1 towards defraying the cost of remedying the default of the Contractor; and in the event of such draw during any one year period, the Contractor shall, upon request by the City, forthwith reinstate the Performance Bond to its full amount.

- 23.5 The Performance Bond will be issued for a one-year period effective on the Commencement Date and shall be renewed annually thereafter.

24 INSURANCE (GCC CLAUSE 11)

- 24.1 From the Commencement Date the Contractor shall assume a duty of care in respect of the Assets to a standard expected from a responsible proprietor, and it shall take full responsibility for damage or destruction thereof due to whatever cause except in so far as the City has assumed the risk described in clause 24.8 below.
- 24.2 For the purposes of this clause 24, the City shall be entitled to assume that the Assets are at all material times insured against such risks, on such terms, for such amounts and at such premiums as stated in this Contract Document alternatively as are for the time being usual in respect of similar Assets in similar locations.
- 24.3 Within 14 days after the Commencement Date, and without limiting to the foregoing, the Contractor shall effect and maintain, for the full duration of the performance of this contract, the following insurance cover:
- 24.3.1 Indemnity Insurance providing cover in an amount of not less than R20 000 000 (twenty million Rand) in respect of any single claim, the number of claims to be unlimited during the contract period;
- 24.3.2 Public Liability Insurances, in the name of the Contractor, covering the Contractor and the City against liability for the death of/or injury to any person, or loss of/or damage to any property, arising out of/or in the course of this Agreement with a limit of indemnity of not less than R20 000 000 (twenty million Rand) for any single claim, the number of claims to be unlimited during the contract period; and
- 24.3.3 Insurance in terms of the provisions of the Compensation for Occupational Injuries and Diseases (COID) Act, Act No 130 of 1993.
- 24.4 The Contractor shall ensure that any subcontractors engaged in operation and maintenance activities shall, in addition to the Public Liability and COID Insurances as described above, also take out and maintain indemnity insurance to the value of the work being undertaken.
- 24.5 The Contractor shall be obliged to furnish the City with proof of such insurance as the City may require from time to time for the duration of the Agreement. The evidence that the insurances have been effected in terms of this clause, shall be in the form of an insurance broker's warranty worded precisely as given in Part C1.7 Insurance Broker's Warranty in this Contract Document.
- 24.6 The Contractor shall not keep or do in or about the Site anything which is liable to enhance any of the risks against which the Assets are insured for the time being to the extent that such insurance is rendered void or voidable or the premiums of such insurance are, or become liable to be, increased.
- 24.7 Without limiting its responsibility toward the City, the Contractor may insure its interest in all or specified items of the Assets for its own account. The Contractor shall inform the City of all such insurance.
- 24.8 Provided the Contractor has taken all reasonable steps within its power to comply with its duty of care, and to prevent or limit damage to the Assets the City accepts the risk for damage and consequential loss arising from the following causes:
- 24.8.1 war, invasion, act of foreign enemies, hostilities or warlike operations (whether war be declared or not) or civil war; insurrection, rebellion or revolution; mutiny, military rising, military or usurped power, martial law or state of siege or any event or cause which determines the proclamations or maintenance of martial law or state of siege;
- 24.8.2 any event which, at closing date of the Tender, is defined as a risk in terms of insurance offered by the South African Special Risks Insurance Association.
- 24.8.3 the impact of meteorites pressure waves caused by aircraft or other aerial devices travelling at sonic or supersonic speeds; and

24.8.4 the design flaws of the Works by the City or persons authorized to act on its behalf.

25 PENALTIES

- 25.1 The Contractor shall at all times comply with the Performance Guarantees set out in **Appendix B** hereto, except to the extent that compliance is prevented or excused by Uncontrollable circumstances, agreement between the Parties or by the provisions of this Agreement.
- 25.2 Except to the extent that the Contractor is relieved as a result of an Uncontrollable circumstance, the Contractor shall be subject to penalties in the amounts or on the basis as set out in **Appendix H** for non-compliance of the Performance Guarantees.
- 25.3 The results set out in the reports required in terms of **Appendix E**, shall be deemed conclusive evidence of any performance or non performance or non-compliance.
- 25.4 The City may, without prejudice to any other method of recovery, deduct the amount of such penalty from any remuneration due to the Contractor or which may become due to the Contractor or recover it from the Performance Bond. The payment or deduction of such penalty shall not relieve the Contractor from its obligations.

26 EVENTS OF DEFAULT

- 26.1 The Agreement is concluded on the understanding that the treatment of wastewater is an essential service and interruption of the process or malfunctioning that interferes with the proper treatment process will have serious consequences of which Parties are aware. Therefore, in general, neither Party will be entitled to action that would interrupt or seriously affect the functioning of the Works to its best capacity. Towards this end proper, continuation of treatment within reason takes precedence over purely economic consequences.
- 26.2 Each of the following shall constitute an Event of Default by the Contractor after the Commencement Date –
- 26.2.1 failure of the Contractor to comply with any material obligation or provision of this Agreement and remain in default or fail to remedy such breach within 7 (seven) Business Days of receipt of written notice calling upon it to do so;
- 26.2.2 to the extent that such failures or refusals are not otherwise covered in this clause 26.2, failure or refusal by the Contractor to operate and maintain the Assets in accordance with the Performance Guarantees and meet the quality of Final Effluent on a rolling 3 (three) month average basis, unless failure or refusal is clearly recognised, justified and excused in terms of this Agreement;
- 26.2.3 failure of the Contractor fail to pay any amount which it is obliged to pay to the City in terms of this Agreement on the due date for payment and failure to make such payment within 7 (seven) Business Days of receipt of written notice from the City calling upon the Contractor to make such payment;
- 26.2.4 any of the Performance warranties referred to in clause 30.6 that are found to be untrue or misleading as at the date on which such warranty is given or deemed to have been given to the City and, in respect of a breach which is capable of being remedied, the Contractor's failure or refusal to remedy such breach of warranty within 7 (seven) Business Days from receipt of written notice from the City calling upon the Contractor to do so;
- 26.2.5 the Contractor takes steps to change Control of itself without the prior written consent of the City;
- 26.2.6 this Agreement has ceased to be of full force and effect in any material respect or valid and binding on the Contractor or enforceable in accordance with its terms;
- 26.2.7 failure to secure and maintain the Performance Bond required in terms of clause 23;
- 26.2.8 failure to secure and maintain the insurance required in terms of clause 24;
- then the City shall be entitled to the remedies provided for in clause 26.3.

- 26.3 Should any Event of Default occur then, notwithstanding anything to the contrary contained herein and without prejudice to the City's other rights in terms of this Agreement or in law, the City shall have the right to –
- 26.3.1 terminate this Agreement; and
- 26.3.2 claim damages (including consequential damages); and/or
- 26.3.3 demand specific performance by notice to the Contractor.
- 26.4 As long as the Contractor has any obligation to the City and the City has any rights against the Contractor in terms of this Agreement, the Contractor shall promptly give notice to the City of –
- 26.4.1 the occurrence of any Event of Default of which it becomes aware; or
- 26.4.2 any other circumstances of which it becomes aware which could reasonably be anticipated to affect the fulfilment by it of its obligations under this Agreement.
- 26.5 No step taken by the City against the Contractor shall give the City the right to withhold remuneration for the operation of the Works for any period during which the Contractor had actually operated the Works materially in accordance with its obligations.
- 26.6 Should the City have to take any legal action against the Contractor to enforce any of its obligations in terms of this Agreement, the Contractor shall pay all legal costs, including collection commission and VAT, incurred by the City on an attorney and own client scale irrespective of the Magistrate's Court or High Court tariff.
- 26.7 Notwithstanding the anything else contained in this Agreement, should the Contractor fail to perform its duties properly and such failure would result in the interruption of the treatment process or the Works, or unnecessary serious inadequacies therein and such failure is not due to Uncontrollable circumstance, then the City shall have the right to summarily and immediately take control over the operation and maintenance of the Works on a temporary basis through alternative agents, whether the City proceeds with the termination of the Agreement or not.

27 DISPUTE RESOLUTION (GCC CLAUSE 27)

Replace GCC clause 27 with the following:

- 27.1 The Parties agree that the terms of this Agreement will be performed in the spirit of mutual co-operation, trust and confidence. The Parties further agree to use their reasonable endeavours to resolve, through mutual consultation, without involving any third Party or Parties, any dispute which may arise under, out of, or in connection with or in relation to this Agreement. If following such mutual consultation, the dispute still remains outstanding, the matter shall be referred to the chief executive officer of the Contractor and the Engineer or their respective representatives, who shall negotiate for a period of up to 5 (five) Business Days from the date of such referral in an attempt to resolve such dispute. If following the expiry of such 5 (five) Business Day period, the dispute is still unresolved, then, save where otherwise provided in this Agreement, the matter shall be referred to arbitration in accordance with the remaining provisions of this clause 27.
- 27.2 This clause 27 is a separate, divisible agreement from the rest of this Agreement and shall –
- 27.2.1 not be or become void, voidable or unenforceable by reason only of any alleged misrepresentation, mistake, duress, undue influence, impossibility (initial or supervening), illegality, immorality, absence of consensus, lack of authority or other cause relating in substance to the rest of the Agreement and not to this clause 27, which issue, the Parties intend, shall be subject to arbitration in terms of this clause 27; and
- 27.2.2 remain in effect even if the Agreement is terminated or is cancelled.
- 27.3 Subject to the provisions of clause 27.4, and save in respect of those provisions of this Agreement which provide for their own remedies which would be incompatible with arbitration, any dispute arising out of or in connection with this Agreement or the subject matter of this Agreement including, without limitation, any dispute concerning –

- 27.3.1 the existence of this Agreement apart from this clause 27;
- 27.3.2 the interpretation and effect of this Agreement;
- 27.3.3 the Parties' respective rights or obligations under this Agreement;
- 27.3.4 the rectification of this Agreement;
- 27.3.5 the breach, termination or cancellation of this Agreement or any matter arising out of such breach, termination or cancellation;
- 27.3.6 damages in contract in delict, compensation for unjust enrichment; or
- 27.3.7 any other claim whether or not the rest of this Agreement apart from this clause 27 is valid and enforceable,

shall be decided by arbitration as set out in this clause 27.

- 27.4 The Parties to this dispute shall agree on the arbitrator. If agreement is not reached within 5 (five) Business Days after any Party to the dispute in writing calls for agreement, the arbitrator shall be -
 - 27.4.1 if the dispute relates primarily to a financial matter, a practicing chartered accountant of at least 15 (fifteen) years' standing nominated by the President for the time being of the South African Institute of Chartered Accountants: Western Cape at the request of either Party; or
 - 27.4.2 if the dispute relates to any other matter, a practising commercial attorney or advocate of at least 15 (fifteen) years' standing on the panel of arbitrators of the Arbitration Foundation of Southern Africa ("AFSA") or such other institution of similar standing as the Parties may agree, nominated at the request of any Party to the dispute by the Registrar of AFSA or such other institution (if applicable), for the time being,
 - 27.4.3 provided that if the Parties are unable to agree on whether the arbitration relates to a financial or other matter, clause 27.4.2 shall apply.
 - 27.4.4 The request to nominate an arbitrator shall be in writing outlining the claim and any counterclaim of which the Party to the dispute concerned is aware and, if desired, suggesting suitable nominees for appointment, and a copy shall be furnished to the other Parties to the dispute who may, within 5 (five) Business Days, submit written comments on the request to the addressor of the request.
 - 27.4.5 The arbitration shall be held in Cape Town and the Parties shall endeavour to ensure that it is completed within 90 (ninety) Business Days after notice requiring the claim to be referred to arbitration is given.
 - 27.4.6 The proceedings in the arbitration shall as far as practicable take place in private and be kept confidential.
 - 27.4.7 The arbitration shall be governed by the Arbitration Act, No. 42 of 1965 and shall take place in accordance with the Commercial Arbitration Rules of AFSA.
 - 27.4.8 An order or award made by the arbitrator shall be carried into effect and shall be final and binding upon the Parties and may be made an order of court of competent jurisdiction.
 - 27.4.9 This clause 27 shall not preclude any Party to a dispute from obtaining interim relief on an urgent basis from a court of competent jurisdiction pending the decision of the arbitrator or panel of arbitrators, on appeal.
 - 27.4.10 Notice of a dispute or pending arbitration proceedings shall not entitle any Party to suspend compliance with any of its obligations in terms of this Agreement or any agreement contemplated in this Agreement.
 - 27.4.11 The Parties agree that a written demand by any Party that a dispute be submitted for resolution in terms of this clause 27 is deemed to be a legal process for the purpose of interrupting extinctive prescription in terms of the Prescription Act, No. 68 of 1969.

28 TERMINATION

- 28.1 The City, in its sole and absolute discretion, shall be entitled to terminate this Agreement upon the happening of any of the following events:
- 28.1.1 If the Contractor fails to rectify an Event of Default as provided for in terms of clause 26;
- 28.1.2 If the Contractor becomes subject to a scheme of arrangement or compromise with its creditors as envisaged in the Companies Act;
- 28.1.3 If the Contractor is being wound-up, liquidated, sequestered, deregistered or placed under judicial management, whether provisionally or finally and whether voluntarily or compulsorily;
- 28.1.4 if the Contractor commits an act of insolvency in terms of the Insolvency Act, No. 24 of 1936;
- 28.1.5 if the Contractor fails to satisfy within ten (10) days any judgment of a competent court of law for the payment of any money of which execution has not been stayed;
- 28.1.6 If an Uncontrollable circumstance occur relative to the obligations of the Contractor or the City under this Agreement and such Uncontrollable circumstance or the effect thereof prevents performance of such material obligation for a period of 30 (thirty) days.
- 28.2 The City shall give the Contractor not less than 30 (thirty) Business Days written notice of any termination made in terms of 28.1.
- 28.3 Upon termination of this Agreement, subject to the provisions of clause 7.7, the City shall remunerate the Contractor for the Contract Services satisfactorily performed prior to the termination date and reimburse the Contractor any reasonable cost incident to the prompt and orderly termination of the Agreement, except in the case of a termination pursuant to an Event of Default.

29 NOTICES AND DOMICILIUM

- 29.1 Each Party chooses as its *domicilium citandi et executandi* their respective addresses set out in this clause 29 for all purposes arising out of or in connection with this Agreement at which addresses all the processes and notices arising out of or in connection with this Agreement, its breach or termination may validly be served upon or delivered to the Parties.
- 29.2 For the purpose of this Agreement the Parties' respective addresses shall be -
- 29.2.1 as regards the City the address specified in the Acceptance part of the Form of Offer and Acceptance in Part C1.4 of the Contract Document; and
- 29.2.2 as regards the Contractor the address specified in the Offer part of the Form of Offer and Acceptance in Part C1.4 of the Contract Document,
- or at such other address in the Republic of South Africa, not being a post office box or poste restante, or facsimile number, of which the Party concerned may notify the others in writing.
- 29.3 Any notice given in terms of this Agreement shall be in writing and shall -
- 29.3.1 if delivered by hand, be deemed to have been duly received by the addressee on the 1st (first) Business Day following the date of delivery;
- 29.3.2 if delivered by courier service, be deemed to have been duly received by the addressee on the 1st (first) Business Day following the date of such delivery by the courier service concerned; and
- 29.3.3 if transmitted by facsimile, be deemed to have been duly received by the addressee on the 1st (first) Business Day following the date of despatch.

- 29.4 Notwithstanding anything to the contrary contained in this Agreement, a written notice or communication actually received by one of the Parties from another shall be adequate written notice or communication to such Party, provided that any provision that requires any notice to be in writing shall be complied with only if such notice in a written paper based form and, in this regard, the provisions of the Electronic Communications Act, No. 25 of 2002, shall not apply.

30 MISCELLANEOUS

30.1 Cooperation

The Parties undertake at all times to do all such things as may be open to them and necessary for or incidental to the putting into effect or maintenance of the terms, conditions and/or import of this Agreement, save where any particular provision contained in this Agreement imposes upon any one or other Party the obligation (to the exclusion of the other Party) to do any act, matter or thing, in which event it shall not be the obligation of all the Parties (by the inclusion of this clause in this Agreement) to procure the doing of such act, matter or thing, but it shall only be the obligation of the Party who is specifically directed thereto.

30.2 Whole Agreement

This Agreement constitutes the whole agreement between the Parties as to the subject matter hereof and no agreement, representations or warranties between the Parties other than those set out herein are binding on the Parties. This Agreement supersedes and replaces all prior commitments, undertakings or representations, whether oral or written, between the Parties in respect of the subject matter hereof.

30.3 Law to Apply (GCC Clause 30)

This Agreement and all matters or disputes arising therefrom or incidental thereto shall be governed and construed in accordance with the laws of the Republic of South Africa.

30.4 Severability

Any provision in this Agreement which is or may become illegal, invalid or unenforceable shall be treated pro non scripto and severed from the balance of the Agreement without invalidating the remaining provisions of this Agreement or affecting the validity or enforceability of such remaining provisions.

30.5 Costs

Any costs, including attorney and own client costs, incurred by a Party arising out of the breach by any other Party of any of the provisions of this Agreement, shall be borne and paid for by the Party in breach.

30.6 Performance warranties

The Contractor represents and warrants to the City that:

- 30.6.1 the execution of this Agreement and any other documents related hereto to which the Contractor is a party and the fulfilment by the Contractor of the terms and conditions hereof do not and will not conflict or violate any of the Contractor's formation documents or, to the Contractor's knowledge any Laws, which would materially adversely affect this Agreement;
- 30.6.2 there is no action, suit, claim, investigation or proceeding, at law or otherwise, before any court, pending or, to the best of the Contractor's knowledge, threatened against the Contractor, in which an unfavourable decision, ruling or finding could reasonably be expected to have a material adverse effect on the execution and delivery of this Agreement by the Contractor;
- 30.6.3 it is financially solvent;
- 30.6.4 no Event of Default has occurred or is continuing;

- 30.6.5 it and each of its employees, agents, subcontractors and contractors are competent to perform the Contract Services;
- 30.6.6 it has examined and analyzed the provisions and requirements of this Agreement, understands the nature of the Contract Services required, has satisfied itself as to the nature of all things needed for its performance in terms of this Agreement and that this Agreement is feasible of performance in accordance with all of its provisions and requirements;
- 30.6.7 it has, or will have as of the Commencement Date, adequate capacity, technical knowledge and qualified employees to fulfil all of its obligations in terms of this Agreement;
- 30.6.8 it is, or will be at the Commencement Date, in compliance with any applicable Laws relating to rendering the Contract Services and performing any obligations in terms of this Agreement;
- 30.6.9 it shall conduct its business activities in accordance with the principles and guidance as set out in the King III Code on Corporate Governance;
- 30.6.10 its business is duly registered in terms of the provisions of the relevant legislation;
- 30.6.11 the representations made by it in the Contractor's Proposal and all other information and documentation submitted to the City by the Contractor were true, accurate and correct as of the date they were made. The representations made by the Contractor did not contain any material misrepresentation or omissions of any material facts as of the date that they were made.
- 30.6.12 it has trained personnel who will be assigned to perform the Contract Services and that such personnel have experience operating facilities similar to the Works; and
- 30.6.13 It has budgeted and planned for providing experienced personnel that will be available at the Site to ensure transfer of experience and operations expertise between the Contractor and its affiliates.

30.7 **Warranty of Authority**

Each Party warrants to each of the other Parties that it has the power, authority and legal right to sign and perform this Agreement and that this Agreement has been duly authorised by all necessary actions of its directors and constitutes valid and binding obligations on it in accordance with the terms of this Agreement.

30.8 **Independent Advice**

Each Party acknowledges that it has been free to secure independent legal and tax advice as to the nature and effect of all of the provisions of this Agreement and that it has either taken such independent legal advice or dispensed with the necessity of doing so. Further, each Party acknowledges that all of the provisions of this Agreement and the restrictions herein contained are fair and reasonable in all the circumstances and are part of the overall intention of the Parties.

30.9 **Implementation**

The Parties undertake to do all such things, perform all such acts and take all steps to procure the doing of all such things and the performance of all such acts, as may be necessary or incidental to give or be conducive to the giving of effect to the terms, conditions and import of this Agreement.

30.10 **Scope of Work**

30.10.1 Insofar as any of the provisions of this Agreement are inconsistent with the Scope of Work then, as between the Parties, the provisions of this Agreement shall prevail and the Scope of Work shall be deemed to have been modified pro tanto.

30.10.2 At the instance of any of any Party, the Parties shall procure the signature of any addendum that may be required for the purposes of amending the Scope of Work and/or this Agreement, as the case may be, so as to remove such conflict and conform with the provisions of this Agreement.

30.11 Confidentiality

30.11.1 Confidentiality in respect of the Agreement

30.11.1.1 Subject to 30.11.1.2, no Party shall, without the consent of the other Party, issue or make any public announcement or statement or release or make available any information regarding this Agreement or its implementation.

30.11.1.2 The provisions of 30.11.1.1 shall not apply to a public announcement or release of information which a Party is required to make in order to comply with a statutory obligation or the requirements of a competent governmental authority or a recognised stock exchange or if such Party or one of its subsidiaries wishes to disclose any such information in its annual financial statements, in which event a copy of the announcement or statement shall, prior to publication or release, be furnished to the remaining Parties for their approval, which approval shall not unreasonably be withheld.

30.11.2 Confidentiality in respect of Information

The Contractor agrees that it shall -

30.11.2.1 not make use of or disclose or divulge to any outside party the terms of this Agreement or any information which that the Contractor may acquire during the currency of this Agreement relating to the Works, provided that this obligation will not extend to information -

30.11.2.1.1 which is in or comes into the public domain otherwise than through the default of the Contractor;

30.11.2.1.2 the disclosure of which is agreed by prior written consent of the Parties;

30.11.2.1.3 which is properly available to the public or disclosed or divulged pursuant to an order of a court of competent jurisdiction;

30.11.2.1.4 the disclosure of which is required by law, regulatory authority, or a stock exchange;

30.11.2.1.5 which was known to the Contractor and was not subject to an obligation of confidence;

30.11.2.1.6 which was independently developed by the Contractor without access to and/or using such information and/or proprietary information; or

30.11.2.1.7 which is rightfully received from a third party who was not bound by confidentiality undertakings not to disclose such information; and

30.11.2.1.8 ensure that the members of its group, officers and employees shall observe the restrictions contained in this 30.11.2.

30.12 Uncontrollable Circumstance

30.12.1 Should it be impossible for the Contractor to perform its duties or part of its duties in terms of the Agreement due to force majeure or Uncontrollable circumstances over which it has no control or which it could not and did not foresee, then its action or inaction will not be considered as conduct in breach of Agreement, provided that:

30.12.1.1 the Contractor takes all steps available to him to bring such condition to an expeditious end;

30.12.1.2 the Contractor continues to take all possible steps to optimize the treatment of the Influent by change of process or emergency ancillary treatment; and

- 30.12.1.3 the Contractor reports the existence or likelihood of occurrence of the conditions to the City and to the Department of Water and Environmental Affairs, and to cooperate with them to limit harm and damages.
- 30.12.2 The cost of any action in terms of the above will be for the Contractor's account, except in as far as it relates to the City's acceptance of risk described in clause 24.
- 30.13 **Certificate of Indebtedness**
- A certificate under the hand of the Engineer or his duly authorized representative as to the existence and any amount of the indebtedness of the Contractor to the City in terms of this Agreement at any time shall be prima facie proof of the contents and correctness thereof and of the amounts of the Contractor's indebtedness for the purpose of provisional sentence in any competent court and shall be valid as a liquid document for such purposes. This certificate shall set out detailed information including calculations used in arriving at the amounts of the indebtedness of the Contractor to the City in terms of this Agreement.
- 30.14 **Variation**
- No addition to or variation, consensual cancellation or novation of this Agreement and no waiver of any right arising from this Agreement or its breach or termination shall be of any force or effect unless reduced to writing and signed by all the Parties or their duly authorised representatives.
- 30.15 **Relaxation**
- No latitude, extension of time or other indulgence which may be given or allowed by any Party to any of the other Parties in respect of the performance of any obligation hereunder or enforcement of any right arising from this Agreement and no single or partial exercise of any right by any Party shall under any circumstances be construed to be an implied consent by such Party or operate as a waiver or a novation of, or otherwise affect any of that Party's rights in terms of or arising from this Agreement or estop such Party from enforcing, at any time and without notice, strict and punctual compliance with each and every provision or term hereof.
- 30.16 **Counterparts**
- This Agreement may be executed in counterparts and by each Party in a separate counterpart, each of which so executed shall be an original, but all of which shall together constitute one and the same instrument.
- 30.17 **Tax Invoices (GCC Clause 32)**
- Section 20(1) of the Value Added Tax Act of 1991 (Act 89 of 1991) requires that a supplier (person supplying goods or services) who is registered as a VAT vendor issue to the recipient a tax invoice within 21 days of the date of a supply whether requested or not.
- The Contractor shall provide a tax invoice (VAT invoice) which shall be included with each account delivered to the Employer in terms of clause 16. Failure by the Contractor to provide a tax invoice (VAT invoice) timeously may delay payment by the Employer and no interest shall accrue.
- The VAT registration number of the City is

CITY OF CAPE TOWN

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WATER AND SANITATION

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PROVISION OF OPERATION, MAINTENANCE AND MANAGEMENT SERVICES AT THE ZANDVLIET WASTEWATER TREATMENT WORKS

APPENDIX A ABBREVIATIONS

A1 ABBREVIATIONS

A1.1 Abbreviations which may be used in this Contract Document

BP	Belt Press
BOD	Biochemical Oxygen Demand
CAS	Conventional Activated Sludge Plant
COD	Chemical Oxygen Demand
DWEA	Department of Water and Environmental Affairs
DWA	Department of Water Affairs (a part of DWEA)
DO	Dissolved Oxygen
DM	Dry mass
DS	Dry solids (has the same meaning as DM)
FE	Final Effluent
FSA	Free and Saline ammonia ($\text{NH}_3 + \text{NH}_4$) (mgN/l)
MBR	Membrane Bioreactor
MLSS	Mixed Liquor Suspended Solids concentration (mgTSS/l)
MLVSS	Mixed Liquor Volatile Suspended Solids concentration (mgVSS/l)
NO_3	Nitrate concentration (mg $\text{NO}_3\text{-N/l}$)
OUR	Oxygen utilisation rate
RAS	Return Activated Sludge
RBCOD	Readily biodegradable COD concentration (mgCOD/l)
R_s	Sludge Age
SAP	Systems, Application and Products (in data processing)
SCC	Special Conditions of Contract (in Part C1.3 of this Contract Document)
SOP	Standard Operating Procedure
SST	Secondary Settling Tank
TKN	Total Kjeldahl Nitrogen (mgN/l)
TOC	Technical Operations Centre
TS	Total Solids
TSS	Total suspended solids (mgTSS/l)
UCTOLD	Model for simulating activated sludge wastewater treatment system behavior
V_p	Volume of reactor
VSS	Volatile Suspended Solids (mgVSS/l)
WAS	Waste Activated Sludge
WWTP	Wastewater Treatment Plant
WWTW	Wastewater Treatment Works (has the same meaning as WWTP)

APPENDIX B

OPERATIONAL CONTROL OBLIGATIONS OF THE CONTRACTOR

B1 GENERAL

The Appendix should be read in conjunction with Appendix D and H.

- B1.1 The Contractor shall operate the Assets to the design criteria or better requirements, and the Operation & Maintenance Manual.
- B1.2 The Contractor shall guarantee and warrant, subject to the provisions of this Agreement, that the Assets shall achieve at all times and under all conditions compliance with the applicable Law and the conditions of the Licence.
- B1.3 The current DWA Permit conditions (see Appendix D) for the final effluent quality require compliance with the following:

Table B1

Specific Test Standard	Performance Indicator	Standard
COD	mgCOD/l	75
TSS	mgTSS/l	25
Ammonia-Nitrogen (as N)	mgN/l	10
Residual Chlorine (as Cl)	mgCl ₂ /l	≤0.1
<i>E. coli</i>	<i>E. coli</i> / 100ml	1000/
pH	-	5.5 to 9.5

- B1.4 The values and specific test standard referred to in Table B1 are subject to change/ revision by the Department of Water Affairs. Such a change/revision will accordingly require the City to change the target values with which the Contractor will have to comply.

B2 PERFORMANCE CRITERIA

- B 2.1 The Contractor shall guarantee and warrant, subject to the provisions of the Agreement, that the Assets shall achieve at all times and under all conditions the Performance Criteria included in this Appendix. "Downtime" for each item of the Assets shall be defined as the number of hours that the item of the Assets will be out of service for both planned and unplanned maintenance activities. Twice yearly the Contractor shall table his reliability data for the scrutiny of the City. Failure to do so shall result in the imposition of the appropriate penalty.

Table B2: Schedule of Guarantees

Guarantee Reference Number	Specific Test Standard and Name	Performance Parameter	Values
G1	COD	mgO/ l	75
G2	TSS	mgTSS/ l	25
G3	Ammonia-Nitrogen (as N)	mgN/ l	10
G4	Residual Chlorine (as Cl)	mgCl/ l	≤0.1
G5	<i>E. coli</i>	<i>E. coli</i> / 100ml	1000/ 100mL
G6	Nitrate (as N)	mgN / L	N/ A

G7	Soluble Phosphate (as P)	mgP/ L	N/ A
G8	pH	-	5.5 to 9.5
G9	Reliability	Inlet Screws systems	Downtime over the financial year shall be < 1 %
G10	Reliability	Coarse Screens systems	Downtime over the financial year shall be < 0.1 %
G11	Reliability	SCADA and associated Process Control Equipment	Downtime over the financial year shall be < 1 %
G12	Reliability	Fine Screens and associated plant	Downtime over the financial year shall be < 0.1 %
G13	Reliability	Screen Washing Systems	Downtime over the financial year shall be < 1 %
G14	Reliability	Grit Removal Systems	Downtime over the financial year shall be < 1 %
G15	Reliability	Grit Washing and Classifying systems	Downtime over the financial year shall be < 1 %
G16	Reliability	Primary Treatment	N/ A
G17	Reliability	Secondary Treatment - Activated Sludge	Downtime over the financial year shall be < 0.05 %
G18	Reliability	Secondary Treatment – Membrane Bioreactor	Downtime over the financial year shall be < 0.05 %
G20	Reliability	Chlorination System	Downtime over the financial year shall be < 0.1 %
G21	Reliability	Liquor Return Pumping System	Downtime over the financial year shall be < 1 %
G22	Reliability	Belt Press system	Downtime over the financial year shall be < 1 %
G23	Reliability	Polymer Preparation Plant	Downtime over the financial year shall be < 1 %
G24	Thickened Sludge (Per cent Dry Solids)	Thickened Sludge (Per cent Dry Solids)	<14%

The performance guarantees will be amended in accordance with the Regulators requirements.

B3 CONTRACTOR'S OBLIGATIONS

The Contractor shall be obliged to:

- B3.1 continue to operate the Assets pending the settlement of any dispute;
- B3.2 in compliance with the Law, prevent any nuisance, offensive odours, noise, smoke or secondary pollution arising from the operation of the Assets;
- B3.3 ensure strict compliance with the Law in carrying out all of its obligations in terms of this Agreement;
- B3.4 give all notices and pay all fees required to be given or paid in terms of the Law;
- B3.5 prepare and implement a contingency plan for the continued operation of the Assets in the event of strikes by its employees;
- B3.6 undertake the quality control set out in this Agreement for the proper control of, and the operation of the Assets and monitoring of its performance;

- B3.7 pay all operating expenses in connection with the Assets, excluding those expenses provided for in Appendix G;
- B3.8 immediately report all technical problems with the Assets to the Engineer;
- B3.9 accept the Influent at the boundaries of the Site and treat it according to the existing process design of the Works subject to the provisions of SCC clause 18;
- B3.10 continue the existing sludge handling and disposal process, subject to the provisions of SCC clause 18;
- B3.11 continue the existing process of disposing of grit and screenings, subject to the provisions of SCC clause 18;
- B3.12 perform the conventional measurement and testing of Influent, Effluent and intermediate processes in order to properly monitor the performance of the Works and its individual units and to comply with conditions of the Licence, and for the adjustment of the Contractor's remuneration;
- B3.13 perform qualitative tests and quantitative measurements, which measurements must be made separately for each point of Influent to and Effluent from the Site. All measurements and test results must be recorded in writing, and copies must be submitted to the City on a monthly basis, or as stated otherwise in this Agreement;
- B3.14 perform the tests to be carried out which are shown in Tables E2-E4 in Appendix E;
- B3.15 have flow meters independently verified annually.

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APPENDIX C

MAINTENANCE: CONTRACTOR'S OBLIGATIONS

C1 GENERAL MAINTENANCE OBLIGATIONS OF THE CONTRACTOR

- C1.1 The Contractor shall maintain the Assets including the MBR, according to the requirements of the Operation & Maintenance Manuals. The Contractor shall, within 28 days after the Commencement Date, submit a Maintenance Plan based upon the Operation & Maintenance Manuals. The Maintenance Plan shall be submitted both in electronic and (hard copy) paper format. There shall be an accompanying document illustrating for each item of equipment listed in the Maintenance Plan referenced to the relevant page in the Operation & Maintenance Manuals. The Maintenance Plan shall contain direction in terms of preventive, corrective and predictive maintenance of the Works.
- C1.2 Preventive maintenance shall be defined as adding and replacing lubricants, adjusting or replacing belts, replacing air filters, re-packing pumps, verifying proper operation through visual or hearing inspection, inspecting and replacing normal wearing parts, calibrating flow meters, samplers and analytical devices, and performing routine activities.
- C1.3 Corrective Maintenance shall be considered as procedures taken to prevent or correct Equipment failures, including major overhauls of Equipment.
- C1.4 Predictive Maintenance shall be considered as minimizing catastrophic failure and extend the service life of the Managed Assets. The Contractor or Subcontractor personnel shall be qualified to perform predictive maintenance procedures and evaluation of results. Predictive maintenance tools include, but are not limited to, the following:
- C1.4.1 Vibration analysis (including all rotating equipment), Tribology analysis of gearbox and engine lubricants;
 - C1.4.2 Temperature monitoring;
 - C1.4.3 Infrared thermography of electrical equipment;
 - C1.4.4 Acoustic emission analysis (ultrasound), static motor winding testing and dynamic motor testing;
 - C1.4.5 Pump/blower performance compared to design curves;
 - C1.4.6 Other predictive maintenance tools recommended by the Contractor and approved by the City.
- C1.5 The aforesaid obligations shall be performed as would be expected from a responsible proprietor. In the performance of its obligations, the Contractor shall at its own cost provide the management, control and control systems, labour, materials, tools and equipment, consumables and whatever is necessary to perform its duties effectively in terms of this Agreement.
- C1.6 The Contractor shall maintain the Assets as documented in the Maintenance Plan. Failure to adhere to the Maintenance Plan shall be a breach of the Agreement, and notwithstanding the City's right in this regard entitle the City to hire other contractors to maintain the Assets. The costs thereof shall be borne by the Contractor. The contractor hired to maintain the Assets as a consequence of non-performance by the Contractor shall be appointed by the City, in its sole and absolute discretion.
- C1.7 The Contractor shall not be responsible for the replacement costs of the terms referred to in the Exclusions as per Appendix G.

C2 BUILDINGS AND GROUNDS

The Contractor shall be responsible for Buildings and Grounds maintenance at the Site. The Buildings and Grounds maintenance for the Site includes, at a minimum, the following:

- C2.1 Maintain the buildings, including repair and restoration of damaged or deteriorated exterior and interior finishes. Any structural damage shall be repaired promptly as required to maintain the integrity of the structure.

- C2.2 Maintain grounds and landscaping in an aesthetically attractive and clean condition. All areas shall remain litter-free. Maintain all plantings and trees with watering, pruning, mulching and other services. Any existing trees or plantings, or plantings provided by the Contractor that die shall be replaced. Mow grass and lawn areas during the growing season and as needed at other times to maintain growth at less than 150mm. Maintain safe and clear access to all of the Assets, roadways, walkways, sidewalks, and parking areas. Sweep roadways and parking areas as needed, of sand, dirt and gravel.
- C2.3 Paint the buildings and equipment situated on the Site in order to prevent erosion and corrosion.
- C2.4 Inspect the roofs twice a year to identify any potential leaks. Major leaks shall be repaired immediately upon discovery and minor leaks within thirty (30) days of discovery. The Contractor shall be responsible for repairing any inside damages resulting from a roof leak.
- C2.5 Implement regularly scheduled pest control measures as required, and immediately upon discovery of potential pest infestations.
- C2.6 Repair all plumbing leaks and failures promptly upon discovery.
- C2.7 Immediately contain all spills and clean or dispose of materials in accordance with the Contractor's Safety Plan.
- C2.8 Provide continuous rubbish/solid waste removal.
- C2.9 Chemical and hazardous material storage in accordance with the Law.
- C2.10 Provide On-site storage of metal scrap for recycling. Any monies received from scrap metal shall be credited to the City.

C3 SPECIFICATION FOR CLEANING SERVICES

The Contractor shall

- C3.1 Vacuum and spot clean carpets on a weekly basis.
- C3.2 Spot clean windows, doors and walls on a weekly basis.
- C3.3 Strip and seal all uncarpeted floors on a monthly basis.
- C3.4 Dust all areas including window sills and ledgers weekly.
- C3.5 Clean and disinfect all toilet bowls, seats, hand basins and urinals on a daily basis.
- C3.6 Test and clean spouts of dispensers. Replenish as required
- C3.7 Replenish soap dispensers and toilet rolls as required.
- C3.8 Scrub and seal ceramic tiles on a weekly basis.
- C3.9 Wipe and sanitize lockers on a weekly basis.
- C3.10 Scrub of showers on a weekly basis.
- C3.11 Clean counter tops, fridges, microwave ovens, cupboards and polish on a daily basis. (Inside out)
- C3.12 Empty and wash waste bins on a daily basis.
- C3.13 Supply black bags for disposal of rubbish.
- C3.14 Remove and shake all loose mats on a daily basis.
- C3.15 Dust and dry polish all office furniture and telephones on a daily basis.
- C3.16 Clean all taps, metal works, mirrors and other fittings on a weekly basis.
- C3.17 Sweep and dust all staircases, balustrades and handrails on a weekly basis.
- C3.18 Clean cafeteria benches on a daily basis.
- C3.19 Clean kitchens on a daily basis.
- C3.20 Clean windows on a monthly basis.
- C3.21 Provide all machinery, equipment, materials and chemicals necessary in attending to this service.
- C3.22 Clean entrance and exit of admin building daily.
- C3.23 Ensure cleaning staff report to office and sign daily attendance register.
- C3.24 Submit invoices according to staff attendance.
- C3.25 Ensure weekly site visit by a supervisor.

C4 ROADS AND PAVEMENTS

The Contractor shall be responsible for the following roads and pavement maintenance:

- C4.1 Maintain all paved areas within the boundary fence of the Site to promote proper drainage of surface water and to provide for safe vehicular and pedestrian movement. The integrity of the roadways and parking areas maintained at a level or better condition than present at the Commencement date.

- C4.2 Structural failures shall be repaired promptly, but no later than sixty (60) days from discovery. The Contractor shall promptly repair cracks, erosions, depressions and potholes in roads, driveways, pavements and other areas, as necessary, upon discovery or notification.
- C4.3 Seal cracks at all asphalt and paved areas that exceed one (1) centimetre in width and half a metre in length no later sixty (60) days from discovery.
- C4.4 Perform asphalt paving and restoration work of areas requiring repair or impacted by Contractor work in accordance with the current standards, as applicable.
- C4.5 Provide restriping and repainting of parking spaces, restricted areas, road lines, etc., and kerb repair as needed to maintain visibility of areas and in accordance with City's standards.

C5 SCADA AND INSTRUMENTATION AND PROCESS CONTROLS SYSTEMS MAINTENANCE

- C5.1 The Contractor shall be responsible for all maintenance work for all components of the SCADA system, and instrumentation and control systems at the Works. The maintenance on all components of the Works shall be in accordance with manufacturer's recommendations to maintain warranties, if any, and shall include all other necessary maintenance tasks to assure uninterrupted, reliable operation of the systems.

The tasks that should be performed during the SCADA routine maintenance shall include the following:

- C5.1.1 Monitor users and the training thereof
- C5.1.2 Monitor system processes
- C5.1.3 Monitor daily CPU usage
- C5.1.4 Examine log files
- C5.1.5 Correct OS errors
- C5.1.6 Correct SCADA generated errors
- C5.1.7 Backup critical data
- C5.1.8 Verify routine fail-over
- C5.1.9 Verify that the backup system switches correctly before any unanticipated system crash
- C5.1.10 Verify data shadowing is working correctly between primary and backup systems
- C5.1.11 Locate bottle necks
- C5.1.12 Identify bugs
- C5.2 The annual Maintenance, Repair and Replacement Plan shall address the need for inclusion and frequency (at least semi-annually or annually) of the following preventative maintenance activities to be performed for the SCADA system and other devices, unless noted otherwise and agreed to in the approved annual Maintenance Plan:
 - C5.2.1 Survey of instrumentation and analytical devices;
 - C5.2.2 Inspect panel door, handle, disconnect, etc., for proper operation;
 - C5.2.3 Interior and exterior panel corrosion check;
 - C5.2.4 Check conduit entries for water leak incursion;
 - C5.2.5 Check cabinet door gasket and sealing clasp hardware;
 - C5.2.6 Check that all relays, cards, components are fully and securely seated;
 - C5.2.7 Confirm pneumatic air supply set properly, as required;
 - C5.2.8 Perform pneumatic tubing condition check and tubing/fittings leak test as required.

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**APPENDIX D
LICENCE**

CURRENT PERMIT 1507B

The following documents are attached hereto:

"EXTENT OF EXEMPTION AND CONDITIONS TO WHICH EXEMPTION IS SUBJECT" (pages numbered 28 to 31).

"VRYSTELLING 1507 B" (Letter
"SKEDULE TOT VRYSTELLING 1507B" (pages numbered 1 to 4)

APPLICATION FOR LICENCE

The following documents are attached hereto:

Letter Ref WW/W/03/13 dated 4 January 2007

Annexure 1 "Zandvliet WWTW – Layout of Erven"

CITY OF CAPE TOWN

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APPENDIX E
REPORTING REQUIREMENTS

E1 GENERAL

E1.1 At a minimum, the Contractor shall prepare and submit daily, weekly, monthly, quarterly and annual reports to the City, in the manner form and time frames as stated in this Appendix, as listed in Table E-1. The Contractor shall be responsible for preparing and submitting all reports required by the City in both hard and electronic copies. Reports shall be submitted to the Engineer or his/her designee. The format of the reports shall be in accordance with the structure and format as agreed upon by the City. Reports should include graphical presentation of information where applicable.

E1.2 The Contractor shall submit all reports electronically and a minimum of 2 hardcopies of each report as directed by the City unless a lesser number is approved by the City. Each report shall be signed by the Contractor's Project Manager or his/her designee. The Contractor shall prepare the reports in a format, as approved by the City

The Contractor shall make no statement in a submittal it signs that would be contrary to City's policy or would otherwise impose an unreasonable cost or burden on the City unless approved by the City.

Table E-1: Reports Required by the City

Frequency	Type of Information	Final Submission Date
Within 24 hours	- Environmental and/ or Emergency Report - Uncontrollable Circumstances Report - Final effluent, if non-compliant	By close of business
Weekly, <i>inter alia</i>	- Flows, (daily and averaged for the week) - Daily analysis on Plant performance to be included - Rainfall data - Final Effluent Compliance Report - Process Unit Operation performance - Recording of equipment running hours - Influent raw wastewater quality - Maintenance undertaken - Customer Relations Management (CRM)	Every Friday
Monthly Report detailing amongst others	- Operation and Maintenance Report - Odour Control Report - Rainfall data - Performance Guarantee Report - Payment certificate and Tax Invoice Report - Security Report - Risk, Health & Safety Report - Security - Metal concentration in the sludge to be disposed	No later than seven (7) days after the end of each Month

Quarterly report summarizing	• Performance Guarantee Report • Security Report • Operations & Maintenance Report • CRM • Performance Report • Training Report • Health & Safety Report	Every 15th of April, July, October and January
Semi-Annually	In addition to the reports for the quarterly report, this report will include: • Flow meter and Rain gauge Calibration Reports • Spare Parts Inventory	Every 15th of July and January
Annually	• Annual Operation and Maintenance Report • Annual Performance Guarantee Report • Annual Inventory of Fixed Assets • Annual Inspection Report • Performance Evaluation This report focuses on the specific financial year's performance	No later than thirty (30) days after 30 June
Annually	• Report on the showing comparison to previous years' performance	No later than thirty (30) days after 30 June
Other Reports	• Any other reports that the Engineer may require from time to time	As required

E2 UNCONTROLLED EVENT REPORT

In the event of the occurrence of an uncontrolled event, the Contractor shall immediately notify the City detailing:

- nature of the event;
- effect of the event upon the Works or Assets;
- mitigation and/or repairs required (if any);
- Cost (if any) of rectifying the effect of the event.

E3 LABORATORY WEEKLY REPORTS TO THE ENGINEER

To monitor compliance with the DWA standards, the Contractor shall submit at least weekly, a 24-hour composite sample consisting of 24 samples taken at 1 hour intervals and composited on an equal volume basis (automatically sampled), of the Influent wastewater and Final effluent to the City's Scientific Services Branch. The submission day shall be agreed between Contractor and City. In addition to the samples submitted for analyses, the inflow, final effluent and WAS flow data will be included in the chain of custody form for submission. The results of the analyses shall be submitted to the Engineer in the weekly report. In the event that the composite sample of the final effluent fails to meet the quality requirements stated, the Contractor shall submit daily samples until such times as the quality requirements are met.

The location of the samples points and the analysis required are shown in Tables E2, E3 and E4 below:

TABLE E2: LIQUID STREAMS

Parameter	Units	Location of sampling points of Process Unit						
		Raw Influent	Feed to CAS	Feed to MBR	CAS Effluent	MBR Effluent	Final Effluent	Belt press Filtrate Return
TSS	mg/l	X	X	X	X	X	X	X
VSS	mgVSS/l	X	X	X	X	X	X	*
COD	mgO/l	X	X	X	X	X	X	X
COD filt	mgO/l	*	*	*	*	*	*	
TKN	mgN/l	X	X	X	*	*	*	*
FSA	mgN/l	X	X	X	X	X	X	X
Nitrate/	mgN/l				X	X	X	

Nitrite								
Total-P	mgP/l	X	X	X	*	*	*	
Ortho-P	mgP/l	X	X	X	X	X	X	X
pH	log	X	X	X	X	X	X	
Conductivity	mS/m	X	X	X	X	X	X	
Chloride	mgCl/l	X	X	X	X	X	X	
Alkalinity	mgCaCO ₃ /l	X	X	X	X	X	X	
E.coli	per 100ml				X	X	X	
Residual Chlorine	mg/l						X	

X = at least on a weekly basis; * = as and when required; # once per month

Heavy metals §		#					#	
DO							X	

§ Al, As, Cd, Co, Cr, Cu, Fe, Hg, Mn, Mo, Ni, Pb, Sc, Sr, V, Zn, B, F, Na, K, Ca, Mg.

TABLE E3: BIOREACTORS and SST

Parameter	Units	CAS Reactor	MBR Reactor
MLSS	mgTSS/l	X	X
MLVSS	mgVSS/l	*	*
TSS (RAS)	mgTSS/l	X	X
SVI	ml/g	X	X
DSVI	ml/g	X	X
pH		X	X
RAS SS	mg/l TSS	X	X
DO	mgO/l	X	X
'Heavy' Metals ¹ + inorganics	mg/kg	X	X

¹ Monthly analysis

TABLE E4: SLUDGE AND RELATED STREAMS

Parameter	Units	Sludge Feed	Belt Press 1	BP 2	BP 3	BP 4	Cake to disposal
Total Solids Cake	%	X	X	X	X	X	
Sludge cake	Kg or tons						X
TSS: Filtrate Return	mg/l		X	X	X	X	
BP filtrate flowrate	m ³ /d		X	X	X	X	
Heavy metals § + inorganics							#

once per month § as per Table E2

E4 MONTHLY REPORTS

The Contractor shall prepare and submit within 3 Business Days of the end of the month an Operation and Maintenance Report relating to the operation and maintenance of the Assets for the previous month. This report shall, *inter alia*, include the following information:

E4.1 General

- Current and year-to-date compliance with the Performance Guarantees and requirements in the form of a checklist, along with comments denoting problems/issues;
- Compliance with contractual requirements for the preventive, corrective and predictive maintenance of the Assets as described in **Appendix C**;

- Compliance with the Contractor's obligations as set out in the Agreement, including applicable Law, or other regulatory requirements, along with comments denoting problems or issues and actions taken by the Contractor to remedy;
- Quantities of electricity, fuel, oil, water, and other Utilities or consumables used during the month, and information on any utility outages occurring during the reporting month, the effect, if any, on operations and steps undertaken;
- Results of daily and monthly review of electricity and water usage. Utility bills to be verified accuracy and correct utility usage and rates. Report on status of action taken and progress in respect of disputed bills;
- Financial information indicating monthly expenditures in terms of equipment, utilities, consumables, materials, supplies, energy and any unusual labour costs (including overtime and temporary staff). The information must distinguish between actual and anticipated expenditures. An electronic copy of the spreadsheet documenting such expenditures should also be submitted in Microsoft Excel format and/or included SAP readable or any other format specified by the City;
- Inventory of all spare parts, chemicals and other consumables used in the previous month and the quantities in storage;
- List of all customer service requests (including odour complaints) received by the Contractor and actions/proposed actions taken;
- Results of any regulatory or insurance inspections conducted during the reporting month, including follow-up actions by the Contractor;
- Description of any incidents (such as hazardous materials emergencies, security breaches, accidents or adverse conditions) that did or may have impacted the operation of the Assets during the reporting month or may be expected to arise during the following month that could affect the ability of the Contractor to receive and treat wastewater in accordance with the Agreement, together with proposed steps being taken to address such conditions;
- Status of special studies and investigations requested by the City.

E4.2 Operation and Maintenance

Process operations data/information for the Works, as required under the Licence and by the City, including, but not limited to, the following:

Daily, weekly and monthly flowrates and masses (where applicable) for the following:

- Raw Influent;
- CAS Reactor Feed;
- MBR Reactor Feed;
- CAS Effluent;
- MBR Effluent;
- Final Effluent;
- CAS RAS; WAS
- MBR RAS; WAS
- Volume of Sludge per Belt;
- Filtrate Return Flow;
- Total Mass of exported Sludge, daily, weekly and monthly and it's percent dry solids and volume;
- Mass of sludge per BP and total disposed
- Polymer usage per ton of total solids
- Mass of grit and screenings disposed of

Process evaluations for the Works including but not limited to:

- Process removal efficiencies for Chemical Oxygen Demand, Total Suspended Solids, Ammonia-Nitrogen and Phosphorus (Ortho-P and Total P);
- Wet weather events and procedures;
- Solids balance at the Works, including the belt press;
- Solids handling efficiency (thickening and overall efficiencies);
- Comparison of final Effluent to License requirements and any exceedances;
- Description of Process Changes and operational changes implemented by the Contractor, including the reason for making the change, the expected results and the actual results;
- Daily, weekly and monthly quantities of non-sludge residuals (grit, screenings, etc.) removed from the site;

- Summary of the preventive and predictive maintenance for the Assets that was scheduled for the reporting month, completed during the reporting month, and planned for the following month. The report should include the total and percentage of maintenance man-hours on preventive, predictive, corrective and emergency work during the reporting month; and Equipment shutdowns for maintenance and repairs during the reporting month and anticipated during the following month.

Maintenance

- The maintenance shall be monitored and controlled via the City's SAP software. The Contractor will be required to draw SAP records to indicate the planned maintenance against the actual and provide reasons for the variance.

E4.3 Laboratory Reports

- Summary of all Scientific Services Branch laboratory tests results, and other test analyses performed by any other SANAS accredited laboratory during the reporting month.
- On site laboratory results shall be available for scrutiny
- Results of any environmental tests or monitoring procedures conducted during the reporting month and copies of any reports or other submittals made to or received from any regulating entity such as the Department of Water and Environmental Affairs.
- Status of the Sampling and Laboratory Quality Assurance and Quality Control (QA/QC) Plan activities, including the results of independent audits and precision testing.

E4.4 Staffing: The report shall include

- Description of employee staffing levels and any changes or projected changes in staffing levels due to resignations, retirements and other factors.
- Total employee staffing complement.
- Report on absenteeism
- Staffing levels per shift
- Occupational health and safety statistics including the type of injuries

E4.5 Training

Summary of training (with reference to subject and duration) provided to employees or the City; and any training planned for the coming month.

E4.6 Subcontractors

Subcontractor activities including list of Subcontractors, category of Subcontractor, activities performed by Subcontractors and planned use of Subcontractors for the coming month.

E4.7 Community Relations Management

Community relations activities, including engagement due to complaints and compliments, which took place in the reporting month.

E4.8 Additional Services

List and brief description of any Additional Services performed or to be performed by the Contractor.

E4.9 Odour Control Report

The Contractor shall report on odour control for the reporting month. This report shall include the following information:

- Status of operation of odour control Equipment and processes, including effectiveness of odour control Works, duration, reason for any odour control Works that were out of service, and chemical usage;
- Results weekly grab hydrogen sulphide monitoring at the 6 pts equidistant around the site Works boundaries;
- Summary of odour complaints and response activities, findings and action taken.

E4.10 Remuneration, and Tax Invoice Report

The Contractor shall prepare and submit to the City an original tax invoice with supporting documentation relating to the Contracted Services. The Tax Invoice shall state the date, the description of contracted services, invoice number, purchase order number and description of supporting documentation to support the costs charged to or credited to the City. Remuneration shall be based in the information provided in the monthly activity schedule based on Part C2.2 in this Contract Document.

E5 QUARTERLY REPORTS

E5.1 Performance Guarantee Report

The Contractor shall prepare and submit a Quarterly Performance Guarantee Report, which provides an assessment of progress to date on achieving each Performance Guarantee in accordance with **Appendix B**. The report shall include all supporting data in tabular format, calculations and documentation and shall identify any known or anticipated barriers in achieving the Performance Guarantees and planned actions to address them. The Contractor shall summarize the Performance Guarantee measurements and the Contractor's calculation of achievement of the Performance Guarantees in a tabular form.

E5.2 Security Report

The Contractor shall prepare and submit a Quarterly Security Report, which provides a summary of security activities. This report shall include the following:

- Summary of the entries/ access to the site with reference to the number of visitors etc., including date and time of any security breach, who responded, the cause and what action was taken;
- Summary of security breaches at the Assets, including date and time of security breach, who responded, the cause, and what action was taken;
- Status of implementing new security measures;
- Status of the operation and maintenance of the security equipment used.

E6 SEMI-ANNUAL REPORTS

E6.1 Works Flows Meter and Rain Gauges Calibration Report

The Contractor shall prepare and submit at least semi-annually the calibration records required for all flow meters and rain gauges installed throughout the Assets. This report shall include information with respect to the date of calibration; the accuracy and precision of the flow and rain gauge data, and changes in these parameters since the last calibration. The report shall also identify the location of defective flow meters; type of corrective action; date of work or purchase orders submitted; and date of corrective work performed.

E6.2 Stock and Spare Parts Inventory

The Contractor shall prepare and submit, at least, semi-annually a report on the inventory that shall include an itemized inventory and valuation of all stock and spare parts with respect to the Assets, including spare parts no longer usable for Works or Assets.

E7 ANNUAL REPORTS

The annual report shall provide a report on the performance of the Works for the City's financial year i.e. from 1 July to 30 June.

E7.1 Annual Operation and Maintenance (O & M) Report

The Contractor shall prepare and submit an Annual O&M report that includes a detailed summary of information about the completed Contract Year's operation and maintenance of the Assets and the current condition of the Assets. The Annual O&M Report shall include, but not be limited to:

- Summary of the information provided in the monthly and quarterly reports.
- Summary of the Influent flows and loadings for each unit operation.
- Summary of risk mitigation measures in respect of environmental issues, incidents safety and regulatory compliance.
- Checklist and analysis of Contractor's compliance with the Performance Guarantees, the Licence requirements and the Agreement with supporting descriptions.

- Assessment of outstanding issues, including any recommendations for changes to Works and/ or Assets.
- Detailed summary of the operating budget for the Assets including labour costs, chemical usage and costs, and maintenance costs by maintenance category.

E7.2 Annual Inventory of Fixed Assets

The Contractor shall verify the Annual Inventory of Fixed Assets carried out by the City, which shall include the following information in tabular format:

- Department;
- Name of employee responsible for the item and name of his/ her supervisor;
- Asset tag number;
- Condition based on "0" = Good; "1" = Fair; "2" = Poor and "3" = Obsolete; or the City's Asset Management criteria;
- Description of asset;
- Make, model number and serial number;
- Cost of repair or replacement;
- Name of employee providing inventory information.

The Contractor shall provide its recommendations for Fixed Assets to be scrapped, decommissioned, repaired or replaced, including reasons for the recommendation.

E7.3 Annual Inspection Report

The Contractor shall prepare and implement an Annual Inspection Report for the Assets. At a minimum, the Annual Inspection Report shall include:

- Assessment of the condition of the Assets, details of any modifications made by the Contractor (design details and as-built drawings) and an analysis of the effectiveness of any repairs, replacements, or upgrades;
- Tools and stock inventory;
- Physical asset record;
- Assessment of Risk Abatement Plan, Safety Plan, Training Plan and Emergency Preparedness Plan;
- Effectiveness of the Assets;
- Effectiveness of the Operational & Maintenance Plan and Infrastructure Assets Plan.

E8 ANNUAL PLANS

E8.1 General

The Contractor shall prepare, submit and implement upon City's approval, a preliminary version of the annual plans as listed in Table E-1 no later than sixty (60) days following the Commencement Date, unless otherwise noted in Table E-1. Thereafter, 30 days after each financial year end, the Contractor shall prepare and submit for approval annual plans for the next financial year.

For the duration of this Agreement, the Contractor shall conduct annual workshops with the City to discuss the Contractor's findings and recommendations and obtain City's input on the particular annual plan being developed and revised.

Following the workshops, the Contractor shall prepare and submit draft annual plans to the City. The Contractor shall finalize and submit revised plans upon receipt of the City's comments. The City's review of submitted plans will be timely and City approval will not be unreasonably withheld. These annual plans should be finalized by April of each year to coincide with City budgetary preparations.

The annual plan shall include copies of SOPs and copies of documents used to report operation and maintenance activities. The annual plan shall identify any updates to the previous year's plan, including proposed changes to SOPs and other documents and activities.

The schedule of the workshops and submissions of draft and final plans, subject to change by the City, shall be in accordance with Table E-5 below:

Table E-5: Plans Schedule

Plan	Workshop Date	Draft Submission Date	Final Submission Date
Operation and Maintenance Plan. Wet weather plan.	February	April	August
Asset Management Capital Improvement	February	May	September
Sludge Management	February	April	August
Odour Control	February	May	September
W ₂ RAP (incl emergency and security)	February	May	July
Health & Safety	February	May	July
Training (WSP)	December	January	February
Water & Energy Conservation	November	April	August
Staffing	November	April	August
Testing • Calibrations • Servicing of equipment eg. Autosampler, flow meters	February	April	June

E8.2 Operation and Maintenance Plan

The Contractor shall prepare and implement an Operation and Maintenance Plan for the Assets. At a minimum, the plan shall include, but not be limited to:

- Residuals (sludge, grit and screenings) Management;
- Predictive, preventive and corrective maintenance activities;
- Sampling, analysis and quality assurance (QA);
- Recordkeeping and data management, both electronic and hard copy;
- Process control management activities;
- Schedule and checklist for at least quarterly inspections of the Assets;
- QA/QC inspection/audits of the Assets to identify and report on agreed aspects of the Assets;
- Budgetary requirements.

E8.2.1 Process Control Management Procedure

The Contractor shall prepare and implement process control management procedures for the Assets. The process control procedures shall be reviewed and updated annually. At a minimum, the process control management procedures shall address the following:

- Results of approved process and operation changes and any recommendations for additional changes;
- Goals for optimum process control and efficiency as defined using well-defined parameters with target values;
- Process control strategies or guidelines, unit process guidelines, process control orders, shift instructions, reporting and performance indicators for monitoring the parameters in order to optimally operate the Assets and Residuals handling facilities (as applicable) and to comply with the Agreement;

- Flags which identify the normal operational range;
- Means to allow operations staff to assess whether unit processes are out of control prior to major process or Equipment problems occurring;
- Corrective actions and responses during abnormal conditions;
- Persons and their responsibilities for process control management, analysis, communication and other tasks during normal, abnormal and emergency conditions;
- SOPs, sampling and analysis plan, data management and reporting plan, process evaluation and review.
- Use of process control and simulation tools and software as approved by the City;
- Communication protocols and records that will be used to communicate process control information to appropriate staff (including weekly or more frequent meetings, distribution of reports, posting of directives and use of a daily log book) and to address the communication with the City on the operation of the Assets

E8.2.2 Data Management

Reports that shall include a clearly-identified, designated official operator's logbook or set of logbooks for various functions. This logbook(s) may be reviewed by the Engineer and any body approved by the Engineer. Logbooks shall be hardbound with consecutively numbered pages and all entries made in non-erasable ink.

The Contractor shall utilize a comprehensive process control data management software for logging, reporting, monitoring and analyzing daily operations of the Assets for compliance with the License and applicable Law.

E9 WATER AND ENERGY CONSERVATION PLAN

The Contractor shall prepare and implement a Water and Energy Conservation Plan for the Assets to address the previous year's consumption of water and electricity; and identify activities for the coming year to maximize conservation of water and energy while meeting objectives. The plan shall make reference and incorporate, as applicable, the City's environmental policy and procedures.

This plan shall include, but not be limited to, the following:

- Annual consumption of water, electricity and other energy sources (if any) at the Assets;
- Actions taken to reduce and conserve water, electricity and other energy sources during the reporting year;
- Results of actions taken in terms of estimated savings or reduction in consumption;
- Recommendations and planned activities for the coming year to conserve water and energy, including recommendations based on a third party energy audit;
- Solids process control guidelines to emphasize efficient Asset operation;
- Method of tracking of electricity usage. Daily usages to be reported in daily and weekly, monthly, quarterly annual operating reports;
- Training to provide operators with the basic understanding of energy efficiency goals and complementary operational theory that ensures an efficient operational approach;
- Recommendations on all replacement or procurement process equipment that would realise the highest industry efficiency standards and consider high efficiency equipment in construction specifications.

E10 SAMPLING AND LABORATORY QA/QC PLAN

The Contractor shall prepare a Sampling and Laboratory QA/QC Plan that sets forth the sample collection, testing and quality control procedures for the Assets. The plan shall describe the purpose, location and frequency of each sample, including samples required to demonstrate compliance with applicable Law, the Performance Guarantees, the License and shall be approved by City. The Sampling and Laboratory QA/QC Plan shall include the following, as appropriate:

- Map showing the sampling locations (GPS'ed) for routine sampling
- Map showing the sampling locations (GPS'ed) for residuals sampling required as part of the Performance Guarantee measurements.
- Description of the type of sample, frequency of collection and analysis to be performed
- SOPs for sample collection, sample handling, laboratory analysis, and sample storage procedures including sample preservation, sample container cleaning, calibration and operation of field instruments.
- Copies of chain of custody forms, laboratory bench sheets, and other documents used to record sample and analytical information.

- Description of analytical procedures, including data validation, calibration of laboratory Equipment, and preventive maintenance on all laboratory Equipment.
- Recordkeeping and regulatory reporting procedures.
- QA/QC procedures for sampling and analysis.
- Description of software programs to store sample data.
- Description of implementing a laboratory QA manual.
- Description of safety measures for the laboratories such as Material Safety Data Sheets, Hazard Communication training, and chemical hygiene plans.

The annual plan shall include copies of SOPs. The annual plan shall identify any updates to the previous year's plan, including proposed changes to SOPs and other documents and activities.

E11 FLOW AND RAIN MONITOR QA/QC PLAN

The Contractor shall prepare a Flow and Rain Monitor QA/QC Plan that addresses the flow meters, gauges and monitors located at the Assets. The plan shall set forth the calibration and quality control procedures for the flow meters and rain gauges to maintain accurate data collection and reporting. The Flow meter and Rain gauge QA/QC Plan shall address the following:

The annual plan shall include copies of SOPs. The annual plan shall identify any updates to the previous year's plan, including proposed changes to SOPs and other documents and activities

E12 INFRASTRUCTURE ASSET MAINTENANCE PLAN (IAMP)

The IAMP shall describe the Contractor's previous year's performance and approach to preventive, predictive and corrective maintenance for the Assets including new equipment expected to be placed in service in the coming year. At a minimum, the IAMP shall include:

- Proposed repairs, replacements and other improvements to improve the effectiveness, efficiency and cost of operation, management and maintenance of the Assets.
- Summary of predictive, preventive, corrective and routine maintenance procedures performed for the reporting year and compared to the prior year.
- Predictive, preventive, corrective and routine maintenance procedures planned for the coming year on all Assets.
- Types of diagnostic tools and the schedule or conditions that are planned to be used to initiate diagnostic testing and to identify potential problems for predictive maintenance of all Managed Assets.
- A benchmark or matrix to evaluate the performance of the maintenance program, including percentage of work orders completed, cost and hours spent on corrective and emergency repairs and percentage relative to planned maintenance, and percent of critical equipment availability.
- Inventory of and procedures for managing spare Parts and consumables.
- Status of updates and recommendations to determine operating procedural changes and design changes and monitor performance trends to introduce predictive maintenance.
- Inclusion and frequency of preventive maintenance activities and improvements for the SCADA and other devices. Inclusion of condition-based monitoring using diagnostic tools.
- Inclusion of failure mode effects analyses and root cause and failure analyses. SOPs for these maintenance procedures.
- Specific staffing and subcontractors that will be used to perform maintenance painting. The annual plan shall include copies of SOPs.
- The annual plan shall identify any updates to the previous year's plan, including proposed changes to SOPs and other documents and activities.

The IAMP shall be included in the City's SAP system.

E13 ASSET MANAGEMENT PLAN

As part of the IAMP or as a separate plan as directed by the City, the Contractor shall develop an Asset Management Plan. The plan shall address, but is not limited to the following, to:

- Asset inventory, maintenance history, condition assessments and asset criticality evaluation to facilitate in making Equipment replacement decisions.
- Procedures for managing and decommissioning outdated and obsolete equipment with the City's approval.
- Inclusion of failure mode effects analyses and root cause and failure analyses.
- Identification of critical Equipment

- Development of an equipment reliability plan that focuses on detecting, mitigating and minimizing expected failure modes
- Asset/work management to prioritize work orders, analysis situation using non-intrusive condition monitoring, forecast inventory and spare parts, increased preventive and predictive maintenance work relative to corrective maintenance work, and document equipment history
- Reliability analysis to develop equipment-specific reliability strategy for each equipment item based on its actual performance
- Integration of related process with City's requirements, capacity restrictions, Influent conditions, and environmental compliance.
- Design for reliability and maintainability to match performance of equipment and Assets to operating needs.
- Life cycle costing to capture all costs associated with lifetime events over the estimated life of the equipment

The Asset Management Plan shall be included in the City's SAP system.

E14 WET WEATHER OPERATIONS PLAN

The annual Wet Weather Operations Plan shall address the Contractor's approach to wet weather operations, including but not limited to the following:

- Maximize flows treated by the Assets and minimization of bypasses and overflows.
- Handle influent surges of solids during wet weather.
- Activities performed by the Plant Manager, and staffing and subcontractors that will be used to assist the Contractor to oversee and perform wet weather operation activities.
- Summary of wet weather treatment performance for the reporting year.
- Decision-making tree that incorporates measuring and monitoring Influent flows to the Assets.
- Procedures to monitor weather events and make process control recommendations.
- Procedures to maximize the capacity of wastewater treatment works to accommodate wet weather flows, including but not limited to:
- Plans and procedures to monitor and ensure that equipment and processes are in good operating condition for maximizing their availability.
- Plans for promptly returning process units and equipment to service after they have been temporarily removed from service and keeping staff informed of risks associated with out-of-service equipment.
- Procedures for maintaining appropriately low solids inventories process units during dry weather, including but not limited to, maintaining low sludge blankets in clarifiers.
- Best management procedures and activities to be implemented prior to wet weather events to maximize capacity of the process unit and to minimize carryover of residuals to downstream processes.
- Such procedures and activities include preparing diversions prior to start of a wet weather event, maintaining critical equipment availability, monitoring solids flux indicators, and reducing solids inventory in process tanks and backwash filters.
- Activities for post wet weather event analysis for more robust future wet weather responses.
- Wet weather operations SOPs, which consist of overall wet weather operations and individual process procedures. The SOPs shall include pre-event activities, targets or set points for initiating Equipment or process startup, recording and sampling activities, and post-wet weather activities.

E15 RESIDUALS (GRIT AND SCREENINGS, WASTE) MANAGEMENT PLAN

The annual Residuals Management Plan shall include, but be not limited to the following:

- Summary of Residuals treatment performance for the prior year for the capture of grit, screenings, sludge, grease and scum and other Residuals, as well as recommendations for improving performance;
- Tabulate weekly, monthly average solids inventories of the Works for the previous year.
- Planned shutdowns of Residuals processing;
- Equipment and backup processing procedures;
- Use of Residuals Process Control procedures, mass balance and other sludge management tools to maintain sludge inventories;
- Plan for responding to any fats, oil and grease (FOG)-related blockages or backups so that there are no repeated FOG-related blockages at any location;
- Use of databases to track and produce all reports required by regulatory entities and the City;
- Recommendations to the City as needed for any FOG-related blockages or backups requiring enforcement by the City. Activities to implement QA/QC on all work to be performed;

- Use of benchmarking.

The annual plan shall include copies of SOPs and copies of documents used to report operation and maintenance activities. The annual plan shall identify any updates to the previous year's plan, including proposed changes to SOPs and other documents and activities.

E16 INCIDENT MANAGEMENT PLAN

The Contractor shall include and implement Incident Management Plan that provides the following information at a minimum:

- Procedure of investigating an incident
- Approach of using detailed incident reports, inspection reports other information to identify the cause and the action that was taken.

E17 CAPITAL IMPROVEMENTS RECOMMENDATIONS PLAN

The Contractor shall prepare and submit a Capital Improvements Recommendations Plan that summarizes the status of capital improvements that are completed, in progress and pending. The Contractor shall report on warranty issues and the performance of the Capital Improvements compared to the intended design performance.

The Contractor shall make recommendations to the City to improve the implementation of future Capital Improvements. The Contractor shall also prepare its recommendations for other Capital Improvements, including justification for each Capital Improvement to support the recommended work and the schedule(s) of such improvements, including benefits to performance, operation and maintenance, capital cost assessment, and O&M cost savings.

E18 ODOUR CONTROL PLAN

The Odour Control Plan shall address O&M activities related to odour control practices for the Assets. The plan shall address the following:

- Identify the Contractor's odour control manager and the roles and responsibilities of the operational and maintenance staff in this regard.
- Operating, maintenance and housekeeping procedures.
- Chemical addition.
- Operating checklists or log forms to record the status of odour control equipment.
- Maintenance schedule and procedures for all odour control equipment.
- Provide contact information for Contractor's employees who will implement the hydrogen sulphide and odour monitoring and receive and respond to odour complaints.
- Describe the odour control requirements that the Contractor must meet.
- Develop odour control operating, maintenance and housekeeping procedures at the Assets to maintain equipment performance and efficient to eliminate odours, including cleaning wastewater process and sludge tanks promptly after draining for maintenance work.
- Develop procedures for maintaining the target operating range for all odour control equipment and for determining when replacement of odour control consumable materials is necessary.
- Develop procedures for monitoring performance against benchmarks.
- Develop procedures for addressing odour control when odour control equipment is out of service for preventive or corrective maintenance.
- Use of operating checklists or log forms to record the status of odour control Works Equipment, chemical usage and chemical inventory for each odour control Works.
- Develop a hydrogen sulphide monitoring plan to monitor the Assets.
- Develop daily checks that Works odour control facilities operate properly.
- Develop maintenance schedule and procedures for all odour control Works.
- Procedures for certifying and documenting odour complaints
- Communicate the plan to the neighbours

The annual plan shall include copies of SOPs and copies of documents used to report operation and maintenance activities. The annual plan shall identify any updates to the previous year's plan, including proposed changes to SOPs and other documents and activities.

E19 STAFFING PLAN

The Contractor shall obtain the City's approval for any changes to the staffing during the term of the Agreement including any changes to the number of staff assigned to a particular function or process.

The Staffing Plan shall include an organization chart, depicting the different job titles and categories and the number of staff in each category, the required DWA certifications and qualifications of key personnel, operation and management staff, description of on-call coverage and shift coverage, and a description of the staff training programs. The Staffing Plan shall be based on requirements of the Department of Water Affairs for manning the shifts.

The Staffing Plan shall indicate the person/s responsible for Asset Management and maintenance planning. The Plan shall also include the description of subcontractors anticipated to provide operation and maintenance services

The Staffing Plan shall be updated monthly to reflect any changes and/or anticipated changes in staff complement and the Assets staffing needs.

E20 COMMUNITY RELATIONS MANAGEMENT AND ENVIRONMENTAL PARTNERSHIP PROGRAM PLAN

The Contractor shall develop and implement a Community Relations Management and Environmental Partnership Program Plan. The Plan shall include a summary of the Contractor's prior community relations and environmental partnership program activities and the Contractor's activities planned for the current financial year.

The plan shall include, among others, the following:

Community relations activities that include educational materials, public meetings, plant tours and business community relations (which will provide the local community education with awareness into the purpose and the operations and maintenance of the Works) and adopting a school(s) for internships and hands-on training.

E21 RISK, HEALTH AND SAFETY PLAN

The Contractor shall develop and implement a Risk, Health & Safety Plan in accordance with the applicable legislation, the DWA's requirements for the Wastewater Risk Abatement Plan (W₂RAP) and the licence requirements.

The Plan shall be reviewed and updated annually and as changes to the Assets or applicable legislation is implemented.

The Risk, Health & Safety Plan shall contain or address the following items specific to the Assets:

- Purpose, including safety goals, standards, and guidelines to minimize employees injuries and fatalities'
- Risks identified , prioritised and mitigation measures to be implemented
- Designation of plant safety coordinators and their responsibilities.
- Identification of Contractor personnel to monitor new and pending Laws and the personnel to implement changes to the safety program.
- Description of Risk, health & safety educational programs.
- Preparation of a Risk, Health and Safety Manual and intended distribution to staff with annual reviews and updates.
- Personal protective equipment, including equipment provided to staff and training on use of equipment.
- Control measures related to identified hazards and exposures in accordance with the control protocol of chemical elimination and substitution, engineering controls, administrative controls.
- Safety inspection program, including internal and external audits to be performed by the City.
- Also include SOPs, frequency of scheduled and unscheduled inspections, and description of checklists and assessment guides.
- Hazard communications program, including information on chemical inventories, material safety data sheets, staff training and hazardous material labelling.
- Communication to staff through written materials, monthly meetings and other fora.

- Safety training programs that include lock out/tag out; hazard communication, confined spaces, electrical safety, hazardous spill response, recordkeeping and reporting of accidents. Confined space entry plan for different areas of the site including emergencies and scheduled entries.
- Safety and compliance management tools.

The annual plan shall include copies of SOPs. The annual plan shall identify any updates to the previous year's plan, including proposed changes to SOPs and other documents and activities.

E22 EMERGENCY PREPAREDNESS PLAN

The Contractor shall prepare an Emergency Preparedness Plan for the Managed Assets based on the guidelines stipulated by the City and as part of Wastewater Risk Abatement Plan (W₂RAP) as well as applicable Laws. The Contractor shall coordinate with local emergency programs and work with fire, police and other public agencies to resolve any conflicts. The Emergency Preparedness Plan shall address hazards and emergencies that include:

- Chemical spills
- Personnel emergencies
- Fire and explosions
- Pipe, valve, aerator, electrical supply, pump failures etc.
- Equipment and process failures and overflows
- Power utilities service failures
- Acts of God (earthquakes, adverse weather, and floods)
- Environmental issues (includes loadings in wastewater streams)
- Acts of sabotage
- Other applicable emergency situations

At a minimum, the Emergency Preparedness Plan shall also include the following:

- Persons and their responsibilities including the chain-of-command
- Coordinating instructions with public safety agencies
- Outside service respondents, sub-contractors' listing
- Emergency telephone numbers, procedures for their proper usage and posting of numbers in critical areas of the Works
- Emergency Equipment inventory
- Records preservation procedures
- Hazardous chemicals inventory (location and quantities with Emergency Hazardous Chemical Inventory forms)
- Hazardous chemical spills and clean-up procedures
- Preventive measures
- Troubleshooting guides
- Site maps
- Evacuation locations
- Action plans for disasters and terrorism
- Repeated preparedness training
- Communications protocols that will be used to notify the City (including equipping Contractor personnel with cellular phones and pagers to keep the Engineer or his/her designee fully apprised of Works problems or emergencies and what is being done to resolve such situations)
- Level of response effort (including performing corrective actions within thirty (30) minutes of notifying the City)
- Written reports detailing emergency major repairs or capital expenditures in the event of an emergency within twenty-four (24) hours of such occurrence
- Follow-up and closure procedures
- Activities supporting emergency response, training with the City's Disaster Management Department.
- Frequency of testing security-related alarms.
- Use of adequate sampling and analysis (and communication) programs along with process control guidelines to readily identify and address Works anomalies

The annual plan shall include copies of SOPs and copies of documents used to report activities. The annual plan shall identify any updates to the previous year's plan, including proposed changes to SOPs and other documents and activities.

E23 SPILL PREVENTION AND CLEANUP PLAN

The Contractor shall include and implement a Spill Prevention and Cleanup Plan as part of the Emergency Preparedness Plan that shall address the following:

- Procedures to prevent public health and environmental impacts,
- A clean up procedure for different types of spills, including wastewater, residuals or chemicals spills within the Works.

The annual plan shall include copies of SOPs. The annual plan shall identify any updates to the previous year's plan, including proposed changes to SOPs and other documents and activities.

E24 SECURITY PLAN

The security plan shall describe the Contractor's approach and plan to provide security for the Assets, including against sabotage threats and activities. The plan shall include the following:

- Measures to control and monitor access to the Site;
- Schedule of maintenance activities for security equipment, including alarms
- Plans to install new alarms and other security devices.
- Security improvements implemented by the Contractor.
- Plans to complete a vulnerability assessment of the Site.
- Physical control measures.
- Develop a remedial plan for improvements within the first year.
- Documentation of monthly security checks.

The annual plan shall include copies of SOPs and copies of documents used to report security, operation and maintenance activities. The annual plan shall identify any updates to the previous year's plan, including proposed changes to SOPs and other documents and activities.

E25 TRAINING PLAN

The Contractor shall develop and implement a Training Plan as detailed in Appendix F.

E26 RECORDKEEPING

The Recordkeeping annual plan shall include copies of SOPs. The Recordkeeping annual plan shall identify any updates to the previous year's plan, including proposed changes to SOPs and other documents and activities.

E27 COMMUNICATIONS

The City and the Contractor shall agree on a regular schedule for routine communication on all aspects of the Contract Services. The City and the Contractor shall meet at least 10 days after the month end at the site or at a location decided by the City to discuss the previous monthly report. The City and Contractor shall meet at least semi-annually to discuss the status of capital improvements, both those in progress, as well as planned and/ or recommended capital improvements.

The Contractor shall prepare an agenda, with City's input, distributed no later than seven (7) days prior to a meeting. The Contractor shall keep written minutes and distribute to all attendees within seven (7) calendar days following the meeting for comments and revisions from attendees. The attendees shall provide comments and revisions within seven (7) calendar days. The Contractor shall revise and redistribute the final minutes and accompanying documentation within seven (7) calendar days of these meetings

When requested, the Contractor shall meet with the Engineer to address issues related to the Assets and provide input to the Engineer on the City's wastewater treatment activities, regulations and any other issues of concern to the City.

E28 SAP SYSTEM

The Contractor must make use of the City's SAP Plant Maintenance Module for Asset Management purposes. The City will allow access on SAP for the Contractor, and will determine the profiles and roles for the Contractor's positions. It is the responsibility of the Contractor to ensure that he has staff available at all times, trained sufficiently on SAP systems, to perform required duties. Training can be arranged through the City, and the costs to train 2 staff members annually will be carried by the City. Any additional training required by Contractor will be deducted from payments due to the Contractor.

The Contractor's responsibilities related to SAP use will include (but not be limited to) the following:

- Log all malfunctions in the wastewater treatment works
- Creation of checklists / task lists
- Short-term scheduling
- Creation of maintenance plans / schedules
- Shop Floor feedback via work orders
- Maintenance reporting
- Analysis for streamlining and continual improvement purposes
- Monthly reports in accordance with clause E4.2
- The IAMP in accordance with clause E12
- The Asset Management Plan in accordance with clause E13

The City reserves the right to audit the quality of SAP system usage, with sufficient notice being given to the Contractor.

CITY OF CAPE TOWN

WATER AND SANITATION

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WASTEWATER TREATMENT WORKS

APPENDIX F TRAINING REQUIREMENTS

F1 TRAINING REQUIREMENTS

- F1.1 The Contractor shall develop and implement an annual Work Skills Plan which shall provide for training programs of staff to operate and maintain the Assets, including but not be limited to the:
- Wastewater Works, including the Membrane Bioreactor;
 - Sludge Processing Works;
 - Disinfection Works;
 - Integrated Quality Management e.g. ISO;
 - Legislative training;
 - Training related to the supervision and management of the Assets;
 - SAP system, in accordance with clause E28.
- F1.2 The Training Plan shall include the fixed number of hours of training for new employees and formal retraining methods for existing employees.
- F1.3 The level of the Training shall enable the trained Process Controller/Operators to successfully operate and maintain the Assets and fully comply with the requirements of **Appendix B** and **C**. Emphasis shall be placed on preparedness for critical issues in the risk identification of process situations resulting from asset failure and problems with the Influent, as well as the maintenance and care of the Assets.
- F1.4 Training shall include both practical and theoretical training relating to Site specific, Health and Safety, emergency procedures, safe operating procedures, equipment on each of the unit processes and process control instrumentation (including SCADA, PLC etc.).
- F1.5 Full guidance on the use of the Operation and Maintenance Manuals shall also be provided. The training shall be completed with a written and practical test. The City's representative shall be allowed to be present at all stages of the training. The content of the written tests shall be approved by the City's representative.
- F1.6 The educators/trainers shall be adequately experienced and the Contractor shall submit copies of their curriculum vitae for the Engineer's approval.
- F1.7 The Contractor may use a combination of in-house training programs supplemented by site-specific local training. Other specific training topics, such as confined space entry, lock-out procedures, shall be conducted annually.
- F1.8 The Contractor shall notify the City in a timely manner of upcoming training events and invite City staff to attend the on-site training at no cost to the City.
- F1.9 The Contractor shall provide a Work Skills Plan to the City by February each year.

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**APPENDIX G
EXCLUSIONS**

G1 EXCLUSIONS

- G1.1 The Contractor shall not be liable for the cost of off-site sludge transport and disposal. The City shall provide this service as provided by the Sludge Disposal Contract.
- G1.2 The Contractor shall not be liable for Municipal Rates relating to the site and or property.

APPENDIX H

PENALTIES

H1 PENALTIES

H1.1 Penalties

In accordance with clause 25 of the SCC, if the City's Performance Guarantee values are not met, as set out here below, a financial penalty shall be imposed on the Contractor. The Guarantee Reference Number, Specific Test Standard and Name, and Penalty are shown below in Table H1:

Table H1: Penalties associated with Performance Guarantees

Guarantee Reference Number	Specific Test Standard and Name	Requirement	Penalty (R)
G1	Chemical Oxygen Demand	Per mg/l above Guarantee value per day (or part of a day)	R40
G2	Total Suspended Solids	Per mg/l above Guarantee value per day (or part of a day)	R55
G3	Ammonia-Nitrogen (as N)	Per mg/l above Guarantee value per day (or part of a day)	R400
G4	Residual Chlorine (as Cl)	Above Guarantee value per day (or part of a day)	R4 000
G5	E.Coli	Above Guarantee value per day (or part of a day)	R4 000
G6	Nitrate (as N)	N/A	N/A
G7	Soluble Phosphate (as P)	N/A	N/A
G8	pH	Outside pH range per day (or part of a day)	R5 000
G9	Reliability	Downtime greater than Guarantee value per financial year	R650 000
G10	Reliability	Downtime greater than Guarantee value per financial year	R650 000
G11	Reliability	Downtime greater than Guarantee value per financial year	R650 000
G12	Reliability	Downtime greater than Guarantee value per financial year	R650 000

G13	Reliability	Downtime greater than Guarantee value per financial year	R650 000
G14	Reliability	Downtime greater than Guarantee value per financial year	R650 000
G15	Reliability	Downtime greater than Guarantee value per financial year	R650 000
G16	Reliability	Downtime greater than Guarantee value per financial year	-
G17	Reliability	Downtime greater than Guarantee value per financial year	R650 000
G18	Reliability	Downtime greater than Guarantee value per financial year	R650 000
G19	Reliability	Downtime greater than Guarantee value per financial year	R650 000
G20	Reliability	Downtime greater than Guarantee value per financial year	R650 000
G21	Reliability	Downtime greater than Guarantee value per financial year	R650 000
G22	Reliability	Downtime greater than Guarantee value per financial year	R650 000
G23	Reliability	Downtime greater than Guarantee value per financial year	R650 000
G24	Thickened Sludge (Percent Dry Solids)	Per Percentage dry solids above Guarantee value per day (or part of a day)	R160

Remarks

It is likely that the quantum of these penalties will change upon the introduction of the DWA's Waste Discharge System.

For G1 to G5, the weekly 24 hour composite samples (as defined in Appendix E3) shall represent the Contractors operational performance with respect to the imposition of financial penalties. Upon being informed by the City's laboratories of failure, the Contractor shall be allowed to submit spot (or grab samples) daily until the sample complies with the requirements stated within the Schedule of Guarantees in Appendix B. The Contractor shall note G1 to G5 and G24 shall be imposed daily (or part of a day).

All penalties are cumulative (that is a failure for TSS shall not exclude the COD penalty, etc).

Reliability penalty shall be assessed and imposed at the end of the City's financial year.

Downtime for each item of Assets shall be defined as the number of hours that item of Assets will be out of service for both planned and unplanned maintenance activities.

Guarantees G1 and G3 shall be escalated as the increases volume and the electricity price.

Guarantee G2 shall be escalated as the City's sludge disposal rate.

Guarantees G4 and G5 shall be escalated as per the Chlorine Cost Index.

Reliability Guarantees (G7 – G23 (inclusive)) shall be escalated as per the Production Price Index (all groups).

Guarantee G24 shall be escalated as per City's sludge disposal rate.

H1.2 Escalation

The increase in cost of the Performance Guarantees shall be as shown below in Table H2:

Table H2: Method of escalation of penalties

Guarantee	Escalation
G1 & G3	$V_1/V_0 \times E_1/E_0$
G2	SC_1/SC_0
G4 & G5	C_1/C_0
G7 - G23 (inclusive)	P_1/P_0
G24	SC_1/SC_0

Where

V_0	Volume of influent per day at Agreement commencement (72 M ³ /d)
V_1	Volume of influent on specific day of failure
E_0	Electrical Cost per day at Agreement commencement
E_1	Electrical Cost on specific day of failure
C_1	Chlorine Cost Index on specific day of failure
C_0	Chlorine Cost Index at Agreement commencement
P_1	Production Price Index (all groups) on specific day of failure
P_0	Production Price Index (all groups) at Agreement commencement
SC_0	City Cost of Sludge Transport and Disposal Contract at Agreement commencement
SC_1	City Cost of Sludge Transport and Disposal Contract on specific day of failure

Part 2: Data provided by the Contractor (Service Provider)

The Service Provider is:

Postal Address:

Physical Address:

Telephone:

Facsimile:

The authorised and designated representative of the Service Provider is:

Name:

The address for receipt of communication is:

Address:

Telephone:

Facsimile:

SIGNED ON BEHALF OF TENDERER:

TENDER SERIAL No.:	
INITIALS OF OFFICIALS	

CITY OF CAPE TOWN

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C1.4 Form of Offer and Acceptance

Offer

The employer, identified in the acceptance signature block, has solicited offers to enter into a contract for the procurement of:

CONTRACT 441S/2010/11: PROVISION OF OPERATION, MAINTENANCE AND MANAGEMENT SERVICES AT THE ZANDVLIET WASTEWATER TREATMENT WORKS

The tenderer, identified in the offer signature block, has examined the documents listed in the tender data and addenda thereto as listed in the returnable schedules, and by submitting this offer has accepted the conditions of tender.

By the representative of the tenderer, deemed to be duly authorised, signing this part of this form of offer and acceptance, the tenderer offers to perform all of the obligations and liabilities of the service provider under the contract including compliance with all its terms and conditions according to their true intent and meaning for an amount to be determined in accordance with the conditions of contract identified in the contract data.

THE OFFERED PRICES (RATES) EXCLUSIVE OF VALUE ADDED TAX, AND THE OFFERED PERCENTAGE (%) ON-COSTS, ARE GIVEN IN THE SCHEDULE OF RATES AND ON-COSTS ATTACHED AS ANNEXURE A TO THIS PART OF THE FORM OF OFFER AND ACCEPTANCE

This offer may be accepted by the employer by signing the acceptance part of this form of offer and acceptance and returning one copy of this document to the tenderer before the end of the period of validity stated in the tender data, whereupon the tenderer becomes the party named as the service provider in the conditions of contract identified in the contract data

Signature
Name
Capacity
for the tenderer

(Name and
address of
organization/tenderer)

Name and
signature
of witness

Date 18/07/2011

ANNEXURE A

SCHEDULE OF RATES AND ON-COST

TENDER SERIAL No.:

INITIALS OF OFFICIAL

DESCRIPTION	COSTING UNIT	RATE (exclusive of VAT)
Liquid Stream fixed cost	Rand per month	Rand <u>Six hundred + fifty thousand</u> <u>two hundred + six Rand</u> (in words) R. <u>650 206-00</u> (in figures)
Liquid Stream variable cost ESKOM Low Season	Rand per kilolitre	Rand <u>Zero point three three</u> <u>eight zero Rand</u> (in words) R. <u>0.3380</u> (in figures)
Liquid Stream variable cost ESKOM High Season	Rand per kilolitre	Rand <u>Zero point five one six</u> <u>seven Rand</u> (in words) R. <u>0.5167</u> (in figures)
Sludge Stream fixed cost	Rand per month	Rand <u>One hundred + forty two</u> <u>thousand eight hundred</u> <u>and forty seven Rand</u> (in words) R. <u>142 847-00</u> (in figures)
Sludge Stream fixed rate cost ESKOM Low Season	Rand per Ton (1000 kg) (dry basis)	Rand <u>Two hundred and eight</u> Rand <u>and three cents</u> (in words) R. <u>208-03</u> (in figures)
Sludge Stream fixed rate cost ESKOM High Season	Rand per Ton (1000 kg) (dry basis)	Rand <u>Two hundred and twenty five</u> <u>Rand + eighteen cents</u> (in words) R. <u>225-18</u> (in figures)
On-cost for maintenance of liquid stream equipment	%	Percentage <u>Fifteen percent</u> (in words) Percentage <u>15%</u> (in figures)
On-cost for maintenance of sludge stream equipment	%	Percentage <u>Fifteen percent</u> (in words) Percentage <u>15%</u> (in figures)

Acceptance

By signing this part of this form of offer and acceptance, the employer identified below accepts the tenderer's offer. In consideration thereof, the employer shall pay the service provider the amount due in accordance with the conditions of contract identified in the contract data. Acceptance of the tenderer's offer shall form an agreement between the employer and the tenderer upon the terms and conditions contained in this agreement and in the contract that is the subject of this agreement.

The terms of the contract are contained in:

- Part C1: Agreements (which includes this agreement)
- Part C2: Pricing data

and drawings and documents or parts thereof, which may be incorporated by reference into the above listed Parts.

Deviations from and amendments to the documents listed in the tender data and any addenda thereto as listed in the returnable schedules as well as any changes to the terms of the offer agreed by the tenderer and the employer during this process of offer and acceptance, are contained in the schedule of deviations attached to and forming part of this form of offer and acceptance. No amendments to or deviations from said documents are valid unless contained in this schedule.

The tenderer shall within two weeks after receiving a completed copy of this agreement, including the schedule of deviations (if any), contact the employer's representative (whose details are given in the contract data) to arrange the delivery of any securities, bonds, guarantees, proof of insurance and any other documentation to be provided in terms of the conditions of contract identified in the contract data. Failure to fulfil any of these obligations in accordance with those terms shall constitute a repudiation of this agreement.

Notwithstanding anything contained herein, this agreement comes into effect on the date when the tenderer receives one fully completed original copy of this document, including the schedule of deviations (if any). Unless the tenderer (now contractor) within five working days of the date of such receipt notifies the employer in writing of any reason why he cannot accept the contents of this agreement, this agreement shall constitute a binding contract between the parties.

Signature

Name

Capacity

for the
Employer

Name and
signature
of witness

Date

Schedule of Deviations

1 Subject

Details

2 Subject

Details

3 Subject

Details

4 Subject

Details

5 Subject

Details

By the duly authorised representatives signing this agreement, the employer and the tenderer agree to and accept the foregoing schedule of deviations as the only deviations from and amendments to the documents listed in the tender data and addenda thereto as listed in the returnable schedules, as well as any confirmation, clarification or changes to the terms of the offer agreed by the tenderer and the employer during this process of offer and acceptance.

It is expressly agreed that no other matter whether in writing, oral communication or implied during the period between the issue of the tender documents and the receipt by the tenderer of a completed signed copy of this agreement shall have any meaning or effect in the contract between the parties arising from this agreement.

For the Tenderer

Signature(s)

Name(s)

Capacity

(Name and address of organization/tenderer)

Name and signature of witness Date 4/9/2013

For the Employer

Signature(s)

Name(s)

Capacity

(Name and address of organization)

Name and signature of witness Date

ONLY TO BE COMPLETED AT
ACCEPTANCE STAGE

Confirmation of Receipt

The tenderer, (now contractor), identified in the offer part of this agreement hereby confirms receipt from the employer, identified in the acceptance part of this agreement, of one fully completed original copy of this agreement, including the schedule of deviations (if any) today:

the.....*Fourth*.....(day)
of.....*September*.....(month)
20..*13*...(year)
at.....*Cape Town*.....(place)

For the Contractor:

Signature(s)

Name(s)

Capacity

Signature and name of witness

Signature

Name

Schedule of Deviations

1 Subject Accepted Qualifications – Special Conditions of Contract

Details The Contractor's proposed amendments to the Special Condition of Contract as contained within pages D1 to D6 of the recommendation report attached to the end of this Schedule of Deviations have been accepted, and the relevant clauses within the Special Conditions of Contract shall be deemed to have been amended accordingly

The following accepted amendments have been expanded upon for the sake of clarity:

i) Clause 28.3, Page 94 Termination

Insert in the last line after Agreement " *including such costs as may reasonably been incurred or committed by the Contractor in anticipation of fulfilling its contractual obligations up to the date of termination*"

ii) Insert new Clause 28.4, Page 94 Termination

28.4 *The Contractor, in its sole and absolute discretion, shall be entitled to terminate this Agreement upon the happening of any of the following events:*

28.4.1 *if the City fails to rectify an event of default as provided for in terms of Clause 26 as amended*

28.4.2 *if the City has a receiver, receiver and manager, or administrative receiver appointed over the whole or substantial part of its undertakings, whereby the City is no longer able to satisfy its obligations in terms of this contract.*

28.4.3 *if the City has not paid any amount due to the Contractor within 30 days of the due date of payment for such amounts, and where the City and the Contractor are unable to agree on the manner and time in which outstanding amounts shall be paid*

28.4.3 *if an Uncontrollable circumstance occurs relative to the obligations of the City or the Contractor under this Agreement and such Uncontrollable circumstance or the effect thereof prevents performance of such material obligation for a period of 30 (thirty) days.*

28.5 *The Contractor shall give the City not less than 30 (thirty) business days written notice of any termination made in terms of 28.4*

iii) Clause 28.3, Page 94 Termination

Amend the last word of the paragraph to "....Default by the Contractor, in accordance with the provisions of 26."

2 Subject Accepted Qualifications – Special Conditions of Contract

Details The Contractors accepted Qualifications contained within their tender submission are deemed to form part of the Special Conditions of Contract, as incorporated and expanded upon below for the sake of clarity:

i) Clause 24, Page 90 Insurance (GCC Clause 11)

Insert new clause 24.9

"24.9 *Notwithstanding the provisions of this Clause 24 and other clauses in respect of Insurances, the City will provide all Insurances in respect of its fixed and movable Assets incorporated within the scope of Works, and shall indemnify the Contractor and its subcontractors against the cost or liability to make good any damages, loss, Third Party liability or insurance excess or deductibles arising from such insurance including:*

24.9.1 *Asset All Risk Insurance in respect of the City's fixed and movable assets, plant and materials (including, but not limited to Acts of God; fire; theft; flood and other perils, and including the provisions of 24.8)*

24.9.2 *Special Risk Insurance as issued by the South African Special Risk Insurance Association*

24.9.3 *Public Liability Insurance covering the City and the Contractor for the death of or injury to any person or loss of or damage to any property arising from failure or non-performance of the Asset or the design of the Works*

provided that such liabilities are not attributable to the Contractor due to the Contractor's negligence, in which event the provisions of clause 24.1 to 24.8 shall apply."

ii) Clause 26, page 91 Events of Default

Add new clause 26.8

"26.8 *As provided for in Clause 28 of the General Condition of Contract, Limitation of Liability, the maximum aggregate monetary liability of the Contractor to the City, whether from damages, loss, costs, penalties or other rights of the City arising from Default by the Contractor and including any recovery by the City from the Performance Guarantee, shall in any year not exceed 100% (one hundred percent) of the Contractor's annual contract value payable by the City to the Contractor in that year, and that such annual amounts or liabilities shall not aggregate year on year over the contract period."*

iii) Clause 6, page 80 Contractor's Obligations in Terms of Maintenance.

Add new clause 6.4.7

"6.4.7 *the Contractor's maintenance obligations for the maintenance, repair and replacement of the MBR plant shall come into force and effect on the date that the entire MBR plant has been finally commissioned by the City's construction contractor, and has been accepted as complete and taken over by the City, subject to:*

6.4.7.1 *the MBR plant meeting all its designed performance specifications*

6.4.7.2 *the exclusion of any remedial, repair or replacement requirements attributable to, or being the responsibility of the City's construction contractor during its construction maintenance period, contractual warranties and defects liabilities*

6.4.7.3 *all plant, equipment and components being deemed to have a life expectancy equal to that specified by the original equipment manufacturers (OEM's) from the date of the City taking over the entire MBR plant*

6.4.7.4 *for practical purposes, all the membranes being replaced simultaneously, with the first replacement being for the City's account and thereafter the provisions of the contract will apply, with the Contractor being responsible for the first R 500 000 (Five Hundred Thousand Rand) for the future replacement of any entire set of membranes."*

By the duly authorised representatives signing this agreement, the employer and the tenderer agree to and accept the foregoing schedule of deviations as the only deviations from and amendments to the documents listed in the tender data and addenda thereto as listed in the returnable schedules, as well as any confirmation, clarification or changes to the terms of the offer agreed by the tenderer and the employer during this process of offer and acceptance.

It is expressly agreed that no other matter whether in writing, oral communication or implied during the period between the issue of the tender documents and the receipt by the tenderer of a completed signed copy of this agreement shall have any meaning or effect in the contract between the parties arising from this agreement.

For the Tenderer

Signature(s)

Name(s)

Capacity DIRECTOR NEW PROJECTS

(Name and address of organization/tenderer)

Name and signature of witness Date

For the Employee

Signature(s) ...

Name(s)

Capacity (1) MURPHY

(Name and address of organization) CITY OF CAPE TOWN
Tower Block, Civic Centre,
12 Hertzog Boulevard
Cape Town

Name and signature of witness Date 27/5/13

CITY OF CAPE TOWN

WATER AND SANITATION

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C1.5 Form of Guarantee/Performance Security

GUARANTOR DETAILS AND DEFINITIONS

"Guarantor" means:

Physical address:

"Supplier" means:

"Guaranteed Sum" means: The amount equal to the Contractor's remuneration for one year inclusive of VAT of

R Amount in words:

1. The Guarantor's liability shall be limited to the amount of the Guaranteed Sum.
2. The Guarantor's period of liability shall be from and including the date of issue of this Guarantee/Performance Security until the termination of the contract or the date of payment in full of the Guaranteed Sum, whichever occurs first.
3. The Guarantor hereby acknowledges that:
 - 3.1 any reference in this Guarantee/Performance Security to "Contract" is made for the purpose of convenience and shall not be construed as any intention whatsoever to create an accessory obligation or any intention whatsoever to create a suretyship;
 - 3.2 its obligation under this Guarantee/Performance Security is restricted to the payment of money.
4. Subject to the Guarantor's maximum liability referred to in 1, the Guarantor hereby undertakes to pay the City of Cape Town the sum certified upon receipt of the documents identified in 4.1 to 4.3:
 - 4.1 A copy of a first written demand issued by the City of Cape Town to the Supplier stating that payment of a sum has not been made by the Supplier in terms of the Contract and failing such payment within seven (7) calendar days, the City of Cape Town intends to call upon the Guarantor to make payment in terms of 4.2;
 - 4.2 A first written demand issued by the City of Cape Town to the Guarantor at the Guarantor's physical address with a copy to the Supplier stating that a period of seven (7) days has elapsed since the first written demand in terms of 4.1 and the sum has still not been paid;
 - 4.3 A copy of the aforesaid invoice which entitles the City of Cape Town to receive payment in terms of the Contract of the sum referred to in 4.
5. Subject to the Guarantor's maximum liability referred to in 1, the Guarantor undertakes to pay to the City of Cape Town the Guaranteed Sum or the full outstanding balance upon receipt of a first written demand from the City of Cape Town to the Guarantor at the Guarantor's physical address calling up this Performance Guarantee, such demand stating that:
 - 5.1 the Contract has been terminated due to the Supplier's default and that this Guarantee/Performance Security is called up in terms of 5; or
 - 5.2 a provisional or final sequestration or liquidation court order has been granted against the Supplier and that the Guarantee/Performance Guarantee is called up in terms of 5; and

- 5.3 the aforesaid written demand is accompanied by a copy of the notice of termination and/or the provisional/final sequestration and/or the provisional liquidation court order.
6. It is recorded that the aggregate amount of payments required to be made by the Guarantor in terms of 4 and 5 shall not exceed the Guarantor's maximum liability in terms of 1.
7. Where the Guarantor has made payment in terms of 5, the City of Cape Town shall upon the termination date of the Contract, submit an expense account to the Guarantor showing how all monies received in terms of this Guarantee/Performance Security have been expended and shall refund to the Guarantor any resulting surplus. All monies refunded to the Guarantor in terms of this Guarantee/Performance Security shall bear interest at the prime overdraft rate of the City of Cape Town's bank compounded monthly and calculated from the date payment was made by the Guarantor to the City of Cape Town until the date of refund.
8. Payment by the Guarantor in terms of 4 or 5 shall be made within seven (7) calendar days upon receipt of the first written demand to the Guarantor.
9. Payment by the Guarantor in terms of 5 will only be made against the return of the original Guarantee/Performance Security by the City of Cape Town.
10. The City of Cape Town shall have the absolute right to arrange his affairs with the Supplier in any manner which the City of Cape Town may deem fit and the Guarantor shall not have the right to claim his release from this Guarantee /Performance Security on account of any conduct alleged to be prejudicial to the Guarantor.
11. The Guarantor chooses the physical address as stated above for the service of all notices for all purposes in connection herewith.
12. This Guarantee/Performance Security is neither negotiable nor transferable and shall expire in terms of 2, where after no claims will be considered by the Guarantor. The original of this Guarantee shall be returned to the Guarantor after it has expired.
13. This Guarantee/Performance Security, with the required demand notices in terms of 4 or 5, shall be regarded as a liquid document for the purposes of obtaining a court order.
14. Where this Guarantee/Performance Security is issued in the Republic of South Africa the Guarantor hereby consents in terms of Section 45 of the Magistrate's Courts Act No 32 of 1944, as amended, to the jurisdiction of the Magistrate's Court of any district having jurisdiction in terms of Section 28 of the said Act, notwithstanding that the amount of the claim may exceed the jurisdiction of the Magistrate's Court.

Signed at

Date

Guarantor's signatory (1)

Capacity

Guarantor's signatory (2)

Capacity

Witness signatory (1)

Witness signatory (2)

ANNEXURE A

LIST OF APPROVED FINANCIAL INSTITUTIONS

The following financial institutions are currently (as at 1 February 2011) approved for issue of contract guarantees to the City:

National Banks:

International Banks (with branches in SA):

Insurance companies:

CITY OF CAPE TOWN

WATER AND SANITATION

CONTRACT NO. 441S/2010/11

PROVISION OF OPERATION, MAINTENANCE AND MANAGEMENT SERVICES AT THE ZANDVLIET
WASTEWATER TREATMENT WORKS

C1.6 Occupational Health and Safety Agreement

AGREEMENT MADE AND ENTERED INTO BETWEEN THE CITY OF CAPE TOWN (HEREINAFTER CALLED
THE "EMPLOYER") AND

(Service Provider/Mandatory/Company/CC Name)

IN TERMS OF SECTION 37(2) OF THE OCCUPATIONAL HEALTH AND SAFETY ACT, ACT No. 85 OF 1993
AS AMENDED.

I, ..., representing

....., as an employer
in its own right, do hereby undertake to ensure, as far as is reasonably practicable, that all work will be performed,
and all equipment, machinery or plant used in such a manner as to comply with the provisions of the Occupational
Health and Safety Act (OHSA) and the Regulations promulgated thereunder.

I furthermore confirm that I am/we are registered with the Compensation Commissioner and that all registration
and assessment monies due to the Compensation Commissioner have been fully paid or that I/We are insured
with an approved licensed compensation insurer.

COID ACT Registration Number:

OR Compensation Insurer: Policy No.:

I undertake to appoint, where required, suitable competent persons, in writing, in terms of the requirements of
OHSA and the Regulations and to charge him/them with the duty of ensuring that the provisions of OHSA and
Regulations as well as the Council's Special Conditions of Contract, Way Leave, Lock-Out and Work Permit
Procedures are adhered to as far as reasonably practicable.

I further undertake to ensure that any subcontractors employed by me will enter into an occupational health and
safety agreement separately, and that such subcontractors comply with the conditions set.

I hereby declare that I have read and understand the appended Occupational Health and Safety Conditions and
undertake to comply therewith at all times.

I hereby also undertake to comply with the Occupational Health and Safety Specification and Plan.

Signed at Cape Town on the day of 20....

Witness

Mandatory

Signed at BELVILLE on the 20 day of

Witness

for and on behalf of
City of Cape Town

OCCUPATIONAL HEALTH AND SAFETY CONDITIONS

1. The Chief Executive Officer of the Contractor shall assume the responsibility in terms of Section 16(1) of the Occupational Health and Safety Act (as amended). Should the Contractor assign any duty in terms of Section 16(2), a copy of such assignment shall immediately be provided to the representative of the Employer as defined in the Contract.
2. All work performed on the Employer's premises shall be performed under the supervision of the construction supervisor who understand the hazards associated with any work that the Contractor performs on the site in terms of Construction Regulations 2003.
3. The Contractor shall appoint a Competent Person who shall be trained on any occupational health and safety aspect pertaining to them or to the work that is to be performed.
4. The Contractor shall ensure that he familiarises himself with the requirements of the Occupational Health and Safety Act and that he, his employees, and any sub-contractors, comply with them.
5. Discipline in the interests of occupational health and safety shall be strictly enforced.
6. Personal protective equipment shall be issued by the Contractor as required and shall be worn at all times where necessary.
7. Written safe work procedures and appropriate precautionary measures shall be available and enforced, and all employees shall be made conversant with the contents of these practices.
8. No substandard equipment/machinery/articles or substances shall be used on the site.
9. All incidents referred to in terms of Section 24 of the Occupational Health and Safety Act shall be reported by the Contractor to the Department of Labour and the Employer.
10. The Employer hereby obtains an interest in the issue of any formal inquiry conducted in terms of Section 32 of the Occupational Health and Safety Act and into any incident involving a Contractor and/or his employees and/or his sub-contractor/s.
11. No use shall be made of any of the Employer's machinery / plant / equipment / substance / personal protective equipment or any other article without prior arrangement and written approval.
12. No alcohol or any other intoxicating substance shall be allowed on the site. Any person suspected of being under the influence of alcohol or any other intoxicating substance shall not be permitted access to, or allowed to remain on the site.
13. Prior to commencement of any work, verified copies of all documents mentioned in the agreement, must be presented to the Employer.

CITY OF CAPE TOWN

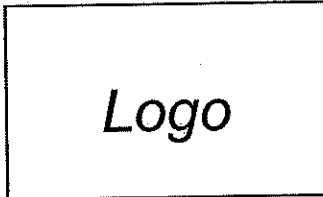
WATER AND SANITATION

CONTRACT NO. 441S/2010/11

PROVISION OF OPERATION, MAINTENANCE AND MANAGEMENT SERVICES AT THE ZANDVLIT
WASTEWATER TREATMENT WORKS

C1.7 Insurance Broker's Warranty

Pro Forma



Letterhead of Contractor's Insurance Broker

Date _____

CITY OF CAPE TOWN
City Manager
Civic Centre
12 Hertzog Boulevard
Cape Town
8001

Dear Sir

CONTRACT NO.: 441S/2010/11

CONTRACT TITLE: PROVISION OF OPERATION, MAINTENANCE AND MANAGEMENT SERVICES AT
THE ZANDVLIT WASTEWATER TREATMENT WORKS

NAME OF CONTRACTOR: _____

I, the undersigned, do hereby confirm and warrant that all the insurances required in terms of the abovementioned contract have been issued and/or in the case of blanket/umbrella policies, have been endorsed to reflect the interests of the CITY OF CAPE TOWN with regard to the abovementioned contract, and that all the insurances and endorsements, etc., are all in accordance with the requirements of the contract.

I furthermore confirm that all premiums in the above regard have been paid.

Yours faithfully

Signed: _____

For: _____

Part C2: Pricing Data

	Pages
C2.1 Pricing Assumptions	143 – 144
C2.2 Activity Schedule	145 – 151

CITY OF CAPE TOWN

WATER AND SANITATION

CONTRACT NO. 441S/2010/11

PROVISION OF OPERATION, MAINTENANCE AND MANAGEMENT SERVICES AT THE ZANDVLIET
WASTEWATER TREATMENT WORKS

C2.1 Pricing Assumptions

Pricing Assumptions mean the criteria as set out below, read together with all Parts of this contract document, which it will be assumed in the contract, that the tenderer has taken into account when developing his prices.

1. The short descriptions given in Part C2.2 Activity Schedule are brief descriptions used to identify the activities for which prices are required. Detailed descriptions of the activities to be priced are provided in Part C1.1 Scope of Work in Part C1 Agreements, with particular reference to Clause 16 Appendices.
2. It is entirely at the tenderer's discretion as regards pricing the Activity Schedule.
3. For the purpose of the Activity Schedule, the following words and abbreviations shall have the meanings hereby assigned to them:

Item:	The short descriptions referred to in Clause 1 above.
Cost Type:	Whether "Fixed" or "Variable" and to what extent
Costing Unit:	The Rand unit for costing each item of work
Sum:	The agreed payment per costing unit
Ton:	Metric Ton (1000kg)
kg:	kilogram
kl:	kilolitre
4. A sum, rate and percentage on-cost as applicable, is to be entered against each item in the Activity Schedule, **exclusive of VAT**.
5. The sums, rates and percentage on-costs in the Activity Schedule are to be fully inclusive prices or percentages as applicable for the work described under the several items. Such prices and percentages are to cover all costs and expenses that may be required in and for the execution of the work described in accordance with the provisions of the Scope of Work, and shall cover the cost of all general risks, liabilities, and obligations set forth or implied in the Contract Data, as well as overhead charges and profit.
6. The standard conditions (\$) given in the Activity Schedule do not necessarily represent the actual amount of work to be done. The quantities of work accepted and certified for payment will be used for determining payments due.
7. For the duration of this contract all sums or rates shall be subject to Contract Price Adjustment as described in Clause 10 below.
8. On-costs tendered will also be applicable in respect of items procured in accordance with clause 6.4 in the SCC.
9. Tenderers are to note that only those recoverable expenses listed in the Activity Schedule will be reimbursed to the Contractor (Service Provider).
10. **INFORMATION REGARDING THE FORM OF PRICING AND THE CONTRACT PRICE ADJUSTMENT APPLICABLE TO PAYMENT CLAIMS**

For Financial Control, it has been deemed expedient to detail the Liquid Stream and the Sludge Stream costs separately. The payment claims that will be made in terms of this contract are subdivided into these two groupings and each one into two separate components namely:

LIQUID STREAM

- A Fixed Monthly Cost component which includes all flowrate and chemical strength non dependent elements, such as: Salaries, Wages and Allowances, cleaning, security, etc. including those factors given in the Activity Schedule. This cost is claimable as a sum per month.

- A Variable Monthly Cost component which contains all flowrate and chemical strength dependent elements such as chemicals, electricity, etc. This cost is claimable as a RATE per kilolitre wastewater received.

SLUDGE STREAM

- A Fixed Monthly Cost component which includes all flowrate and chemical strength non dependent elements, such as: Salaries, Wages and Allowances, cleaning, security, etc. including those factors given in the Activity Schedule. This cost is claimable as a sum per month.
- A Fixed Rate Monthly Cost component which contains all flowrate and chemical strength dependent elements such as chemicals, electricity, etc. This cost is claimable as a RATE per nett ton of sludge on a dry solids basis.

To aid the Tenderer to calculate his tendered rates, the Activity Schedule is divided into Liquid Stream and Sludge Stream. Against each item is indicated whether the cost component is regarded as a "Fixed" cost, "Variable" cost or "Fixed Rate" cost. Certain items are "fixed" up to a threshold value and thereafter certain costs may be claimable upon motivation.

By "Fixed" it is meant that the monthly cost is not influenced by influent quality or quantity. "Fixed", "Variable" and "Fixed Rate" costs are subject to Contract Price Adjustment as provided for in the document.

The "BASE DATE" for contract price adjustment is MARCH 2011.

CITY OF CAPE TOWN

WATER AND SANITATION

CONTRACT NO. 441S/2010/11

PROVISION OF OPERATION, MAINTENANCE AND MANAGEMENT SERVICES AT THE ZANDVLIET
WASTEWATER TREATMENT WORKS

C2.2 Activity Schedule

The sums and rates shall be VAT exclusive.

LIQUID STREAM

FIXED MONTHLY COSTS				
	ITEM	COST TYPE	COSTING UNIT	SUM
1	SALARIES, WAGES & ALLOWANCES			
1.1	Operations	FIXED	Rand per month	121082-00
1.2	Maintenance	FIXED	Rand per month	35581-00
1.3	Supervisory Operations	FIXED	Rand per month	77518-00
1.4	Supervisory Maintenance	FIXED	Rand per month	20787-00
1.5	Administration	FIXED	Rand per month	40975-00
A	SUB-TOTAL SALARIES WAGES AND ALLOWANCES			295943-00
2	GENERAL EXPENSES			
2.1	Chemicals			
	Other eg deodourising	FIXED	Rand per month	29772-00
2.2	Cleaning Services	FIXED	Rand per month	2439-00
2.3	Fuel (Diesel oil) for standby generators	FIXED up to threshold then claimable #	Rand per month	14086-00
2.4	Hiring Charges	FIXED up to threshold then claimable #	Rand per month	-
2.5	Grounds Maintenance	FIXED	Rand per month	6111-00
2.6	Printing & Stationery	FIXED	Rand per month	1357-00
2.7	Security Services	FIXED	Rand per month	14300-00
2.8	Telecommunications	FIXED	Rand per month	7700-00
2.9	Protective Clothing	FIXED	Rand per month	incl.
2.10	Potable Water Purchases	FIXED	Rand per month	incl.
2.11	Materials (general) & Consumables	FIXED	Rand per month	3686-00
2.12	Vehicles & Plant	FIXED	Rand per month	12591-00
2.13	Oils & Lubricants	FIXED	Rand per month	8247-00
2.14	Equipment & Tools	FIXED	Rand per month	912-00
2.15	Refreshments & Teas	FIXED	Rand per month	2268-00
B	SUB-TOTAL GENERAL EXPENSES			103469-00
3	REPAIRS & MAINTENANCE			
3.1	Primary - External service providers including purchases	FIXED up to threshold then claimable #	Rand per month	226522-00
C	SUB-TOTAL REPAIRS AND MAINTENANCE			226522-00
4	CORPORATE CHARGES			
4.1	Corporate Services	FIXED	Rand per month	8052-00
D	SUB-TOTAL CORPORATE CHARGES			8052-00

5	CONTRACTED SERVICES			
5.1	Laboratory	FIXED	Rand per month	13109-00
E	SUB-TOTAL CONTRACTED SERVICES			13109-00
6	TRAINING			
6.1	Training	FIXED	Rand per month	3111-00
F	SUB-TOTAL TRAINING			3111-00
TOTAL OF FIXED MONTHLY COSTS (A + B + C + D + E + F) = L _{F0}				650206-00

VARIABLE MONTHLY COSTS - ESKOM LOW SEASON				
	ITEM	COST TYPE	COSTING UNIT	RATE
1	GENERAL EXPENSES			
1.1	Chlorine	FIXED RATE	Rand per kl under standard conditions \$	0.0305
1.2	Electricity	VARIABLE (depending on influent volume and quality)	Rand per kl under standard conditions \$	0.3075
TOTAL OF VARIABLE MONTHLY COSTS PER KI UNDER STANDARD CONDITIONS (SUM OF 1.1 and 1.2) = L_{VL0}				0.3380

VARIABLE MONTHLY COSTS - ESKOM HIGH SEASON				
	ITEM	COST TYPE	COSTING UNIT	RATE
1	GENERAL EXPENSES			
1.1	Chlorine	FIXED RATE	Rand per kl under standard conditions \$	0.0305
1.2	Electricity	VARIABLE (depending on influent volume and quality)	Rand per kl under standard conditions \$	0.4862
TOTAL OF VARIABLE MONTHLY COSTS PER KI UNDER STANDARD CONDITIONS (SUM OF 1.1 and 1.2) = L_{VH0}				0.5167

ON-COST FOR PURCHASES OF SPARES, ETC	%
SPECIFY THE % ON-COST THAT WOULD BE CHARGED FOR PURCHASES OF SPARES AND UTILISATION OF EXTERNAL CONTRACTORS FOR MAINTENANCE OF MECHANICAL AND ELECTRICAL ASSETS ONLY	15%

REMOVAL AND DISPOSAL OF SOLIDS RECOVERED FROM WASTEWATER AT THE INLET WORKS	
THIS SERVICE WILL BE PROVIDED FREE OF CHARGE TO THE CONTRACTOR BY ANOTHER CONTRACTOR APPOINTED BY THE CITY	NO CHARGE

= above the threshold the costs may be claimable as provided for elsewhere in this document.

\$ = standard conditions are 72 000 kl per month influent at a mean Chemical Oxygen Demand of 828 mg/l

SLUDGE STREAM

FIXED MONTHLY COSTS				
	Item	COST TYPE	COSTING UNIT	SUM
1	SALARIES, WAGES & ALLOWANCES			
1.1	Operations	FIXED	Rand per month	26524-00
1.2	Maintenance	FIXED	Rand per month	25634-00
1.3	Supervisory Operations	FIXED	Rand per month	13345-00
1.4	Supervisory Maintenance	FIXED	Rand per month	5197-00
1.5	Administration	FIXED	Rand per month	9273-00
A	SUB-TOTAL SALARIES WAGES AND ALLOWANCES			79973-00
2	GENERAL EXPENSES			
2.1	Fuel (Diesel oil) for standby generators	FIXED up to threshold then claimable #	Rand per month	1046-00
2.2	Oils & Lubricants	FIXED	Rand per month	434-00
2.3	Equipment & Tools	FIXED	Rand per month	38-00
B	SUB-TOTAL GENERAL EXPENSES			1518-00
3	REPAIRS & MAINTENANCE			
3.1	Primary - External service providers including purchases	FIXED up to threshold then claimable #	Rand per month	58775-00
C	SUB-TOTAL REPAIRS AND MAINTENANCE			58775-00
4	CORPORATE CHARGES			
4.1	Corporate Services	FIXED	Rand per month	1768-00
D	SUB-TOTAL CORPORATE CHARGES			1768-00
5	CONTRACTED SERVICES			
5.1	Laboratory	FIXED	Rand per month	327-00
E	SUB-TOTAL CONTRACTED SERVICES			327-00
6	TRAINING			
6.1	Training	FIXED	Rand per month	486-00
F	SUB-TOTAL TRAINING			486-00
TOTAL OF FIXED MONTHLY COSTS (A + B + C + D + E + F) = S _{F0}				142847-00

FIXED RATE MONTHLY COSTS - ESKOM LOW SEASON				
1	GENERAL EXPENSES			
1.1	Polyelectrolyte	FIXED RATE	Rand per Nett Ton (1000 kg) of sludge dewatered	177-18
1.2	Electricity	FIXED RATE	Rand per Nett Ton (1000 kg) of sludge dewatered	30-85
TOTAL OF FIXED RATE MONTHLY COSTS PER NETT TON (1000 kg) OF SLUDGE DEWATERED (DRY BASIS) (SUM OF 1.1 and 1.2) = S_{VL0}				208-03

FIXED RATE MONTHLY COSTS - ESKOM HIGH SEASON				
1	GENERAL EXPENSES			
1.1	Polyelectrolyte	FIXED RATE	Rand per Nett Ton (1000 kg) of sludge dewatered	177-18
1.2	Electricity	FIXED RATE	Rand per Nett Ton (1000 kg) of sludge dewatered	48-00
TOTAL OF FIXED RATE MONTHLY COSTS PER NETT TON (1000 kg) OF SLUDGE DEWATERED (DRY BASIS) (SUM OF 1.1 and 1.2) = S _{VH0}				225-18

ON-COST FOR PURCHASES OF SPARES ETC	%
SPECIFY THE % ON-COST THAT WOULD BE CHARGED FOR PURCHASES OF SPARES AND UTILISATION OF EXTERNAL CONTRACTORS FOR MAINTENANCE OF MECHANICAL AND ELECTRICAL ASSETS ONLY	15%

REMOVAL AND DISPOSAL OF THE DEWATERED SLUDGE	
THIS SERVICE WILL BE PROVIDED FREE OF CHARGE TO THE CONTRACTOR BY ANOTHER CONTRACTOR APPOINTED BY THE CITY	NO CHARGE

= above the threshold the costs may be claimable as provided for elsewhere in this document.

The threshold for Fuel (diesel oil) is taken to be the fuel used to operate the standby generators for 30 minutes per week to check readiness, etc. of the units. Submit to Engineer confirmation that this has been done; additional fuel consumption as a result of operating hours necessitated by electricity supply interruptions will be claimable upon submission of documentary evidence of fuel usage.

SUMMARY OF PRICES

RATE IDENTIFIER	DESCRIPTION	COSTING UNIT	RATE (exclusive of VAT)
L _{F0}	Liquid Stream fixed cost	Rand per month	650 206-00
L _{VL0}	Liquid Stream variable cost – Eskom Low Season	Rand per kilolitre	0.3380
L _{VH0}	Liquid Stream variable cost – Eskom High Season	Rand per kilolitre	0.5167
S _{F0}	Sludge Stream fixed cost	Rand per month	142 847-00
S _{VL0}	Sludge Stream fixed rate cost – Eskom Low Season	Rand per Ton (1000 kg) (dry basis)	208-03
S _{VH0}	Sludge Stream fixed rate cost – Eskom High Season	Rand per Ton (1000 kg) (dry basis)	225-18
ON-COST 1	On-cost for maintenance of liquid stream equipment	%	15%
ON-COST 2	On-cost for maintenance of sludge stream equipment	%	15%

The Tenderer shall carry the following from the above Summary of Prices to Annexure A Schedule of Rates and On-costs attached to the Offer part of the Form of Offer and Acceptance in Part C1.4 on page 130 of the Contract Document:

- The RATE (exclusive of VAT)
- The percentage (%) ON-COST

CONTRACT PRICE ADJUSTMENT FORMULAE

1.1 LIQUID STREAM FIXED COSTS (RAND PER MONTH)

The initial tendered rate for the Liquid Stream Fixed Cost is identified as L_{F0} and shall be indicated as Rand per month. The sum claimed for the Liquid Stream Fixed Cost for Month 1 shall be identified as L_{F1} which shall be calculated according to the formula below:

$$L_{F1} = L_{F0} \times L_{FA}$$

Where,

L_{F0} = Liquid Stream Fixed Cost as tendered and using the Base Date.

L_{FA} = Liquid Stream Fixed Cost Contract Price Adjustment Factor.

The Liquid Stream Fixed Cost Price Adjustment Factor is based on a 90% cost increase recovery. The formula used to calculate the Contract Price Adjustment Factor is:

$$L_{FA} = [0.90 \times (0.28 \times LA_1/LA_0) + (0.21 \times LB_1/LB_0) + (0.13 \times LC_1/LC_0) + (0.38 \times P_1/P_0)] - 1$$

where,

LA	Cost of staff using City payrates in the grades T1 to T6
LB	Cost of staff using City payrates in the grades T7 to T11
LC	Cost of staff using City payrates in the grades T12 and higher
P	Production Price Index, Table 8, All groups

1.2 LIQUID STREAM VARIABLE COSTS PER KILOLITRE (CUBIC METRE) OF WASTEWATER RECEIVED.

The electricity supplied to the Zandvliet Wastewater Treatment Works is billed using the Miniflex Tariff. This has three tariff rates (Peak, Standard and off-Peak – also known as Time-of-Use) and two seasons (High Season and Low Season). In the high season period (presently June to August), the rates per kWh are significantly higher than in the Low season. There is a likelihood that the future ESKOM tariff increases may not be the same for each time of use period and for the High and Low Season. For this reason, the liquid stream variable costs have been split into two periods to coincide with the ESKOM "Seasons".

1.2.1 ESKOM HIGH SEASON

The initial tendered rate for the Liquid Stream Variable Costs in the ESKOM High Season shall be identified as L_{VH0} and shall be indicated in Rand per kilolitre. The sum claimed for the Liquid Stream Variable Costs for Month 1 shall be identified as L_{VH1} which shall be calculated according to the formula below:

$$L_{VH1} = L_{VH0} \times L_{VHA}$$

Where,

L_{VH0} = Liquid Stream Variable Costs as tendered in the ESKOM High Season at the Base Date

L_{VHA} = Liquid Stream Variable Costs Price Adjustment Factor (ESKOM High Season)

The Liquid Stream Variable Costs Price Adjustment Factor is based on a 90% cost increase recovery. The formula is shown below for Eskom High Season:

$$L_{VHA} = [0.90 \times ((0.12 \times C_1/C_0) + S_1/S_0 \times ((0.12 \times D_1/D_0) + (0.33 \times K_{P1}/K_{P0}) + (0.26 \times K_{S1}/K_{S0}) + (0.17 \times K_{O1}/K_{O0}))) - 1]$$

Where

S_1	Mean COD concentration for the period of the claim – mg/l
D	Electricity Fixed Charge - Rand
K_P	KWh rate during peak hours – Rand / kWh
K_S	KWh rate during standard hours – Rand / kWh
K_O	KWh rate during off-peak hours – Rand / kWh
C	Chlorine Cost – Rand / kg

1.2.2 ESKOM LOW SEASON

The initial tendered rate for the Liquid Stream Variable Costs in the Low Season shall be identified as L_{VL0} and shall be indicated in Rand per kilolitre. The sum claimed for the Liquid Stream Variable Costs for Month 1 shall be identified as L_{VL1} which shall be calculated by according to the formula below:

$$L_{VL1} = L_{VL0} \times L_{VLA}$$

Where,

L_{VL0} = Liquid Stream Variable Costs as tendered in the ESKOM Low Season at the Base Date.

L_{VLA} = Liquid Stream Variable Cost Price Adjustment Factor (ESKOM Low Season)

The Liquid Stream Variable Costs Price Adjustment Factor is based on a 90% cost increase recovery. The formula is shown below for ESKOM Low Season:

$$L_{VLA} = [0.90 \times ((0.12 \times C_1/C_0) + S_1/S_0 \times ((0.15 \times D_1/D_0) + (0.25 \times K_{P1}/K_{P0}) + (0.28 \times K_{S1}/K_{S0}) + (0.20 \times K_{O1}/K_{O0}))) - 1]$$

Where

S_1	Mean COD concentration for the period of the claim – mg/l
D	Electricity Fixed Charge - Rand
K_P	KWh rate during peak hours – Rand / kWh
K_S	KWh rate during standard hours – Rand / kWh
K_O	KWh rate during off-peak hours – Rand / kWh
C	Chlorine Cost – Rand / kg

In the event of the period of the claim covering both the ESKOM High Season and the Low Season, the period claim shall be split into two components corresponding with the relevant ESKOM Season.

2.1 SLUDGE STREAM FIXED COSTS (RAND PER MONTH)

The initial tendered Sludge Stream Fixed Costs shall be identified as S_{F0} and shall be indicated as Rand per month. The sum claimed for the Sludge Stream Fixed Costs for Month 1 shall be identified as S_{F1} which shall be calculated by according to the formula below.

$$S_{F1} = S_{F0} \times S_{FA}$$

Where,

S_{F0} = Sludge Stream Fixed Cost as tendered and using the Base Date.

S_{FA} = Sludge Stream Fixed Costs Price Adjustment Factor

The Sludge Stream Fixed Costs Price Adjustment Factor is based on a 90% cost increase recovery. The formula is shown below:

$$S_{FA} = [0.90 \times (0.28 \times LA_1/LA_0) + (0.21 \times LB_1/LB_0) + (0.13 \times LC_1/LC_0) + (0.38 \times P_1/P_0) - 1]$$

Where

LA	Cost of staff using City payrates in the grades T1 to T6
LB	Cost of staff using City payrates in the grades T7 to T11
LC	Cost of staff using City payrates in the grades T12 and higher
P	Production Price Index, Table 8, All groups

2.2 SLUDGE STREAM FIXED RATE COST PER NETT TON (1000 kg) OF SLUDGE DEWATERED (DRY BASIS)

The electricity supplied to the Zandvliet Wastewater treatment Works is billed using the Miniflex Tariff. This has three tariff rates (Peak, Standard and off-Peak – also known as Time-of-Use) and two seasons (High Season and Low Season). In the high season period (June to August), the rates per kWh are significantly higher than in the Low season. There is a likelihood that the future ESKOM tariff increases may not be the same for each time of use and for the High and Low Season. For this reason, the sludge stream fixed rate costs have been split into two periods to coincide with the ESKOM "Seasons".

The word "Nett" is used to mean the total quantity of sludge (dry solids basis) transferred to the dewatering belt presses minus the quantity of sludge (dry solids basis) returned to the reactors through belt washings, etc.

2.2.1 ESKOM HIGH SEASON

The initial tendered rate for the Sludge Stream Fixed Rate Cost in the High Season shall be identified as S_{VH0} and shall be indicated in Rand per Ton DS dewatered. The sum claimed for the Sludge Stream Fixed Rate Cost for Month 1 shall be identified as S_{VH1} which shall be calculated according to the formula below:

$$S_{VH1} = S_{VH0} \times S_{VHA}$$

Where:

S_{VH0} = Sludge Stream Fixed Rate Cost as tendered in the ESKOM High Season at the Base Date.
 S_{VHA} = Sludge Stream Fixed Rate Cost Price Adjustment Factor (ESKOM High Season))

The Sludge Stream Fixed Rate Cost Price Adjustment Factor is based on a 90% cost increase recovery. The formula is shown below for the ESKOM High Season

$$S_{VHA} = [0.90 \times ((0.16 \times D_1/D_0) + (0.26 \times K_{P1}/K_{P0}) + (0.28 \times K_{S1}/K_{S0}) + (0.20 \times K_{O1}/K_{O0}) + (0.10 \times F_1/F_0)) - 1]$$

Where,

D	Electricity Fixed Charge – Rand
K _P	KWh rate during peak hours – Rand / kWh
K _S	KWh rate during standard hours – Rand / kWh
K _O	KWh rate during off-peak hours – Rand / kWh
F	Polyelectrolyte Cost – Rand / kg

2.2.2 ESKOM LOW SEASON

The initial tendered rate for the Sludge Stream Fixed Rate Cost in the Low Season shall be identified as S_{VL0} and shall be indicated in Rand per Ton DS dewatered. The sum claimed for the Sludge Stream Fixed Rate Cost for Month 1 shall be identified as S_{VL1} which shall be calculated by according to the formula below:

$$S_{VL1} = S_{VL0} \times S_{VLA}$$

Where:

S_{VL0} = Sludge Stream Fixed Rate Cost as tendered in the ESKOM Low Season at the Base Date.
 S_{VLA} = Sludge Stream Fixed Rate Cost Price Adjustment Factor (ESKOM Low Season))

The Sludge Stream Fixed Rate Cost Price Adjustment Factor is based on a 90% cost increase recovery. The formula is shown below for the ESKOM Low Season

$$S_{VLA} = [0.90 \times ((0.19 \times D_1/D_0) + (0.18 \times K_{P1}/K_{P0}) + (0.31 \times K_{S1}/K_{S0}) + (0.22 \times K_{O1}/K_{O0}) + (0.10 \times F_1/F_0)) - 1]$$

Where,

D	Electricity Fixed Charge - Rand
K _P	KWh rate during peak hours – Rand / kWh
K _S	KWh rate during standard hours – Rand / kWh
K _O	KWh rate during off-peak hours – Rand / kWh
F	Polyelectrolyte Cost – Rand / kg

We have scheduled below, the National and specialist support resources available for this project, this reflecting the strength and depth of the expertise available for this contract.

These teams will be utilised as and when required, both in support as well as to monitor the Local Operations.

Key members of our team include:

	Discipline	Qualifications	Years in Water Sector
National Support Personnel			
	Commercial - SHEQ - Financial	BBA & MBA	17
	Operations – Bus.Development	Civil Eng & General Management Programme	18
	Operations	BSc Degree (Chem), Exec Man.Cert (Post Grad)	12
	Operations - MIS - SHEQ	ND O&W - MBA	25
	Operations	BSc Eng (Civil) / PrEng / MBA	18
	Membranes- Technical– Process	M.Sc Chem	18
	Membrane-Tech-O&M	BSc Chem, B.Com	11
	Technical - Process	BSc Eng (Chem) & B.Com	17
	Technical - Process	BSc, B.Eng Chem & B.Com	11
	Technical–Operations–Contracts	BSc Civil	25
	Technical - Maintenance	N.Tech Electrical	28
	Financial - HR	CA (SA)	12
	Financial - MIS	B.Econ	12
	HR- IR	BA Hon Indust Psychology	1
	HR		3
	IT - MIS	Nat Diploma Electronic / Engineering / MCSE	15
	Process - Training	NHD Water Care- Assessor	26
Other Support Personnel			
	Design - Technical – Process	B.Sc. Chem	6
	Technical – Project Management	B.Sc. Chem	6
	Laboratory-Process	B.Sc. Microbiology	6
	Operation Manager	NDChem-NQF5 Assess	13
	Process	BSc (Chemical & Biochemical)	15
	Area Manager		16
	Financial - Administration	Chartered Institute of Secretaries & Administrators	21
	QSM Manager		
	SHEQ	SAMTRAC Occup SHEQ Management Course	3
	HR - Training	N3 Water & Wastewater; N4 Maths & Eng. Sc.	18
	Quality Management-Integral Lab		
	Call Centre–Issue Management	Information Technology Diploma	5
	BIOWIN	External -	

We can draw on the professional support services of over 110 professional and senior technical staff from our own local and nation-wide resource base. They can provide the full spectrum of management, administrative, operational and maintenance services to the region, with specialist support and monitoring services provided from our national structures.

Our management and support teams are contactable on a twenty-four hour basis throughout the year.

Annexure A15

RECORD OF ADDENDA TO TENDER DOCUMENTS



TENDER NOTICE

In terms of the Supply Chain Management Regulations (Government Gazette 27636 of 30 May 2005)

TENDER NO: 441S/2010/2011

**PROVISION OF OPERATION, MAINTENANCE AND MANAGEMENT SERVICES AT THE
ZANDVLIET WASTEWATER TREATMENT WORKS**

CLOSING DATE: 25 JULY 2011

CLOSING TIME: 10:00

TENDER BOX NUMBER: 72

WEDNESDAY 1 JUNE 2011

ADDENDUM NO. 1

The tender closing date has been revised from Monday, 13th June 2011 to Monday, 25th July 2011.

REVISED CONTRACT PRICE ADJUSTMENT FORMULAE

1.1 LIQUID STREAM FIXED COSTS (RAND PER MONTH)

The initial tendered rate for the Liquid Stream Fixed Cost is identified as L_{F0} and shall be indicated as Rand per month. The sum claimed for the Liquid Stream Fixed Cost for Month 1 shall be identified as L_{F1} which shall be calculated according to the formula below:

$$L_{F1} = L_{F0} \times (1 + L_{FA})$$

Where,

L_{F0} = Liquid Stream Fixed Cost as tendered and using the Base Date.
 L_{FA} = Liquid Stream Fixed Cost Contract Price Adjustment Factor.

The Liquid Stream Fixed Cost Price Adjustment Factor is based on a **100%** cost increase recovery. The formula used to calculate the Contract Price Adjustment Factor is:

$$L_{FA} = [1.00 \times (0.28 \times LA_1/LA_0) + (0.21 \times LB_1/LB_0) + (0.13 \times LC_1/LC_0) + (0.38 \times P_1/P_0)] - 1$$

where,

LA	Cost of staff using City payrates in the grades T1 to T6
LB	Cost of staff using City payrates in the grades T7 to T11
LC	Cost of staff using City payrates in the grades T12 and higher
P	Production Price Index, Table 8, All groups

1.2 LIQUID STREAM VARIABLE COSTS PER KILOLITRE (CUBIC METRE) OF WASTEWATER RECEIVED.

The electricity supplied to the Zandvliet Wastewater Treatment Works is billed using the Miniflex Tariff. This has three tariff rates (Peak, Standard and off-Peak – also known as Time-of-Use) and two seasons (High Season and Low Season). In the high season period (presently June to August), the rates per kWh are significantly higher than in the Low season. There is a likelihood that the future ESKOM tariff increases may not be the same for each time of use period and for the High and Low Season. For this reason, the liquid stream variable costs have been split into two periods to coincide with the ESKOM "Seasons".

1.2.1 ESKOM HIGH SEASON

The initial tendered rate for the Liquid Stream Variable Costs in the ESKOM High Season shall be identified as L_{VH0} and shall be indicated in Rand per kilolitre. The sum claimed for the Liquid Stream Variable Costs for Month 1 shall be identified as L_{VH1} which shall be calculated according to the formula below:

$$L_{VH1} = L_{VH0} \times (1 + L_{VHA})$$

Where,

L_{VH0} = Liquid Stream Variable Costs as tendered in the ESKOM High Season at the Base Date

L_{VHA} = Liquid Stream Variable Costs Price Adjustment Factor (ESKOM High Season)

The Liquid Stream Variable Costs Price Adjustment Factor is based on a 100% cost increase recovery. The formula is shown below for Eskom High Season:

$$L_{VHA} = [1.00 \times ((0.12 \times C_1/C_0) + S_1/S_0 \times ((0.12 \times D_1/D_0) + (0.33 \times K_{P1}/K_{P0}) + (0.26 \times K_{S1}/K_{S0}) + (0.17 \times K_{O1}/K_{O0}))) - 1]$$

Where

S_1	Mean COD concentration for the period of the claim – mg/l
D	Electricity Fixed Charge - Rand
K_P	KWh rate during peak hours – Rand / kWh
K_S	KWh rate during standard hours – Rand / kWh
K_O	KWh rate during off-peak hours – Rand / kWh
C	Chlorine Cost – Rand / kg

1.2.2 ESKOM LOW SEASON

The initial tendered rate for the Liquid Stream Variable Costs in the Low Season shall be identified as L_{VL0} and shall be indicated in Rand per kilolitre. The sum claimed for the Liquid Stream Variable Costs for Month 1 shall be identified as L_{VL1} which shall be calculated by according to the formula below:

$$L_{VL1} = L_{VL0} \times (1 + L_{VLA})$$

Where,

L_{VL0} = Liquid Stream Variable Costs as tendered in the ESKOM Low Season at the Base Date.

L_{VLA} = Liquid Stream Variable Cost Price Adjustment Factor (ESKOM Low Season)

The Liquid Stream Variable Costs Price Adjustment Factor is based on a 100% cost increase recovery. The formula is shown below for ESKOM Low Season:

$$L_{VLA} = \frac{[1.00 \times ((0.12 \times C_1/C_0) + S_1/S_0 \times ((0.15 \times D_1/D_0) + (0.25 \times K_{P1}/K_{P0}) + (0.28 \times K_{S1}/K_{S0}) + (0.20 \times K_{O1}/K_{O0}))) - 1]}{1}$$

Where

S_1	Mean COD concentration for the period of the claim – mg/l
D	Electricity Fixed Charge - Rand
K_P	KWh rate during peak hours – Rand / kWh
K_S	KWh rate during standard hours – Rand / kWh
K_O	KWh rate during off-peak hours – Rand / kWh
C	Chlorine Cost – Rand / kg

In the event of the period of the claim covering both the ESKOM High Season and the Low Season, the period claim shall be split into two components corresponding with the relevant ESKOM Season.

2.1 SLUDGE STREAM FIXED COSTS (RAND PER MONTH)

The initial tendered Sludge Stream Fixed Costs shall be identified as S_{F0} and shall be indicated as Rand per month. The sum claimed for the Sludge Stream Fixed Costs for Month 1 shall be identified as S_{F1} which shall be calculated by according to the formula below.

$$S_{F1} = S_{F0} \times (1 + S_{FA})$$

Where,

S_{F0} = Sludge Stream Fixed Cost as tendered and using the Base Date.

S_{FA} = Sludge Stream Fixed Costs Price Adjustment Factor

The Sludge Stream Fixed Costs Price Adjustment Factor is based on a 100% cost increase recovery. The formula is shown below:

$$S_{FA} = [1.00 \times (0.28 \times LA_1/LA_0) + (0.21 \times LB_1/LB_0) + (0.13 \times LC_1/LC_0) + (0.38 \times P_1/P_0)) - 1]$$

Where

LA	Cost of staff using City payrates in the grades T1 to T6
LB	Cost of staff using City payrates in the grades T7 to T11
LC	Cost of staff using City payrates in the grades T12 and higher
P	Production Price Index, Table 8, All groups

2.2 SLUDGE STREAM FIXED RATE COST PER NETT TON (1000 kg) OF SLUDGE DEWATERED (DRY BASIS)

The electricity supplied to the Zandvliet Wastewater treatment Works is billed using the Miniflex Tariff. This has three tariff rates (Peak, Standard and off-Peak – also known as Time-of-Use) and two seasons (High Season and Low Season). In the high season period (June to August), the rates per kWh are significantly higher than in the Low season. There is a likelihood that the future ESKOM tariff increases may not be the same for each time of use and for the High and Low Season. For this reason, the sludge stream fixed rate costs have been split into two periods to coincide with the ESKOM "Seasons".

The word "Nett" is used to mean the total quantity of sludge (dry solids basis) transferred to the dewatering belt presses minus the quantity of sludge (dry solids basis) returned to the reactors through belt washings, etc.

2.2.1 ESKOM HIGH SEASON

The initial tendered rate for the Sludge Stream Fixed Rate Cost in the High Season shall be identified as S_{VH0} and shall be indicated in Rand per Ton DS dewatered. The sum claimed for the Sludge Stream Fixed Rate Cost for Month 1 shall be identified as S_{VH1} which shall be calculated according to the formula below:

$$S_{VH1} = S_{VH0} \times (1 + S_{VHA})$$

Where:

S_{VH0} = Sludge Stream Fixed Rate Cost as tendered in the ESKOM High Season at the Base Date.

S_{VHA} = Sludge Stream Fixed Rate Cost Price Adjustment Factor (ESKOM High Season))

The Sludge Stream Fixed Rate Cost Price Adjustment Factor is based on a 100% cost increase recovery. The formula is shown below for the ESKOM High Season

$$S_{VHA} = [1.00 \times ((0.16 \times D_1/D_0) + (0.26 \times K_{P1}/K_{P0}) + (0.28 \times K_{S1}/K_{S0}) + (0.20 \times K_{O1}/K_{O0}) + (0.10 \times F_1/F_0)) - 1]$$

Where,

D	Electricity Fixed Charge – Rand
K_P	KWh rate during peak hours – Rand / kWh
K_S	KWh rate during standard hours – Rand / kWh
K_O	KWh rate during off-peak hours – Rand / kWh
F	Polyelectrolyte Cost – Rand / kg

2.2.2 ESKOM LOW SEASON

The initial tendered rate for the Sludge Stream Fixed Rate Cost in the Low Season shall be identified as S_{VL0} and shall be indicated in Rand per Ton DS dewatered. The sum claimed for the Sludge Stream Fixed Rate Cost for Month 1 shall be identified as S_{VL1} which shall be calculated by according to the formula below:

$$S_{VL1} = S_{VL0} \times (1 + S_{VLA})$$

Where:

S_{VL0} = Sludge Stream Fixed Rate Cost as tendered in the ESKOM Low Season at the Base Date.

S_{VLA} = Sludge Stream Fixed Rate Cost Price Adjustment Factor (ESKOM Low Season))

The Sludge Stream Fixed Rate Cost Price Adjustment Factor is based on a **100%** cost increase recovery. The formula is shown below for the ESKOM Low Season

$$S_{VLA} = [1.00 \times ((0.19 \times D_1/D_0) + (0.18 \times K_{P1}/K_{P0}) + (0.31 \times K_{S1}/K_{S0}) + (0.22 \times K_{O1}/K_{O0}) + (0.10 \times F_1/F_0)) - 1]$$

Where,

D	Electricity Fixed Charge - Rand
K _P	KWh rate during peak hours – Rand / kWh
K _S	KWh rate during standard hours – Rand / kWh
K _O	KWh rate during off-peak hours – Rand / kWh
F	Polyelectrolyte Cost – Rand / kg

REVISED STANDARD CONDITION.

On page 146 (C2.2 – Activity Schedule); the standard condition is 72 000kl/**day** and NOT 72 000 kl/month as stated.

ADDITIONAL EDUCATION REQUIREMENT: MANAGER: ZANDVLIET WASTEWATER TREATMENT WORKS.

An additional educational requirement for the Manager of the Zandvliet Wastewater Treatment Works is prescribed for consistency with the similar sized wastewater treatment works operated by City staff.

Para F.2.1.1.4 (page16) and para 10 (page 59).

ADD THE FOLOWING WORDS AFTER (DWA classification) "***with a B.Tech degree or equivalent in an appropriate field and***"

TENDER NOTICE

In terms of the Supply Chain Management Regulations (Government Gazette 27636 of 30 May 2005)

TENDER NO: 441S/2010/2011

**PROVISION OF OPERATION, MAINTENANCE AND MANAGEMENT SERVICES AT THE ZANDVLIET
WASTEWATER TREATMENT WORKS**

CLOSING DATE: 25 July 2011

CLOSING TIME: 10:00

TENDER BOX NUMBER: 72

TENDER FEE: R50.00 (Non-refundable: Tender fee payable to City of Cape Town)

TUESDAY 28TH JUNE 2011

NOTICE TO TENDERERS NO. 2

TO: ALL TENDERERS

Dear Sir / Madam

Tenderers are to note that this Addendum shall form part of the Tender and shall be taken into account all amendments to the Tender Document as set out hereunder:

SPECIFICATION C1.5 FORM OF GUARANTEE / PERFORMANCE SECURITY.

The "Guaranteed Sum" has been revised to read as follows:

"Guaranteed Sum" means **25%** of the amount equal to the Contractor's remuneration for one year inclusive of VAT. This will be based on the contractor's tendered rates as detailed in Annexure A of the tender document and will be calculated as follows:

DESCRIPTION	COSTING UNIT	MULTIPLIER	SUB-TOTAL
Liquid Stream fixed cost	Rand per month	12	Sub-total 1
Liquid stream variable cost Eskom low season	Rand per kilolitre	72 000 kilolitres per days times 303 days	Sub-total 2
Liquid stream variable cost Eskom high season	Rand per kilolitre	72 000 kilolitres per day times 62 days	Sub-total 3

DESCRIPTION	COSTING UNIT	MUTLTIPLYER	SUB-TOTAL
Sludge stream fixed cost	Rand per month	12	Sub-total 4
Sludge stream variable cost Eskom low season	Rand per tonne (dry basis)	18 tons (dry basis) per day times 303 days	Sub-total 5
Sludge stream variable cost Eskom high season	Rand per tonne (dry basis)	18 tons (dry basis) per day times 62 days	Sub-total 6
TOTAL EXCLUDING VAT			Total of above 6 sub-totals (A)
VALUE ADDED TAX			14% of above (B)
TOTAL INCLUDING VAT			SUM OF (A) and (B)

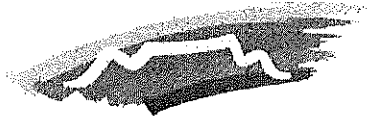
The Guarantee sum will be 25% of the total calculated above.

DIRECTOR: SUPPLY CHAIN MANAGEMENT

TENDERER.....

SIGNED ON BEHALF OF TENDERER:

DATE: 28.06.2011.....



CITY OF CAPE TOWN ISIXEKO SASEKAPA STAD KAAPSTAD

TENDER NOTICE

In terms of the Supply Chain Management Regulations (Government Gazette 27636 of 30 May 2005)

TENDER NO: 441S/2010/2011

**PROVISION OF OPERATION, MAINTENANCE AND MANAGEMENT SERVICES AT THE ZANDVLIET
WASTEWATER TREATMENT WORKS**

CLOSING DATE: 25 July 2011

CLOSING TIME: 10:00

TENDER BOX NUMBER: 72

TENDER FEE: R50.00 (Non-refundable: Tender fee payable to City of Cape Town)

TUESDAY 28TH JUNE 2011

NOTICE TO TENDERERS NO. 2

TO: ALL TENDERERS

Dear Sir / Madam

Tenderers are to note that this Addendum shall form part of the Tender and shall be taken into account all amendments to the Tender Document as set out hereunder:

SPECIFICATION C1.5 FORM OF GUARANTEE / PERFORMANCE SECURITY.

The "Guaranteed Sum" has been revised to read as follows:

"Guaranteed Sum" means **25%** of the amount equal to the Contractor's remuneration for one year inclusive of VAT. This will be based on the contractor's tendered rates as detailed in Annexure A of the tender document and will be calculated as follows:

DESCRIPTION	COSTING UNIT	MULTIPLIER	SUB-TOTAL
Liquid Stream fixed cost	Rand per month	12	Sub-total 1
Liquid stream variable cost Eskom low season	Rand per kilolitre	72 000 kilolitres per days times 303 days	Sub-total 2
Liquid stream variable cost Eskom high season	Rand per kilolitre	72 000 kilolitres per day times 62 days	Sub-total 3

DESCRIPTION	COSTING UNIT	MUTLTIPLYER	SUB-TOTAL
Sludge stream fixed cost	Rand per month	12	Sub-total 4
Sludge stream variable cost Eskom low season	Rand per tonne (dry basis)	18 tons (dry basis) per day times 303 days	Sub-total 5
Sludge stream variable cost Eskom high season	Rand per tonne (dry basis)	18 tons (dry basis) per day times 62 days	Sub-total 6
TOTAL EXCLUDING VAT			Total of above 6 sub-totals (A)
VALUE ADDED TAX			14% of above (B)
TOTAL INCLUDING VAT			SUM OF (A) and (B)

The Guarantee sum will be 25% of the total calculated above.

DIRECTOR: SUPPLY CHAIN MANAGEMENT

TENDERER:

SIGNED ON BEHALF OF TENDERER:

DATE:

Schedule of Deviations

1 Subject

Details

2 Subject

Details

3 Subject

Details

4 Subject

Details

5 Subject

Details

**ONLY TO BE COMPLETED AT
ACCEPTANCE STAGE**

By the duly authorised representatives signing this agreement, the employer and the tenderer agree to and accept the foregoing schedule of deviations as the only deviations from and amendments to the documents listed in the tender data and addenda thereto as listed in the returnable schedules, as well as any confirmation, clarification or changes to the terms of the offer agreed by the tenderer and the employer during this process of offer and acceptance.

It is expressly agreed that no other matter whether in writing, oral communication or implied during the period between the issue of the tender documents and the receipt by the tenderer of a completed signed copy of this agreement shall have any meaning or effect in the contract between the parties arising from this agreement.

CITY OF CAPE TOWN

WATER AND SANITATION

CONTRACT NO. 441S/2010/11

PROVISION OF OPERATION, MAINTENANCE AND MANAGEMENT SERVICES AT THE ZANDVLIE
WASTEWATER TREATMENT WORKS

C1.6 Occupational Health and Safety Agreement

AGREEMENT MADE AND ENTERED INTO BETWEEN THE CITY OF CAPE TOWN (HEREINAFTER CALLED THE "EMPLOYER") AND

.....
(Service Provider/Mandatar/Company/CC Name)

IN TERMS OF SECTION 37(2) OF THE OCCUPATIONAL HEALTH AND SAFETY ACT, ACT No. 85 OF 1993 AS AMENDED.

I, ..., representing

....., as an employer
in its own right, do hereby undertake to ensure, as far as is reasonably practicable, that all work will be performed, and all equipment, machinery or plant used in such a manner as to comply with the provisions of the Occupational Health and Safety Act (OHSA) and the Regulations promulgated thereunder.

I furthermore confirm that I am/we are registered with the Compensation Commissioner and that all registration and assessment monies due to the Compensation Commissioner have been fully paid or that I/We are insured with an approved licensed compensation insurer.

COID ACT Registration Number:

OR Compensation Insurer: Policy No.:

I undertake to appoint, where required, suitable competent persons, in writing, in terms of the requirements of OHSA and the Regulations and to charge him/them with the duty of ensuring that the provisions of OHSA and Regulations as well as the Council's Special Conditions of Contract, Way Leave, Lock-Out and Work Permit Procedures are adhered to as far as reasonably practicable.

I further undertake to ensure that any subcontractors employed by me will enter into an occupational health and safety agreement separately, and that such subcontractors comply with the conditions set.

I hereby declare that I have read and understand the appended Occupational Health and Safety Conditions and undertake to comply therewith at all times.

I hereby also undertake to comply with the Occupational Health and Safety Specification and Plan.

Signed at on the day of 20....

Witness

Mandatar

Signed at on the day of 20

Witness

for and on behalf of
City of Cape Town