



Economic Development & Planning Cluster
Economic Development & Investment Promotion Unit

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Enquiries: Ms Sthembile Khumalo

PQ: 7N-136

REQUEST FOR PROPOSALS TO ASSESS AND SUBMIT FEASIBILITY STUDY FOR THE MOST ECONOMIC VIABLE MIXED-USE DEVELOPMENT ON REMAINDER 1 OF DURBAN ;MONTPELIER ROAD AND SANDILE THUSI(TENNIS COURT)

TENDER CLOSING: Wednesday, **07 November 2018** at 11h00

THIS CONTRACT WILL BE ADJUDICATED IN TERMS OF THE NEW PROCUREMENT POLICY FOR CONTRACTS UNDER R 200 000, 00

QUOTATIONS ARE TO BE DEPOSITED IN THE BOX PROVIDED IN THE FOYER OF THE MATERIALS MANAGEMENT BUILDING, K.E. MASINGA PLACE FORMERLY OLD FORT ROAD AND NOT TO ANY OTHER MUNICIPAL DEPARTMENT

NAME OF TENDERER:	
Tender Price: R.....	VAT Registered : YES / NO (circle applicable)

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1. Project Title

REQUEST FOR PROPOSALS TO ASSESS AND SUBMIT FEASIBILITY STUDY FOR THE MOST ECONOMIC VIABLE MIXED-USE DEVELOPMENT ON REMAINDER 1 OF DURBAN MONTPELIER ROAD AND SANDILE THUSI(TENNIS COURT)

2. Background Information

The project aims to achieve excellence in basic service delivery within the City endeavoring to deliver services at a level that will actively improve residents' living conditions, and promote individual and community welfare. Dense and transit-oriented growth and development, to change, develop, and stimulate the built form of the city so that the movement patterns of people and goods are optimized to create urban efficiencies and enable social equality and economic development. The Municipality aims to build integrated communities, through proactively and directly working to reverse the impact and practices of apartheid to improve all residents' quality of life.

3. Objective of Project

The aim of the project is to create an enabling environment for local businesses to grow, and for the resident community to prosper transforming the area into a thriving urban centre with its own economic drive and social vitality that offers residents a quality urban living, working and recreational environment that link this urban centre to the city's mainstream economy. The Municipality requires professional services provider to undertake a feasibility study to assess Mixed-use developments opportunities that contain a mix of non-residential uses and complementary residential uses. This should allow commercial/retail element of the development to cross-subsidization of affordable housing in the area since the area is known for attracting high end income earners. This should also facilitates the creation of integrated communities through access to social, economic, and recreational opportunities. The proposal should also test what kind of mixed used opportunities will act as a compliment to the proposed development without interfering with the existing fibre.

4. Scope of The Project

The Service Provider will report to the Project Manager and will address and resolve the following:

- Report from Urban Town Planner with back up in form of relevant experts from IDP Chapter, Municipal SDF, SPLUMA and any other relevant legislation.
- Attach copy of extract out of applicable Town-Planning Scheme with applicable proposed zoning and applicable rights and restrictions, also in respect of any process required to create the required site assembly and conditions imposed and complied with, preferably a letter of confirmation from the project Town Planner
- Attach a detailed report describing the following: characteristics of the site, with specific reference to its uniqueness, the links to surrounding landmarks and how the development may potentially align with all the surrounding amenities.
- Provide applicable Engineers' confirmation letters and bulk services reports Water, Sewer, Electricity, Roads and Stormwater etc.
- Identification of the site constraints and the development of a matching programme and cost estimates for resolving all issues identified.

- To include an appropriate mixed uses scenarios, potential yield, governance and management model scenarios, financing and funding scenarios, risk assessment and recommendations.
- The budget must estimate the costs associated with the above-mentioned activities, as well as provide a high level estimate of the development costs and specify which relevant types of grants this type of development utilise
- Prepare a detailed report including diagrams on how the project contributes to economic, social and spatial restructuring of your city, and addresses the historical apartheid planning.
- Provide a brief report outlining what existing desk-top information has been consulted to identify initial demand, summarises the key results and how that confirms demand for the project.
- Prepare a Commercial Viability Report including the proposed funding model, revenue forecast, debt control funding and feasibility and propose alternatives if necessary.

The deliverables/end product includes:

- **Inception report plus a revised program:** This should contain details on the overall approach, including any research methodologies to be applied, as well as details of the project team that will be responsible for execution of each stage of the project. Key timelines and budgets must be outlined in the inception report.
- **Preliminary Report / Situational Analysis:** To explain and present the progress of the project up to this far, including any conceptualisation of the project under consideration.
- **Draft Report:** A Draft Feasibility Study Report as per the TORs complete with analysis and recommendations plus a Business Plan.
- **Final Report (within twelve weeks of appointment):** A final completed Feasibility Study Report and a Business Plan.

5. Tasks, Duties and Responsibilities

In addition to the Service Provider's initiative and innovation, the latter will also be required to provide electronic design and layout of the Report plus the Business Plan.

6. Milestones and Timeframes

The service provider is expected to commence with the project immediately after appointment. The project is to be completed in four **(4) months** from the date of appointment. The timeframes and deliverables for the various phases will be discussed upon appointment.

7. End Products and Format

The end products, as specified above, are to be supplied to Projects Department in editable and hard copy format. All content to be provided by the service provider. The following are required as end products:

Please note that all graphics/images used/produced during the project and on the templates need to be supplied in JPEG and open format to Projects Department. This will remain as the property of eThekweni Municipality. Furthermore templates are to be made in an email ready and print form.

8. Copyright on Documents

Please note that as a requirement of this project, all output and copyright thereof will become the property of eThekweni Municipality. The findings and results from this project shall by no means be

used by any other sources. In the event of termination of this appointment, the Economic Development Unit reserve the right to use all or any parts of the documentation for completion of the project.

9. Project Team Requirements

The Service Provider must comprise of a team as well as support staff with the requisite skills to fulfill the requirements of the Terms of Reference. The project team should consist of the following:

Team Leader/Project Manager

- Must have an officially recognized qualification with majors in any of the following; Economics, Development Studies, Commerce, Engineering or Business Administration, Property development
- 5-10 years relevant experience in Local Economic Development, project development, market research, management and/or monitoring.
- Possess skills and competencies in the following areas: project development and packaging, management, and monitoring; time management; planning and organising; report writing; budgeting and financial management in non-financial management capacity; presentation skills; communication and networking; good interpersonal relations; analytical thinking and problem solving; computer literacy.
- Knowledge of project and contract management; feasibility studies, sector studies, business plans, IDPs (integrated development plans), project financing, SWOT and LED Plans; partnerships for economic development; legislation, policy and strategy affecting local economic development; and research methodologies.

Researcher

- The Researcher must have an officially recognized qualification with majors in any of the following; Economics, Development Studies, Commerce, Town Planning or Business Administration with 2-5 years relevant experience with economic development.
- The Researcher should have a sound knowledge of business planning practices, market research, and financial analysis and budget preparation with experience in SMME/Cooperative development and property development economics.
- The Researcher should also have extensive experience in report writing and possess presentation skills.

Architect

- The service provider should make provision for the use of an Architect for the fulfillment of the scope of work during the contract period as and when required.
- The Project Management Team must also make provision for the use of specialists in the following fields: Quantity Surveying, Property Management, Engineering etc. depending on their need by the project and/or activities and capacity of the team members.
- These team members should demonstrate the following key competencies:

- Sufficient knowledge and expertise in order to accurately assess the factors that will impact on the successful implementation of the project mentioned above.
- Be suitably qualified and experienced to provide detailed and specialist advice and information on the formulation of the abovementioned project.

The successful bidder will also need to meet the following basic criteria:

- Production of a valid tax clearance certificate.
- Re-registration on eThekweni Municipality's Supplier Database.
- Proposals will be considered from individuals, companies and groups of professionals.

10. Tender Submission Details

The deadline for submissions is: **07 November 2018**

These must be submitted for attention: **Ms. Sthembile Khumalo** of the Economic Development Unit, Projects Department and labeled: **Mix Use Developments PQ No: 7N-136.**

Please deliver the proposals to:

Proposals to be submitted to:

Corporate Procurement (Materials Management)

Archie Gumede Place, Old Fort Complex (And not to any other Department)

Durban

4001

Tenders must include:

- The location of the firm's offices.
- A proposal responding to the above terms of reference, including:
 - The Service Provider's response to this brief and scope of work.
 - A proposed plan and method for delivery.
 - A detailed timeframe for completion of the project, including key milestones and deliverables.
 - The quotation (to be included with the proposal) consisting of total cost, VAT and disbursements as separate figures. A schedule of projected time and financial cost per phase, and per staff member must be provided.
 - Descriptions of and references for, previous work of a similar nature as per the requirements outlined above.
 - A demonstration of the required level of experience as stipulated in the terms of reference, including the two page CVs on each member.

- Proof of registration on eThekweni Municipality's Supplier Database.
- A valid Tax clearance certificate.
- Original BBBEE certification.
- Completed and signed MBD 9 Forms (Found in the Appendix):
 - Original Declaration of Interest
 - Original Declaration of Municipal Fees
 - Original Certificate of Independent Bid Determination

In the event that consortia respond to this request for proposals, each company forming part of the consortium are to fill out all of the supporting documentation in full.

Please note that the appointment will be made in terms of the council's procurement policy. The quotation must include total cost, VAT and disbursements as separate figures. A schedule of projected time and financial cost per phase, and per staff member must be provided.

These terms of reference are subject to any changes which may stem from a negotiation of the final terms with the service provider, as well as any additional budget which may be allocated to the project.

11. Adjudication

The adjudication of this Request for Proposals will be in terms of MFMA Circular 53 (Municipal Finance Management Act No. 56 of 2003), whereby FUNCTIONALITY is included in this bid as a criterion (Stage 1) and will be assessed in terms of the evaluation criteria detailed in the table below. Any bid which fails to meet the minimum threshold of 70 out of 100 points for functionality will be disqualified. Thereafter, only qualifying bids will be evaluated in terms of the 80/20 preference points system (Stage 2) where 80 points is used for price only and 20 points are used for BEE points. The adjudication of this Tender will be in terms of the criteria presented below and be in compliance with the scope, purpose, and methodology of the intervention.

CRITERIA	MAXIMUM SCORE
STAGE 1	
1. Response to the brief	30
<p>1.1. Does the proposal clearly demonstrate good understanding of the brief? All key deliverables are distinctly identified and adequately address.</p> <ul style="list-style-type: none"> ○ <i>Nil – No submission</i> ○ <i>Poor (score 40%; 6 points) – The proposal shows limited understanding of the brief and project, has not adequately dealt with the key challenges.</i> ○ <i>Satisfactory (score 70%; 10.5 points) – The brief is well understood, clearly articulated, and key components are adequately addressed. The proposal reflects necessary concepts but has insufficient detail for it to be distinctive.</i> ○ <i>Good (score 90%; 13.5 points) – the proposal clearly demonstrates an understanding of the project’s brief. All key components are adequately addressed. It also reflects sufficient vision and detail to be distinctive.</i> ○ <i>Very good (score 100%; 15 points) - A unique proposal that is strongly aligned to and identifiable with the project. It identifies and deals well with all the brief criteria and has the potential to leave a broader legacy.</i> <p>1.2. Is the methodology innovative, detailed to adequately address all elements of the project and the technical approach stating how each will be executed?</p> <ul style="list-style-type: none"> ○ <i>Nil – No submission</i> ○ <i>Poor (score 40%; 6 points) –The technical approach and the methodology is poor/ is unlikely to satisfy the project objectives or requirements. The tenderer has misunderstood certain aspects of the scope of work and does not deal with the critical aspects of it. The methodology is unacceptable.</i> ○ <i>Satisfactory (score 70%; 10.5 points) – The approach is generic and not tailored to address the specific project objectives and methodology. The</i> 	

<p><i>approach does not adequately deal with the critical characteristics of the project. The quality plan, manner in which risk is managed is too generic.</i></p> <ul style="list-style-type: none"> ○ <i>Good (score 90%; 13.5 points) – The approach is specifically tailored to address the specific project objectives and methodology and is sufficiently flexible to accommodate changes that may occur during execution. The quality plan and approach to manage risk etc. is specifically tailored to the critical characteristics of the project. The methodology is reasonable.</i> ○ <i>Very good (score 100%; 15 points) – Besides meeting the “good” rating, the important issues are approached in an innovative and efficient way, indicating that the tenderer has outstanding knowledge of the state-of-the-art approaches. The methodology is comprehensive.</i> 	
<p>2. Expertise and experience</p>	<p>35</p>
<p>Does the service provider and team members have relevant and sufficient experience and expertise in projects of similar nature and scale? Does the service provider have capacity and experience to raise specified sponsorship?</p> <ul style="list-style-type: none"> ○ <i>Nil – No submission</i> ○ <i>Poor (score 40%; 14 points) – The team has limited relevant experience in projects of similar nature and has not taken a project of this magnitude. The proposed team is weak in important areas and is unlikely to deliver within the specified time frames.</i> ○ <i>Satisfactory (score 70%; 24.5 points) – The tenderer has relevant experience in projects of similar nature but has not directly undertaken a project of this magnitude. Key personnel allocated to the project have reasonable relevant experience.</i> ○ <i>Good (score 90%; 31.5 points) – The tenderer has extensive experience in projects of similar nature and has directly undertaken similar projects. The key personnel allocated have extensive relevant experience.</i> ○ <i>Very good (score 100%; 35 points) – The tenderer has extensive and outstanding experience in projects of similar nature and has taken many such projects. Key personnel allocated to the project have outstanding relevant experience.</i> 	
<p>3. Capacity to deliver and capability</p>	<p>20</p>
<p>Has the operational plan and resources clearly explained?</p>	

<ul style="list-style-type: none"> ○ <i>Nil – No submission</i> ○ <i>Poor (score 40%; 8 points) – The operational plan is vague, and there is no clarity in terms of resources aligned to the project. It is unlikely that the plane will deliver all outcomes on time and within budget.</i> ○ <i>Satisfactory (score 70%; 14 points) – Operational plan is complete and reasonably detailed. Resources appear adequate. The plan will deliver all outcomes on time and within budget.</i> ○ <i>Good (score 90%; 18 points) – Besides meeting the ‘satisfactory’ rating, resources have been clearly defined and make provision for key risk areas.</i> ○ <i>Very good (score 100%; 20 points) – Besides meeting the ‘good’ rating, the plan makes provision for every eventuality.</i> 	
4. Cost Breakdown	15
<p>Are the costs of work streams in proportion to their contribution to the end products? Is the cost breakdown clear i.e. cost per item?</p> <ul style="list-style-type: none"> ○ <i>Nil – No submission</i> ○ <i>Poor (score 40%; 6 points) – unacceptable proportion</i> ○ <i>Satisfactory (score 70%; 10.5 points)– adequate proportion</i> ○ <i>Good (score 90%; 13.5 points) – reasonable proportion</i> ○ <i>Very good (score 100%; 15 points) – fully in proportion</i> 	
TOTAL	100
STAGE 2	
Price: overall budget of the project	90
BEE: empowerment status	10
GRAND TOTAL	100

Broad Based Black Economic Empowerment Points will be awarded to bidders in accordance with the following table:

B-BBEE Status Level of Contributor	90/10 Point System	80/20 Point System
1	10	20
2	9	18
3	8	16
4	5	12
5	4	8
6	3	6
7	2	4
8	1	2

12. Council Contact Persons and Details

For any other queries, please contact:

Ms Sthembile Khumalo

sthembile.khumalo@durban.gov.za

Tel: (031) 322 8786 or 031 311 4227

13. Appendices

A) DECLARATION OF INTEREST

Any legal person, including persons employed by the principal, or persons having a kinship with persons employed by the principal, including a blood relationship, may make an offer or offers in terms of this invitation to bid. In view of possible allegations of favoritism, should the resulting bid, or part thereof, be awarded to persons employed by the principal, or to persons connected with or related to them, it is required that the bidder or his/her authorized representative declare his/her position in relation to the evaluating/adjudicating authority and/or take an oath declaring his/her interest, where-

- The bidder is employed by the principal; and/or
- The legal person on whose behalf the bidding document is signed, has a relationship with persons/a person who are/is involved in the evaluation and or adjudication of the bid(s), or where it is known that such a relationship exists between the person or persons for or on whose behalf the declarant acts and persons who are involved with the evaluation and or adjudication of the bid.

2. In order to give effect to the above, the following questionnaire must be completed and submitted with the bid.

2.1 Are you or any person connected with the bidder, employed by the principal? YES / NO

2.1.2 If so, state particulars.

2.2 Do you, or any person connected with the bidder, have any relationship (family, friend, other) with a person employed by the principal and who may be involved with the evaluation and or adjudication of this bid? YES / NO

2.2.1 If so, state particulars.

2.3 Are you, or any person connected with the bidder, aware of any relationship (family, friend, other) between the bidder and any person employed by the principal who may be involved with the evaluation and or adjudication of this bid? YES / NO

2.3.1 If so, state particulars.

DECLARATION

I, THE UNDERSIGNED (NAME).....
CERTIFY THAT THE INFORMATION FURNISHED IN PARAGRAPHS 2.1 TO 2.3.1 ABOVE IS
CORRECT. I ACCEPT THAT THE PRINCIPAL MAY ACT AGAINST ME SHOULD THIS
DECLARATION PROVE TO BE FALSE.

SIGNATURE

DATE

POSITION

NAME OF BIDDER

B) DECLARATION OF MUNICIPAL FEES

I/We do hereby declare that the Municipal fees of _____ (company name) are, as at the date of the tender closing, fully paid up, or arrangements have been concluded with the Municipality to pay the said fees:

ACCOUNT

ACCOUNT NUMBER

ELECTRICITY

WATER

RATES

JSB LEVIES

OTHER

I acknowledge that should it be found that the Municipal fees are not up to date, the Council may take such remedial action as is required, including termination of contract, and any income due to the Contractor shall be utilized to offset any monies due to the Council.

Name

Signature

Designation

Date

C) CERTIFICATE OF INDEPENDENT BID DETERMINATION

This Municipal Bidding Document (MBD) must form part of all bids¹ invited.

Section 4 (1) (b) (iii) of the Competition Act No. 89 of 1998, as amended, prohibits an agreement between, or concerted practice by, firms, or a decision by an association of firms, if it is between parties in a horizontal relationship and if it involves collusive bidding (or bid rigging).² Collusive bidding is a per se prohibition meaning that it cannot be justified under any grounds.

Municipal Supply Regulation 38 (1) prescribes that a supply chain management policy must provide measures for the combating of abuse of the supply chain management system, and must enable the accounting officer, among others, to:

- Take all reasonable steps to prevent such abuse;
- Reject the bid of any bidder if that bidder or any of its directors has abused the supply chain management system of the municipality or municipal entity or has committed any improper conduct in relation to such system; and
- Cancel a contract awarded to a person if the person committed any corrupt or fraudulent act during the bidding process or the execution of the contract.

This MBD serves as a certificate of declaration that would be used by institutions to ensure that, when bids are considered, reasonable steps are taken to prevent any form of bid-rigging.

In order to give effect to the above, the attached Certificate of Bid Determination (MBD 9) must be completed and submitted with the bid:

¹ Includes price quotations, advertised competitive bids, limited bids and proposals.

² Bid rigging (or collusive bidding) occurs when businesses, that would otherwise be expected to compete, secretly conspire to raise prices or lower the quality of goods and / or services for purchasers who wish to acquire goods and / or services through a bidding process. Bid rigging is, therefore, an agreement between competitors not to compete.

MBD 9 CERTIFICATE OF INDEPENDENT BID DETERMINATION

I, the undersigned, in submitting the accompanying bid:

(Bid Number and Description)

in response to the invitation for the bid made by:

(Name of Municipality / Municipal Entity)

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 Bidder)

1. I have read and I understand the contents of this Certificate;
2. I understand that the accompanying bid will be disqualified if this Certificate is found not to be true and complete in every respect;
3. I am authorized by the bidder to sign this Certificate, and to submit the accompanying bid, on behalf of the bidder;
4. Each person whose signature appears on the accompanying bid has been authorized by the bidder to determine the terms of, and to sign, the bid, on behalf of the bidder;

For the purposes of this Certificate and the accompanying bid, I understand that the word “competitor” shall include any individual or organization, other than the bidder, whether or not affiliated with the bidder, who:

- Has been requested to submit a bid in response to this bid invitation;
- Could potentially submit a bid in response to this bid invitation, based on their qualifications, abilities or experience; and
- Provides the same goods and services as the bidder and/or is in the same line of business as the bidder

6. The bidder has arrived at the accompanying bid independently from, and without consultation, communication, agreement or arrangement with any competitor. However communication between partners in a joint venture or consortium³ will not be construed as collusive bidding.

7. In particular, without limiting the generality of paragraphs 6 above, there has been no consultation, communication, agreement or arrangement with any competitor regarding:

- Prices;
- Geographical area where product or service will be rendered (market allocation)
- Methods, factors or formulas used to calculate prices;
- The intention or decision to submit or not to submit, a bid;
- The submission of a bid which does not meet the specifications and conditions of the bid; or;
- Bidding with the intention not to win the bid.

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 bid invitation relates.

9. The terms of the accompanying bid have not been, and will not be, disclosed by the bidder, directly or indirectly, to any competitor, prior to the date and time of the official bid 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 bids and contracts, bids 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	Date
.....
Position Name of Bidder	Date

³ 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.

FORM OF OFFER AND ACCEPTANCE

The Employer, identified in the Acceptance signature block, has solicited offers to enter into a contract in respect of the following works:

Contract No : **7N-136**

Contract Title: **Feasibility for the mix use developments**

The Tenderer, identified in the Offer signature block below, has examined the documents listed in the Tender Data and addenda thereto as listed in the Tender 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 Contractor 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 total of the prices inclusive of Value Added Tax is:**

Amount (excl VAT) (1)	VAT (if VAT registered) (2)	Total Amount (1) + (2)
R	R	R

(In words
.....)

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 Contractor in the Conditions of Contract identified in the Contract Data.

For the Tenderer:

- * **Name of Tenderer** (*organisation*) :
- * **Signature** (*of person authorized to sign the tender*) :
- * **Name** (*of signatory in capitals*) :
- Capacity** (*of Signatory*) :
- Date** :

*** Indicates what information is mandatory.**

Failure to complete the mandatory information and sign this form will invalidate the tender.

