

SERVICE LEVEL AGREEMENT

entered by and between

THE GEORGE MUNICIPALITY

herein represented by **Mr Cornelius Adriaan Du Plessis** in his capacity as
Director: Financial Services, being duly authorised thereto

(hereinafter referred to as "the Municipality")

and

LONDOLOZA UTILITY SOLUTIONS (PTY) LTD (REG NR1993/001112/07)

herein represented by **Mr Frederick Jacobus Pretorius**, in his capacity as
General Manager being duly authorised thereto

(hereinafter referred to as "the Service Provider")

hereinafter collectively referred to as "the Parties"

14520080678

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PREAMBLE:

- A.** The successful bidder is to provide and manage software for the reading of water and electricity meters and other meter related services for the period of three (3) years from commencement date until 30 June 2026.
- B.** The Service Provider has accepted such appointment and shall render the Services to the Municipality on the terms and conditions, as set out in this Agreement, the tender specifications and stipulations in the tender documents, the Service Provider's response thereto and the appointment letter dated 12 March 2024, which all form part of this Agreement.

WHEREBY THE PARTIES AGREE AS FOLLOWS:**1. INTERPRETATION**

- 1.1. The following terms shall have the meanings assigned to them hereunder and cognate expressions shall have a corresponding meaning, namely:
- 1.1.1. **"Agreement"** shall mean this Service Level Agreement, together with the tender document, the Service Provider's response thereto and following Annexures:
- 1.1.1.1. Annexure A – Appointment & Offer Acceptance
- 1.1.1.2. Annexure B – Pricing Schedule
- 1.1.1.3. Annexure C – Specifications & Conditions
- 1.1.2. **"Letter of Appointment"** means the letter addressed from the Municipality to the Service Provider upon the awarding of the tender to the Service Provider dated 12 March 2024;
- 1.1.3. **"Municipality"** means the George Municipality;
- 1.1.4. **"Parties"** means the Service Provider and the Municipality and **"Party"** means either one of them as the context may indicate; and
- 1.1.5. **"Service Provider"** means **Londoloza Utility Solutions (Pty) Ltd.**

- 1.2 If a clause in this Agreement appears to be ambiguous, it shall not be construed against any Party on the basis of a claim that the Party was the drafter.
- 1.3 The terms of this SLA have been negotiated and accordingly, the rule of interpretation which construes the SLA against the party who prepared it shall not be applicable.
- 1.4 This Agreement shall be governed, interpreted and enforced in accordance with the laws of the Republic of South Africa.
- 1.5 When the last day for performance of an obligation falls on a day that is not a business day, the obligation shall be performed on the next succeeding business day.
- 1.6 A reference to any legislation includes any statutory amendment or substitution thereof.
- 1.7 Any matter not included in this Agreement shall be governed by the applicable terms of the tender documents, specifically the National Treasury General Conditions of Contract ("**GCC**"). In the event of any inconsistencies between this Agreement, including any schedules and annexures, and the GCC, then the provisions of this Agreement shall prevail and where the Agreement is silent, then the provisions of the GCC shall apply.

2. DURATION

- 2.1. The Services shall be rendered as follows:
 - 2.1.1. Notwithstanding the date on which this Agreement is signed by the Party signing last in time, the Services shall be rendered for a period ending on 30 June 2026, commencing on **23 April 2024**, subject to earlier termination in terms of clauses 14 and 17 hereof ("**the Term**").

3. THE SERVICES

3.1 Services

The Service Provider shall deliver the required service as stipulated in the tender document and on the terms and conditions set out in this Agreement ("**Services**").

3.2 Scope

The scope of the Services shall at all times be construed in accordance with the provisions of this Agreement, including the tender documents. Should the Parties

wish to alter the scope of the Services during the Term, such alteration shall be in the form of an addendum to this Agreement and undertaken in accordance with the requirements of this Agreement.

4. ROLES, RESPONSIBILITIES AND LEVELS OF SERVICE PROVIDED

4.1 Responsibilities of the Municipality

- 4.1.1 Remunerate the Service Provider for the Services in accordance with the terms of this Agreement as per clause 5 below, and in accordance with the approved pricing per the tender document (attached to the Agreement as part of **Annexure B**);
- 4.1.2 Provide all necessary logistical and other support to the Service Provider to enable it to render the Services on the terms as set out in this Agreement;
- 4.1.3 Co-operate with the Service Provider at all times for the purpose of facilitating the timeous and efficient performance of the Services, including the timeous furnishing of all the information required by the Service Provider to provide the Services; and
- 4.1.4 Timeously review all materials prepared by the Service Provider.

4.2 Responsibilities of the Service Provider

- 4.2.1 Read meters and provide meter related services for the full period length of the contract;
- 4.2.2 Will only be paid for actual acceptable meter readings with no payment for (check)/ re-readings;
- 4.2.3 Will be penalized for non-performance, such penalties shall be aligned to the provisions contained in Clause (5);
- 4.2.4 Must take into consideration that the number of water and electricity meters will decrease over the term of the contract due to the implementation of the smart water meter project and the phasing out of the credit electricity meters at households;
- 4.2.5 Supply a monthly meter reading programme not exceeding Thirty-Five (35) days or less than Twenty-Seven (27) days before the start of every reading cycle;
- 4.2.6 Read the water and electricity meters per route list;
- 4.2.7 Supply and maintain the reading equipment that is compatible and can be integrated with the SAMRAS Billing System, e.g. hand-held terminals. The

Handhelds camera quality must be minimum 5 mega pixel and must not accept a meter reading without prompting for a photo;

- 4.2.8 Take readings as per reading cycle, as determined by the Customer;
- 4.2.9 Provide proof reading or re-reading (check reading) of meters as requested by the Customer;
- 4.2.10 Open meters that are underground or inaccessible in order to get readings;
- 4.2.11 Obtain of final/new readings of disconnected/reconnected electricity and water meters;
- 4.2.12 Dry out (pumping out) of manholes where meters are under water;
- 4.2.13 Issue a notice to the Customer's consumers in cases where meters cannot be read during normal office hours. Proof of this notice must accompany each after hour meter reading performed;
- 4.2.14 Notify the Customer of any changes in the proposed reading cycle and the reasons for the change;
- 4.2.15 Include installation of GPS coordinates of meter location per property. (GPS coordinates MUST be captured accurately, as close as possible to the meter location). In addition to the capturing of GPS coordinates of meters, GPS exception reporting is also required (for the purpose comparing GPS coordinates of meters on a month-to-month basis);
- 4.2.16 All reading cycles should be monthly read by no later than the 15th of each month; and
- 4.2.17 Required to have a fully equipped and functioning local back office in George that will deal with the following: Refer to clause 3.7 of the Specifications (**Annexure C**).

5. PAYMENT

- 5.1 The Municipality shall pay the Service Provider, in accordance with the price schedule of the tender document, within 30 (thirty) days of receipt of the tax invoice and supporting detailed schedule, provided that the services to which the tax invoice relates have been completed to the satisfaction of the Municipality.
- 5.2 The following details must be reflected on the invoice forwarded to the Municipality by the Service Provider:
 - 5.2.1 Tender Number;
 - 5.2.2 Amounts must be clearly matched to the Pricing Schedule (Annexure B);

- 5.2.3 VAT payable; and
- 5.2.4 Any penalties imposed in terms of clause 7 of this Agreement.
- 5.3 The Municipality will verify the correctness of services rendered and notify the Service Provider of any possible discrepancies within ten (10) days of issuing of each invoice. If the invoice is correct, the amount due shall be payable within thirty (30) days from receipt of the invoice.
- 5.4 If the Municipality identifies any material discrepancies, the invoice will be referred back to the Service Provider, and the amount due will be payable within thirty (30) days from receipt of a correct invoice, provided that the Services to which the relevant invoice relates have been achieved to the satisfaction of the Municipality.
- 5.5 Interest, monthly in arrears, at the prevailing prime interest rate plus 4 (four) percent, may be levied on accounts owing by the Municipality for any period longer than 30 (thirty) days.
- 5.6 Any failure by the Municipality to make any payment on due date shall entitle the Service Provider, *inter alia*, to immediately suspend the provision of the Services until such time as all arrears have been paid in full, including any interest due.
- 5.7 Prince Increase Allowance
- 5.7.1 Rates have been supplied for the three-year term and shall remain as per the approved rates for the contract period. These rates are considered to include escalation as stated in the tender document.
- 5.7.2 Extraordinary price adjustments from third party suppliers may be communicated to the Municipality for consideration of any increases that may be required to ensure the Services can be rendered. It is for the sole discretion of the Municipality to determine if, and the level to which, such a request will be entertained.

6. PERFORMANCE & REPORTING

- 6.1 Key Performance indicators are set out in the Specifications (Annexure C). The billable reading targets have been set as follows:

- 6.1.1 minimum of 80% actual billable reading ratio per quarter for the first (1st) contract year;
 - 6.1.2 minimum of 85% actual billable reading ratio per quarter for the second (2nd) contract year; and
 - 6.1.3 95% for every month thereafter.
- 6.2 As per the normal practice for the Municipality, Contract Owners are responsible for managing the performance of suppliers under their authority. At a minimum, suppliers will be scored on a monthly basis and the achieved levels are to be reported to the Contract Management Unit (CMU). Should the CMU identify areas of concern from these monthly Supplier Evaluations, the perceived issues will be taken up with the Service Provider for comment and possible further intervention and action.
- 6.3 The Service Provider must comply with all reporting and recordkeeping obligations specified in the Agreement.
- 6.3 The Service Provider will be evaluated on a monthly basis and penalties may be imposed, if the Service Provider fails to deliver the Services as specified in clause.
- 6.4 The Municipality's right to impose penalties shall not in any way detract from the Municipality's right to claim damages in lieu of penalties in the event of a breach by the Service Provider of any or all of the terms and conditions of this Agreement.
- 6.5 Consistent failure and poor service delivery will result in the termination of the contract.

7. PENALTIES

- 7.1 Penalties will be levied against non-performance at 5% of the monthly invoice provided by the Service Provider, the Municipality also reserves the right to impose the default terms according to the General Conditions of Contract, which may inter alia lead to cancellation of the agreement.
- 7.2 Subject to GCC Clause 22, the Municipality can, in its discretion and without prejudice to its other remedies (e.g. right to claim damages in the event of breach)

under this Agreement or in law, deduct from the contract price as noted in the Letter of Appointment, as a penalty, a sum determined as per the above.

- 7.3 For clarity, the Municipality's right to impose penalties shall not in any way detract from the Municipality's right to claim damages in lieu of penalties in the event of a breach by the Service Provider of any or all of the terms and conditions of this Agreement.
- 7.4 The Service Provider may request a meeting on a date and time suitable to the Municipality to verify any penalties- imposed during a preceding week. During this meeting:
- 7.4.1 Only those penalties for which notices have been issued to the Service Provider will be verified;
- 7.4.2 The Service Provider may contest penalty notices at this meeting by submitting a written notice to the Deputy Director: Financial Services or his authorised representative, to that effect, stating the reason that the penalty is being contested and requesting a review of the penalty;
- 7.4.3 In the event that the Service Provider is not satisfied with the outcome, the Service Provider shall have recourse to the dispute resolution procedure provisions contained in clause 16 of this Agreement.
- 7.5 The imposition of any penalties shall be without prejudice to any of the Municipality's other remedies under this Agreement or in law.

8. CHANGE OF CONTROL

- 8.1 In the event of a Change of Control of the Service Provider, the Municipality's written consent needs to be obtained by the Service Provider prior to the Change of Control occurring, which consent shall not be unreasonably withheld by the Municipality.
- 8.2 Without derogating from the foregoing, the Service Provider shall upon written demand by the Municipality, ensure that any party acquiring control, agrees in writing to be bound by all the provisions of this Agreement, on the same basis as the Service Provider is bound to this Agreement, prior to the implementation of the aforesaid Change of Control.

9. INDEPENDENT CONTRACTOR

9.1 The Service Provider is appointed as an independent contractor, and not as an employee, and at all relevant times during the currency of this Agreement no employer/employee relationship shall exist between the Parties.

9.2 This Agreement replaces any other previous verbal or written agreement entered between the Parties.

10. NO AGENCY

10.1 No provision of this Agreement shall be construed as constituting an agency, partnership, or joint venture between the Parties, and neither Party shall have any express or implied authority to bind the other Party in any way or to represent the other Party unless specifically provided to the contrary in this Agreement. It is specifically recorded that the Service Provider contracts as an independent contractor and not as an employee or agent of the Municipality and does not have the authority to bind the Municipality to any other party.

11. ENTIRE AGREEMENT

11.1 This Agreement constitutes the entire agreement between the Parties and no amendment, alteration, addition or variation of any right, term or condition of this Agreement will be of any force or effect unless reduced to writing and signed by the Parties to this Agreement.

11.2 The Parties agree that there are no conditions, variations or representations, whether oral or written and whether expressed or implied or otherwise, other than those contained in this Agreement.

12. WAIVER

12.1 No waiver of any of the terms and conditions of this Agreement shall be binding unless expressed in writing and signed by the Party giving the same, and any such waiver shall be affected only in the specific instance and for the purpose given.

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- 12.2 No failure or delay on the part of either Party in exercising any right, power or privilege precludes any other or further exercising thereof or the exercising of any other right, power or privilege.
- 12.3 No indulgence, leniency or extension of time which any Party (**"the Grantor"**) may grant or show the other Party, shall in any way prejudice the Grantor or preclude the Grantor from exercising any of its rights in terms of this Agreement.

13. CONFIDENTIAL INFORMATION

- 13.1 The Service Provider shall not, during the currency of this Agreement, or at any time thereafter, utilize or cause to be utilised, and/or directly or indirectly publish or cause to be published or otherwise disclose or cause to be disclosed to any third party, any of the Confidential Information of the Municipality, government in any other sphere, or any government institution or organ of state.
- 13.2 For purposes of this clause "Confidential Information" shall mean:
- 13.2.1 Any information disclosed, revealed or exchanged and which pertains to, but is not limited to, all intellectual property rights, all trade secrets, all agreements (whether in writing or not) which exists at the time of revealing the content thereof to the Service Provider, the content of all possible future agreements which may be entered into with any other party, all knowledge obtained by way of research and development, irrespective of whether the aforementioned information that is revealed is applicable to technical, operational or financial aspects of the Municipality, government in any other sphere, or any government institution or organ of state;
- 13.2.2 Any information of whatever nature, which has been or may be obtained by the Service Provider, whether in writing or in electronic form or pursuant to discussions between the Parties, or which can be obtained by examination, testing, visual inspection or analysis, including, without limitation, scientific, business or financial data or information, know-how, formulae, processes, designs, sketches, photographs, plans, drawings, specifications, sample reports, models, studies, findings, computer software, inventions or ideas;
- 13.2.3 Analyses, concepts, compilations, studies and other material prepared by or in possession or control of the Service Provider, which contain or

- otherwise reflect or are generated from any such information as is specified in this definition; and
- 13.2.4 All information which a third party has in terms of any agreement made available to the Municipality and which has become known to the Service Provider in the course of rendering the Services.
- 13.2.5 Any dispute between the Parties resulting from this Agreement.
- 13.3 The Service Provider shall:
- 13.3.1 Use the Confidential Information only for rendering the Services;
- 13.3.2 Treat and safeguard the Confidential Information as private and confidential; and
- 13.3.3 Ensure proper and secure storage of all Confidential Information.
- 13.4 Any documents or records (including written instructions, notes or memoranda) relating to the Services which are to be provided to the Service Provider or which come into the Service Provider's possession during the currency of this Agreement, are deemed to be the property of the Municipality and shall be surrendered to the Municipality on demand, and in the event of the expiry or termination of this Agreement, the Service Provider will not retain any copies thereof or extracts therefrom without obtaining the prior written permission of the Municipality.
- 13.5 The Service Provider:
- 13.5.1 Acknowledges that he/she has carefully considered the provisions of the clause;
- 13.5.2 Agrees that this clause is, after taking all relevant circumstances into account, reasonable and necessary for the proper protection of the interests of the Municipality and the Government of the Republic of South Africa and that if he/she should at any time dispute the reasonableness of this clause, then the onus of proving such unreasonableness shall be on the Service Provider; and
- 13.5.3 Acknowledges that he/she has entered into this Agreement freely and voluntarily and that no circumstances exist and/or existed for him/her alleging, either now or at any future time, that he was at a disadvantage in agreeing to the restraints set out in this clause, or was not in an equal bargaining position with the Municipality in agreeing thereto.

14. BREACH

- 14.1 If the Service Provider breaches the terms and conditions of this Agreement, the Municipality must notify the Service Provider in writing to remedy the breach within 7 (seven) days after becoming aware of the alleged breach.
- 14.2 If the breach consists of the non-payment of money due, then the period will be not less than 10 (ten) days and if the breach is of other nature, then the period will be not less than 30 (thirty) days.
- 14.3 In the event of the Service Provider failing or being unable to remedy the breach the Municipality may, without prejudice to any other rights it may have in law, exercise all or any of the following rights to:
- 14.3.1 Cancel this Agreement and/or;
 - 14.3.2 Demand specific performance, together with a claim for any damages and interest.
- 14.4 If the Municipality breaches the terms and conditions of this Agreement, the Service Provider must notify the George Municipality in writing to remedy the breach within 7 (seven) days after becoming aware of the alleged breach.
- 14.5 If the breach consists of the non-payment of money due, then the period will be not less than 10 (ten) days and if the breach is of any other nature, then the period will be not less than 30 (thirty) days.
- 14.6 In the event of the Municipality failing to or being unable to remedy the breach, the Service Provider may, without prejudice to any other rights it may have in law, exercise all or any of the following rights:
- 14.6.1 Cancel the Agreement; or
 - 14.6.2 Demand Specific Performance together with a claim for any damages and interest.
- 14.7 The Service Provider accepts liability for all legal costs, including attorney and own client charges and collection charges, and other expenses of any nature whatsoever, which may be incurred by the Municipality by reason of the Service Provider's breach of any term or condition of this Agreement.

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- 14.8 The Service Provider acknowledges and agrees that any negative public statement made by the Service Provider, whether directly or indirectly, about the Municipality, its employees, both political or administratively appointed, whether on radio, television, print media, news media, social media or any other mass media channel, shall be considered a material breach of this contract. In the event of such breach, the Municipality may, at its sole discretion, need to reconsider its ongoing contractual relationship with the Service Provider.
- 14.9 Notwithstanding the above, the Municipality reserves the right to impose penalties or claim damages in lieu of penalties, as contemplated in clause 7 above due to late performance or non-delivery of the Services.

15. NOTICE AND DOMICILIUM


- 15.1 The Parties choose as their respective *domicilium citandi et executandi* for the purposes of legal proceedings and for the purpose of giving or sending any notice provided for or necessary in term of this Agreement, the following addresses:


THE MUNICIPALITY:


THE GEORGE MUNICIPALITY
Office of the Municipal Manager
Third floor, Civic Centre
George Municipality
71 York Street
George
6530

THE SERVICE PROVIDER:

LONDOLOZA UTILITY SOLUTIONS (PTY) LTD
Block B, Southdowns Office Park,
c/o John Vorster Drive and Karee Street,
Centurion, South Africa, 0157


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- 15.2 All notices to be given in terms of this Agreement shall be given in writing and be delivered or sent by prepaid registered post to the Party's chosen *domicilium citandi et executandi*.
- 15.3 If delivered by hand, a notice shall be presumed to have been received on the date of delivery, or, if sent by prepaid registered post, be presumed to have been received seven (7) business days after the date of posting.
- 15.4 Notwithstanding anything to the contrary contained in this Agreement, a written notice or communication actually received by one of the Parties from the other Party shall be adequate written notice of communication..
- 15.5 The above clause will not be so construed as to oust the service procedures, specifically those of personal service as depicted in any applicable legislation of the Republic of South Africa.
- 15.6 Any notice, communication or any process addressed by one of the Parties to the other shall be deemed to have been sufficiently served and/ or delivered upon the Party:-
- 15.6.1 By registered mail on the fifth (5th) Business Day after posting;
 - 15.6.2 By fax or electronic mail on the date of fax transmission or e-mail to the mentioned number or email address if transmitted prior to 13h00 failing which, it shall be deemed to have been received on the first normal Business Day following date of transmission;
 - 15.6.3 By hand during normal business hours at the time of delivery;
 - 15.6.4 The above clauses will not be so construed as to oust the service procedures, specifically those of personal service as depicted in any applicable legislation of the Republic of South Africa.

16. DISPUTE RESOLUTION

- 16.1 If any dispute arises between the parties in connection with or arising out of this SLA, the parties shall make every effort to resolve amicably, such dispute or difference by mutual consultation.
- 16.2 Should a dispute which pertains to this SLA arise between the parties to this SLA then the parties can agree to refer the dispute in question to arbitration.

- 16.3 Referral to arbitration must be by way of written notice delivered to the *domicilium cjtandi et executandi* of the other party/ies involved in the dispute.
- 16.4 In the event of arbitration, the parties shall use their best endeavours to ensure that the arbitration is held and concluded, and a decision handed down within thirty (30) working days after the delivery of the referral to arbitration.
- 16.5 Arbitration shall be held in Cape Town and/or George, or as may be agreed between the parties informally and otherwise in accordance with the provisions of the Arbitration Act, No. 42 of 1965, it being intended that, if possible, it shall be held and concluded within ten business days.
- 16.6 The arbitrator shall be a person agreed between the parties to the dispute alternatively and party to the dispute may request the Chairperson for the time being of the Legal Practice Council (Western Cape Provincial Office) to appoint an arbitrator, which he is authorized to do in his sole discretion, save that the appointed arbitrator must be independent.
- 16.7 The arbitrator shall have the fullest and freest discretion regarding the procedure applicable to the proceedings; whether he shall require assessors to assist in his decision making; as well as the venue and timing thereof, subject to the other terms of this clause.
- 16.8 The decision of the Arbitrator shall be final and binding and may be made an order of the Western Cape High Court, Cape Town, upon the application by any party to the arbitration.
- 16.9 Save as otherwise specifically provided herein, the Arbitrator shall be if the matter in dispute is:
- (a) Primarily a legal matter, a practicing Senior Advocate of the Cape Bar;
 - (b) any other matter, an independent and suitably qualified person as may be agreed upon between the parties to the dispute.
- 16.10 If agreement cannot be reached on whether the question in dispute falls under 15.9 (a) or 15.9 (b) and/or upon a particular Arbitrator within three business days after

the Parties have agreed to refer the dispute to arbitration, then the Chairperson for the time being of the Cape Bar Council shall be requested to:

- (a) determine whether the question in dispute falls under 15.9 (a) or 15.9 (b); and/or
- (b) nominate the Arbitrator within 7 (seven) days after the Parties have failed to agree.

16.11 The Arbitrator shall give his or her decision within five (5) business days after the completion of the arbitration. The Arbitrator may determine that the costs of the arbitration are to be paid either by one or the other or by both of the Parties.

16.12 The arbitrator may make an award as to his/her costs.

16.13 The provisions of the Arbitrations Act, Act 42 of 1965, shall apply to this arbitration.

16.14 A party to this SLA may institute court proceedings if:

- 16.14.1 Same is necessary for the protection of any rights pending the resolution of an arbitration in terms hereof; or
- 16.14.2 Same is necessary to obtain relief where grounds justifying urgent relief exist.
- 16.14.3 Same is necessary to compel a party to abide by the terms of this arbitration clause.

16.15 Notwithstanding the provisions contained in clause 27 of the GCC, disputes between the Parties shall be governed exclusively by, and settled in terms of, clauses 15.1 to 15.14 of this Service Level Agreement.

17. VALIDITY PERIOD AND TERMINATION

17.1 This Agreement remains valid for the Term.

17.2 The Term or renewal term can be terminated as per a 30-day cooling off period after the commencement or renewal date of the agreement. Notice of this termination must be made in writing.

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- 17.3 If the Service Provider terminates the agreement prematurely to its Term, then any unpaid monies due for services will be invoiced.
- 17.4 If the agreement is ended by any party, or the Term has come to an end, the Service Provider is responsible to provide the Municipality *inter alia* with all data files, and databases associated with the Services provided.

18. ASSIGNMENT, CESSION AND DELEGATION

- 18.1 The Service Provider shall not assign, cede or transfer any of its rights, interests and obligations (in whole or in part) under this contract.

19. INJURY OR DAMAGE TO PERSON OR PROPERTY

- 18.1 The Service Provider shall indemnify and keep indemnified the Municipality against all losses and against all claims for injury or damage to any person or property whatsoever which may arise out of or in consequence of the Service Provider or Service Provider employees providing the services and against all claims, demands, proceedings, damages, costs, charges and expenses whatsoever, in respect thereof or in relation thereto.

20. FORCE MAJEURE

- 20.1 If *force majeure* causes delays in or failure or partial failure of performance by a Party of all or any of its obligations hereunder, this Agreement shall be suspended for the period during which the *force majeure* prevails. Written notice of the *force majeure* specifying the nature and date of commencement thereof shall be dispatched by the Party seeking to rely thereon to the other party as soon reasonably possible, but not later than seven (7) days after the commencement thereof. Written notice of the cessation of the *force majeure* shall be given by the Party who relied thereon within seven (7) days of such cessation. No Party shall subsequently be obliged to comply with obligations suspended during such period. For purpose hereof, *force majeure* includes any laws or regulations having the force of law, civil strife, riots, insurrection, sabotage, acts of war or public enemy, illegal strikes, interruption of transport and interruption in product supply, caused by the supplier, flood, storm, fire (or without limitation *eiusdem generis*) any other circumstances beyond the reasonable control of the party claiming *force majeure*.

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21. IMPLEMENTATION AND GOOD FAITH

21.1 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 conducive to the giving of effect to the terms, conditions and import of this Agreement.

22. PROTECTION OF INFORMATION

22.1 The Service Provider hereby give permission that the Municipality can use all the information and/or personal data provided in this Agreement, in terms of the Protection of Personal Information Act, 2013 (Act no. 4 of 2013) (POPIA).

22.2 The Municipality agrees that it will comply with (POPIA) and process all the information and/or personal data in respect of the Service Provider in accordance with the said act and only for the purpose of this Agreement.

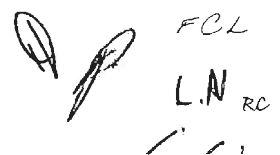
22.3 The parties agree that the agreement contains confidential information, and a duty of confidence is owed inter alia between the contracting parties to protect the said confidential information from unauthorised disclosure to third parties. The parties subsequently agree that the contents of the agreement are protected under Section 37(1)(a) of the Promotion of Access to Information Act (PAIA), and the unauthorised disclosure to a third party would constitute a breach of duty and of the aforementioned legislation.

23. SIGNATURE

23.1 This Agreement is signed by the Parties on the dates and at the places indicated below.

23.2 This Agreement may be executed in counterparts, each of which shall be deemed an original, and all of which together shall constitute one and the same Agreement as at the date of signature of the Party last signing one of the counterparts.

23.3 The persons signing this Agreement in a representative capacity warrant their authority to do so.




Handwritten signatures and initials: FCL, L.N RC, and a signature that appears to be 'A'.

- 23.4 The Parties record that it is not required for this Agreement to be valid and enforceable that a Party shall initial the pages of this Agreement and/or have its signature of this Agreement verified by a witness.
- 23.5 The Parties record that the Agreement can be signed electronically and that such electronic signature will be regarded as the original.
- 23.6 The Parties also record, that such electronic signature does not need to be an advanced electronic signature.
- 23.7 The signatories hereof, being duly authorised thereto, by their signatures hereto authorise the execution of the work detailed herein, or confirm their acceptance of the contents hereof and authorise the implementation or adoption thereof, as the case may be, for and on behalf of the parties represented by them.

Signed at ...George..... on this ...12... day ofJune..... 2024


AS WITNESSES: (For the Municipality)



Signature (Witness 1)

HEIN DIEMONT


Name & Surname (Witness 1)



Signature (Witness 2)

Farren Louw

Name & Surname (Witness 2)




Mr Renaldo Coetzee, Acting CFC
Mr Cornelius Adriaan Du Plessis
Director: Financial Services for
and on behalf of George
Municipality, being duly authorised.

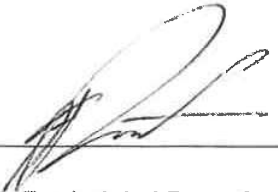


Signed at Centurion on this 10 day of June 2024

AS WITNESSES: (For the Service Provider)




Signature (Witness 1)



**Mr Frederick J Pretorius General
Manager** on behalf of the Service
Provider, being duly authorised.

Lekhlogonolo Ntsoane
Name & Surname (Witness 1)



Signature (Witness 2)


Cindy Carols
Name & Surname (Witness 2)

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ANNEXURE A: OFFER AND ACCEPTANCE AND FINAL AWARD DOCUMENTATION

ANNEXURE B: PRICING SCHEDULE

ANNEXURE C: SPECIFICATIONS AND CONDITIONS

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C. .



M. Gericke
Manager: Supply Chain Management
Department of Financial Services
E-mail: mgericke@george.gov.za
Tel: +27 (0)44 801 9048

Reference number: FIN027/2023
Date: 12 March 2024

Enquiries: N Zeelie
044 801 9111

Londoloza Utility Solution (PTY) Ltd
PO box 52210
Wierda Park
Per e-mail: pieterm@utility.co.za

Dear Sir/Madam

TENDER NUMBER: FIN027/2023

TENDER FOR THE READING OF WATER AND ELECTRICITY METERS AND OTHER METER RELATED SERVICES FOR GEORGE MUNICIPALITY UNTIL 30 JUNE 2026

It is our pleasure to inform you that your company has been selected by the Municipality's Bid Adjudication Committee as the preferred bidders in terms of tender FIN027/2023.

Description	Total Rates (Including VAT)
Tender for the reading of water and electricity meters and other meter related services for George Municipality until 30 June 2026	R18 018.79*

* Take note that this is a rates-based award.

This award is only finalised when both parties have signed the Service Level Agreement as well as the Offer and Acceptance.

Please ensure adherence to all tender specifications for the duration of this contract.

Yours sincerely,


R. DU PLESSIS
DIRECTOR: FINANCIAL SERVICES



THE TENDER OFFER

I/We Mr/Mrs/Messrs Pieter J Momberg
duly assigned to represent the service provider for the purpose of this tender, hereby tender to supply all or any of the goods and/or render all or any of the services described in the attached documents to the George Municipality on terms and conditions stipulated in this tender and in accordance with the specifications stipulated in the tender documents (which shall be taken as part of, and incorporated into this tender) **at the rates reflected in the Pricing Schedule.**

I/we agree that this offer shall remain valid for a period of 120 days commencing from the closing date and time of this tender.

I/we further agree that:

This tender and its acceptance shall be subject to the terms and conditions contained in the George Municipality's Supply Chain Management Policy;

If I/we withdraw my/our tender within the period for which I/we have agreed that the tender shall remain open for acceptance, or fail to fulfill the contract when called upon to do so, the George Municipality may, without prejudice to its other rights, agree to the withdrawal of my/our tender or cancel the contract that may have been entered into between me/us and the George Municipality and I/we will then pay to the George Municipality any additional expense incurred by the George Municipality having either to accept any less favorable tender or, if fresh tenders have to be invited, the additional expenditure incurred by the invitation by the invitation of fresh tenders and by the subsequent acceptance of any less favorable tender; the George Municipality shall also have the right to recover such additional expenditure by set-off against moneys which may be due or become due to me/us under this or any other tender or contract or against any guarantee or deposit that may have been furnished by me/us or on my/our behalf for the due fulfillment of this or any other tender or contract and pending the ascertainment of the amount of such additional expenditure or retain such moneys, guarantee or deposit as security for any loss the George Municipality may sustain by reason of my/our default;

If my/our tender is accepted the acceptance may be communicated to me/us by letter or order by certified mail or registered mail. Such posting shall be deemed to be proper service of such notice with effect from the date of posting/dispatch of such notice;

The law of the Republic of South Africa shall govern the contract created by the acceptance of my/our tender and that I/we choose domicilium citandi et executandi in the Republic of South Africa, where any and all legal notices may be served at (full street address on this place):

Physical Address: 22 Karee Street, Southdowns
Office Park First Floor
Irene, Centurion 0062

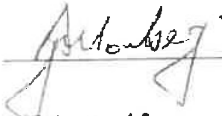
I/we furthermore confirm that I/we have satisfied myself/ourselves as to the correctness and validity of my/our tender; that the price(s) and rate(s) tendered cover all the work/item(s) specified in the tender documents and that the price(s) and rate(s) cover all my/our obligations under a resulting contract and that I/we accept that any mistakes regarding price(s) and calculations will be at my/our own risk.

I/we hereby accept full responsibility for the proper execution and fulfillment of all obligations and conditions devolving on me/us under this agreement as the Principal(s) liable for the due fulfillment of this contract.

I/we agree that any action arising from this contract may in all respects be instituted against me/us and I/we hereby undertake to satisfy fully any sentence or judgement which may be pronounced against me/us as a result of such action.

I/we declare that I/we have participation / no participation in the submission of any other offer for the supplies/services described in the attached documents. If in the affirmative, state name(s) of tenders involved.

Name: Pieter J Momberg BID Manager

Signature: 

Date: 2023-10-18

This form must be completed and signed to be considered provisionally responsive.

ACCEPTANCE

By signing this part of the form of offer and acceptance, the employer identified below accepts the supplier's offer. In consideration thereof, the employer shall pay the supplier the amount due in accordance with the conditions identified in the tender data. Acceptance of the supplier's offer shall form an agreement between the employer and the supplier upon the terms and conditions contained in this agreement and in the contract that is the subject of this agreement.

Notwithstanding anything contained herein, this agreement comes into effect on the date when the supplier receives one fully completed original copy of this document, including the schedule of deviations (if any). Unless the supplier 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.

Name: **MR CA DU PLESSIS**

Signature: _____

Capacity: **DIRECTOR: FINANCIAL SERVICES**

Date: _____

12/03/2024

For the Employer:

**GEORGE MUNICIPALITY
CIVIC CENTRE
YORK STREET
GEORGE**

PRICING SCHEDULE

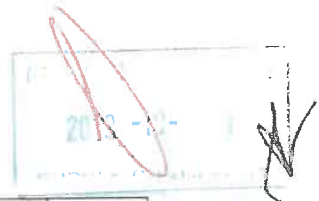
Pricing Instructions mean the criteria as set out below, read together with all Parts of this contract document, which it will be assumed in the contract that the tenderer has taken into account when developing his prices.

1. The short descriptions and category number given in the pricing schedule below are brief descriptions used to identify the activities for which prices are required.
2. While it is entirely at the tenderer's discretion as regards to the pricing schedule below, guideline tariffs of fees or indicative time-based fee rates are gazetted annually, which are useful documents that will give tenderers some idea of industry norms against which they may compare their rates, sums, percentage fees and/or prices as applicable.
3. For the purpose of the pricing schedule, the following words shall have the meanings hereby assigned to them:
Unit: The unit of measurement for each item.
Quantity: The number of units of work for each item.
Rate: The agreed payment per unit of measurement.
Amount: The product of the quantity and the agreed rate for an item.
4. A rate, sum, percentage fee and/or price as applicable, is to be entered against each item in the pricing schedule. An item against which no price or the wording N/A or included is not indicated will be considered as a no offer and will not be evaluated.
5. The rates, sums, percentage fees and prices in the pricing schedule are to be fully inclusive prices described under the several items. Such prices and rates are to cover all costs and expenses that may be required in and for the execution of the work described, 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. Where quantities are given in the pricing schedule, these are provisional and 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 and not the quantities given in the pricing schedule. In respect of time based services, the allocation of staff must be agreed with the employer before such services are rendered.
7. All rates, sum, percentage fees or prices (as applicable) tendered in the pricing schedule shall be final and binding throughout the period of the contract.
8. Prices should be exclusive of VAT. However, those bidders who are registered for VAT shall account for VAT at 15% in order to obtain the Grand Total.
9. Only firm pricing will be accepted, non-firm prices (including prices subject to rates of exchange variations) will not be considered. **The prices for years two (2) and three (3) should include annual escalations if any.**
10. The bid will be evaluated on the total amount of the contract, in other words the price per year multiplied by the estimate quantities for the envisaged three (3) years.

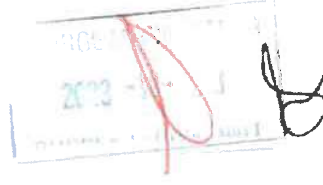
11. Bidders are required to comply with the prescribed pricing schedule below. No pricing schedules other than the pricing schedule as stated will be accepted and **failure to adhere to this section will be seen as submitting a non-responsive bid.**

PLEASE DO NOT MULTIPLY WITH THE ESTIMATED QUANTITIES, AS IT IS ONLY FOR EVALUATION PURPOSES. ONLY GIVE A PRICE PER ITEM.

ITEM NO	DESCRIPTION	UNIT	RATE PER ITEM Year 1	RATE PER ITEM Year 2	RATE PER ITEM Year 3
1.	Administrative (Fixed Fee) per month	Rand per month	5 000.00	5 000.00	5 300.00
2.	Fee per actual meter reading – 0-50km (Greater George, George Industrial Area, Pacaltsdorp, Wilderness, Herolds Bay & Rural Areas)	Rand per meter reading	5.77	5.77	6.12
3.	Fee per actual meter reading – >50km (Uniondale and Haarlem)	Rand per meter reading	5.77	5.77	6.12
4.	Fee per actual meter audited – 0-50km (Greater George, George Industrial Area, Pacaltsdorp, Wilderness, Herolds Bay & Rural Areas)	Rand per meter reading	5.77	5.77	6.12
5.	Fee per actual meter audited - >50km (Uniondale and Haarlem)	Rand per meter reading	5.77	5.77	6.12

2023-24


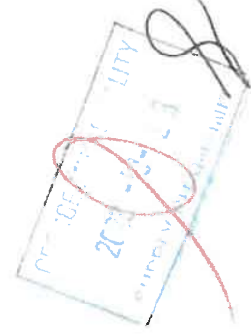
6.	Fee per actual meter read after-hours on instruction by the Municipality – 0-50km (Greater George, George Industrial Area, Pacaltsdorp, Wilderness, Herolds Bay & Rural Areas)	Rand per meter reading	6.35	6.35	6.73
7.	Fee per actual meter read after-hours on instruction by the Municipality - >50km (Uniondale and Haarlem)	Rand per meter reading	7.21	7.21	7.64
8.	Fee per actual meter that is opened / cleared – 0-50km (Greater George, George Industrial Area, Pacaltsdorp, Wilderness, Herolds Bay & Rural Areas)	Rand per meter opened / cleared	25.00	25.00	25.00
9.	Fee per actual meter that is opened / cleared - >50km (Uniondale and Haarlem)	Rand per meter opened / cleared	25.00	25.00	25.00
10.	Final and Special readings – 0-50km (Greater George, George Industrial Area, Pacaltsdorp, Wilderness, Herolds Bay & Rural Areas)	Rand per meter reading	6.35	6.35	6.73
11.	Final and Special readings - >50km (Uniondale and Haarlem)	Rand per meter reading	7.21	7.21	7.64



Handwritten signature and stamp, possibly indicating approval or verification of the document.

12.	Identified and verified bypass / meter tampered -- 0-50km (Greater George, George Industrial Area, Pacaltsdorp, Wilderness, Herolds Bay & Rural Areas)	Rand per meter identified and verified	10.82	10.82	10.82
13.	Identified and verified bypass / meter tampered - >50km (Uniondale and Haarlem)	Rand per meter identified and verified	10.82	10.82	10.82
		Total excl. VAT	R 5121.03	R 5121.03	R 5424.84
		15% VAT	R 768.27	R 768.27	R 813.73
		Total incl. VAT	R 5890.11	R 5890.11	R 6238.57

Note: Bidders must tender a rate for each item for Year 1, Year 2 and Year 3. Failure to tender for all items in all columns will result in your bid not being considered for evaluation.



TENDER SPECIFICATIONS

SPECIAL CONDITIONS OF CONTRACT

1.1 Pre-qualification criteria:

The tender is subject to functionality criteria.

Bids will be pre-evaluated on the following functionality criteria and bids that score less than 70 out of 100 points will be considered as non-responsive:

Stage 1: Functionality scoring criteria and weight:

1. Relevant Company (or JV) Experience carrying a weight of 30 points.
2. Relevant references of the Company carrying a weight of maximum 30 points.
3. Key Site Staff and Personnel allocated to this Tender carrying a weight of 20 points.
4. Plant, Equipment, Tools & Machinery carrying a weight of 20 points.

Bidders who score 70 and above out of 100 will then proceed to a second stage evaluation and will be invited to do a presentation of their system.

Stage 2: Functionality will be done in the form a presentation and the criteria and weight are as follows:

- a) Look and Feel of the system carrying a weight of maximum 20 points
- b) Simplicity & ease of use of the system carrying a weight of maximum 30 points
- c) Functionality of the system carrying a weight of maximum 30 points
- d) Implementation plan of the system carrying a weight of maximum 20 points

On scoring 75 points or more (out of 100) in the second stage evaluation, your bid will be regarded as responsive and will be evaluated further. Tender offers that fail to score the minimum score for functionality will be deemed as non-responsive.

Responsive bids will then be evaluated on the 80/20 Preference Points system as prescribed by the Preferential Procurement Regulations, 2022 and the municipality's Preferential Procurement Policy 2023/24.

1.2 Electronic meter reading system:

The bidder must make use of a sophisticated computer system to manage the meter reading process on behalf of the Municipality. The Municipality utilizes SAMRAS Financial System, and the successful bidder must provide evidence of an appropriate electronic interface to maintain the meter reading process and enable online reporting and access to different features. If such interface does not exist, the bidder must accept the cost for development of such interface to the satisfaction of George Municipality. If such interface already exists, the bidder must obtain written confirmation from the financial system provider, currently SAMRAS. Should the Municipality change its core financial system, any cost to interface seamlessly with the new system will be for the account of the bidder.

Failure to submit documentary proof will be considered as submitting a non-responsive bid.

1.3 Definitions:

- Actual meter reading – Meter reading that could be used for billing purposes.
- Final reading – Instruction from municipality when a consumer moved out of a premises including sealing of meter.
- Special reading – Instruction from municipality when a consumer asks for a reading outside of the normal reading schedules.
- Check reading – A verification of a reading taken in the normal meter reading cycle.
- Reasons for check readings include but are not limited to the following:
 - Unclear photos (either meter number unclear, meter reading unclear or both)
 - Abnormally high consumption
 - Abnormally low consumption

1.4 Objectives

The successful bidder is to provide and manage software for the reading of water and electricity meters and other meter related services for the period of three (3) years from date of appointment.

The successful bidder and George Municipality will conclude a Service Level Agreement (“SLA”) based on mutually agreed performance measures. The Successful bidder’s performance in terms of the SLA will be reviewed annually.

1.5 Key Performance Indicators

	INDICATOR	TARGET	MEASUREMENT
1.	Meter reading system to be operational and fully functional.	The commencement date will be the 15 th of the following month after final award.	Initial measurement
2.	The bidder will be required to adhere to the following actual billable reading ratios: - minimum of 80% average actual billable reading ratio per quarter for the first (1st) contract year; - minimum of 85% average actual billable reading ratio per quarter for the second (2nd) contract year; and a - 95% for every month thereafter.		Quarterly measurement
3.	Operating office, vehicles, equipment, and staff to be in place	The commencement date will be the 15 th of the following month after final award.	

4.	The successful Bidder will be required to attend monthly meetings with George Municipality.	Ongoing	Ongoing
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SPECIFICATIONS

1 INTRODUCTION

The Contract entails the provision of water and electricity meter reading services on behalf of George Municipality. The Municipality herewith extends this invitation to call for tenders from experienced meter reading companies/service providers, who meet the eligibility criteria as set out in the conditions of the tender.

2 BACKGROUND

The George Municipality requires water and electricity meter reading services for a period from the date of implementation until 30 June 2026. The service provider will provide the meter reading services for the Greater George, George Industrial Area, Pacaltsdorp, Wilderness, Herolds Bay, Rural Areas, Uniondale and Haarlem.

The municipality is busy implementing a smart water meter project that will run for a three (3) year period to replace all domestic water meters which will in turn reduce the number of water meters to be read over the period of the tender term. The conversion of all credit electricity meters to prepaid meters in households is also a project that the municipality has prioritized for the next two (2) financial years that will eliminate all credit electricity meters to be read.

George Municipality has a total of 1 820 credit electricity meters and 39 153 water meters (excluding smart water meters). The average number of meters per route list is 254. The normal reading cycle is from the 15th of each month until the 15th of the following month.

The meter reading process generates a substantial percentage of the municipality's income and therefore the municipality could suffer significant losses, if the meter readings provided are not accurate. There is also a significant customer service focus associated with the meter reading process that impacts on the municipality's image. The successful bidder must be committed to strict confidentiality both during and after the meter reading task. Bidder must ensure that no conflict of interest occurs during the meter reading process and if any potential conflict arises, the tenderer must advise the municipality accordingly. The bidder will be required to prepare a project plan and adhere to the time schedules as agreed by the George Municipality.

The Municipality will provide the successful bidder with the following data electronically:

- Current information of meters;
- Specific / relevant information to enable the service provider to carry out its duties;
- Route lists with the relevant street addresses, meter numbers, type of meter (for water or electricity);

- Alpha-Numeric notices e.g., meters cannot be read;
- Statistics about meters on municipal system.

3 SCOPE OF SERVICES

The service scope is to undertake the meter reading services on behalf of George Municipality and the implementation thereof, reporting directly to the designated official.

SERVICES REQUIRED

- 3.1 The bidder will be required to read meters and provide meter related services for the full period length of the contract.
- 3.2 The bidder will only be paid for actual acceptable meter readings with no payment for (check)/ re-readings.
- 3.3 The bidder will be penalized for non-performance.
- 3.4 The bidder must take into consideration that the number of water and electricity meters will decrease over the term of the contract due to the implementation of the smart water meter project and the phasing out of the credit electricity meters at households.
- 3.5 A process plan for the meter readings will be finalised with the successful bidder after award. All reading cycles should be monthly read by no later than the 15th of each month.
- 3.6 The bidder will be required to undertake the following functions and/or services:
- 3.6.1 Meter reading functions
- 3.6.2 The bidder will be required to adhere to the following actual billable reading ratio's:
- minimum of 80% actual billable reading ratio per quarter for the first (1st) contract year;
 - minimum of 85% actual billable reading ratio per quarter for the second (2nd) contract year;
 - and 95% for every month thereafter.
- Penalties
- Penalties will be levied if the above ratios cannot be adhered to. Penalties will be levied against non-performance at 5% of the monthly invoice provided by the contractor. The municipality also reserves the right to impose the default terms according to the General Conditions of Contract, which may inter alia lead to cancellation of the contract.
- 3.6.3 The reading of water and electricity meters per route list.
- 3.6.4 The contractor to supply a monthly meter reading programme not exceeding 35 days or less than 27 days before the start of every reading cycle.
- 3.6.5 Any changes in the proposed reading cycle to be communicated timeously to the Municipality as well as the reason for the change.
- 3.6.6 The taking of readings as per reading cycle, as determined by the George Municipality.

- 3.6.7 Proof reading or re-reading (check reading) of meters as requested by the Municipality.
- 3.6.8 The supply and maintenance of reading equipment that are compatible and can be integrated with the SAMRAS Billing System, e.g. hand-held terminals. (Handhelds camera quality must be minimum 5 mega pixel). The handheld unit must not accept a meter reading without prompting for a photo.
- 3.6.9 Opening of meters that are underground or inaccessible in order to get readings.
- 3.6.10 Obtaining of final/new readings of disconnected/reconnected electricity and water meters.
- 3.6.11 The drying (pumping out) of manholes where meters are under water.
- 3.6.12 The bidder must issue a notice to consumers in cases where meters cannot be read during normal office hours. Proof of this notice must accompany each after hour meter reading performed.
- 3.6.13 Installation of GPS coordinates of meter location per property. (GPS coordinates MUST be captured accurately, as close as possible to the meter location). In addition to the capturing of GPS coordinates of meters, GPS exception reporting is also required (for the purpose comparing GPS coordinates of meters on a month-to-month basis)

3.7. Back- office functions

- 3.7.1. The bidder will be required to have a fully equipped and functioning local back office in George that will deal with the following functions:
- 3.7.2. Reporting of faulty or damaged meters.
- 3.7.3. Reporting of tampered and possible by-passed meters, if detected.
- 3.7.4. Reporting of faulty / damaged meter kiosks if detected.
- 3.7.5. Reporting of water and electricity meters not captured in the meter reading records. (New buildings or vacant plots being connected to the network.)
- 3.7.6. Reporting of new connections or electricity meters replaced by pre-paid meters.
- 3.7.7. Attending to meter related queries from the end-user / consumer.
- 3.7.8. The checking of fault and variance reports and related re-readings.
- 3.7.9. Supplying of the necessary infrastructure in aid of the meter reading process e.g., vehicles to access farms, computers, and telephones. Vehicles must be branded for high visibility where meter readers are active.
- 3.7.10. The service provider must ensure that its employees wear identification cards while carrying out their duties, contemplated in this agreement.
- 3.7.11. Quarterly audits of self-reading and all cases where meter readings could not be done for three (3) months. The verification must be done, if necessary, after hours, on the instruction of the Municipality.
- 3.7.12. Receiving of all self-readings and following up of cases where self-readings were not supplied. The verification must be done every three (3) months and, if necessary, after hours.

- 3.7.12. Reporting of no-read meters with note on monthly basis. Successful bidder must use correct no-reading codes to ensure effective follow up and corrective measures are taken to make meters accessible in the future.
- 3.7.1.13 Checking of meter readings on request of the Municipality.
- 3.7.1.14 Reporting meters that register abnormally high or fast readings when taking meter readings.
- 3.7.1.15 Reporting on GPS coordinates exception reports.
- 3.7.1.16 Down-time for communication lines not to exceed 24 hours. Municipality to be informed timeously of any down-time and the reason for the down-time.

4. SPECIAL CONDITIONS

- 4.1 The service provider must issue a formal notification to clients where meter is underground/under grass or covered with a cement block.
- 4.2 The contractor must have resources to provide manpower to field all routes. The contractor is required to indicate how many staff they intend to employ when tendering.
- 4.3 The successful bidder can subcontract/outsourced and source 30% local labour from the George Municipal Area.
- 4.4 The successful bidder must establish an operational office in the George Municipal Area after the successful bidder has been notified of the final award.
- 4.5 The contractor shall provide his/her own tools, equipment and apparatus to carry out the work required and all maintenance on this equipment will be for the account of the tenderer.
- 4.6 The Contractor will provide his/her own meter readers with uniform prior to the commencement of work. The uniform must be of such a nature that the person is easily identifiable as a meter reader and must be worn whilst on duty.
- 4.7 The contractor must issue the meter readers with identity cards and shall produce such identity cards when requested by customers.

5. EVALUATION OF TENDER

This tender will be evaluated on three stages, namely Functionality (Stage 1), Presentation (Stage 2) and Price, BBBEE and specific goals (Stage 3).

1. Functionality Evaluation (Stage One (1))

- (a) Tenders will be evaluated on the functionality criteria as set out below. Bidders that score less than **70 out of 100 points** for these criteria will be regarded as non-responsive and will not be evaluated on Stage 2 presentation. Unclear, vague, fragmented, or incomplete information provided will result in no points being allocated.
- (b) Bidders must ensure that relevant information is submitted. If information is not submitted no points will be awarded.
- (c) No information or documentary proof will be requested after closure of the tender, relating to tender functionality.