



DITSOBOTLA LOCAL MUNICIPALITY

BID NO : DLM/SCM/43/2017

**REQUEST FOR PROPOSAL
FOR
OUTDOOR ADVERTISING**

Issued by
Ditsobotla Local Municipality
Supply Chain Management
P O Box 7
Lichtenburg
2740
Tel No : 018 633 3800
Fax No : 018 632 5247

I. General Information

A. Purpose

This request for proposal is for the purpose of entering into an agreement with an outdoor advertising agency for billboard placement.

B. Instructions on Proposal Submission

1. Closing Submission Date

Proposals must be submitted no later than 12:00 p.m. on Friday, March 3rd, 2017.

All proposals must comply with the provisions of all applicable laws and regulations enacted in the bylaws of South African Manual for Outdoor Advertising Control (SAMOAC) and NRA relating to Billboards.

2. Addenda

Ditsobotla Local Municipality reserves the right to issue addenda to this Request for Proposals (RFP). If it becomes necessary to revise any part of this RFP, addenda will be provided in writing to all prospective Bidders who have registered their participation by sending an email to scm@ditsobotla.gov.za. The addenda shall be deemed a part of this RFP.

3. Inquiries

Inquiries concerning this RFP should be directed to:

**Acting Supply Chain Manager
Ditsobotla Local Municipality
P O Box 7
Lichtenburg
2740
Tel No : 018 633 3800
Fax No : 018 632 5247**

4. Conditions of Proposal

All costs incurred in the preparation of a proposal responding to this RFP will be the responsibility of the bidder and will not be reimbursed by Ditsobotla Local Municipality.

5. Instructions to Prospective Bidders

SUBMISSION ADDRESS:

Tenders should be sealed in an envelope addressed to: The Municipal Manager, Ditsobotla Local Municipality, P.O. Box 7 Lichtenburg 2740 and marked with the applicable Bid number

,and deposited in the tender box placed at First Floor,OfficeNo.12before **12H00, 03 MARCH 2017**. Telegraphic, telephonic, facsimile, e-mail and late bids will not be accepted.

6. Right to Reject

Ditsobotla Local Municipality reserves the right to reject any and all proposals received in response to this RFP if it is in its best interests. A contract for the accepted proposal will be based upon the factors described in this RFP and may include any or all parts of the proposal.

7. All proposal prices submitted in response to this RFP must remain firm for sixty (90 days) after the proposal opening.

8. All bids submitted in response to this RFP, plus any other related materials, submitted by bidders, will become the property of the municipality and will not be returned to bidders.

9. Bidders may modify or withdraw a proposal by written notice received by the municipality prior to the time and date set for the proposal opening. Proposal modifications must be submitted in a sealed envelope clearly labelled "Bid No. DLM/SCM/43/2017 AND COMPANY NAME ." Each modification must be numbered in sequence and must reference the original RFP. After the proposal opening, a bidder may not change any provision of the proposal in a manner prejudicial to the interest of the municipality or fair competition.

10. By submission of a proposal, the bidder agrees, if its proposal is accepted, to enter into a contract with the municipality that incorporates all of the requirements of this RFP. The bidder further accepts all of the terms and conditions of this RFP.

11. The municipality may cancel this RFP and reject in whole or in part any and all proposals if the municipality determines that cancellation or rejection serves the best interest of the municipality.

C. Notification of Award

1. It is expected that the municipality shall award the contract(s) within thirty days (30) days after the opening of proposals. The time for award may be extended for up to 30 additional days by mutual agreement. The contract(s) shall be awarded to the highest responsive and responsible Bidder(s) whose proposal individually or in combination, nets the highest rental income over the lease term or the municipality may at its sole discretion, determine that no contract award shall be made.

2. The Municipality reserves the right to interpret each proposal's own merits in determining which proposal gives the "best value" to the Municipality.

D. Performance

The proposal will outline:

- ☑ The type of the boards e.g. LED, LCD, Vinyl tarp etc.
- ☑ Size of the boards
- ☑ Powering of boards 24 hours/day.
- ☑ The proposal should include different pricing outlines for:

The successful bidder is required to receive approval by the Ditsobotla Local Municipality on the products.

E. LEASE TERM AND CONDITIONS

The following mandatory terms and conditions will be included in any lease agreement executed by and between the Municipality and the selected Bidder pursuant to this RFP.

- 1.** Ditsobotla Local Municipality will enter into a contract with the successful bidder, for an initial period of 3 years, renewable upon expiry at the discretion of Ditsobotla Local Municipality.
- 2.** The Accepted Bidder must execute a license agreement with the Municipality within ninety (90) days of notice by the Municipality of the approval to lease the property. The Municipality reserves the right to waive or extend this deadline.
- 3.** The accepted Bidder shall be solely responsible for obtaining any and all permits, approvals, waivers, releases required or any other requirement necessary to use the property.
- 4.** The accepted Bidder must agree to apply for said special permits, and/or sign permits within sixty days after the execution of the lease agreement with the Municipality. In the event that that accepted Bidder having used all due diligence is unable to obtain said permits, approvals within ninety days following its application for the same, or having obtained the same and suit has been commenced prior to such date to declare such permits, approvals null and void, then in either such event, the lease agreement at either party's option shall be deemed null and void and be without recourse to either party. The Municipality reserves the right to waive or extend this deadline. Without limiting the Municipality's rights to restrict the accepted bidder's use of the leased property under the license agreement, the Municipality agrees to cooperate with the accepted Bidder, in obtaining sign approvals for the Tenant's use and/or improvement of the Site.
- 5.** The accepted bidder is leasing the property "as is" and can erect the billboards.
- 6.** Lease payments shall be made by the lessee on an monthly basis and shall be due of the first day of each month, paid to the Municipality.
- 7.** The accepted Bidder shall be responsible for all maintenance, cleaning, utilities, rubbish disposal, snow removal; liability and casualty insurance for the leased property and shall bear all costs associated with the same.

8. The accepted Bidder shall defend, indemnify, and hold harmless the Municipality and its officers, boards and employees from and against any and all claims, liabilities, loss, damages, costs and expenses, including reasonable attorney's fees, court costs and other expenses of litigation or administrative proceedings, for personal injury, damage to real or tangible property arising out of the accepted Bidder's use or improvement of the leased property.

9. The accepted Bidder shall have the right, subject to the terms and conditions of the lease agreement or otherwise required by state, or county law, to use the leased property for the installation, operation, maintenance, alteration, and repair of a billboard, and to conduct activities directly related to the foregoing permitted use, subject to the right of the Scheme to control and approve the content of the billboard, to the extent permitted by law, as will be more particularly described in the lease agreement.

10. The accepted Bidder may in no instance use the leased property for any purpose not directly related to the installation, operating and maintaining a billboard.

11. The Municipality will not permit any use of the Site, whether by the Municipality, its employees, tenants, licensees, invitees or agents, which measurably interferes with the accepted Bidder's use of the Site.

12. The accepted Bidder shall, at all times during the term of the license agreement and at its own cost and expense, keep and maintain in repair and good condition (ordinary wear and tear excepted) all structures and improvements at any time erected on the leased property and shall use all reasonable precaution to prevent waste, damage or injury. The Municipality shall not be required to furnish any services or facilities or to make any improvements, repairs or alterations or do any other thing in or to the leased property during the term of the lease agreement.

13. The accepted Bidder shall at all times comply with all applicable state, and county government laws, rules and regulations pertaining to the installation, operation, maintenance, replacement, and repair of the Tenant's billboard(s), appurtenant structures and improvements and shall secure all necessary state and county permits and approvals.

14. Electrical power to the accepted Bidder's billboard(s) shall be separately metered and the accepted Bidder shall pay all charges for electricity and other utilities used at the Site, including the cost of extending utilities to the leased property.

15. During the term of the lease agreement, the accepted Bidder shall have the right of entry and exit to the leased property for the purpose of maintenance and repair; provided however, that such right shall

i. be limited to accepted Bidder's authorized engineers, and/or to persons acting directly under the supervision of an authorized engineer, and

ii. not un-reasonably interfere with permitted use of the leased property by the Scheme. Except in cases of emergency, the accepted Bidder shall conduct all maintenance work on the billboard(s) on weekdays between the hours of 6:00 AM and 5:00 P.M.

16. The Municipality or its agents shall have a right of access to the leased property at all times in order to inspect the leased property, to take actions necessary to protect the property or persons in the building, to enforce the terms of the lease agreement, or for any other purpose. Except in cases of emergency, the Scheme will give the accepted Bidder at least 24 hours prior notification of its intention to access the accepted Bidder's site.

17. The Municipality shall have the right to terminate the lease agreement for cause, including but not limited to failure by the accepted Bidder to observe a term or condition of the lease agreement, to pay rent, or to fulfill its obligation under any applicable law, rule, regulation or permit upon the issuance of thirty days (30) written notice. Upon termination of the lease agreement, the Municipality shall have the right to re-enter the leased property and to remove all personnel and property from the leased property without liability to the accepted Bidder or its sub-tenants, in addition to any other remedies that may be available to the Municipality at law or in equity. The accepted Bidder shall agree to reimburse the Municipality for all costs associated with the enforcement of the lease agreement, or any and all provisions therein, including, but not limited to, legal fees and court costs.

18. The accepted Bidder shall provide a security deposit, via bankers cheque, to the Municipality, in the amount equivalent to 1 year's rent, to be held for the duration of the term of the license agreement. The Municipality is authorized to expend funds from the deposit in order to secure the performance of accepted Bidder 's obligations under the lease agreement, including, without limitation, payment of unpaid arrears, defending and indemnifying the Municipality from any claims arising from the accepted Bidder's use of the leased property and removing the billboard(s) and appurtenant equipment and structures.

19. The accepted Bidder and its agents and contractors shall keep themselves fully informed of all existing and future, state and county laws, rules and regulations affecting those engaged or employed on the installation, operation or maintenance of a billboards, the materials and equipment used (in) such installation or construction and of all orders, decrees and other requirements having any jurisdiction or authority over the same. The accepted Bidder shall at all times observe and comply with all such existing and future laws, rules, regulations, orders, decrees and other requirements.

20. This Request for Proposal along with the accepted Bidder 's submissions shall be incorporated into the lease agreement and all terms and conditions set forth in these documents shall be binding upon the parties.

21. Any amendments to the lease agreement must be in writing signed by the parties.

22. The accepted Bidder may not assign or sublet any portion of the leased property without the written approval of the Municipality.

23. The accepted Bidder may not engage in any activities on the property that would constitute a violation of any state or county laws, regulations and ordinances.

- 24.** If the accepted Bidder fails to fully comply with his/her Proposal, the RFP or the license agreement, any and all invested expenses will be forfeited to the Municipality.
- 25.** The lease and any documents incorporated therein shall constitute the entire agreement between the parties.
- 26.** The accepted Bidder shall be responsible for compliance with all requirements of the South African Manual for Outdoor Advertising Control (SAMOAC) by laws and NRA regarding billboards.

Proposal Evaluation

A. Submission of Proposals

All proposals shall include a copy of the bidder's proposal and any additional requested materials. This document will become part of the contract.

B. Non responsive Proposals

Proposals may be judged non responsive and removed from further consideration if any of the following occur:

1. The proposal is not received timely in accordance with the terms of this RFP.
2. The proposal is not adequate to form a judgment by the reviewers.

C. Evaluation

The Bidder will be selected based on qualifications and demonstrated competence that include relevant experience, and a proven track record with other property owners with outdoor advertising signs, including public agencies, as well as offering the best return to the Municipality for placing outdoor signs on its property. A "best value" method of selection will be utilized. The "best value" method includes, but is not limited to, the following selection criteria, not in order of preference:

- a. Monetary return to the Township;
 - b. Technical expertise;
 - c. Overall experience and financials;
 - d. Recent completion of similar projects;
 - e. Permitting experience;
 - f. Project approach which will generate the best return to the Township;
 - g. Schedule;
 - h. Pricing;
1. Sales capacity.

D. Review Process

Ditsobotla Local Municipality reserves the right to make an award without further discussion of the proposals submitted.

The following documents should be submitted with your Request for Proposals.

- Valid Original Tax Clearance Certificate
- Municipal Bidding Documents
- Business Registration Certificate
- Bank Confirmation Letter
- Copy of CSD Registration Summary Report
- Certified copy of BBB-EE Certificate or Original
- Proof of residence of all directors as they appear on the company registration certificate obtainable from local municipality or tribal authority
- Certified copies of identity documents(IDs)of directors/members
- NB copies of certified copies will not be accepted.

- All certified copies should not be more than three months from the date of the advertisement
- Company Profile

The following conditions will apply:

- Price(s) quoted must be valid for a period of 30 days from the closing date of the quotation.
- Price(s) quoted must be inclusive of VAT (if registered)
- Quotation should be submitted with MBD 4,7,1,8 and 9 obtainable from Ground floor, Room 12
- The price quotation is expected to be within a threshold of R30 000 and R200 000 including VAT.
- Council is not bound to accept the lowest or any bids.
- No late/emailed/faxed bids will be accepted.
- Sealed quotation must be deposited at tender box

NB Failure to comply with these conditions may invalidate your offer.