LEPELLE NORTHERN WATER
Water is our passion

Name of Bidder:……

Closing Date: 19 November 2026 **Time:11h00**

RFQ : 10049797

All the returnable must be hand delivered at 01 Landros Mare Polokwane inside the Blue Tender Box outside next to the reception

PROJECT NAME: *APPOINTMENT OF AUCTIONEER FOR AUCTIONING OF ASSETS*

PROJECT NO:

USER DEPARTMENT: ***FINANCE***

1. PURPOSE

The purpose of this specification is to request Supply Chain Management to procure the services of a suitably qualified company that will assist Lepelle Northern Water (LNW) with the disposal of movable assets.

2. BACKGROUND

Lepelle Northern Water ("LNW") is a (schedule 3B) public water utility, wholly owned by the state, established in terms of the Water Services Act No 108 of 1997. In terms of finance policy 7.12 Disposal of Assets (d) state that "Movable assets are sold either by way of tender process, auction or at market related prices, whichever is the most advantageous to LNW"

LNW has identified and approved assets for disposal. LNW therefore seeks to appoint a qualified auctioneer to remove and auction these assets, which are presented on Annexture A

3. SPECIFICATION

Quotations are hereby invited from qualified auctioneers with experience of assets disposal and auctioning. The Auctioneer is expected to collect the assets from LNW plants within two (02) weeks after appointment and conduct a regional auction of the assets from LNW premises to the auction venue of the auctioneer.

4. SCOPE OF WORK

The scope of work for the appointed service provider will include the following:

- Collection and transporting of assets approved for disposal from all the LNW plants to auction site.
- Provision of auction site and safe storage of the assets to be auctioned until disposal.
- Advertising the auction.
- Running an auction in terms of the laws and regulations.
- Provide auction venue and the necessary equipment to carry out the Auction
- Collection of the revenue from the auction and reconciliation of assets auctioned.
- Facilitation of scrapping process for assets not sold during the auction. The scraping of the assets will be done after obtaining consent from Lepelle Northern water.
- Submission of the action report to LNW and surrendering of revenue collected from auction sales to LNW.

5. DURATION OF CONTRACT

The assets should be disposed of within six (06) Months after the appointment. A Service Level Agreement will be entered into with the successful service provider.

6. PRICING SCHEDULE

Service providers are advised to indicate fee for the services indicated on the item of scope of work as follows:

Deliverables	**Estimated hours/km/Floor area**	**Rate(R)**	**Total(R)**
Collection of assets from LNW plants			
Auction venue and Storage costs			
Auction costs and related fees			
Estimated delivery cost to a scrapping location			
Prepare and present a Close out report to management			
Sub Total Excl VAT and Disbursements			
Disbursements			
Subtotal Inc Disbursement			
Commission (%)			
VAT 15%			
TOTAL			

Mandatory requirements (pre-qualification)

i. Registration with Financial Intelligence Centre Act 38 of 2001 (FICA), bidders to attach proof of registration.

ii. The JV agreement for JV partners to be submitted indicating percentage split up to 100%for partners to render agreement valid (Point will be allocated as per pro rata(proportional) JV percentage split). This is only applicable on company experience under functionality.

iii. The JV partners must submit both mandatory documents for each Company.

iv. Preferred JV bidder will be required to submit a JV bank account and VAT number.

v. All quotations must be completed in full and in BLACK ink where applicable; (No tampering of the documents with either correction fluid, sticky papers or any other thing which can indicated that the quotation document that has been tampered with).

vi. Pricing schedule to be completed in full to render the quotation responsive.

vii. Proof of registration on the Central Suppliers Database (CSD) (this can the accessed or verified online).

viii. Company registration documents.

ix. Certified valid ID copies of the company shareholders for less than 3 months.

x. Original or Certified valid copy of BBB-EE Certificate (SANAS accredited) or Sworn affidavit.

NB: Failure to comply with any of th0e above requirements will lead to disqualification of the quotation.

Quotations will further be evaluated in terms of Method 4:

- Stage 1: Evaluation on Functionality (Minimum of 80 points (80%) to be scored to be considered responsive)
- Stage 2: Evaluation on 80/20 preferential points system (Price and Specific Goals)

7. FUNCTIONALITY

Stage 1: Evaluation on Functionality

The first stage will evaluate functionality, and the minimum threshold will be 80% (80 points) to be considered for further evaluation in stage 2 (Evaluation on Price and Specific Goals). Evaluation of proposals will be done according to the following criteria (so sufficient information should be provided).

NB: Only the combined Price & Specific Goals will determine the highest point scoring bidder to be awarded the contract.

Criteria for assessing Functionality All quotations duly lodged will be evaluated on functionality and pre-qualifying criteria. The evaluation criteria and weighting for measuring functionality are indicated. **Criterion**	**Points** **100**
Experience (List services and then allocate per area of service)	**40**
1. Company experience (40) Successfully completed traceable service in running an auction as a main contactor ➢ two (2) projects = **10 Points** ➢ Three (3) projects = **30 Points** ➢ Four (4) and above projects = **40 Points** **Signed Completion certificates or Signed reference letter on client's official letterhead attached for relevant projects as proof of experience.**	**40**

Capacity (70) points	
"Attach project program that include all of the above points"	**30**
Plant and equipment. One (1) tower truck and one (1) loading truck greater≥ 5000 KG mass load capacity = 10 points ➢ two (2) tower truck and two (2) loading truck greater≥ 5000 KG mass load capacity = 20 points ➢ two (2) tower truck and more than three (3) loading truck ≥ 5000 KG mass load capacity = 30 points **Certificates of Ownership or rental agreement specifying the type of equipment as listed or required under this tender as proof of Capacity.**	**30**
Professional membership registration (30) points	**30**

Attach valid membership certificate	
➢ Valid registered membership with the South African Institute of Auctioneers or equivalent a mandatory requirement = 15 points	**30**
➢ Valid Professional Indemnity Insurance certificate or a with a cover not less than R1 000 000.00= 15 Points	
Total Points	**100**

Stage 2 Evaluation on Price and BBBEE 80/20 on the below Specific Goals:

Specific Goals	**Means of verification**	**80/20 Points**
Disability (Minimum of 1 shareholder ownership in the company	CSD Report	5
Black women (100% Black women ownership in the company)	CSD Report	5
Black ownership (100% black ownership in the company)	CSD Report	5
Black Youth (Minimum of 1 shareholder Black youth ownership in the company)	CSD Report	5
Total points		**20**

8. CONTRACT CONDITIONS:

- Netting off is prohibited
- Amount for disbursement and commission payable after the auctioneer has transferred all the proceeds from the auction to LNW.
- The cost including commission payable to the auctioneer will be limited to proceeds generated from the auction.

NOTE:

a) ***The bidders must comply with all terms and conditions, including requirements as stipulated in the Tender Documents to be evaluated further.***

b) ***LNW is not compelled to accept the lowest or any bid.***

c) ***LNW reserves the right to reduce the scope of work due to budget constraint or reduction of scope by client.***

d) ***Bidders will be subjected to risk assessment, verification, and arithmetic check.***