

North West Development Corporation (SOC) Ltd



REQUEST FOR PROPOSAL

(RFP)

TERMS OF REFERENCE (ToR):

REQUEST FOR PROPOSALS FROM INVESTORS TO PARTNER WITH THE NORTH WEST DEVELOPMENT CORPORATION (SOC) LTD FOR THE UPGRADE AND EXPANSION OF MOGWASE SHOPPING COMPLEX INCLUDING THE DEVELOPMENT OF THE ADJACENT VACANT LAND TO THE COMPLEX .

RFP NO: NWDC/ PRO030/2017

CLOSING DATE: 04 AUGUST 2017

TIME: 10:00 AM

DELIVERY ADDRESS:

MAHIKENG MMABATHO BRANCH OFFICE:

NWDC (SOC) LTD
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TENDERER: _____

ABBREVIATIONS

- i. **ACT – Agriculture, Culture and Tourism**
- ii. **GLA – Gross Lettable Areae**
- iii. **WBS – Work Breakdown Structure**
- iv. **NWDC – North West Development Corporation**
- v. **RFP – Request for Proposal**
- vi. **JV – Joint Venture**
- vii. **SOC – State Owned Companies**
- viii. **URL – Uniform Resource Locator**
- ix. **ACT- AGRICULTURE, CULTURE, TOURISM**
- x. **VTSD – Villages, Townships and Small Dorpies**
- xi. **RHR – RECONCILIATTION, HEALING AND RENEWAL**
- xii. **RRR REPOSITIONING REBRANDING RENEWAL -**

DEFINITION

Adjacent Land: means stand 940,941 and 935 which belong to NWDC and vacant land which belongs to third parties.

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1. PREAMBLE

The NWDC's **strategic thrust** is to drive an inclusive strategy towards economic growth and transformation in the Province in line with the Provincial priorities. In taking the responsibility to actively participate in the establishment of the People's Economic Growth Agency (PEGA), the entity is appropriately positioned as the implementing vehicle of the Provincial Government to roll-out the developmental agenda.

The NWDC's **purpose** is therefore to contribute towards the growth and transformation of the economy by positioning the North West Province as a competitor in the SADC Region, Africa and the globe in investment attraction.

The NWDC **aims** to demonstrate its leadership by implementing key programmes and providing support for the development of key sectors of the economy in line with the conventional economic and industrial policies of the Province. Key to this aim is the growth of the cooperatives economy, trade and investment facilitation and increased strategic economic infrastructure. The NWDC undertakes to support key Provincial strategies in a manner that ensures successful implementation of those strategies.

2. BACKGROUND

The NWDC owns the Mogwase Shopping Complex situated Mogwase within the Moses Kotane Local Municipality. The Complex is located on stand 935 (2363). The total area of the stand measures 6.7 hectares, the Complex measures 17,974 m² and the parking measures 7,000 m². Currently the shopping complex has tenant Mix of office blocks, retail facilities, banks and food outlets. Adjacent to the shopping complex there is vacant land for development.

The Complex has been in existence for 29 years and needs to be upgraded and expanded. There has been an effort in the past to maintain and refurbish the complex. Further to this there is a need for more office space. Most of the offices are currently occupied by Government Departments.

Due to the reasons stated above the NWDC has identified the need for the existing infrastructure to be upgraded and expanded as well as to develop adjacent vacant land .

3. SOCIO ECONOMIC PROFILE OF MOSES KOTANE LOCAL MUNICIPALITY

The size of the Moses Kotane Local Municipality in the North West Province is 5 726 km² with a population of 247 395. 49 775 People were employed in Moses Kotane in 2016 with an unemployment rate of 32.8% compared to the provincial rate of 27.4%. There were 74 823 households in the Moses Kotane Local Municipality with an annual per household income (current prices) of R139 252 and an annual per capita income of R41 927.

The municipality contributed R16bn to the Gross Domestic Product of the province in 2016 (Current prices). The major sector contributions in the district were mining 44.9%, tourism spend as a % of GDP (2015) 20.7%, community services 16.7%, trade 13.2% and finance 10.4%.

The performance in the mining sector can be attributed to the establishments of new mines in the area including Wesizwe and Styldrift. These developments will lead to a demand in housing that is already reflecting in real estate activity in Moses Kotane and can be considered as a possible enhancement for the Mogwase Shopping Centre.

In terms of tourism, Moses Kotane Local Municipality is home to Sun City and Lost City, international tourist attractions, as well as various national parks, game reserves and private game lodges including the Pilanesberg National Park and Madikwe Game Reserve. Hotels and restaurants also contribute significantly to the GDP as a detailed sector due to the tourism attractions. Restaurant franchises that are popular can also be considered as key tenants to attract to the shopping centre that in turn will attract more feet to the centres.

The Platinum SEZ is also planned to be located in the Moses Kotane Local Municipality as an extension of the existing Bodirelo Industrial Park. The Dti is also planning to invest into an upgrade of the Bodirelo Industrial Park to attract more investors.

Phokeng which is situated near Moses Kotane is also home to the richest Kingdom in Africa namely the Royal Bafokeng.

With regards to infrastructure, it can be mentioned that roads are being upgraded to Moses Kotane as part of the mining corridor that stretches from Madibeng and Rustenburg to Thabazimbi and Lephalale. There is also an airport at Sun City. There is significant energy as the supply has been increased. Water wise technologies will be an advantage as the demand is increasing for water and the supply can not be assumed will be available.

It is however advised that a thorough analysis be conducted to determine appropriate components and sizes of the structure as well as a tenant mix that will attract feet in accordance with the demands of the activities in the area.

4. PURPOSE

Request for proposals from investors to partner with the NWDC (SOC) Ltd for the upgrade and expansion of Mogwase Shopping Complex including the Development of adjacent vacant land

5. SCOPE OF WORK

The NWDC is requesting from prospective Investors to submit a proposal for the upgrade, expansion of the existing Mogwase Shopping Complex including the development of adjacent vacant land.

These should include and address the following:

- Investment
- Design
- Development
- Construction
- Management and
- Exit Strategy

PHASE 1: INITIATION

- a) Information regarding the existing infrastructure development will be provided by the NWDC. Should this information not be sufficient it will be the responsibility of the proposer to obtain additional information to include in the proposed project plan;
- b) Visit the applicable site(s) to gather information relating to the details of the project and possible geographical and logistical challenges;
- c) Identify project risks and compile mitigating measures including provision for insurance.
- d) Clearly indicate social responsibility in terms of stakeholder identification and consultation processes ;
- e) Provide detailed proposed funding model aligned to the project plan ;
- f) Provide proposed partnership model;
- g) Provide legal framework and relevant laws to be considered in the project; and
- h) Clearly indicate methods proposed to benefit the community.

PHASE 2: PLANNING & DESIGN

- a) Submission of the Environmental Impact Assessment (EIA) to obtain a Record of Decision (RoD).
- b) Submission of proposed design plan which include approval from Surveyor General (SG) and compliance to the National Building Regulations (NBR).
- c) Provide design should also be presented in 3D
- d) Conduct geo-technical investigations that include groundwater protocol.
- e) Identify and attract a new tenant mix and retaining the current tenants.
- f) Utilization and sub-contracting proposal for local labor and local contractors.
- g) Detailed income and expenditure projections per space available/ occupied.
- h) The investor will have to liase with the Moses Kotane local municipality regarding the adjacent vacant land.

PHASE 3: IMPLEMENTATION

- a) Submission of bill of quantities relating to all activities.
- b) Execution of the project plan.
- c) Facility management plan

PHASE 4: CLOSE-OUT

- a) Close-Out Report
- b) Exit Strategy

6. MINIMUM PROPOSAL SPECIFICATION

The proposal should include and relate to the upgrading and expansion of Mogwase shopping complex and the development of adjacent vacant land

- a) Project implementation plan
- b) Risk plan and mitigation factors
- c) Stakeholder identification and planned process
- d) Funding model
- e) Partnership model
- f) Provision for EIA & RoD

- g) Proposed design plan
- h) Provision to conduct geo-technical investigations that include groundwater protocol
- i) Bill of quantities for all activities
- j) Identify and attract new tenant mix and retaining the current tenants
- k) Utilization and sub-contracting proposal for local labor and local contractors
- l) Provide legal framework and relevant laws to consider in exciting this project
- m) Detailed income and expenditure projections per space available / occupied
- n) Methods on how the community will benefit

7. PROJECT TEAM AND EXPERIENCE

The Investor should specify all proposed team members and their role in the project. For each proposed member indicated:

- a) Member's name and professional affiliation (where applicable);
- b) Each member's role in the project;
- c) Brief description of the individual's qualifications and experience;
- d) List of relevant achievements and brief description of their roles including testimonials on official letterheads of issuing companies/parties.

8. LEGALITIES AND RULES

- a) Proposal received from the investor will be assessed by the relevant committee for implementation.
- b) The NWDC reserves the right to appoint or not to appoint.
- c) The successful investor to this bid will therefore; be required to enter into a partnership agreement with the NWDC, and the agreement shall be binding between the two parties.
- d) It is required that the investor sub-contract 30% of construction to local contractors.

9. CONFIDENTIALITY

A contractual pre-requisite is to comply with the NWDC's Confidentiality Agreements. It must be noted that all company information is confidential. Once appointed, the investor will be expected to enter into a Confidentiality Agreement with the NWDC

10. TECHNICAL EVALUATION CRITERIA

It must be noted that the evaluation of the proposal will be conducted in line with the scope of work Indicated in this document.

Stage 1: Technical/Functionality Stage:

In order to qualify for the next stage of evaluation, the investor must score a minimum of 75 points.

(A)	(B)	(C)	(D)	(E)
CRITERIA	DESCRIPTION	WEIGHT	FUNCTIONALITY RATING	POE
Capital funding	Participation in similar investment opportunity in the past five (5) years.	20	20 points: 5 years and more. 15 points: 3-4 years 10 points: 0-2 years	Investment opportunity list with roles and period
	A 3 years financial statement should be attached.	5	5 points: Analysis and interpretation of AFS	3 years Audited AFS
	Company Profile indicating the following: Investments participated in.	5	5 points : Participated in two (2) or more investment deal; 2 points: Participated in one (1) investment deal.	Company Profile indicating investment participation.
Investor with design, property development, construction and management experience.	The team members to be involved and other team assistants should have a minimum of five (5) years experience in the categories in line with the project. Submit a general Curriculum Vitae/profile for each of the key personnel which highlight experience that is relevant.	20	5points- design 5points- development 5points construction 5points- management	Team Members Cv's, certified copy of qualifications and Organogram

(A)	(B)	(C)	(D)	(E)
CRITERIA	DESCRIPTION	WEIGHT	FUNCTIONALITY RATING	POE
Proposal with a partnership model	A clearly defined Proposal including: Investment partnership strategy including budgets, Proposed Construction Plan Proposed Design, Proposed Development, Proposed investment life span and cash flows.	30	10 Points -Investment partnership strategy (incl. partnership model and budgets) 10 Points Proposed Construction plan, 5 Points - Proposed Design, 5 Points - Proposed investment life span and cash flows.	Investment partnership strategy including budgets, Proposed Design, Proposed Development, Proposed Construction Plan, Clear Investment model and Proposed investment life span and cash flows.
Due diligence	Testimonials or references on investment partnerships including successes and failures. Provide the names of companies or investments, contact details and investment description. Preferably, the testimonial or references should be on the official company letter head of the investment partner or project.	20	20 points : 4 and more references; 10 points: 2 -3 references; 5 points: 1 reference.	Testimonials or references on investment partnerships
	Total Score	100		

NOTE: The qualifying score for functionality is 75 points. All the investors that fail to achieve the minimum qualifying score on functionality shall not be considered for further evaluation.

11. SUBMISSION FORMAT

- a) The investor must submit One (1) Original separate proposal (as per below format) and (3) three hard copy (clearly marked RFP/PRO030/2017) to fulfil the project deliverables.
- b) The sealed envelope must be placed in the tender box marked as **RFP/PRO030/2017– Request for Investors and Developers to partner with the NWDC for upgrade and expansion of Mogwase Shopping Complex and the)** at the Main Reception Area NWDC offices Mmabatho Branch : NWDC Building, 30 James Watt Crescent, Industrial Site, Mahikeng, 2745, Telephone number: (018) 381 3665; **By not later than Time 10:00 am and Date: 04 August 2017**
- c) The investor should provide the full legal corporate name of each Company/Individual identified in this RFP; and the name, title, address, telephone number, facsimile number and e-mail address of the individual to be contacted with respect to the submission. Include the URLs (website address), if applicable.
- d) Each respondent must complete all the prescribed Standard Bid Document (SBD) as listed in the RFP
- e) Each responded must furnish all the regulatory document and any other information as required
- f) If a courier service company is to be used for delivery of the RFP document, the proposal description must be endorsed on the delivery note/courier packaging and the courier must ensure that documents are placed or dropped into the tender box. **The NWDC will not be held responsible for any delays where tender documents are handed to the NWDC Receptionist.**
- g) The investor will be required to make a formal presentation of their proposal to the relevant Committee as and when they will be requested.
- h) No late submission shall be accepted.
- i) RFP's are late if they are received at the address given in the document; after closing date and time
- j) RFP's that are that are not received by the deadline will not be considered and will be returned to the proposer unopened, if the return address has been stated.
- k) No Electronic, Email or Faxed Proposals shall be accepted.
- l) All costs related to this proposal shall be carried by the proposer

12. SUBMISSION OF FICA DOCUMENTS

The following compulsory documentation must be submitted with the proposal:

FICA REQUIREMENTS AND ADDITIONAL INFORMATION REQUIRED

Authenticated copies are permissible		
No	Document	Checked (v/X)
1.	Company profile	
2.	B-BBEE certificate	
3.	Company registration (CIPC) and Company Documents	
4.	Joint Venture Agreement/ Consortium/ Sub Contracting Agreement ,Power of Attorney/ Letter of Authority / and/or Resolution Authorizing the Director to sign all the document	
5.	Proof of Audited Financial Statements of 3 latest consecutive years;	
6.	Confirmation of Residential Address or Business Address	
7.	SARS Registration and Valid Tax Clearance Certificate must be valid at the time of the submitting the RFP	
8.	VAT Registration Certificate	
9.	CV, ID Copies and Profile of Directors, Team Members and Supporting Staff Members	
10.	Certified copy of CIDB grading certificate;	
11.	Certified copy of relevant contractor registration certificate;	
12.	Signed Joint Venture Agreement (where applicable)	
13.	Current and completed projects with contactable references and values;	
14.	A letter from the bank which stipulates your company's financial risk in terms of low, medium or high in terms of financial standing at the bank i.e. bank rating letter,(not more than 3 months old)	
15.	Proposal/Methodology/ Approach	
16.	Project Plan and Budget estimates with clear time lines (This must address all the phases of the project)	
17.	SBD 1 - Invitation to Bids	
18.	SBD 2 – Tax Clearance Certificate Requirement	
19.	SBD 3.3 - Price Schedule (Professional Services)	
20.	SBD 4 – Declaration of Interest	
21.	SBD 5 - National Development Planning Programme	
22.	SBD 6.1 Preference points claim form in terms of the Preferential Procurement Regulations	
23.	SBD 8 – Declaration of Bidders Supply Chain Practices	
24.	SBD9 - Certificate of Independence	

NOTE:

- Please Tick (✓) if available and (X) if not available.
- Tax Clearance Certificate must be valid at time of submitting the RFP.
- In case of a Consortium, Joint Venture or Subcontractor, the documents listed above must be submitted for each Consortium/JV member or subcontractor as well as certified copy of a relevant agreement.
- Non-submission of the above documents will render the RFP invalid.

13. RFP VALIDITY PERIOD

Responses to this RFP received from will be valid for a period of 90 days counted from the closing date of the submission.

14. COMPULSORY BRIEFING SESSION

COMPULSORY BRIEFING SESSION will be on **17 July 2017@14h00** at the following address:

NWDC Mogwase Branch Office

Office K103 1st Floor, Mogwase Shopping Complex.

15. SUPPLIER PERFORMANCE MANAGEMENT

Supplier Performance Management is viewed by the NWDC as critical component in ensuring value for money acquisition and good supplier relations between the NWDC and all its suppliers.

The successful bidder shall upon receipt of written notification of an award, be required to conclude a Partnership Agreement with the NWDC, which will form an integral part of the supply agreement. The agreement will serve as a tool to measure, monitor and assess the supplier performance level and ensure effective delivery of service, quality and value add to NWDC's business.

Investors are required to comply with the above condition, and also provide a scorecard on how their performance is being measured to achieve the objectives of this condition.

16. NWDC's RIGHTS

The NWDC is entitled to amend any tender conditions, validity period, specifications, or extend the closing date of tenders before the closing date. All tenderers, to whom the tender documents have been issued, will be advised in writing of such amendments in good time.

The NWDC reserves the right not to accept the lowest tender or any tender in part or in whole. It normally awards the contract to the tenderer who proves to be fully capable of handling the contract and whose tender is technically acceptable and/or financially advantageous to the NWDC.

The NWDC reserves the right to award this tender to a purely empowerment company or may award this tender on condition that a joint venture with an empowerment company is formed. This will be added to the

criteria when evaluating the tenders.

The NWDC reserves the right to award this tender as a whole or in part without furnishing reasons.

17. UNDERTAKINGS BY TENDERER

The investor hereby offers to render all or any of the services described in the attached documents to the NWDC on the terms and conditions and in accordance with the specifications stipulated in this Tender documents (and which shall be taken as part of, and incorporated into, this Proposal at the prices inserted therein).

Investors submitted by Companies must be signed by a person or persons duly authorized thereto by a resolution of a Board of Directors, a copy of which Resolution, duly certified be submitted with the Tender.

The investor shall prepare for a possible presentation should NWDC require such and the tenderer shall be notified thereof no later than 4 (four) days before the actual presentation date.

The investor hereby agree that the offer herein shall remain binding upon him/her and receptive for acceptance by the NWDC during the validity period indicated and calculated from the closing hour and date of the Tender. This proposal and its acceptance shall be subject to the terms and conditions contained in this tender document.

The investor furthermore confirm that he/she has satisfied himself/herself as to the correctness and validity of his/her Tender response and that the price(s) and rate(s) quoted cover all the work/item(s) specified in the Tender response documents and that the price(s) and rate(s) cover all his/her obligations under a resulting contract and that he/she accept that any mistakes regarding price(s) and calculations will be at his/her risk.

The investor hereby accept full responsibility for the proper execution and fulfillment of all obligations and conditions devolving on him/her under this agreement as the Principal(s) liable for the due fulfillment of this contract.

18. REASONS FOR DISQUALIFICATION

The NWDC reserves the right to disqualify any bidder, who does any one or more of the following, and such disqualification may take place without prior notice to the offending investor, however the investor will be notified in writing of such disqualification:

- 18.1 investors who do not submit a valid and original Tax Clearance Certificate on the closing date and time of the bid;
- 18.2 investors who submitted incomplete information and documentation according to the requirements of this bid document;
- 18.3 investors who submitted information that is fraudulent, factually untrue or inaccurate information;

18.4 Investors who received information not available to other vendors through fraudulent means; and/or

18.5 Investors who do not comply with mandatory requirements as stipulated in this bid document

19. ENQUIRIES

Enquiries may be directed to the following person:

Scope/Terms of Reference	RFP Document
Brian Nkhumeleni – Project Manager NWDC 018 381 3663 briann@nwdc.co.za	Neo Mogashane - Snr Procurement Officer NWDC (014) 594 2570 neom@nwdc.co.za