



Valuation Service Level Agreement

Between the

GEORGE MUNICIPALITY

and the

DDP Valuers (Pty) Ltd

Four handwritten signatures in black ink are located in the bottom right corner of the page. The signatures are stylized and appear to be of different individuals.

MUNICIPALITY OF GEORGE

MEMORANDUM OF VALUATION CONTRACT

Made and entered into between

THE MUNICIPALITY OF GEORGE

(Herein after called the MUNICIPALITY)

Herein represented by Mr. C.A. du Plessis in his capacity as Director: Financial Services

Of the first party, and

DDP VALUERS (Pty) Ltd

(Herein after called the VALUER)

Herein represented by T. Geyser in his capacity as Chief Executive Officer (ANNEXURE 3 of Tender Document)

Of the other party


WHEREAS the **MUNICIPALITY** awarded the tender to the **VALUER** to execute, compile and maintain the General Valuation Roll, Supplementary Valuations and Supplementary Valuation Rolls as well as the supply of other valuation related services in compliance with the Local Government: Municipal Property Rates Act (Act 6 of 2004) and the Amendment Act, Act 29 of 2014.

AND WHEREAS the **VALUER** accepts his appointment as **VALUER** in terms of the said Act and this Agreement.

NOW THEREFORE THE PARTIES CONCUR AS FOLLOWS:

1. DEFINITIONS:

- "The Act"** shall mean the Local Government: Municipal Property Rates Act (Act 6 of 2004) and the Amendment Act, Act 29 of 2014
- "Date of Valuation"** shall mean the Date of Valuation as determined by the **MUNICIPALITY** in terms of the Act: For the purpose of this contract the date has been determined as 01 July 2022.
- "Date of Draft Submission"** shall mean the date upon which the **MUNICIPALITY** requires the nominated person to submit data relevant to the valuation roll to enable the **MUNICIPALITY** to use such data in the preparation of their rates policy and draft tariffs;
- "Date of Final Submission"** shall mean the date upon which the certified roll/s are handed to the Municipality by the nominated person(s);
- "Data and Information"** includes valuations, calculations, spread sheets, data bases, files, maps analysis and systems, whether electronic or hard copy, photographs, field sheets, aerial photographs and/or satellite imagery and/or copies thereof, including cadastral and other spatial data, deeds records, sale and rental records and/or any other information that is obtained and used in the fulfilment of this tender;
- "Data Ownership"** means all data obtained, collected and/or utilised in compilation and maintenance of the General Valuation roll, supplementary valuations and supplementary valuation rolls and Property Master File belongs to the **MUNICIPALITY after payment to the Valuer of its fees;**



"Date of Transfer"

all data utilised and/or collected by the **VALUER** including that of the data capturers, will be transferred by the **VALUER** to the Municipality on at least a monthly basis and in a format mutually agreed upon. Wherever possible all data should be collected and transferred in a recognised electronic format;

Nominated Persons

means the suitably qualified person appointed by the **VALUER** that is required to submit data relevant to the valuation roll to the **MUNICIPALITY** and who will be responsible for the full compliance of the functions and duties of the **VALUER** as set out in the Act as well as fulfilling all the requirements of this agreement and who will initially be Corne Theron;

Specialised Properties:

Specialised Properties are all properties other than residential dwellings, agricultural farming units, and typical income producing properties and include inter alia the following type of properties:

- Malls
- Hotels
- Conference Centres
- Quarries
- Mines
- Grain Depots
- Private Hospitals
- Provincial and/or State buildings such as Civic Centres, Prisons etc.
- Airports and Stations
- Steel Manufacturer e.g. Iscor
- Cement Factory

The **VALUER** shall be required to assist the **MUNICIPALITY** to compile a register of Specialized Properties that will enable **MUNICIPALITY** to easily refer at any time to such properties.

The register will reflect the property description and method of valuation applied. Where generally recognised methods of valuation are not appropriate in the determination of value, for properties of this nature, the nominated person will be required to obtain the written approval from the **MUNICIPALITY** for the method of valuation or technique of valuation to be applied in the valuation of such properties;

Property Master File:

shall be defined as a Property Master File containing all property records of the Municipality relating to the valuation roll whether registered or not at date of valuation. The **VALUER** will record changes and maintain the Property Master File on an ongoing basis after creation thereof. The total number of valuation entries contained in the Property Master File may vary from the number of entries appearing in the valuation roll. The Property Master File will include properties forming part of the township owner's interest account whether registered or not. The Property Master File will also include the entries of agricultural holdings excised into farms, farms proclaimed into townships and erven consolidated.

Upon proclamation of a township, the **VALUER** will create the individual entries of all erven comprising that township in the Property Master File. The **VALUER** shall thereafter administer the township owner's interest account on an ongoing basis as and when entries comprising that township are registered. Unregistered subdivisions will be handled in the same manner as township owner interest accounts.

The purpose of the Property Master File is to enable the public and officials of the municipality to have easy access to all properties registered or unregistered, forming part of either the Property Master File and/or the valuation rolls of the



municipality. The Property Master File and/or valuation rolls will cross refer to all entries that are no longer live deed office entries to their new counterparts appearing in the Property Master File and/or valuation roll.

Where such information appears in the current valuation roll, it will be transferred to the new valuation roll. It will not be necessary to obtain historic information relating to unregistered entries, other than those appearing on the current valuation roll. All new unregistered entries are to be recorded on either the Property Master File and/or the valuation rolls. All consolidations, exisions, notarial ties, township proclamations, etc which result in unregistered records being created will be recorded from the date of commencement of this agreement and shall continue for the full duration thereof.

Example: Erf 14 & 15 Dunswart are consolidated into Erf 300. Under erven 14 + 15 they will be indicated as unregistered with a cross reference to Erf 300. Under Erf 300 it will be cross-referenced to indicate consolidation of Erf 14 & 15. Holding 16 Ravenswood Agricultural Holdings excised into Portion 315 of the Farm Klipfontein 83 I.R. Under Holding 16 it will be referred to as unregistered and under Portion 315 it will cross-refer as "previously Holding 16 Ravenswood Agricultural Holding".

2. GENERAL TENDER CONDITIONS

- 2.1 The **VALUER** is hereby advised that all conditions and stipulations set out in the tender document and in all forms, schedules and/or annexures thereto will form part of the agreement between the **VALUER** and the **MUNICIPALITY**.
- 2.2. The **VALUER** is required to acquaint himself with the following policy documents of the **MUNICIPALITY**:
 - 2.2.1 CURRENT RATES POLICIES (IF/OR WHEN FINALISED)
 - 2.2.2 PROMOTION OF ACCESS TO INFORMATION ACT, ACT 2 OF 2000
- 2.3 If any of the conditions in this contract are in conflict with any special conditions, stipulations or provisions incorporated in the tender documents such special conditions, stipulations or provisions as contained in the tender shall apply.
- 2.4 The **VALUER** and nominated person(s) (including its trustees, members or directors (as the case may be) must during the contract period be in good standing in respect of any levy, rates, fine, tax matters or service charges due to the **MUNICIPALITY** and **SARS**.
- 2.5 In the event of the **VALUER** and/or nominated person not being in good standing, and that the **VALUER** and/or nominated person is indebted to the **MUNICIPALITY**, as contemplated in this clause, which arises after the signature date and before final payment has been made to the **VALUER**, the **VALUER** does not herebyconsents to the **MUNICIPALITY** deducting from the amount of the Valuer's tender awarded such amounts as may be lawfully owing to the **MUNICIPALITY**.
- 2.6 The **VALUER** undertakes that it will make itself and its members, officials, employees and agents aware of the appropriate regulations and by-laws of the **MUNICIPALITY** that might have application on the **VALUER'S** activities in terms hereof.
- 2.7 All data supplied by the **MUNICIPALITY** will be received by the **VALUER** at its risk. It will be the responsibility of the **VALUER** to check and verify the accuracy of data supplied by the **MUNICIPALITY**. The **MUNICIPALITY** shall not be held responsible for any inaccurate or incomplete data provided by them and the effect that such data may have on the valuations.
- 2.8 The **VALUER** shall further ensure that notwithstanding the source of any data obtained or supplied to it, such data is accurate and correct to enable accurate valuations to be compiled.

- 2.9 The **VALUER** and its nominees/personnel must commit themselves to strict confidentiality both during and after the valuation task save as set out in this agreement.
- 2.10 The **VALUER** must ensure that no conflict of interest occurs during the valuation process and if any potential conflict arises, the **VALUER** must advise the **MUNICIPALITY** accordingly as soon as they become aware of such potential conflict of interest.
- 2.11 The Valuer's project plan must be in terms of Schedule 7 of the **VALUERS** tender documents and the **VALUER** must adhere to the time schedules detailed therein, as well as Paragraph 14 of the Tender Document (Key Task Functions). (**Schedule 7** on page 264 to 266 of Tender Document)
- 2.12 The **MUNICIPALITY** will provide the **VALUER** with certain data as detailed in **Paragraph 13 (Page 129 to 130)** of the tender document.
- 2.13 Any further related data or information required fulfilling the requirements of the Act and the specific requirements of the **MUNICIPALITY** shall be for the sole account and responsibility of the **VALUER**.
- 2.14 Dispute resolution:

MUNICIPALITY and the **VALUER** consent that should any dispute/claim arise between the parties, the dispute shall unless resolved between the parties be determined by arbitration in terms of the Arbitration Act, No 42 of 1965.

2.15 Force Majeure:

- (a) Force majeure shall be considered to be, if the performance of any obligation in terms of this Agreement is suspended or postponed by:
- (i) Strikes or lock-out or any combination thereof by employees or either of the Parties;
 - (ii) fire or accident on the premises of the Municipality not occasioned by negligence or intent on the part of either of the Parties;
 - (iii) war or civil commission;
 - (iv) any cause, including but not limited to pandemics, except as may be otherwise provided for in this Agreement beyond the reasonable control of either of the Parties; and
 - (v) any act of God/nature.
- (b) Should the completion of any obligation be delayed as a result of force majeure, the party who is unable to perform its obligation shall, within twenty (20) working days of occurrence of such force majeure, give notice thereof in writing to the other party and request an extension of time in which to comply with its obligation. On receipt of such notice and supporting particulars of the request, the other party may, in writing grant an extension of time as may be justified.
- (c) No claim shall lie against the party who is unable to perform due to force majeure, provided that the notice referred to in 15 (b) above has been duly delivered and an extension of time granted.
- (d) In the event of the **MUNICIPALITY** granting the **VALUER** permission to defer performance as provided in 15 (b) supra, it is specifically recorded that the **VALUER** shall not be entitled to payment thereof until the particular obligations have been discharged fully. Such permission will not result in a higher amount being paid for the services rendered.
- (e) In the event of force majeure continuing for a period of thirty (30) working days, either party shall be entitled to terminate this Agreement by written notice to the other party and without any party incurring any liability to the other party.



2.16 Confidentiality:

The **VALUER** undertakes, at all times during the existence of the contract or any renewal thereof or after termination thereof, not to reveal any confidential or sensitive information or knowledge concerning the municipality, as detailed in Paragraph 6 (Page 125 of the Tender Document)

3. QUALIFICATION OF VALUER AND / OR ASSISTANT VALUER

- 3.1. In terms of Section 39(1)(a) only a person registered as a Professional Valuer or Professional Associated Valuer in terms of the Property Valuer's Profession Act, 47 (Act No. 47 of 2000) may be designated as the **VALUER**. (See checklist attached as **ANNEXURE B**) 3.2. The **VALUER** must nominate the person to be designated as the Responsible Valuer Per Schedule 1 (See Page 152-161) of the Tender document.
- 3.3. The **MUNICIPALITY** reserves the right to:-
 - 3.3.1. Fully investigate the qualifications, experience and performance of the Responsible Valuer and/or nominated person/s in terms of **Schedules 1 and 2** of the tender documents with reference to:
 - 3.3.1.1. Other municipalities where valuation roll/s were compiled;
 - 3.3.1.2. previous valuation board hearings;
 - 3.3.1.3. Appeal Board hearings;
 - 3.3.1.4. Arbitration and Supreme Court judgements;
 - 3.3.1.5. General standing of the Responsible Valuer and/or nominated person/s within the valuation profession;
 - 3.3.1.6. The **MUNICIPALITY** shall be entitled to obtain references from any professional body that the Responsible Valuer and/or nominated person/s is associated with;
 - 3.3.2. The **MUNICIPALITY** reserves the right to interview the Responsible Valuer and/or nominated person/s.
- 3.4. The **VALUER** must indicate to be suitable and willing to be a Mentor based on the rules of the South African Council for the Property Valuers Profession, if such an opportunity is allowed for Valuers within the Municipality.
- 3.5. The **VALUER'S** nominated person/s if appointed by the **MUNICIPALITY** as either the Valuer and/or Assistant Valuer may not cede or assign his appointment to any other valuer unless such cession and/or assignment has been approved in writing by the **MUNICIPALITY**. Should such person/s for any reason whatsoever no longer be associated or employed by the **VALUER**, the **MUNICIPALITY** reserves the right to cancel this contract and hold the **VALUER** liable for any damages it may suffer as a result thereof.
- 3.6. The **MUNICIPALITY** shall not be obliged to approve any request for cession and/or assignment.
- 3.7. The nominated and designated Municipal Valuer will be responsible for the full compliance of the functions and duties of the **VALUER** as set out in the Act as well as fulfilling all the requirements of this agreement.
- 3.8. The Municipal Valuer and Assistant Municipal Valuer do by his/her signature of **Schedule 1 and 2** bind himself/herself jointly and severally with the tenderer(s) to fulfil all terms and conditions of this tender together with all schedules.
- 3.9. The Municipal Valuer and Assistant Municipal Valuer will be required upon appointment, to comply with Section 43(1)(c) of the Act and with the Code of Conduct set out in Schedule 2 of the Municipal Systems Act 2000 (Act No. 32 of 2000). (Attached as **ANNEXURE C**)

4. SERVICES REQUIRED

4.1. DURATION OF AGREEMENT



- (a) Notwithstanding the date of signature hereof this Agreement shall be deemed to have commenced on 1 March 2022 and shall, subject to the other provisions of this Agreement, proceed until 30 June 2027 when the General Valuation cycle ends.
- (b) The maintenance of the General Valuation roll and all Supplementary Valuation rolls as well as the supply of the other valuation related services in compliance with the Act shall be binding on the **VALUER** for the financial years starting on 1 July 2023 and ending on 30 June 2027.
- (c) If the objection and appeal processes regarding the supplementary valuation rolls, refer to in the tender, are not completed on 30 June 2027, the Service Level Agreement may be extended as agreed between the **VALUER** and the **MUNICIPALITY**, on a month-to-month basis. The extended period will not be subject to separate quoting for the licence fees for the use of the MVS (Mass Valuation System) at that time, as mentioned on Page 49 of the Tender Document.

4.2 **ADDITIONAL REQUIREMENTS**

In addition to compiling the said valuation rolls, the **VALUER(s)** nominated person/s will be required to assist the **MUNICIPALITY** in: -

- (1) The preparation of the Rates Policy in terms of the Act, about valuation matters.
- (2) Community Participation and Public Awareness relating to the valuation and objection process.
- (3) Attend to valuation enquiries on behalf of the **MUNICIPALITY**.
- (4) The updating of the GIS, Web Based Spatial Viewer, as and when required.
- (5) Proof of inspection of properties by supplying Geo-referenced photo's as part of the data collection, supplementary valuation, review, objection and appeal processes.
- (6) In respect of classification of assets, supply land and building values of Municipal properties separately.
- (7) Aerial photography and color digital ortho photos, as and when required.
- (8) Allow opportunity for Valuer/s, working within the **MUNICIPALITY**, to obtain practical experience, based on the rules of the South African Council for the Property Valuers Profession.

The **VALUER(s)** nominated person/s will be required to undertake the following functions and/or provide the following services in terms of the Sections of the Act, stipulated below

- (9) Valuation of various categories of properties in terms of Section 8(2) and Section 8(3).
- (10) Valuation of multiple purpose properties in terms of Section (9) and the review thereof, if so required by the **MUNICIPALITY**.
- (11) Exemptions, reduction and rebates in terms of Section 15 and the reviews thereof, if required by the **MUNICIPALITY**.
- (12) Valuations in terms of Section 7(1) and subject to the provisions of Section 30(2), where applicable
- (13) Comply with Section 30 - General valuation and preparation of valuation rolls
- (14) Compile the valuation rolls as at date of valuation in terms of Section 31.
- (15) Comply with Section 34 – Functions of Municipal Valuer.
- (16) Section 36 – Data Collectors. Assume responsibility for their performance.
- (17) Comply with Section 37 – Delegation where applicable and if necessary.

- (18) Comply with Section 39 – Qualifications of Municipal Valuers.
- (19) Comply with Section 40 – Prescribed Declarations.
- (20) Comply with Section 41 – Inspection of property within defined days and times.
- (21) Comply with Section 42 – Access to Information.
- (22) Comply with Section 43 – Conduct of Valuers.
- (23) Comply with Section 44 – Protection of Information.
- (24) Comply with Section 45 – Valuation methodology and Section 13.
- (25) Comply with Section 46 – General basis of valuation.
- (26) Comply with Section 47 – Sectional Title Schemes.
- (27) Comply with Section 48 – Content of valuation roll including any additional information that the **MUNICIPALITY** may require in terms of this Tender.
- (28) Comply with Section 51 – Processing of objections, if so required by **MUNICIPALITY**.
- (29) Comply with Section 52(1)(3) – Compulsory review.
- (30) Comply with Section 53 – Notification of outcome of objections
- (31) Comply with Section 69 – Decision of Valuation Appeal Board and Section 34(f).
- (32) Comply with Section 78 – Supplementary valuations including annual reviews of multiple purpose properties in terms of Section 9 and properties affected in terms of Section 15 of the Act, if so required by **MUNICIPALITY**.
- (33) Comply with Section 81 & 82 of the Act,. The Tender(s) / Nominated person(s) shall provide and make available all data and valuations in a format that is easy to read, understand and interpret for purposes of internal and provincial monitoring and reporting by the **MUNICIPALITY**
- (34) Comply with Section 85 – Copyright of valuation rolls and other data.
All data belongs to the **MUNICIPALITY** and the municipal manager must ensure that such data is received prior final payment to the **VALUER** and is adequately protected. The **VALUER** must submit all data including the valuation roll in a format wherein the **MUNICIPALITY** can easily copy and or extract information from such datasets (for example Excel, Access and Word). The pdf version where required must also be submitted. This is to enable the **MUNICIPALITY** easy use of such information for other purposes. These include assisting in rates tariff modelling when comparing the change in valuations between the two valuation rolls. These changes in valuations due to a new valuation roll impacts on changes in rates payable by property owners in each property category.

5. PROMOTION OF ACCESS TO INFORMATION ACT, ACT 2 OF 2000

- 5.1. The **VALUER** will be required to fully comply with the requirements of the Access to Information Act, 2000. In terms of the Promotion of Access to Information Act, 2000, the **MUNICIPALITY** is obliged and compelled to provide certain information to the public.
- 5.2. The **VALUER** as part of its function in collecting data on behalf of the **MUNICIPALITY** will be required to comply with the provisions of the Promotion of Access to Information Act, 2000.

- 5.3. Accordingly, **VALUER** will be required to compile a manual as required in terms of Section 51 of the Promotion of Access to Information Act, 2000 . (See **Annexure 11** on Page 550 to 601 of the Tender Document)
- 5.4. The **VALUER** will not be required to provide information obtained in terms of Section 42 of the Act that is of a confidential nature, unless required to do so in terms of Section 44 of the said Act.
- 5.5. This directive should if possible be incorporated in the manual submitted in terms of the Promotion of Access to Information Act, 2000.
- 5.6. The **VALUER** will however be required to supply any information that is of a general nature appearing in the valuation rolls and available to the public in the format prescribed by the **MUNICIPALITY** and against payment if so required.
- 5.7. Confidential Information is to be considered as information specific to a property and unique thereto where such information is not available to the general public.
- 5.8. Examples are: rentals, details of leases, purchase and sale of member's interest in a close corporation, sale of shares in a company owning property, turnover clauses etc. Such information may only be disclosed in terms of Sect (44) of the Act.

6. CONFIDENTIALITY

- 6.1. In the process of collecting data and information in terms of section 42 of the Act, **VALUER** will have access to sensitive and confidential information. All data accessed, obtained or collected by **VALUER** and/or data collectors must at all times be kept confidential and not be disclosed. **VALUER** will comply in full with the provisions of section 44 of the Act.
- 6.2. In addition, data may not be used for personal gain by the **VALUER** or the **VALUER's** business, any employee, sub-contractor or any agent of the **VALUER** or any other person, body or organization receiving the information or data through the **VALUER**, or any of their employees or agents.
- 6.3. Failure to observe these conditions will constitute a breach of contract, which could result in termination of this agreement.

Add exceptions

7. PENALTIES AND RETENTION

- 7.1. It is a specific condition of this agreement that the **VALUER** is required to perform his task to acceptable standards and shall be obliged to meet the deadlines determined by the **MUNICIPALITY**.
- 7.2. In the event of the **VALUER** not conforming to the standards required by the **MUNICIPALITY** as contained in the Tender document, **VALUER** shall be given 30 days written notice to remedy such default failing which, the **MUNICIPALITY** will be allowed to cancel this appointment without further notice.
- 7.3. Serious default of this contract shall include but not be limited to:
- Non- compliance to submission dates;
 - Breach of confidentiality and/or conflict of interest;
 - Inadequate valuation performance; (10 percent or more rejects)
 - Inadequate valuation results measured against monitoring; (10 percent or more rejects)
 - Non-compliance with the Act and any other conditions referred to in this agreement.
 - Dishonesty;
 - Corruption.



- 7.4. In the case of dishonesty or corruption the **MUNICIPALITY** may terminate this appointment on immediate proof of conviction being made available to **MUNICIPALITY**. In all of the other events, the **MUNICIPALITY** will give **VALUER** 30 days notice to remedy such default, failing which the **MUNICIPALITY** shall cancel this agreement without further notice or advise.
- 7.5. The **MUNICIPALITY** shall in either situation of inadequate valuation performance being suspected by the **MUNICIPALITY** and/or inadequate valuation results arising from internal monitoring, provincial monitoring or national monitoring, have the right to appoint a registered professional valuer, of not less than ten years registration, to act as an adjudicator on behalf of the **MUNICIPALITY** to investigate their suspicion. Such person shall consider the merits of the allegations made by the **MUNICIPALITY**.
- 7.6. The Nominated Person as well as the **VALUER** shall be obliged to provide all documentation required by such adjudicator as well as attend all sessions of inquiry and interviews with the said adjudicator. The adjudicator shall, in his findings and deliberations declare whether in his opinion the inadequate performance by the nominated person is a serious default or not. The findings of the adjudicator will be handed to the **MUNICIPALITY**, the nominated person and **VALUER**. The **MUNICIPALITY** shall consider the findings of the adjudicator and shall thereafter take the necessary steps against the nominated person and/or the **VALUER**. The nominated person and/or **VALUER** shall have the right to reply in full to any questions, allegations or statements made by the adjudicator. The findings of the adjudicator shall be final and binding on both the **VALUER** and nominated person.
- 7.7. Should the **MUNICIPALITY** suffer any losses as a result of the default of **VALUER** and/or the nominated person/s, the **MUNICIPALITY** shall further be entitled to recover all costs or damages, resulting from such default as well as the cost of re-appointing alternative valuers and other financial losses suffered by the **MUNICIPALITY**, as a result of the default of **VALUER** and/or the nominated person/s.
- 7.8. The **MUNICIPALITY** shall in addition to any of its other rights to claim damages from the **VALUER** be entitled to enforce the following penalties:

7.1 PENALTIES

Should it be apparent to the **MUNICIPALITY** that after the **VALUER** has been advised in writing by **MUNICIPALITY** that the **VALUER** is in default in complying with the deadlines of either stage 1 or 2 and that the **VALUER** has failed to rectify such default within the amended time limit set by **MUNICIPALITY** then in such event the **MUNICIPALITY** shall be entitled to cancel the agreement and appoint a substitute **VALUER**. In such event, the **VALUER** will supply the **MUNICIPALITY** with all data collected in his possession and **MUNICIPALITY** reserves the right to offset any payment due to the **VALUER** against the cost of appointing another person to fulfil the requirements of the Tender.

By failure or neglect to comply with the deadlines of the following stages, the **VALUER** will be fined as follows daily for every day of delay, without prejudice of any legal remedies:

- | | |
|--|---------------------------|
| 1. Delay in complying with stage 1 of the Tender, R 250.00 | per day until completion. |
| 2.1. Delay in complying with stage 2 of the Tender, R 250.00 | per day until completion. |
| 2.2. Delay in complying with stage 2 of the Tender with reference to the final deliverable of the Aerial photography; As and when required R5 000,00 | per day until completion |
| 3. Delay in complying with stage 3 of the Tender, R 250.00 | per day until completion. |
| 4. Delay in complying with stage 4 of the Tender, R 250.00 | per day until completion. |
| 5. Delay in complying with stage 5 of the Tender, R 250.00 | per day until completion. |
| 6. Delay in complying with stage 6 of the Tender, R 250.00 | per day until completion. |
| 7. Delay in complying with stage 7 of the Tender, R 250.00 | per day until completion. |
| 8. Delay in complying with stage 8 of the Tender, R 250.00 | per day until completion. |
| 9. Delay in complying with stage 9 of the Tender, R 250.00 | per day until completion. |
| 10. Delay in complying with stage 10 of the Tender, R250.00 | per day until completion. |

If the case of delay is due to the **MUNICIPALITY** not supplying the **VALUER** with agreed data, or other delays caused by the **MUNICIPALITY** themselves, then in such event, the **MUNICIPALITY** shall not be entitled to enforce any penalties as contemplated in this clause 7.1.

7.2 RETENTION: GENERAL VALUATION ROLL

The **MUNICIPALITY** shall retain an amount equal to 10% of all payments claimed. Such retentions shall be retained until completion of all Key Task Functions (Paragraph 14.1 of the Tender Document) and has passed the required quality control procedures, as instituted by the **MUNICIPALITY**, after receipt of the final delivery certificate.

7.3 RETENTION: SUPPLEMENTARY VALUATION ROLL

The **MUNICIPALITY** shall retain an amount equal to 10 % of all payments claimed. Such retentions shall be retained until completion of all Key Task Functions (Paragraph 14.2 of the Tender Document) and has passed the required quality control procedures, as instituted by the **MUNICIPALITY**, after receipt of the final delivery certificate.

8. INSURANCE

8.1 The **VALUER** shall submit proof in terms of **Schedule 8** (See Page 267 – 270 of Tender Document) without limiting the obligations of the **MUNICIPALITY** in terms of this agreement; the **VALUER** shall effect and maintain the following insurances:

- a. Public liability insurances, in the name of the **VALUER**, covering the **VALUER** and the **MUNICIPALITY** against liability for the death of or injury to any person, or loss of or damage to any property, arising out of or in the course of this agreement, to the value of R7 000 000 (Seven Million Rand).
 - b. The **VALUER** shall provide and keep in full force Professional Indemnity Insurance (PII) cover in respect of Services provided under this agreement. The amount of PII cover shall be R3, 000,000 (Three Million Rand) and the excess shall not be greater than R30 000 (Thirty Thousand Rand). The PII cover shall be effective from commencement of the agreement and shall remain valid for a period of 1 year after the completion of the Valuation Services under this agreement.
 - c. Any goods supplied to the **MUNICIPALITY** by the **VALUER** in terms of this agreement shall be fully and adequately insured by the **VALUER** against any loss or damage incidental to manufacture or acquisition, transportation, storage, delivery, installation and other activities related to the supply.
- 8.2 The **VALUER** shall be obliged to furnish the **MUNICIPALITY** with proof of such insurance as the **MUNICIPALITY** may require from time to time for the duration of this agreement.

9. SUPPLEMENTARY VALUATIONS

The **MUNICIPALITY** raises rates on supplementary valuations in accordance with Section 78 (4) and sent notices in accordance with Section 78(5) of the Municipal Property Rates Act, Act 6 of 2004, as amended. (In summary, this means that the **MUNICIPALITY** is on a monthly valuation batch process).

Annually supplementary valuation rolls will be compiled for the following period:

1 July 2023 – 30 June 2024
1 July 2024 – 30 June 2025
1 July 2025 – 30 June 2026
1 July 2026 – 30 June 2027

The **VALUER** must submit two (2) certified supplementary valuation rolls every year as follows:

1st – 1 May and 2nd – 1 October One or both dates can be changed as mutually agreed by both parties)

Valuations completed must be summarized in a draft supplementary valuation roll and submitted 10 (ten) working days before submission of final supplementary valuation roll.

Progress reports monthly must be submitted to the **MUNICIPALITY**, also giving reasons for valuations not yet



completed.

Progress reports monthly must be submitted to the **MUNICIPALITY** with reference to the Requests for Review. Supplementary Valuations will be compiled on an ongoing basis as they occur and supplied to **MUNICIPALITY** as soon as is reasonably possible. The **VALUER** will supply the **MUNICIPALITY** with a monthly schedule of all supplementary valuations compiled by it and ensure that the Property Master File is updated continuously as a result of such changes.

If and when the **VALUER** has been appointed to supply GIS services to the **MUNICIPALITY**, the **VALUER** will be obliged to maintain the GIS and reconcile supplementary valuations made with the GIS once per month for the full period of the tender.

The **MUNICIPALITY** will require that **VALUER** maintain a register of all supplementary valuations in the course of being compiled by **VALUER** and such register will contain provision for monthly reporting on all outstanding supplementary valuations and the reasons thereof.

All terms, conditions and references applicable to the compilation of the valuation roll shall be applicable to the compilation of supplementary valuation rolls.

The cost of valuating properties, compiling supplementary valuation rolls and the maintenance thereof shall be based on the fees as set out in **Schedule 3** hereof.

The **VALUER** must submit a Quality Management Plan as part of the agreement to ensure that quality control measures are in place to ensure the correctness of the supplementary valuations, review, supplementary valuation roll, objection and appeal processes. (See **Annexure 13** on Page 612 to 634 of Tender Document)

The **VALUER** shall if required by the **MUNICIPALITY** as part of the maintenance of the valuation roll, to annually re-inspect and review the valuations relating specifically to properties subjected to sections 9 & 15 of the Act.

10. OBJECTIONS

The **VALUER** must comply with the provisions of sections 51, 52 & 53 of the Act.

The cost of complying with the objection process is reflected in **Schedule 3**.

11. APPEALS

The **VALUER** must attend all hearings of the valuation appeal board hearings. The costs of attending to the hearings is reflected in **Schedule 3**.

12. INFORMATION AND SERVICES TO BE PROVIDED BY THE MUNICIPALITY

Upon appointment, the **MUNICIPALITY** will provide the **VALUER** with the following data relating to the general valuation roll, supplementary valuation of properties:

Number	Municipality to provide
12.1	Current Valuation Roll
12.2	Copies of Supplementary Valuation Rolls
12.3	An extract of the municipality's billing system
12.4	Field sheet forms, which contains summary of the previous inspection of property and sketch, if available.
12.5	Building plans and schedule of completed buildings.
12.6	Cadaastre updates
12.7	Copies of all sales/ rental agreements relating to properties sold by Municipality whether registered or not
12.8	Copies of all consent use applications received, approved or declined
12.9	Copies of all township applications, rezoning, consolidations, notarial ties, etc. submitted to Municipality
12.10	Copies of all approvals and/or rejections by Municipality of the above

12.11	Copies of all policy decisions relating to immovable property within Municipality
12.12	Geographic information system data where available
12.13	Monthly Deeds downloads
12.14	Occupation Certificates where available
12.15	Copies of annual review of rates policy
12.16	Municipal properties as listed in Asset Register
12.17	Clearance certificate requests where available
12.18	Town Planning Scheme

Note: Where the **MUNICIPALITY** fails to provide the **VALUER** with any of the information it undertakes to do so in terms hereof resulting in delays being incurred in the compilation of the supplementary valuations and/or additional supplementary valuation rolls, **VALUER** will not be held liable for any such delays. **VALUER** will however be held fully liable for any delays other than mentioned in the submission of supplementary and or additional supplementary valuations to the **MUNICIPALITY**.

Where the **MUNICIPALITY** are not fulfilling their obligations in terms of this paragraph the **VALUER** will advise the Municipal Manager of such default and request that the default of **MUNICIPALITY** be rectified by them.

13. KEY TASK FUNCTIONS

The **VALUER** will be required to follow the steps per property, set out in **ANNEXURE F** and adhere to the deadlines

14. GUIDELINES OF WHAT IS REQUIRED IN EACH STAGE:

Accurate data collection is critical during the duration of the entire contract. **VALUER** will have to ensure that data collected can be monitored by the **MUNICIPALITY** and verified. Critical data that has a direct effect on valuations i.e. size, zoning, values, etc. must be able to be fully audited by way of an acceptable audit trail.

The **VALUER**'s comprehensive work plan must be in terms of **Schedule 7** (Project Plan on page 264 to 266 of Tender Document) reflecting inter-alia the work definition, work flow, timelines and deadlines.

Failure to meet the deadlines will result in a cumulative knock-on effect with regard to the submission of the supplementary valuations and certified roll and subsequent rendering of Municipal rates and taxes accounts

Failure to meet the deadlines in regard to the submissions of draft and certified valuation rolls will result in delays in the finalisation of the annual rates policy, which will ultimately affect the determination of the rates structure of the **MUNICIPALITY**.

Although stages may overlap each other it is critical that each stage be completed within the prescribed deadlines. Deadlines may only be changed with the written approval of the **MUNICIPALITY**.

Payments will be effected on a pro-rata basis payable either at the end of a stage or in progressive performance related payments during a stage.

15. MINIMUM REQUIREMENTS PER STAGE

ADHERE TO PARAGRAPHS 15.1 TO 15.17 (PAGES 132 to 148 OF THE TENDER DOCUMENT)

All data, electronical and hard copy records/field forms, etc. collected or used by the **VALUER** is the property of the **MUNICIPALITY** and must be submitted to the **MUNICIPALITY** at completion of the said valuation roll.

16. PUBLIC PARTICIPATION AND AWARENESS:

The **VALUER** may be required to attend meetings in regard to the Rates Policy as well as being involved in public awareness relating to the valuation process. The **VALUER** may be required by the **MUNICIPALITY** to handle all valuation enquiries on their behalf particularly during the objection notice period and the months during which the first rates account based on the new valuation roll are levied. The costs hereof are set out in **Schedule 3** hereof.

17. ASSISTANCE TO OBTAIN PRACTICAL EXPERIENCE

The **VALUER** must allow opportunity for any candidate valuer/s and professional associated valuers (with impending restrictions) within the **MUNICIPALITY**, to obtain practical experience.

18. METHODS OF PAYMENT

The **MUNICIPALITY** will pay the **VALUER** on a progress basis measured against performance of each stage. (Invoice is payable 30 days after receipt of correct invoice). (Attached as **ANNEXURE F**).

19. SCHEDULE OF FEES

The **VALUER**'s fee proposals in terms of this contract are set out in **Schedule 3** of the Tender Documents (Attached as **ANNEXURE D**).

20. SPECIAL CONDITIONS OF WHICH THE VALUER MUST ENSURE COMPLIANCE

CONDITION	
A	The VALUER MUST use 50% skilled, 50% semi-skilled and un-skilled labour from the George municipal area.
B	The VALUER MUST allow opportunity for valuer/s working within the MUNICIPALITY to obtain practical experience, based on the rules of the South African Council for the Property Valuers Profession.
C	It will be expected from the VALUER to operate and man a support office in the George Municipal area for the duration of the Tender period. The office must also be manned for 5 working days per week. by at least one Valuer.
D	For Valuations other than rating purposes as well as for Ad-Hoc valuations, it is a condition of the agreement that the VALUER MUST use a local Exempted Micro Enterprise (EME) in the George Municipal Area. The VALUER must also use local unemployed graduates for data-collection related to this project, if available.
E	<p>The VALUER will submit on a monthly basis a list of all employees and contractors on site, indicating the following:</p> <ul style="list-style-type: none">• Salary / wages spent on local employees versus total wages / salary budget• Number of local employees employed versus per total workforce• Amount spent on local contractors versus budgeted• Number of local employees trained

21. DATA BACK UP AND DISASTER RECOVERY PLAN

As mentioned in Paragraph 15.14 on Page 78 of the Tender Document, the minimum level of data protection and recovery plan will be as set out hereunder with regard to the Valuation System that will be used by the **VALUER**:

All data collected by Tenderer is the property of the Municipality.



The **VALUER** will be required at all times to fully protect such data against theft, data corruption, data espionage and data loss.

The maintenance and protection of data on behalf of **MUNICIPALITY** is critical and vital.

The **VALUER** will ensure that all data protected and backed up is capable of being restored and reinstalled into the valuation system of either **MUNICIPALITY** or the **VALUER** in less than 7 (seven) working days from date of data disaster.

Where the **VALUER** utilizes data collection methods such as aerial photographs, electronic measurements, GIS etc such data will also have to be fully protected and capable of restoration in the event of a data disaster. All such data will be made available to **MUNICIPALITY** in a format specified by **MUNICIPALITY**.

The **MUNICIPALITY** reserves the right to appoint either its own officials to assess the data protection and disaster recovery procedure or appoint independent specialists to evaluate and consider the merits and adequacy of the plan as set out under **Schedule 4** hereof. (See page 191 to 246 of Tender Document)

The **VALUER** will comply with the following minimum requirements for data protection and data recovery:

- The **VALUER** will ensure that all data collected manually on paper be scanned into PDF document 'read only' format.
- The **VALUER** shall keep an original copy of the document in conjunction with the document in electronic PDF format.
- The **VALUER** shall enforce all other static documents - formats are set as read only and set the relative permissions on GIS and all third party data.
- All data stored shall be hosted by an operating system capable of setting security permissions down to the individual file level.
- The **VALUER** will ensure that all scanned documents and attributes are filled in accurately and to the requirements requested by the **MUNICIPALITY**.
- The **VALUER** will ensure that all servers hosting the documents referred to in this paragraph and schedule be protected and accessed at server level by the **VALUER** appointed network administrator/s only.
- The **VALUER** will ensure strong password protection at the administrator level on the servers referred to in this section.
- The **VALUER** will ensure that data which is available to the public and not of a confidential nature is in 'read only format' and the original data or documents cannot be altered in any form whatsoever, whilst hosted on the **VALUER** infrastructure or appointed third party service providers infrastructure.
- The **VALUER** will ensure that all metadata stored, cannot be altered once entered into the database and must be protected by the maximum levels of protection as set out in this schedule.
- All data output from the database system will be provided and made available in an approved format to **MUNICIPALITY**.
- The **VALUER** will ensure that all data is backed up on a daily basis and verified.
- The **VALUER** will ensure that 2 sets of media be created and used for backup purposes each set will be used and alternated on a separate weekly basis.
- The **VALUER** will create a fortnightly backup independent of the weekly backups, to be stored off site

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from the next business day when the backup is completed.

- The **VALUER** will ensure that a monthly backup be enforced on the last business day of the month, this backup set will be removed the next business day and stored off site in a secure facility.
 - The **VALUER** will ensure that this backup cycle be enforced for the duration of the agreement.
 - The **VALUER** will adhere to and implement the backup software vendors 'best practice' specifications.
 - The **VALUER** will adhere to and comply with the backup hardware manufacturers specifications.
 - The **VALUER** will ensure that all backup hardware is serviced regularly; service intervals shall not exceed a period of 120 days between intervals.

The **MUNICIPALITY** may review and amend this requirement at any time to keep pace with changes in technology and equipment.

The **MUNICIPALITY** reserves the right to authorise and appoint internal experts, to check and monitor the data protection methods of **VALUER** during the duration of this agreement.

The **VALUER** shall ensure that the data protection policy implemented by **VALUER** is within the specifications and requirements of the **MUNICIPALITY** for the full period of this agreement.

In the absence of a data protection policy, annexed to this tender the following minimum data collection specifications will apply to the appointed **VALUER**.

22. DATA TRANSFER

As mentioned in Paragraph 15.15 on page 147 to 148 of the Tender Document, bulk data transfer shall be made available to **MUNICIPALITY** in a format specified by **MUNICIPALITY**.

The **MUNICIPALITY** may request media from time to time to verify and ensure data integrity.

The **VALUER** may utilise optical based media technology for archiving purposes.

The **VALUER** may utilise optical based media technology for data presentation.

The **VALUER** will ensure that all optical based media be 'read only'.

The **VALUER** will ensure secure site protocols are enforced for all website/internet available data.

The **VALUER** will ensure that all data collected be transferred to **MUNICIPALITY** on a minimum of a fortnightly basis.

Photographs taken by the **VALUER** must be valid and geo-referenced and as well as the IPS date must be imported and /or stored in the GIS system of the **MUNICIPALITY**.

23. COMPUTER SYSTEM

See **Schedule 4 and 5** (Page 191 to 260 of the **VALUER'S** Tender Document) for full inventory and details of the system.

Additional costs relating to valuation computer system (training, licensing, programming, updating, etc.) are for the account of the **VALUER**.

Due to no proof provided in the Tender document of integration of the computer system used by the **VALUER** with the SAMRAS system, any costs for a specific API, for example, that is bespoke to the Mass Valuation System (MVS) or any additional support by SOLVEM (SAMRAS) for the required integration, will be for the account of the **VALUER**.

The **MUNICIPALITY** reserves the right to appoint a duly qualified computer expert to check, verify and confirm that the computer equipment, system and other IT resources of the **VALUER**, will adequately manage and cope with the requirements of this contract for the full duration thereof.

24. HUMAN RESOURCES

See **Schedule 6** (Page 261 to 266 of the Tender Document) for full details of the **VALUERS** human resource organogram.

25. PROJECT WORK PLAN

See **Schedule 7** (Page 263 to 266 of the Tender Document) for a comprehensive work plan and combined work flow and system operation diagram reflecting inter-alia:-

Work definition
Work flow
Timelines
Deadlines

The above schedule will together with the Key Task Functions under Paragraph 14 of the **VALUER'S** Tender Documents form the basis upon which the **MUNICIPALITY** will monitor the **VALUER'S** progress and the **MUNICIPALITY** shall be entitled to take action against the **VALUER** if the above time limits and project plan are not adhered to. The **MUNICIPALITY** reserves the right to review the time frames indicated by the **VALUER** and enforce such time frames or deadlines as provided.

26. TAX CLEARANCE CERTIFICATE

See Page 365 to 366 of the Valuer's Tender Document.

27. PROOF OF REGISTRATION CERTIFICATES OF NOMINATED PERSONS

Original or certified copies of the **VALUER** and nominated person's registration with The South African Council for the Property Valuers Profession. See **Schedule 9** on Page 272 to 279 of Valuer's Tender Documents.

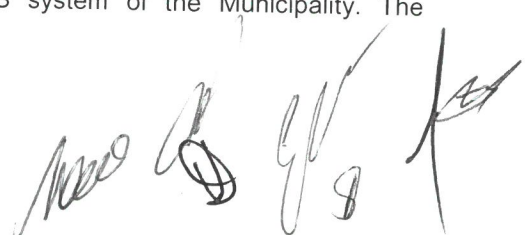
28. STATEMENT OF ADDITIONAL SERVICES THAT VALUER WILL PROVIDE

See **Schedule 10** on Page 280 to 285 of Tender Document.

29. PHOTOGRAPHS AND SCHETCHES

29.1 See Schedule 11 (Page 286 to 358 of the Tender Document) for Aerial Photography and Colour Digital Ortho Photos . See Pricing for as per Schedule 3 (page 185 of the Tender document) . The **MUNICIPALITY** requires the 5 cm Orthophotos of urban areas, 15 cm Orthophotos of farm areas, Capturing of Building Footprints of Urban AOI (Option 1 in Schedule 3) and Oblique Imagery (Option 3) for now.

29.2 Photographs and sketches taken by the **VALUER** as requested in the Tender document, must be clear, at least 8 Mps, geo-referenced, and captured directly in the GIS system of the Municipality. The



MUNICIPALITY will ensure this functionality is available and encourage the service provider to test this functionality before inception of this part of the project.

- 29.3 Any other data captured as part of the valuation project for example the IPS data must be provided to the municipality in a raw format in a realistic time period after captured. This is to ensure the municipality can make the data available to all municipal employees.

30. STATEMENT OF RESOLUTION(S) OF NOMINATION OF DIRECTOR AND MANAGER

Certified copies of the resolution as proof of the appointment of the Director: Municipal Valuer and Manager on behalf of the CEO of DDP VALUERS (PTY) Ltd. (**Annexure 3** on Page 367 to 369 of the Tender Document) (Attached as **ANNEXURE A**)

31. OBLIGATIONS OF THE MUNICIPALITY

- 31.1. The **MUNICIPALITY** undertakes to use its best endeavours to ensure that the **VALUER** has timely and adequate access to all information, meetings and documentation required to execute the services.
- 31.2. Should access to meetings, documentation and information be limited, or for whatever other reasonable cause, resulting in a substantial increase in the work as set out in the Tender, the **MUNICIPALITY** undertakes to renegotiate the Agreement in the utmost good faith with the **VALUER** and to ensure that the necessary amendments are effected to this Agreement.
- 31.3. The **MUNICIPALITY** will provide written comments within reasonable time as required by the **VALUER**.
- 31.4. The **MUNICIPALITY** will make prompt payments of all invoices rendered by the **VALUER**.

32. DOMICILLIUM

The parties choose as their ***Domicillium ET Executandi*** the addresses supplied below, but the mentioned domicillium of any one of the parties may be altered by means of a written notice by any one of the parties and regarded as valid as from date of receipt or deemed receipt of such notice by the latter.

33. DISPUTE RESOLUTION

- 32.1 The parties hereby agree that in the event of a dispute arising out of this agreement then resolution of this dispute must be attempted by the way of consultation between the parties. If the consultation process does not lead to a resolution of the dispute, within 10 days, then the parties agree to refer the dispute for arbitration.
- 32.2 All arbitration proceedings shall be conducted in George. The arbitration shall be conducted informally, but in accordance with the provisions of the Arbitration Act, No. 42 of 1965, it being intended that if possible it shall be concluded within ten days of referral.
- 32.3 If the parties cannot agree on the appointed of an Arbitrator within three days after arbitration has been agreed upon, then the President for the time being of the Cape Bar Council will be requested to appoint the arbitrator.
- 32.4 The fees payable to the arbitrator shall be determined and agreed to between the arbitrator and the parties and the parties shall be jointly and severally liable for the payment of the arbitrator's fees. Any



party may request the other party to deliver an acceptable guarantee or reasonable deposit for his portion of the cost.

- 32.5 The Arbitrator shall be requested to hand down his/her award within ten days after the completion of the arbitration.
- 32.6 The decision of the Arbitrator shall be final and binding and may be an order of the Cape of Good Hope Provincial Division of the High Court upon the application by and party to the arbitration.

33. COMPLIANCE WITH POPI

- 33.1. The Parties acknowledge their respective obligations to comply with the substantive provisions of the Protection of Personal Information Act, 4 of 2013 (hereinafter referred to as 'POPI').

The MUNICIPALITY:	The valuer:	DDP VALUERS (PTY) LTD
George Municipality	Beacon House	134 Aramist
P.O. Box 19	Office 10	Menlyn Office Park
Civic Centre	1 st floor	East Block 1 st floor
York street	123 Meade Street	Menlyn Pretoria
GEORGE	George	

THIS DONE and SIGNED at GEORGE on this the 4th day of MARCH 2022

1. [Signature]

2. [Signature]

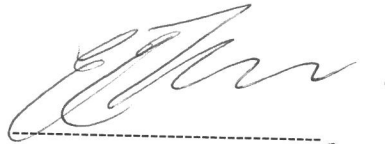
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 obo MUNICIPALITY
 duly authorised and mandated

THIS DONE and SIGNED at GEORGE on this the 2 day of March 2022

1. [Signature]

2. [Signature]

[Signature] [Signature] [Signature]



VALUER



obo DDP VALUERS (PTY) LTD
duly authorised and mandated

