



**TRANSNET SOC LTD**  
(REGISTRATION NO.1990/000900/06)  
TRADING AS  
**TRANSNET FREIGHT RAIL**

**NEC3 Engineering & Construction Contract (ECC3)**

**RFP NO. S.I.C 11009 CIDB**

**TENDER DOCUMENT FOR THE MAINTENANCE OF  
TRACK WITH A HEAVY DUTY HIGH PRODUCTION  
BALLAST TAMPING MACHINE WITH STABILISER,  
COUNTRY-WIDE.**

**OPENS: 06 FEBRUARY 2012**

**CLOSES: 06 MARCH 2012 (10h00)**

Tender  
Tender Cover



**TRANSNET**



(REGISTRATION NO.1990/000900/06)

**TRADING AS  
TRANSNET FREIGHT RAIL**

**ADDENDUM NO. 1**

**TO THE  
RFP DOCUMENT**

Where ever the phrase "Transnet Limited" appears in the documentation of this RFP, please replace it with "Transnet SOC Ltd".

**TRANSNET**



freight rail

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# Part T1 Tendering Procedures

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## PART T1: TENDERING PROCEDURES

### T1.1 TENDER NOTICE AND INVITATION TO TENDER

#### RFP No. S.I.C 11009CIDB

Transnet SOC Ltd trading as Transnet Freight Rail invites tenders for the maintenance of track with a heavy duty high production ballast tamping machine with stabiliser, countrywide.

Tenderers should have a CIDB contractor grading designation of 7CE or higher. Only Tenderers who are registered with the CIDB are eligible to submit tenders

The physical address for collection of tender documents is: Transnet Freight Rail Tender Advice Centre, Ground Floor, Inyanda House 1, 21 Wellington Road, Parktown.

Tender documents may be collected during working hours after **08:00 on 06 February 2012** and will only be available until **15:00 on Tuesday, 14 February 2012**.

**On payment of an amount of R750.00 (per set) to be made to Transnet Freight Rail at the Standard Bank, account number 203158598, branch code 004805, ref no. RFP No. S.I.C 11009 CIDB. The official Bank receipt(s) franked with the official Bank stamp to be provided with the collection of a tender document. This amount is not refundable. No tenders will be sold after 15:00 on Tuesday, 14 February 2012.**

All queries must be addressed via e-mail to:

Mr. Johan Jansen  
Tel No. 011 584 0625  
E-mail: [Johan.Jansen2@transnet.net](mailto:Johan.Jansen2@transnet.net)

or

Sarah Assegaai  
E-mail [Sarah.Assegaai@transnet.net](mailto:Sarah.Assegaai@transnet.net)

A compulsory clarification meeting with representatives of the Employer will take place at Bombela Boardroom, Ground Floor, Inyanda House 2, 15 Girton Road, Parktown on 15 February 2012 starting at 10h00. Tenderers without a valid tender document in their possession will not be allowed to attend the clarification meeting.

Transnet reserves the right to accept the whole or any part of a tender. Transnet also reserves the right to negotiate terms and conditions with all, or a short-listed group of contenders, or the preferred Tenderer, should it be deemed necessary.

This tender closes punctually at **10h00 on Tuesday, 06 March 2012**.

Tenders may only be submitted on the tender documentation that is issued. Telegraphic, telephonic, facsimile and late tenders will not be accepted.

Tenderers are warned that a tender will be liable to disqualification should any attempt be made by a Tenderer either directly or indirectly to canvass any officer(s) or employees of Transnet Limited in respect of a tender between the date the tender is submitted and the date of the award. A Tenderer may, however, at any time

communicate with the Chairperson of the Transnet Freight Rail Acquisition Council, at telephone no. 011 544 9486 on any matter relating to his tender.

Envelopes must not contain documents relating to any tender other than that shown on the envelope. *No slips are to be attached to the tender documents. Any additional conditions must be embodied in an accompanying letter. Alterations, additions or deletions must not be made by the Tenderer to the actual tender documents.* Tenders submitted by Tenderers must be neatly bound and the inclusion of loose documents must be avoided.

Requirements for sealing, addressing, delivery, opening and assessment of tenders are stated in the Tender Data.

Compliance of tender(s) with Transnet's requirements is the sole responsibility of the Tenderer and any costs incurred in subsequent modifications to or replacement of equipment accepted by Transnet Limited in good faith on the grounds of certified compliance with specified standards by the contractor and in fact found to be inadequate in such respects, will be to the relevant Tenderer's account

### **BROAD-BASED BLACK ECONOMIC EMPOWERMENT ("BBBEE")**

TRANSNET fully endorses and supports the South African Government's Broad-Based Black Economic Empowerment Programme and it is strongly of the opinion that all business enterprises have an equal obligation to redress the imbalances of the past. TRANSNET would therefore prefer to do business with business enterprises who share these same values and who are prepared to contribute to meaningful BBBEE initiatives (including and not limited to enterprise development, subcontracting and Joint Ventures) as part of their tender response.

Transnet would accordingly allow a "preference" in accordance with the 10% preference system, as per the Preferential Procurement Policy Framework Act 5 of 2000 (as amended) to companies who provide a BBBEE accreditation Certificate. All procurement and disposal transactions in excess of R30000 will be evaluated accordingly. All transactions below R 30,000 will as far as possible be earmarked for EME's.

TRANSNET consequently urges Respondents (Large enterprises and QSE's – see below) to have themselves duly accredited by any one of the Accreditation Agencies **approved** by SANAS (South African National Accreditation System, under the auspices of the DTI).

**In terms of Government Gazette No. 32467, Notice No. 810 dated 31 July 2009, as from 1 February 2010 only BBBEE certificates issued by Accredited Verification Agencies of Verification Agencies that are in possession of a valid pre-assessment letter from South African National Accreditation System will be valid.**

**BBBEE Accreditation Certificates issued after the published date i.e. 01 February 2010, by a Verification Agency not approved by SANAS, will NOT be acceptable as from 01 February 2010.**

Enterprises will be rated by such Accreditation Agencies based on the following:

- (a) **Large Enterprises (i.e. annual turnover >R35 million):**
  - Rating level based on all 7 (seven) elements of the BBBEE scorecard
  - Enterprises to provide BBBEE certificate and detailed scorecard (to be renewed annually)
- (b) **Qualifying Small Enterprises – QSE (i.e. annual turnover >R5 million but <R35 million):**
  - Rating based on any 4 (four) of the elements of the BBBEE scorecard
  - Enterprises to provide BBBEE certificate and detailed scorecard (to be renewed annually)
- (c) **Exempted Micro Enterprises – EME (i.e. annual turnover <R5m are exempted from being rated or verified):**

- Automatic BBBEE Level 4 rating, irrespective of race ownership, i.e. 100% BBBEE recognition
- Black ownership >50% or Black Women ownership >30% automatically qualify as Level 3 BBBEE rating, i.e. 110% BBBEE recognition
- EME's should provide documentary proof of annual turnover (i.e. audited financials) plus proof of Black ownership if Black ownership >50% or Black Women ownership >30% (to be renewed annually) from their Auditors / Accounting Officers

In addition to the above, Respondents who wish to enter into a Joint Venture (JV) or subcontract portions of the contract to BBBEE companies must state in their Tenders / Proposals the percentage of the total contract value which would be allocated to such BBBEE companies, should they be successful in being awarded any business. A rating certificate in respect of such BBBEE JV-partners and/or sub-contractors, as well as a breakdown of the distribution of the aforementioned percentage allocation must also be furnished with the tender response to enable Transnet to evaluate / adjudicate on all tenders received on a fair basis.

**Each Respondent is required to furnish proof of its BBBEE status (Certificate and Detailed Scorecard) and ensure that the documentation is valid at the date of Tender Submission as stipulated above to TRANSNET.**

**Failure to submit your BBBEE Certificate and Detailed Scorecard will result in a score of zero being allocated for BBBEE evaluation.**

<b>Turnover:</b> Indicate your company's most recent annual turnover:  R.....
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- If annual turnover <R5m, please attach auditors / accounting officers letter confirming annual turnover and percentage black ownership as well as Black Women ownership
- If annual turnover >R5m please attach BBBEE certificate and detailed scorecard from an accredited rating agency.

The DTI has created an online **B-BBEE Registry** (<http://www.dti.gov.za>) in order to provide a central and standardized source of the B-BBEE status of all entities, and to facilitate the flow of this information amongst entities by providing a Unique Profile Number (UPN) per each listing. Existing and prospective suppliers are therefore urged to list their B-BBEE status on the DTI Registry. Hence, entities verified by DTI, will receive the following benefits:

- Their BBBEE status will be verified and confirmed by the DTI, before listing on the Registry
- Listing on the Registry will provide suppliers the option to market themselves on the DTI B-BBEE Opportunities Network. This is a search engine that is designed to help businesses find B-BBEE compliant entities who match specific requirements in terms of the nature of services/goods provided, region, B-BBEE status or other search criteria.

Transnet supports this DTI initiative and will use the DTI Registry to verify prospective and existing suppliers' BBBEE credentials.

Kindly provide Transnet with your DTI B-BBEE UNIQUE PROFILE NUMBER with all tender submissions.

<b>DTI BBBEE UNIQUE PROFILE NUMBER:</b>  .....
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Failure to submit your BBBEE information in terms of 14.3 and/or 14.5 (above) will result in a score of zero being allocated for BBBEE evaluation.

Suppliers and Tenderers are requested to duly complete the Supplier Declaration Form (SDF) and provide all the relevant supporting attachments as requested. Failure to provide the following may disqualify your tender submission:-



1. Duly completed SDF
2. Current tax clearance certificate

The Supplier and Tenderer shall furnish proof of the above to Transnet.

Transnet at its sole discretion may decide to allow certain price preferences in order to uplift the historically disadvantaged in terms of the PPPFA (Act 5 of 2000).

Transnet insists on honesty and integrity beyond reproach at all times and will not tolerate any form of improper influencing, bribery, corruption, fraud, or any other unethical conduct on the part of bidders/ Transnet employees. If, in the opinion of Transnet's Chief Operating Officer, a tenderer/contractor/ supplier has or has caused to be promised, offered or given to any Transnet employee, any bribe, commission, gift, loan, advantage or other consideration, Transnet shall be entitled to revoke the tender / contract by following its internal policies that govern the Exclusion process. In such an event Transnet will be entitled to place any Tenderer/Contractor/Supplier who has contravened the provisions of Transnet's business ethics on its List of Excluded Tenderers. This List will also be distributed to all other State Owned Enterprises and Government Departments.

Transnet invites its valued suppliers to report any allegations of fraud, corruption or other unethical activities to Transnet Tip-offs Anonymous, at any of the following addresses/contract numbers:

- Toll free anonymous hotline – 0800 003 056
- Email – [Transnet@tip-offs.com](mailto:Transnet@tip-offs.com)
- Fax number – 0800 007 788
- Freepost DN 298, Umhlanga Rocks, 4320

Confidentiality is guaranteed.

• **SUPPLIER DEVELOPMENT (SD) / ENTERPRISE DEVELOPMENT (ED):**

Transnet's SD/ED Objective

- Transnet's short-term Supplier Development and Enterprise Development objective is to align their SD/ED initiatives with their B-BBEE Strategy in order to achieve the maximum score on the B-BBEE Scorecard.
- Transnet's long-term objective as defined by the Enterprise Development vision, is to leverage medium to large suppliers, as external agents, to influence downstream ED opportunities within the greater Transnet supply chain, focusing on Rolling stock, Port Equipment and Infrastructure etc.

Focus SD/ED Area's

- A focus will be on providing small businesses with opportunities and preferential trading terms.
- Empowering HDI's to create their own business resulting in quality job creation.
- Consider SD/ED strategy which should include financial and non financial assistance to downstream suppliers as well as skills development.

Respondents are requested to provide TFR with their Supplier Development (SD) / Enterprise Development strategy as well as providing details of:

- Job Preservation
- Job Creation
- Skills Development
- Small Business Promotion
- Localisation / Industrialisation



- Sustainability
- Rural Development

should they be successful with this tender. As part of the proposal, the respondent will need to include a high level SD/ED proposal which will be subject to evaluation as per the ED evaluation criteria. The successful respondent/tenderer must submit a more detailed SD/ED plan within 60 days of award of contract.

#### • **SOCIO-ECONOMIC OBLIGATIONS FOR FOREIGN RESPONDENTS**

Foreign Respondents' socio-economic obligations under this procurement programme will fall under the associated Government initiative, namely, the Competitive Supplier Development Programme ("CSDP") as developed by the Department of Public Enterprises.

#### • **Competitive Supplier Development Programme (CSDP):**

Transnet's CSDP Objective

- **Transnet's CSDP objective is to influence Multinational organisations toward initiatives that lead to the development of local downstream suppliers through large-scale SOE procurement in order to develop a competitive local supplier base focusing on Rolling stock and Infrastructure.**

Focus CSDP Area's

- **Applies to procurement event/s totaling greater than R70m (\$10m) with foreign companies**
- **Leveraging expanded maintenance and manufacturing initiatives.**
- **Skills development of scarce resources increasing the quality of jobs.**
- **Transfer of technology and innovation to local suppliers from foreign OEM's/companies**
- **Consider CSDP strategy which should include localization, sustainability and skills development as initiatives as a submission by tenderer.**

CSDP Triggers:

CSDP transactions are triggered when:

- **There is a single contract of which the total value is equal to or exceeds USD10 million (~R70 million)**
- **There is a contract with a renewable option clause, should the option be exercised, the total value of the opportunity is equal to or exceeds USD10 million (~R70 million)**

Furthermore, there is a CSDP obligation if the total value of the contract is less than USD10 million (~R70 million) but one of the following apply:

- **There is an opportunity to develop a local industry within Transnet's supply chain;**
- **When a limited local supply base exists and the potential to develop existing suppliers is evident;**
- **When there is a strong opportunity for IP and skills transfer to local suppliers and/or Transnet.**

Respondents are requested to provide TFR with their CSDP strategy as well as providing details of:

- Localisation / Industrialisation
- Sustainability

- Skills Development

should they be successful with this tender. As part of the proposal, the respondent will need to include a high level CSDP proposal to include localization, sustainability and skills transfer which will be subject to evaluation as per the CSDP evaluation criteria. The successful respondent/tenderer must submit a more detailed CSDP plan within 60 days of award of contract.

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delivering on our commitment *to you*

# Suppliers Code of Conduct

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# Suppliers Code of Conduct

Transnet aims to achieve the best value for money when buying or selling goods and obtaining services. This, however, must be done in an open and fair manner that supports and drives a competitive economy. Underpinning our process are several acts and policies that any supplier dealing with Transnet must understand and support.

These are:

- » Transnet Procurement Policy - A guide for tenderers;
- » Section 217 of the Constitution - the five pillars of Public PSCM (Procurement and Supply Chain Management): fair, equitable, transparent, competitive and cost effective;
- » The Public Finance Management Act (PFMA);
- » The Broad Based Black Economic Empowerment Act (BBBEE); and
- » The Anti-Corruption Act.

This code of conduct has been compiled to formally apprise Transnet Suppliers of Transnet's expectations regarding behaviour and conduct of its Suppliers.

## Prohibition of Bribes, Kickbacks, Unlawful Payments, and Other Corrupt Practices

Transnet is in the process of transforming itself into a self-sustaining State Owned Enterprise, actively competing in the logistics industry. Our aim is to become a world class, profitable, logistics organisation. As such, our transformation is focused on adopting a performance culture and to adopt behaviours that will enable this transformation.

**Transnet will not participate in corrupt practices. Therefore, it expects its suppliers to act in a similar manner.**

- » Transnet and its employees will follow the laws of this country and keep accurate business records that reflect actual transactions with, and payments to, our suppliers.



- » Employees must not accept or request money or anything of value, directly or indirectly, from suppliers.

Employees may not receive anything that is calculated to:

- Illegally influence their judgement or conduct or to influence the outcome of a sourcing activity;
  - Win or retain business or to influence any act or decision of any person involved in sourcing decisions; gain an improper advantage.
- » There may be times when a supplier is confronted with fraudulent or corrupt behaviour of Transnet employees. We expect our suppliers to use our "Tip-offs Anonymous" Hotline to report these acts - 0800 003 056.

**Transnet is firmly committed to free and competitive enterprise.**

- » Suppliers are expected to comply with all applicable laws and regulations regarding fair competition and antitrust practices
- » Transnet does not engage non-value adding agents or representatives solely for the purpose of increasing BBBEE spend (fronting).

**Transnet's relationship with suppliers requires us to clearly define requirements, to exchange information and share mutual benefits.**

- » Generally, suppliers have their own business standards and regulations. Although Transnet cannot control the actions of our suppliers, we will not tolerate any illegal activities.



These include, but are not limited to:

- Misrepresentation of their product (origin of manufacture, specifications, intellectual property rights, etc);
  - Collusion;
  - Failure to disclose accurate information required during the sourcing activity (ownership financial situation, BBBEE status, etc.);
  - Corrupt activities listed above; and harassment, intimidation or other aggressive actions towards Transnet employees.
- >> Suppliers must be evaluated and approved before any materials, components, products or services are purchased from them. Rigorous due diligence must be conducted and the supplier is expected to participate in an honest and straight forward manner.
- >> Suppliers must record and report facts accurately, honestly and objectively. Financial records must be accurate in all material respects.

### Conflict of Interest

A conflict of interest arises when personal interests or activities influence (or appear to influence) the ability to act in the best interests of Transnet. Examples are:

- >> Doing business with family members.
- >> Having a financial interest in another company in our industry.



Show that you support good business practice by logging onto [www.transnet-suppliers.net](http://www.transnet-suppliers.net) and completing the form.

This will allow us to confirm that you have received, and agree to, the terms and conditions set out in our Suppliers Code of Conduct.

TIP-OFFS ANONYMOUS HOTLINE  
0800 003 056

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## Part T1.2: Tender Data

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## T1.2 TENDER DATA

The conditions of tender are the Standard Conditions of Tender as contained in Annex F of the CIDB Standard for Uniformity in Construction Procurement. (See [www.cidb.org.za](http://www.cidb.org.za)) The Standard Conditions of Tender make several references to the Tender Data for details that apply specifically to this tender. The Tender Data shall have precedence in the interpretation of any ambiguity or inconsistency between it and the standard conditions of tender. Each item of data given below is cross-referenced to the clause in the Standard Conditions of Tender to which it mainly applies.

F.1.1 The employer is Transnet Limited trading as **Transnet Freight Rail**.

F.1.2 The tender documents issued by the employer comprise:

**Part T1: Tendering procedure**

T1.1 Tender notice and invitation to tender

T1.2 Tender data

**Part T2: Returnable documents**

T2.1 List of returnable documents

T2.2 Returnable schedules

**Part C1: Agreements and contract data**

C1.1 Form of offer and acceptance

C1.2 Contract data

**Part C2: Pricing data**

C2.1 Pricing instructions

C2.2 Price list / Bill of quantities

**Part C3: Scope of work**

C3 Works information

**Part C4: Site information**

C4 Site information

F.1.3 The employer's agent is:

Name : **Deepak Budhram**

Address : **Table 3/17, Inyanda House 3, 12a St Andrews Road, Parktown**

Tel : **011 583 0280**

Cell : **083 483 9917**

E-mail : [Deepak.Budhram@transnet.net](mailto:Deepak.Budhram@transnet.net)

F.2.1.1 The following tenderers who are registered with the CIDB, or are capable of being so registered prior to the evaluation of submissions, are eligible to submit tenders:

a) contractors who have a contractor grading designation equal to or higher than a contractor grading designation determined in accordance with the sum tendered for a **7CE** class of construction work and who satisfy the following criteria:

- a) Has professional and technical qualifications.
- b) Has professional and technical competence.
- c) Has managerial capacity, reliability and experience.
- d) Has financial resources and good reputation.
- e) Has plant and equipment.



Joint ventures are eligible to submit tenders provided that:

1. Every member of the joint venture is registered with the CIDB;
2. The lead partner has a contractor grading designation in the **7CE** class of construction work; and
3. The combined contractor grading designation calculated in accordance with the Construction Industry Development Regulations is equal to or higher than a contractor grading designation determined in accordance with the sum tendered for a **7CE** class of construction work.

F.2.7 The arrangements for a compulsory clarification meeting are as stated in the Tender Notice and Invitation to Tender.

Confirmation of attendance to be notified at least one full working day in advance to:

Name : **Deepak Budhram**

Tel : **011 583 0280**

Cell : **083 483 9917**

E-mail : [Deepak.Budhram@transnet.net](mailto:Deepak.Budhram@transnet.net)

Tenderers must sign the attendance list in the name of the tendering entity. Addenda will be issued to and tenders will be received only from those tendering entities appearing on the attendance list.

F2.1.2 If a tenderer wishes to submit an alternative tender offer, the only criteria permitted for such alternative tender offer is that it demonstrably satisfies the Employer's standards and requirements, the details of which may be obtained from the Employer's Agent.

Calculations, drawings and all other pertinent technical information and characteristics as well as modified or proposed Pricing Data must be submitted with the alternative tender offer to enable the Employer to evaluate the efficacy of the alternative and its principal elements, to take a view on the degree to which the alternative complies with the Employer's standards and requirements and to evaluate the acceptability of the pricing proposals. Calculations must be set out in a clear and logical sequence and must clearly reflect all design assumptions. Pricing Data must reflect all assumptions in the development of the pricing proposal.

Acceptance of an alternative tender offer will mean acceptance in principle of the offer. It will be an obligation of the contract for the tenderer, in the event that the alternative is accepted, to accept full responsibility and liability that the alternative offer complies in all respects with the Employer's standards and requirements.

The modified Pricing Data must include an amount equal to 5% of the amount tendered for the alternative offer to cover the Employer's costs of confirming the acceptability of the detailed design before it is constructed.

F.2.13.3 Parts of each tender offer communicated on paper shall be submitted as an original plus one copy.

F.2.13.5 The employer's address for delivery of tender offers and identification details to be shown on each tender offer package are:

If posted, the envelope must be addressed to:

**The Chairperson  
Transnet Freight Rail Acquisition Council  
P.O. Box 4244  
JOHANNESBURG  
2000**

And must be dispatched in time for sorting by the Post Office to reach the Post Office Box indicated above, before the closing time of the tender.

If delivered by hand, to be deposited in the Transnet Freight Rail Acquisition Council tender box which will be located in the foyer, and addressed to:

**The Chairperson  
Transnet Freight Rail Acquisition Council  
Ground Floor, Inyanda House  
21 Wellington Road  
Parktown  
JOHANNESBURG  
2001**

It should also be noted that the above tender box is accessible to the public 24 hours per day, 7 days a week.

The measurements of the "tender slot" are 500mm wide x 100mm high, and Tenderers must please ensure that tender documents/files are not larger than the above dimensions. Tenders, which are too bulky (i.e. more than 100mm thick) must be split into two or more files, and placed in separate envelopes.

#### Identification details

Tenders must be submitted before the closing hour on the date and time listed in the 'Notice and Invitation to Tender'; and must be enclosed in a sealed envelope which must have inscribed on the outside.

- (a) Tender No.
- (b) Description of work
- (c) Closing date of tender

F.2.13.6 The two-envelope procedure will not be followed.

F.2.15 The closing time for submission of tender offers is as stated in the Tender Notice and Invitation to Tenderer.

F.2.15 Telephonic, telegraphic, telex, facsimile or e-mailed tender offers will not be accepted.

F.2.16 The tender offer validity period is **12 weeks**.

F.2.19 Access shall be provided for the following inspections, tests and analysis:

- a) Substations locations and access routes
- b) Equipment currently installed

F.3.4 The time and location for opening of the tender offers is:  
Time 11h00 on the closing date of tender  
Location: **Table G66 and G69, West Wing, Ground Floor  
Inyanda House  
21 Wellington Road, Parktown  
Johannesburg**

F3.11.1 The procedure for the evaluation of responsive tenders is Method 4

The score for quality is to be calculated using the following formula:

$$W_Q = W_2 \times S_O / M_S$$

Where  $W_2$  is the percentage score given to quality and equals **60**

$S_O$  is the score for quality allocated to the submission under consideration.

$M_S$  is the maximum possible score for quality in respect of a submission.

The score for financial offer is calculated using Formula 2 (option 1) of SANS 294,

Where  $W_1$  is the percentage score given to financial offer and equals 100 minus  $W_2$ .

The score for quality and financial offer is to be combined, before the addition of the score for preference, as follows:

$$W_C = W_3 \times \left(1 + \frac{S - S_m}{S_m}\right)$$

Where  $W_3$  is the number of tender evaluation points for quality and financial offer and equals:

- 1) 90 where the financial value, VAT inclusive, of all responsive tenders received have a value in excess of R 1 000 000; or

$S$  is the sum of score for quality and financial offer of the submission under consideration

$S_m$  is sum of the score for quality and financial offer of the submission scoring the highest number of points

Up to 100 minus  $W_3$  tender evaluation points will be awarded to Tenderers for BBBEE preference.

F.3.11.3 Only those Tenderers who score a minimum score of 60 points in respect of the following quality criteria will be considered further.

Description of quality criteria and sub criteria			Maximum number of tender evaluation points
Commercial	Financial Capacity and price	66	
	References/Previous Performance Record	34	
Technical/Quality criteria	Scope of Works	18	
	Capacity requirement	58	
	Mechanical and Motive Aspects	10	
	Machine Productivity	4	
	Safety Plan (Part T2.2 TFR Tender Safety clauses and Questionnaire of tender document)	5	
	Comprehensive Risk Plan with risk register/Environmental Management / Business Continuity Plan.	5	
Supplier/Enterprise development	Submission of SD/ED Strategy	2	%
	Quality of SD/ED Strategy Skills Development	28	
	Small Business Promotion	20	
	Rural Development	20	
	Job Creation/Preservation	30	
Further Recognition	Business with >50% Black Ownership	17	
	Business with >30% Black Woman Ownership	17	
	Black people with Disabilities	17	
	Black people in Rural Areas	17	
	Business with Local community	17	
	Black Youth Involvement in Business	15	
Total evaluation points for quality (W <sub>Q</sub> )			100

Criteria to be evaluated (Technical) on the following scales:

a) Failed outright/unacceptable	=	0
Poor	=	1
Average / Equal	=	2
Above average	=	3
Outstanding	=	4

### Quality of CSDP / SD / ED Submission

b) Failed/Nil submitted	=	0
Poor	=	1
Average	=	3
Good	=	4
Excellent	=	5

#### F.3.13.1 Tender offers will only be accepted if:

- (a) The tenderer has in his or her possession an original valid Tax Clearance Certificate issued by the South African Revenue Services or has made arrangements to meet outstanding tax obligations.
- (b) The tenderer is registered with the Construction Industry Development Board in an appropriate contractor grading designation;
- (c) The tenderer is not in arrears for more than 3 months with municipal rates and taxes and municipal service charges;
- (d) The tenderer or any of its directors is not listed on the Register of Tender Defaulters in terms of the Prevention and Combating of Corrupt Activities Act of 2004 as a person prohibited from doing business with the public sector.
- (e) The tenderer has not:
  - i. abused the Employer's Supply Chain Management System; or
  - ii. failed to perform on any previous contract and has been given a written notice to this effect; and
- (f) has completed the Compulsory Enterprise Questionnaire and there are no conflicts of interest which may impact on the tenderer's ability to perform the contract in the best interests of the employer or potentially compromise the tender process.

F.3.18 The number of paper copies of the signed contract to be provided by the employer is **one**.

The additional conditions of tender are:

1. The Tenderer is deemed to have satisfied himself before tendering as to the correctness and sufficiency of his tender for the *works* and of the rates and prices stated in the priced Price List in the *works* Information. The rates and prices (except in so far as otherwise provided in the Tender) collectively cover full payment for the discharge of all his obligations under the Contract and all matters and things necessary for the proper completion of the *works*.

## Annex: Standard Conditions of Tender

*(As contained in Annexure F of the CIDB Standard for Uniformity in Construction Procurement)  
(Compiler to reproduce this Annexure without alteration during the initial period of  
implementing the Standard for Uniformity in Construction Procurement)*

### F.1 General

#### F.1.1 Actions

The employer and each Tenderer submitting a tender offer shall comply with these conditions of tender. In their dealings with each other, they shall discharge their duties and obligations as set out in F.2 and F.3, timeously and with integrity, and behave equitably, honestly and transparently.

#### F.1.2 Tender Documents

The documents issued by the employer for the purpose of a tender offer are listed in the tender data.

#### F.1.3 Interpretation

**F.1.3.1** The tender data and additional requirements contained in the tender schedules that are included in the returnable documents are deemed to be part of these conditions of tender.

**F.1.3.2** These conditions of tender, the tender data and tender schedules which are only required for tender evaluation purposes, shall not form part of any contract arising from the invitation to tender.

**F.1.3.3** For the purposes of these conditions for the calling for expressions of interest, the following definitions apply:

- a) **Comparative offer** means the tenderer's financial offer after the factors of non-firm prices, all unconditional discounts and any other tendered parameters that will affect the value of the financial offer have been taken into consideration.
- b) **corrupt practice** means the offering, giving, receiving or soliciting of anything of value to influence the action of the employer or his staff or agents in the tender process; and
- c) **Fraudulent practice** means the misrepresentation of the facts in order to influence the tender process or the award of a contract arising from a tender offer to the detriment of the employer, including collusive practices intended to establish prices at artificial levels.
- d) **Quality (functionality)** means the totality of features and characteristics of a product or service that bear on its ability to satisfy stated or implied needs.

#### F.1.4 Communication and employer's agent

Each communication between the employer and a Tenderer shall be to or from the employer's agent only, and in a form that can be read, copied and recorded. Writing shall be in the English language. The employer shall not take any responsibility for non-receipt of communications from or by a Tenderer. The name and contact details of the employer's agent are stated in the tender data.

#### F.1.5 the employer's right to accept or reject any tender offer

**F.1.5.1** The employer may accept or reject any variation, deviation, tender offer, or alternative tender offer, and may cancel the tender process and reject all tender offers at any time before the formation of a contract. The employer shall not accept or incur any liability to a Tenderer for such cancellation and rejection, but will give written reasons for such action upon written request to do so.

**F.1.5.2** The employer may not subsequent to the cancellation or abandonment of a tender process or the rejection of all responsive tender offers re-issue a tender covering substantially the same scope of work within a period of six months unless only one tender was received and such tender was returned unopened to the Tenderer.

## **F.2 Tenderer's obligations**

### **F.2.1 Eligibility**

Submit a tender offer only if the Tenderer satisfies the criteria stated in the tender data and the Tenderer, or any of his principals, is not under any restriction to do business with employer.

### **F.2.2 Cost of tendering**

Accept that the employer will not compensate the Tenderer for any costs incurred in the preparation and submission of a tender offer, including the cost of any testing necessary to demonstrate that aspects of the offer satisfy requirements.

### **F.2.3 Check documents**

Check the tender documents on receipt for completeness and notify the employer of any discrepancy or omission.

### **F.2.4 Confidentiality and copyright of documents**

Treat as confidential all matters arising in connection with the tender. Use and copy the documents issued by the employer only for the purpose of preparing and submitting a tender offer in response to the invitation.

### **F.2.5 Reference documents**

Obtain, as necessary for submitting a tender offer, copies of the latest versions of standards, specifications, conditions of contract and other publications, which are not attached but which are incorporated into the tender documents by reference.

### **F.2.6 Acknowledge addenda**

Acknowledge receipt of addenda to the tender documents, which the employer may issue, and if necessary apply for an extension to the closing time stated in the tender data, in order to take the addenda into account.

### **F.2.7 Clarification meeting**

Attend, where required, a clarification meeting at which Tenderers may familiarize themselves with aspects of the proposed work, services or supply and raise questions. Details of the meeting(s) are stated in the tender data.

### **F.2.8 Seek clarification**

Request clarification of the tender documents, if necessary, by notifying the employer at least five working days before the closing time stated in the tender data.

### **F.2.9 Insurance**

Be aware that the extent of insurance to be provided by the employer (if any) might not be for the full cover required in terms of the conditions of contract identified in the contract data. The Tenderer is advised to seek qualified advice regarding insurance.

### **F.2.10 Price the tender offer**

**F.2.10.1** Include in the rates, prices, and the tendered total of the prices (if any) all duties, taxes (except Value Added Tax (VAT), and other levies payable by the successful Tenderer, such duties, taxes and levies being those applicable 14 days before the closing time stated in the tender data.

**F.2.10.2** Show VAT payable by the employer separately as an addition to the tendered total of the prices.

**F.2.10.3** Provide rates and prices that are fixed for the duration of the contract and not subject to adjustment except as provided for in the conditions of contract identified in the contract data.

**F.2.10.4** State the rates and prices in Rand unless instructed otherwise in the tender data. The conditions of contract identified in the contract data may provide for part payment in other currencies.

**F.2.11 Alterations to documents**

Not make any alterations or additions to the tender documents, except to comply with instructions issued by the employer, or necessary to correct errors made by the Tenderer. All signatories to the tender offer shall initial all such alterations. Erasures and the use of masking fluid are prohibited.

**F.2.12 Alternative tender offers**

**F.2.12.1** Submit alternative tender offers only if a main tender offer, strictly in accordance with all the requirements of the tender documents, is also submitted. The alternative tender offer is to be submitted with the main tender offer together with a schedule that compares the requirements of the tender documents with the alternative requirements the Tenderer proposes.

**F.2.12.2** Accept that an alternative tender offer may be based on the criteria stated in the tender data or criteria otherwise acceptable to the employer.

**F.2.13 submitting a tender offer**

**F.2.13.1** Submit a tender offer to provide the whole of the works, services or supply identified in the contract data and described in the scope of works, unless stated otherwise in the tender data.

**F.2.13.2** Return all returnable documents to the employer after completing them in their entirety, either electronically (if they were issued in electronic format) or by writing in black ink.

**F.2.13.3** Submit the parts of the tender offer communicated on paper as an original plus the number of copies stated in the tender data, with an English translation of any documentation in a language other than English, and the parts communicated electronically in the same format as they were issued by the employer.

**F.2.13.4** Sign the original and all copies of the tender offer where required in terms of the tender data. The employer will hold all authorized signatories liable on behalf of the Tenderer. Signatories for Tenderers proposing to contract as joint ventures shall state, which of the signatories is the lead partner whom the employer shall hold liable for the purpose of the tender offer.

**F.2.13.5** Seal the original and each copy of the tender offer as separate packages marking the packages as "ORIGINAL" and "COPY". Each package shall state on the outside the employer's address and identification details stated in the tender data, as well as the Tenderer's name and contract address.

**F.2.13.6** Where a two-envelope system is required in terms of the tender data, place and seal the returnable documents listed in the tender data in an envelope marked "financial proposal" and place the remaining returnable documents in an envelope marked "technical proposal". Each envelope shall state on the outside the employer's address and identification details stated in the tender data, as well as the Tenderer's name and contract address.

**F.2.13.7** Seal the original tender offer and copy packages together in an outer package that states on the outside only the employer's address and identification details as stated in the tender data.

**F.2.13.8** Accept that the employer will not assume any responsibility for the misplacement or premature opening of the tender offer if the outer package is not sealed and marked as stated.

**F.2.14 Information and data to be completed in all respects**

Accept that tender offers, which do not provide all the data or information requested completely and in the form required, may be regarded by the employer as non-responsive.

**F.2.15 Closing time**



**F.2.15.1** Ensure that the employer receives the tender offer at the address specified in the tender data not later than the closing time stated in the tender data. Proof of posting shall not be accepted as proof of delivery. The employer shall **not** accept tender offers submitted by telegraph, telex, facsimile or e-mail, unless stated otherwise in the tender data.

**F.2.15.2** Accept that, if the employer extends the closing time stated in the tender data for any reason, the requirements of these conditions of tender apply equally to the extended deadline.

### **F.2.16 Tender offer validity**

**F.2.16.1** Hold the tender offer(s) valid for acceptance by the employer at any time during the validity period stated in the tender data after the closing time stated in the tender data.

**F.2.16.2** If requested by the employer, considers extending the validity period stated in the tender data for an agreed additional period.

### **F.2.17 Clarification of tender offer after submission**

Provide clarification of a tender offer in response to a request to do so from the employer during the evaluation of tender offers. This may include providing a breakdown of rates or prices and correction of arithmetical errors by the adjustment of certain rates or item prices (or both). No change in the total of the prices or substance of the tender offer is sought, offered, or permitted. The total of the prices stated by the Tenderer shall be binding upon the Tenderer.

**Note:** Sub-clause F.2.17 does not preclude the negotiation of the final terms of the contract with a preferred Tenderer following a competitive selection process, should the Employer elect to do so.

### **F.2.18 Provide other material**

**F.2.18.1** Provide, on request by the employer, any other material that has a bearing on the tender offer, the Tenderer's commercial position (including notarized joint Venture agreements), preferencing arrangements, or samples of materials, considered necessary by the employer for the purpose of a full and fair risk assessment. Should the Tenderer not provide the material, or a satisfactory reason as to why it cannot be provided, by the time for submission stated in the employer's request, the employer may regard the tender offer as non-responsive.

**F.2.18.2** Dispose of samples of materials provided for evaluation by the employer, where required.

### **F.2.19 Inspections, tests and analysis**

Provide access during working hours to premises for inspections, tests and analysis as provided for in the tender data.

### **F.2.20 Submit securities, bonds, policies, etc.**

If requested, submit for the employer's acceptance before formation of the contract, all securities, bonds, guarantees, policies and certificates of insurance required in terms of the conditions of contract identified in the contract data.

### **F.2.21 Check final draft**

Check the final draft of the contract provided by the employer within the time available for the employer to issue the contract.

### **F.2.22 Return of other tender documents**

If so instructed by the employer, return all retained tender documents within 28 days after the expiry of the validity period stated in the tender data.

### **F.2.23 Certificates**

Include in the tender submission or provide the employer with any certificates as stated in the tender data.

## **F.3 The employer's undertakings**

### **F.3.1 Respond to clarification**

Respond to a request for clarification received up to five working days before the tender closing time stated in the Tender Data and notify all Tenderers who drew procurement documents.

### **F.3.2 Issue Addenda**

If necessary, issue addenda that may amend or amplify the tender documents to each Tenderer during the period from the date that tender documents are available until seven days before the tender closing time stated in the Tender Data. If, as a result a Tenderer applies for an extension to the closing time stated in the Tender Data, the Employer may grant such extension and, shall then notify all Tenderers who drew documents.

### **F.3.3 Return late tender offers**

Return tender offers received after the closing time stated in the Tender Data, unopened, (unless it is necessary to open a tender submission to obtain a forwarding address), to the Tenderer concerned.

### **F.3.4 Opening of tender submissions**

**F.3.4.1** Unless the two-envelope system is to be followed, open valid tender submissions in the presence of Tenderers' agents who choose to attend at the time and place stated in the tender data. Tender submissions for which acceptable reasons for withdrawal have been submitted will not be opened.

**F.3.4.2** Announce at the meeting held immediately after the opening of tender submissions, at a venue indicated in the tender data, the name of each Tenderer whose tender offer is opened, the total of his prices, preferences claimed and time for completion, if any, for the main tender offer only.

**F.3.4.3** Make available the record outlined in F.3.4.2 to all interested persons upon request.

### **F.3.5 Two-envelope system**

**F.3.5.1** Where stated in the tender data that a two-envelope system is to be followed, open only the technical proposal of valid tenders in the presence of Tenderers' agents who choose to attend at the time and place stated in the tender data and announce the name of each Tenderer whose technical proposal is opened.

**F.3.5.2** Evaluate the quality of the technical proposals offered by Tenderers, then advise Tenderers who remain in contention for the award of the contract of the time and place when the financial proposals will be opened. Open only the financial proposals of Tenderers, who score in the quality evaluation more than the minimum number of points for quality stated in the tender data, and announce the score obtained for the technical proposals and the total price and any preferences claimed. Return unopened financial proposals to Tenderers whose technical proposals failed to achieve the minimum number of points for quality.

### **F.3.6 Non-disclosure**

Not disclose to Tenderers, or to any other person not officially concerned with such processes, information relating to the evaluation and comparison of tender offers, the final evaluation price and recommendations for the award of a contract, until after the award of the contract to the successful Tenderer.

### **F.3.7 Grounds for rejection and disqualification**

Determine whether there has been any effort by a Tenderer to influence the processing of tender offers and instantly disqualify a Tenderer (and his tender offer) if it is established that he engaged in corrupt or fraudulent practices.

### **F.3.8 Test for responsiveness**

**F.3.8.1 Determine**, on opening and before detailed evaluation, whether each tender offer properly received:

- a) complies with the requirements of these Conditions of Tender.

- b) has been properly and fully completed and signed, and
- c) is responsive to the other requirements of the tender documents.

**F.3.8.2** A responsive tender is one that conforms to all the terms, conditions, and specifications of the tender documents without material deviation or qualification. A material deviation or qualification is one which, in the Employer's opinion, would:

- a) Detrimentially affect the scope, quality, or performance of the works, services or supply identified in the Scope of work,
- b) change the Employer's or the Tenderer's risks and responsibilities under the contract, or
- c) affect the competitive position of other Tenderers presenting responsive tenders, if it were to be rectified.

Reject a non-responsive tender offer, and not allow it to be subsequently made responsive by correction or withdrawal of the non-conforming deviation or reservation.

**F.3.9 Arithmetical errors**

**F.3.9.1** Check responsive tender offers for arithmetical errors, correcting them in the following manner:

- a) Where there is a discrepancy between the amounts in figures and in words, the amount in words shall govern.
- b) If bills of quantities (or schedule of quantities or schedule of rates) apply and there is an error in the line item total resulting from the product of the unit rate and the quantity, the line item total shall govern and the rate shall be corrected. Where there is an obviously gross misplacement of the decimal point in the unit rate, the line item total as quoted shall govern, and the unit rate shall be corrected.
- c) Where there is an error in the total of the prices either as a result of other corrections required by this checking process or in the Tenderer's addition of prices, the total of the prices shall govern and the Tenderer will be asked to revise selected item prices (and their rates if bills of quantities apply) to achieve the tendered total of the prices.

**F.3.9.2** Consider the rejection of a tender offer if the Tenderer does not correct or accept the correction of his arithmetical errors in the manner described in F.3.9.1.

**F.3.10 Clarification of tender offer**

Obtain clarification from a Tenderer on any matter that could give rise to ambiguity in a contract arising from the tender offer.

**F.3.11 Evaluation of tender offers**

**F.3.11.1 General**

Appoint an evaluation panel of not less than three persons. Reduce each responsive tender offer to a comparative offer and evaluate it using the tender evaluation method that is indicated in the Tender Data and described below:

Method 1: Financial offer	1) Rank tender offers from the most favourable to the least favourable comparative offer. 2) Recommend highest ranked Tenderer for the award of the contract, unless there are compelling and justifiable reasons not to do so.
Method 2: Financial offer and preferences	1) Score tender evaluation points for financial offer. 2) Confirm that Tenderers are eligible for the preferences claimed and if so, score tender evaluation points for preferencing. 3) Calculate total tender evaluation points. 4) Rank tender offers from the highest number of tender evaluation points to the lowest. 5) Recommended Tenderer with the highest number of tender evaluation points for the award of the contract, unless there are compelling and justifiable reasons not to do so.
Method 3: Financial offer and quality	1) Score quality, rejecting all tender offers that fail to score the minimum number of points for quality stated in the Tender data. 2) Score tender evaluation points for financial offer.



	<p>3) Calculate total tender evaluation points. 4) Rank tender offers from the highest number of tender evaluation points to the lowest. 5) Recommend Tenderer with the highest number of tender evaluation points for the award of the contract, unless there are compelling and justifiable reasons not to do so.</p>
Method 4: Financial offer, quality and preferences	<p>1) Score quality, rejecting all tender offers that fail to score the minimum number of points for quality stated in the Tender data. 2) Score tender evaluation points for financial offer. 3) Confirm that Tenderers are eligible for the preferences claimed, and if so, score tender evaluation points for preferencing. 4) Calculate total tender evaluation points. 5) Rank tender offers from the highest number of tender evaluation points to the lowest. 6) Recommend Tenderer with the highest number of tender evaluation points for the award of the contract, unless there are compelling and justifiable reasons not to do so.</p>

### F.3.11.2 Scoring Financial Offers

Score the financial offers of remaining responsive tender offers using the following formula:

NFO =  $W1 \times A$  where:

NFO = the number of tender evaluation points awarded for the financial offer.

W1 = the maximum possible number of tender evaluation points awarded for the financial offer as

Stated in the Tender Data.

A = a number calculated using either formulas 1 or 2 below as stated in the Tender Data.

Formula	Comparison aimed at achieving	Option 1	Option 2
1	Highest price or discount	$A = \frac{1 + (P - P_m)}{P_m}$	$A = P / P_m$
2	Lowest price or percentage commission / fee	$A = \frac{1 - (P - P_m)}{P_m}$	$A = P_m / P$

where:

$P_m$  = the comparative offer of the most favourable tender offer.

$P$  = the comparative offer of tender offer under consideration.

### F.3.11.3 scoring quality (functionality)

Score quality in each of the categories in accordance with the Tender Data and calculate total score for quality.

### F.3.12 Insurance provided by the employer

If requested by the proposed successful Tenderer, submit for the Tenderer's information the policies and / or certificates of insurance which the conditions of contract identified in the contract data, require the employer to provide.

### F.3.13 Acceptance of tender offer

**F.3.13.1** Accept tender offer only if the Tenderer complies with the legal requirement stated in the Tender Data.

**F.3.13.2** Notify the successful Tenderer of the employer's acceptance of his tender offer by completing and returning one copy of the form of offer and acceptance before the expiry of the validity period stated in the tender data, or agreed additional period. Providing the form of offer and acceptance does not contain any qualifying statements, it will constitute the formation of a contract between the employer and the successful Tenderer as described in the form of offer and acceptance.

### F.3.14 Notice to unsuccessful Tenderers

After the successful Tenderer has acknowledged the employer's notice of acceptance, notify other Tenderers that their tender offers have not been accepted.

**F.3.15 Prepare contract documents**

If necessary, revise documents that shall form part of the contract and that were issued by the employer as part of the tender documents to take account of:

- a) Addenda issued during the tender period.
- b) Inclusion of some of the returnable documents,
- c) Other revisions agreed between the employer and the successful Tenderer, and
- d) The schedule of deviations attached to the form of offer and acceptance, if any.

**F.3.16 Issue final contract**

Prepare and issue the final draft of contract documents to the successful Tenderer for acceptance as soon as possible after the date of the employer's signing of the form of offer and acceptance (including the schedule of deviations, if any). Only those documents that the conditions of tender required the Tenderer to submit, after acceptance by the employer, shall be included.

**F.3.17 Complete adjudicator's contract**

Unless alternative arrangements have been agreed or otherwise provided for in the contract, arrange for both parties to complete formalities for appointing the selected adjudicator at the same time as the main contract is signed.

**F.3.18 Provide copies of the contracts**

Provide to the successful Tenderer the number of copies stated in the Tender Data of the signed copy of the contract as soon as possible after completion and signing of the form of offer and acceptance.

“PREVIEW COPY ONLY”

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## Part T2: Returnable documents

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