



TRANSNET RAIL INFRASTRUCTURE MANAGER

ENQUIRY: SIC24018CIDB (HAOC-HO-51733)

DESCRIPTION OF THE SERVICES: MAINTENANCE OF RAILWAY TRACK WITH ON-TRACK HIGH PRODUCTION BALLAST TAMPING MACHINES COUNTRYWIDE ON AN 'AS AND WHEN REQUIRED" BASIS.

ADDENDUM 01

NB: The following sections of the RFP document have been updated, please note the below mentioned updated section of the RFP takes precedence, ensure you utilise the updated sections in order for your bid to be considered valid. Failure to respond to the bid with Addendum 01 revised Part C2. Price list will lead to disqualification.

PART C2: PRICING DATA

Document reference	Title	No of pages
C2.1	Pricing instructions	2 - 7
C2.2	Price Lists	8



C2.1 Pricing assumptions: Option A

1. GENERAL

1.1 How work is priced and assessed for payment

Clause 11 in NEC3 Term Service Contract (TSC3) core clauses and Option A states:

- Identified and 11 defined terms 11.2
- (12) The Price List is the price list unless later changed in accordance with this contract.
- (17) The Price for Services Provided to Date is the total of the Price for each lump sum item in the Price List which the Contractor has completed and where a quantity is stated for an item in the Price List, an amount calculated by multiplying the quantity which the Contractor has completed by the rate.
- (19) The Prices are the amounts stated in the Price column of the Price List. Where a quantity is stated for an item in the Price List, the Price is calculated by multiplying the quantity by the rate.

Clause 50 in NEC3 Term Service Contract (TSC3) core clauses and Option A states:

- Assessing the amount due 50.2
- The amount due is
- the Prices for the Services Provided to Date,
 - plus, other amounts to be paid to the Contractor,
 - less amounts to be paid by or retained from the Contractor.

This confirms that Option A is a priced contract where the Prices are derived from a list of items of service which can be priced as lump sums or as estimated quantities of service multiplied by a rate or a mix of both.

1.2 Function of the Price List

Clause 54.1 in Option A states: "Information in the Price List is not Service Information". This confirms that instructions to do work or how it is to be done are not included in the Price List but in the Service Information. This is further confirmed by Clause 20.1 which states, "The Contractor Provides the Service in accordance with the Service Information". Hence the Contractor does not provide the Service in accordance with the Price List. The Price List is only a pricing document.

1.3 Preparing the price list

Before preparing the price list, both the Employer and tendering contractors should read the TSC3 Guidance Notes pages 14 and 15. In an Option A contract, either Party may have entered items into the price list either as a process of offer and acceptance (tendering) or by negotiation depending on the nature of the service to be provided. Alternatively, the Employer, in his Instructions to Tenderers or in a Tender Schedule, may have listed some items that he requires the Contractor to include in the price list to be prepared and priced by him.

It is assumed that in preparing or finalising the price list the Contractor:

- Has taken account of the guidance given in the TSC3 Guidance Notes relevant to Option A.
- Understands the function of the Price List and how work is priced and paid for.

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- Is aware of the need to link priced rates with parameters for the volume of work involved in Providing the Service as contemplated in *price list* contained in section C2.2.
- Has listed and priced items in the price list which are inclusive of everything necessary and incidental to Providing the Service in accordance with the Service Information, as it was at the time of tender, as well as correct any Defects not caused by an Employer's risk. This should also include all liabilities and obligations set forth or implied in the Contract data, as well as any profit.
- Has priced work he decides not to show as a separate item within the Prices or rates of other listed items to fulfil the obligation to complete the service for the tendered total of the Prices.
- Understands there is no adjustment to items priced as lump sums if the amount, or quantity, of work within that item later turns out to be different to that which the Contractor estimated at time of tender. The only basis for a change to the (lump sum) Prices is because of a compensation event.

2. FORMAT OF THE PRICE LIST

Entries in the first four columns in the price list in section C2.2 are made either by the Employer or the tendering contractor.

If the Contractor is to be paid an amount for the item which is not adjusted if the quantity of work in the item changes, the tendering contractor enters the amount in the Price column only, the Unit, Estimated Quantity and Rate columns being left blank.

The pricing table contained in section C2.2 contemplates.

- (i) establishment fee paid monthly and
- (ii) volume based pricing with applicable rates based on actual volumes of work provided to the Contractor

The tendering contractor is required in the first row to provide its proposed monthly rate for establishment.

The remaining portion of the total of the Prices is determined through volume-based pricing, whereby the amounts finally due to the Contractor in each year within the *service period* are determined annually by applying the applicable rate to the actual volume of Works issued to the Contractor subject to the terms of the contract. In the interim period (prior to the annual assessment) the Contractor is paid an Interim Average Work Rate (as further described in paragraph 4.6 below), and the amount paid is reconciliated after the annual assessment.

In this regard the tendering contractor is required to propose the relevant rates for the defined parameters of works for items 2.1 to 2.4 of the Price List (as further described in paragraphs 4.2 to 4.5 below), from which an Interim Average Working Rate is determined by applying the price weighting percentage indicator stipulated by the Employer in the Price List.

3. GENERAL PRICING ASSUMPTIONS

- 3.1 The agreement is based on the NEC Term Service Contract.
- 3.2 It will be assumed that prices included in the Price List are based on Acts, Ordinances, Regulations, By-laws, International Standards and National Standards that were published 28 days before the closing date for tenders.
- 3.3 The Price List is not intended for the ordering of materials. Any ordering of materials, based on the Price List, is at the Contractor's risk.
- 3.4 The prices should cover the cost (as explained in par 1.3 above) for the work as described. The quantities set out in these Price Lists are estimates and do not necessarily represent the actual amount of work to be done per quantity item. The quantities of work accepted and certified for payment will be used for determining payments due and not the quantities given in these Price Lists (refer to par 1.1 above).


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- 3.5 The short descriptions of the items of payment given in this Price List are only for purposes of identifying the items. More details regarding the extent of the work entailed under each item appear in the Service Information.
- 3.6 For each item in the Price List, the *Contractor* shall provide in the appropriate column the portion of the tendered sum (inclusive of labour and material).
- 3.7 The total in the Price List shall be exclusive of VAT and shall be transferred to form C1.1 (Form of Offer and Acceptance).

4. MEASUREMENT AND PAYMENT FOR CONTRACT

This part C2 of the specification as well as any reference in part **C3** will apply to determine conditions under which payments for this contract are to be made.

This section must be read together with the Additional Definitions and Interpretation Provisions contained in the Z- Clauses contained in **Contract Data provided by the Employer (C1.2 TSC3 Contract Data)** and in particular **Clause ZD6** providing for the annual assessment of the amount due to the Contractor for Providing the Services.

Payment will be made for the actual Km tamped, in accordance with the rates tendered in the schedule of prices. The following information shall be recorded continually:

- (a) Tw, Tww, Twr, Ttr, To, Tb, Tx and Ts, Tt, Tp and Tm and total number of sleepers tamped for each day and totals for the month.
- (b) Availability: $A = \frac{(To - Tb)}{To}$
- (c) Productivity: $P = \frac{\text{Actual rate}}{\text{Tendered rate}}$
- (d) Utilisation: $U = \frac{Tw}{To}$
- (e) Only work that was required and accepted will be included for payment

4.1.1 ITEM 1: Total Standard track Km tamped

Payment for Actual km tamped shall be made per machine. This rate shall include for the full-time availability of the machine including all costs for the provision and maintenance of the machine in full operational condition, and also including all maintenance and support staff and fuels.

Payment for work done shall be as follow:

Actual km tamped =

km Standard track tamped
 + km non Standard track tamped x Standard sleeper spacing / actual sleeper spacing
 + km Double tamp std spacing x 1.5
 + km Double tamp non Std spacing x Std spacing / actual spacing x 1.5
 + Time restricted track tamping (Twr) x tendered tamp rate per hour / std sleepers per km

All time, Availability, Utilization and productivity records and calculations shall be recorded on every month's payment calculations as per clause 9 of the Particular Specifications to monitor time allowed for the contractor to achieve the required output. This item will be paid in conjunction with clause X17 of the Contract Data.

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Once the average equivalent km tamp for the month has been achieved, all additional equivalent km tamp will be paid for under this additional rate. The average quantity for the month will be calculated based on the workdays for the month in relation to the total workdays for the year. Each month's payment will provisionally be reconciled with the previous month, allowing for the exchange of the extra km tamped of a preceding month to cover for a shortfall of km tamped for a current month. A final reconciliation shall be done once per year to ensure that only the planned equivalent km as per item 2.1 is paid for against the rates allowed for under this item. All additional km will only be paid for under item 2.2. The intention is to cover the contractor's variable cost only for additional km tamped.

4.1.3 ITEM 1.3: Additional time-based use of the machine

If a machine is required to work for a breakdown or emergency call-out during the December break, payment will be made for the use of each day the machine is called out to work, whether the machine is working or standing. This callout rate only applies to the December break period and will not apply for any callout during the year. Call-out during the year shall form part of the travel and km tamp as per items 2.2.1. 2.2.2

4.1.4 ITEM 1.4: Standing time allowance

Payment will be made for the standing time that was due to the Employer not giving site access to the machine as per the accepted works programme. This item will be paid if a machine is required to work, and a task order has been issued and accepted by both *the Employer* and *the Contractor* and site access is not granted to the machine as per works programme requirement. Standing time allowance will only be entertained if the reasons for standing are within the control of *the Employer*. This excludes but not limited to force majeure, community unrests, vandalism, and emergency works. The service manager will take into consideration the total Tw and the availability for the duration of the task order. This item is intended to cover the fixed cost portion of item 1.1 and therefore cannot be equal to or higher than the rate of item 1.1.

4.2. ITEM 2 - OVERTIME PAYMENT**Item 3.1**

Overtime payment will be made for occupation time during weekdays (Monday to Friday) in excess of the hours of maximum occupation time (TOM) of 8 (eight) hours per day.

Overtime payment will also be made for work performed on a Saturday or weekday when in excess of 5 consecutive days out of every 7-day period or in excess of 10 consecutive days out of every 14-day period.

Overtime will also be paid on weekends of shift working after shift time exceeds the maximum hours allowed for Tom

Item 3.2

Overtime payment will be made for work performed on a Sunday or Paid Public Holiday when in excess of 5 consecutive days out of every 7-day period or in excess of 10 consecutive days out of every 14-day period.

Sunday time will also be paid on weekends of shift working after shift time on a Sunday or PPH exceeds the maximum hours allowed for Tom.

Overtime will only be paid for the hours that the machine was available. i.e., Overtime = total occupation time- breakdown time-maximum occupation time (8hours).

4.3. ITEM 3 - SHIFT ALLOWANCE**Item 3.1**

A shift allowance payment will be made for work performed on a Saturday when working 5 days out of every 7-day period or 10 days out of every 14- day period.


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Item 3.2

A shift allowance payment will be made for work performed on a Sunday or Paid Public Holiday when working 5 days out of every 7-day period or 10 days out of every 14-day period.

Item 3.3

A night shift allowance payment will be made when an occupation or part thereof falls between 18h00 and 06h00, and will be paid in addition to any other shift or overtime payments.

Item 3.4

A night shift allowance payment will be made for travelling between 18h00 and 06h00, and will be paid in addition to any other shift or overtime payments.

Shift allowance will not be paid for the total time that the machine is unavailable.

4.4. ITEM 4: Day Labour rates.

When technological development required by TRIM necessitates modifications to the machine, an assessment of the time and cost of such modifications shall be submitted to the Project Supervisor as soon as possible.

Modifications in the field shall only be done on instruction by the Project Supervisor, for which the following shall apply:

.For labour, the rates in item 5 of the Price list and prices.

.a mark-up of 25% will be allowed on landed prices of imported parts or the delivered prices of locally manufactured parts and will be excluded from price adjustment described in clause 23 of Part C3/A

This item shall also be used as a provisional item for any required and approved day labour. (Refer applicable clause of Part C3/B for additional preparation work). The rates are to be for labour (including hand tools), supervision and transport for additional preparation work, approved by the Project Supervisor.

4.5. ITEM 5: Moving and Traveling machines

Payment will be made per track kilometre for moving the machinery between worksite and worksite (See definition of moving time – Part C3/A Definitions). Tendered rates shall include for fuel as well as wear and tear while moving. No payment will be made when the machinery is hauled by TFR locomotive.

4.6. ITEM 6: Moving Camp

Payment will be made per track kilometre for moving the camp between worksite and work-site (See definition of moving time – Part C3/A Definitions). Tendered rates shall include for fuel as well as wear and tear while moving.

4.7. ITEM 7: Provisional lump sum (accommodation and plant)

Lump sum item for payment of specific costs not covered in the existing specification. This Lump sum item is included for items such as:

- a) Payment of material and or services such as may be required for level crossing repair work during tamping or interim accommodation payments for which TFR may be responsible.
- b) Payment of plant hire or day labour not specifically covered by rates in the contract.

4.7.1 Payment for temporary and emergency accommodation shall only apply if agreed on and specifically instructed by the Technical Officer.

4.7.2 Any agreement for the supply of an additional service required by TFR shall be between the contractor and supplier of the service. Transnet will only pay the contractor for this service on acceptance of the invoice, under the condition that the service and price was approved

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beforehand by the Technical Officer.

- 4.7.3** Any approved invoice payable, shall clearly qualify the supplier, rate, quantity, cost and delivery detail, certified by the contractor for what purpose used, including reference to minutes or instruction from Technical Officer

4.8 ITEM 8: standby for machine crew

If a Project Manager requires a machine to be on standby during the December break, arrangements will be made for such standby for the core crew, operator, technician and direct support or as qualified by the tender. Payment will apply for each day for which the crew is required to be on standby. If an actual call out is however made, no standby will be payable for the days for which the machine is called out as all cost for actual call outs are to be part of the call out cost as per item 2.3. A travel allowance shall also be paid per kilometre actually travelled by the crew's standby vehicle during the contractors Annual Holidays including travelling to respond to the call out. This item shall exclude travelling between temporary accommodation and work site as this shall include the normal working rates allowed for under item 2.3.


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C2.2 the price list
Machine Category: SIC24018CIDB (HAOC-HO-51733)

High Production Tamping Service

Work Package:

Number of Machine Service Packages Required = 3

NB The Employer reserves the right to reduce the number of Work Packages required prior to the award of contract.*

Item	Description	Units	Qty	Rate	Amount
1.	Tamping payment (based on 8 To-hours)				
1.1	Total standard track km tamped	km	2700		
1.2	Additional km tamped	km	270		
1,3	Additional time-based use of machine for emergency callout work over holiday periods (Provisional)	day	25		
1,4	Standing time allowance (portion of Item 1.1 for fixed costs only)	km	Rate only		
2	Overtime				
2,1	Overtime hours outside Tom of 8 hours per day & Overtime payment for Saturdays when more than 5 out of 7 or 10 out of 14 days are worked consecutively & OT on shift days more than 8hrs.	hours	180		
2,2	Overtime payment for Sundays & PPH when more than 5 out of 7 or 10 out of 14 days are worked consecutively & ST for shift days on Sunday & PPH more than 8h.	hours	180		
3,1	Shift payment for Saturdays when working 10 out of 14 days	hours	180		
3,2	Shift payment for Sundays & PPH when working 10/14 shifts.	hours	180		
3,3	Shift payment for night shift work when occupation or part thereof falls between 18:00 and 06:00.	hours	180		
3,4	Shift payment for travelling between 18:00 and 06:00.	hours	90		
4,1	Supervisor or Artisan (Technician or Track Master)	man hours	Rate only		
4,2	Skilled labour (Trade hand, Trackman, driver)	man hours	Rate only		
4,3	Unskilled labour (Track worker, assistants etc.)	man hours	Rate only		
4,4	LDV to transport additional small work gang if required.	day	Rate only		
4,5	Additional Truck to transport additional day labour (+-10), hand tools and material.	Truck Day	Rate only		



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5	Moving Machine	km	13500		
6	Moving camp	km	8000		
7	Provisional lump sum (accommodation and plant)	day	Provisional		
8	Standby for machine crew for emergency callout (Provisional)	day	30		
	TOTAL AMOUNT (EXCLUDING VAT)				
	Contract Skills Development Goal (CSDG) (0,25% x Tender/Contract Value)				
	15% VAT				
	TOTAL AMOUNT (INCLUSIVE VAT)				

Stipulate the number of Ballast Tamping Machine Work Packages being bid for..... (enter number here)

Bidder's Signature

Note : The pricing list above is expected to reflect the pricing offer for one Machine Work Package, where the Work Package represents one machine and all its associated services.