

Subject	Specifications
Project Name	Service provider/s Transportation of Postmen
Reference	RFQ Service provider/s Transportation of Postmen



The information contained within this submission is considered proprietary and confidential. No inappropriate and/or unauthorised disclosure of this submission is allowed.

1. Background

The South African Post Office Group (SAPO) requires Service Provider/s for the transportation of the postmen between mail centres, depots, branches and customers.

2. Objective of Bid

The objective of the bid is to appoint Service Provider/s to provide a transportation service for postmen in different main centres, regional and regional remote areas in Northern (Mpumalanga province) and KZN Region(KZN province).

The service will include the supply of vehicle/s with a driver and trailer (where applicable) for transportation of postmen with their mailbags and bicycles (where required) on a month to month basis for a period of four (4) months.

Bidders will have the option to bid per Depot/s within the different region/s (province/s) as indicated in the Pricing Schedule – Annexure F1.

3. Type of Vehicle Requirements as per Pricing Schedule – Annexure F1

Regions	Types of Vehicles required (incl trailers where applicable)
Northern Region	5 Seater/5 Seater with trailer and/or 7 Seater/7 Seater with trailer
KZN Region	5 Seater/5 Seater with trailer and/or 7 Seater/7 Seater with trailer

4. Scope of Work

The successful bidder(s) will be required to provide:

- 4.1 Transportation services for postmen with their mailbags and bicycles (where applicable) with a 5 Seater and/or 7 Seater vehicle, and tow hitch and trailer (where applicable for bicycles) per region/s (province/s) and per depot/s bidding for as indicated on the Pricing Schedule (Annexure F1).
- 4.2 The transportation services are required between the SAPO branches, depots, Mail Centres and customers in main centres, regional and regional remote areas.

Note:

- Service providers will be used as and when required by SAPO. SAPO does not guarantee any work allocated/kilometres to be travelled. The information contained on the Pricing Schedule (Annexure F1) is just indicative for purposes of providing pricing on the regions (province/s) and depot/s bidding for.

5. Experience

- 5.1 Bidders are required to have a minimum of three (3) years completed experience in the provisioning of transportation services of people within the past five (5) years of bid closing date.

Bidders are **required to use Annexure BR** as a template for purposes of completing the client references that will be used to evaluate the bidders’:

- a) completed experience (in years) and
- b) number of clients where transportation services of people have been supplied within the past five (5) years of bid closing date. Refer to the Evaluation Criteria Phase 3: Functionality Evaluation.

Note: This Annexure BR must be supplied to the bidder’s client to complete the reference on the client’s letterhead.

6. Requirements

- 6.1 The service provider(s) must ensure that all vehicles and drivers are compliant with all relevant Road Traffic Legislation and other legislation applicable to the specific service. SAPO will not be liable for any non-compliance.
- 6.2 All items and personnel must be transported in appropriate and closed vehicles.
- 6.3 All drivers must be professional and identifiable as a worker of the appointed service provider at all times. They will be dealing with internal and external customers of SAPO.
- 6.4 The bidder must ensure that all driver’s backgrounds, correct license type, PrDP for passengers and criminal records are checked regularly. Police clearance certificates must be made available to SAPO on request.
- 6.5 The provisioning of transportation services of Postmen with mailbags and bicycles (where applicable) must be provided at an all-inclusive cost/rate per kilometre range (CPK) including VAT that must also include all related costs amongst other fuel, driver, toll fees (where applicable), maintenance, insurance, vehicle registration & licencing, driver licencing etc.
- 6.6 The supplier will have to collect and drop off the postmen, mail and bicycles (where applicable) at certain depot/s from time to time, from the different branches, and/or areas where they need to deliver items to customers in main centres, regional and regional remote areas.
- 6.7 Vehicles and drivers used for the transportation of postmen and mail and bicycles (where applicable) must comply to all relevant legislation applicable with the transportation of people.
- 6.8 This paid service falls under the Charter service in the National Transport Act where the following is required but not limited to i.e.:
 - 6.8.1 **Valid Operating Licence (National Land Transport Act as charter service),**
 - 6.8.2 Operating card for the vehicle used for the transportation of people,
 - 6.8.3 Valid COF certificate,
 - 6.8.4 Valid category P- Professional Driving Permit (PrDP for public transport) at all times.
 - 6.8.5 Failure to comply with all applicable legislation pertaining to the transportation of people, resulting in fines and penalties will be for the account of the appointed service provider. The appointed service provider will therefore be suspended (contract default) until compliance with applicable legislation pertaining to the transportation of people can be confirmed.

- 6.9 All vehicles must have a tracking system fitted.
- 6.10 Co-branding with Post Office logo will be a requirement and must be fitted at commencement of the service.
- 6.11 The successful service provider/s must provide SAPO with the centralized contact person and the contact number.
- 6.12 It will be the responsibility of the supplier to negotiate with all taxi associations and get the necessary permits required to operate the route allocated to them.

7. Operating Licence for the transportation of people

- 7.1 The bidder must submit a copy of the valid Operating License (**indicating the vehicle registration and areas allocated to that specific vehicle as per annexure 1**) for the transportation of people in the bidding company's name in respect of the –
 - province in which the collection point i.e. depot and/or MCP resides bidding for;
- 7.1.1 The copy of the Operating License for the transportation of people in the bidding company's name must be valid.

(Refer to Pricing Schedule Annexure F1 for detailed Region/s (Province/s) and Depot/s)

- 7.2 If this service, i.e. transportation of people will be sub-contracted to different owner drivers or operators, and the vehicle is registered in the owner driver or operator's name, the bidder must submit together with their proposal to SAPO:
 - 7.2.1 the signed contract between the owner driver or operator and the bidding company, and
 - 7.2.2 a copy of the Operator's License for the transportation of people in the name of the owner driver or operator (**indicating the vehicle registration and areas allocated to that specific vehicle as per annexure 1**) as specified in the signed contract between the owner driver or operator and the bidding company in respect of the –
 - Province in which the collection point i.e. depot and/or MCP resides bidding for.
 - 7.2.3 The copy of the Operator's License for the transportation of people in the name of the owner driver or operator as specified in the signed contract must be valid.

(Refer to Pricing Schedule Annexure F1 for detailed Region/s (Province/s) and Depot/s)

- 7.3 Irrespective of whether the required services i.e. transportation of people will be provided by the bidding company or sub-contracted to different owner drivers/operators, the bidder must supply a copy of the valid Operator's license in the name of the bidding company or in the name of the owner driver/operator that must display the –

- Vehicle registration number of the proposed vehicle/s and area allocated (annexure1) to that license attached, that will be used for the specific depots/s awarded prior to the contract being concluded and signed by SAPO and the appointed service provider.

7.3.1 Failure to do so, SAPO reserve the right to award the service/s to the reserve bidder and other qualifying bidders should the reserve bidder also fail to supply the required valid Operator's license applicable to the specific depots/s awarded.

Note: See point 9 re subcontracting requirements

8. Insurance

8.1 Public Liability Insurance

Bidders must have Public Liability Insurance of minimum one million Rand (R1 000 000) per incident. Bidders must provide proof of insurance cover from their Insurance Company that is active and must be maintained throughout the contract term period.

Note: A quote from the Insurance Company will not be accepted.

8.2 Goods in Transit (GIT) Insurance

Bidders must have Goods in Transit (GIT) Insurance of minimum Twenty Thousand Rand (R20 000) per incident. Bidders must provide proof of insurance from their Insurance Company that is active and must be maintained throughout the contract term period.

Note: A quote from the Insurance Company will not be accepted.

9. Subcontracting and Capacity Control

- 9.1 No subcontracting is permitted after appointment and/or implementation without SAPO's prior written approval.
- 9.2 The bidder must provide current a) owned, b) leased and c) subcontracted fleet capacity available for this contract. The bidder to submit proof of ownership as follows:
 - Owned Vehicles: Vehicle registration certificates (RC1) in the name of the bidding company
 - Leased Vehicles: Lease contracts from the Financing Institution in the name of the bidding company
 - Subcontracted Vehicles: Signed contract between the bidder and the subcontractor including the vehicle registration certificates of the vehicles registered in the subcontractors' name.
- 9.3 Subcontractors appointed after written approval has been obtained from SAPO, must comply with the same specification requirements i.e. vehicle, driver, and insurance, GPS, NBCRFLI, road traffic, OHS, security, chain-of-custody and performance applicable to the main contractor (bidder)
- 9.4 The appointed service provider (main contractor/bidder) remains fully accountable and responsible to ensure that the subcontractor in all respects comply with the specification document requirements.
- 9.5 SAPO may at their own discretion reject any request from the appointed service provider to subcontract postman transportation services or, vehicle/s or driver/s that do not meet the required standard/requirements as contained in the specification document.

10. Performance

- 10.1 The successful service provider/s must be available on a 24/7 basis.
- 10.2 A minimum of 95% performance level per month is required on arrival times of vehicles at the relevant depots as well as handover and loading time which will be agreed on in the service level agreement.
- 10.3 In cases where the service provider fails to reach the agreed target the following penalty will be implemented to remedy such non-performance. A 5% penalty fee will be charged on the invoice for the specific trip where the failure occurred.
- 10.4 Performance will be re-evaluated quarterly.

11. Pricing

- 11.1 The provisioning of transportation services of Postmen with mailbags and bicycles (where applicable) must be provided at an all-inclusive cost/rate per kilometre range (CPK) **including VAT** (which is in line with the transport industry benchmark) per region/s (province/s) and per depot bidding for.
- 11.2 The bid will be evaluated using the average CPK (**CPK for the 4 different kilometre ranges divided by 4**) per depot/s bidding for within the different region/s (province/s) to calculate the preference point score on price. **All 4 different kilometre ranges CPK must be completed.**
- 11.3 The bid will be awarded per **depot/s** bidding for within the different region/s (province/s) based on the actual CPK quoted per the different **4 kilometre ranges** and **not** the average CPK.
- 11.4 The all-inclusive cost/rate per kilometre **range (CPK) including VAT** provided must include all related costs amongst other fuel, driver, toll fees (where applicable), maintenance, insurance, vehicle registration & licencing, driver licencing etc. The price will be fixed for the duration of the contract and will not be re-negotiated after implementation of the contract apart from 11.7 Fuel adjustments.
- 11.5 SAPO will request the bidder to provide and present cost offering (open-book costing) during the Due Diligence phase to examine and verify how prices quoted were derived. Bidders must distinguish fixed and variable cost elements/components and the percentage contribution of each component as well as the fuel contributor
- 11.6 No additional charges/costs may be claimed unless expressly provided for in the pricing schedule or approved by SAPO in writing prior to execution of services.
- 11.7 **Fuel Adjustment Mechanism**
 - 11.7.1 Fuel adjustments must be transparent, formula-based and symmetrical. Adjustments must be apply upward and downward using official South African fuel price movements and the approved bidder cost basket during the contract term period as applicable.

Fuel adjustment element	Required treatment
Base fuel price	The official diesel price applicable on the bid closing date or contract commencement date, as specified in the SLA.
Approved fuel component	Bidder must disclose the percentage of the route CPK attributable to fuel. SAPO may review, approve or cap the fuel component.
Adjustment frequency	Monthly, aligned to official fuel price changes.
Formula	Fuel adjustment = Base CPK x approved fuel component % x percentage change in official fuel price.
Upward and downward adjustment	Increases and decreases must both be passed through using the same formula.
Evidence	Supplier must submit monthly calculation, fuel price reference, route invoice schedule and supporting cost basket.
Exclusions	No separate fuel claim may be made outside the approved fuel adjustment mechanism.
Review trigger	Material fuel volatility or abnormal cost movement may trigger open-book review or route-price review subject to SAPO approval.

Note: *Payment will be done on the actual km's travelled to service the route, using the km range CPK provided and NOT on the estimated kilometres indicated on the Pricing Schedule – Annexure F1. The km's indicated on the Pricing Schedule – Annexure F1 are just indicative for purposes of enabling bidders to provide pricing on the region/s (province/s) and depot/s bidding for. SAPO does not guarantee any work allocated/ kilometres to be travelled and is volume dependant.*

12. Delivery Lead Time

12.1 The bidder must supply the required transportation services of postmen with mailbags and bicycles (where applicable) within a maximum period of 14 working days of receiving and accepting the award letter. Failure to do so, SAPO reserve the right to award the service/s to the reserve bidder and other qualifying bidders should the reserve bidder also fail to deliver and supply the required service/s.

12.2 Bidders to use **Annexure DL** as a template for purposes of confirming the delivery lead time to supply the required service after receiving an award letter, and for submission to SAPO.

Note: *All the above requirements will form part of the service level agreement (SLA)*

13. Due Diligence

SAPO reserves the right to conduct a due diligence exercise on and/or request the top three (3) highest scoring bidders per depot/s bidding for within the region/s (province/s) to make presentation of their offering in order to verify & confirm, amongst other –

- Compliance with scope of work/specification.
- Cost offering (open-book costing) to examine and verify how prices quoted were derived

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- Fixed and variable cost elements/components and the percentage contribution of each component as well as the fuel contributor.
 - Cost/rate quoted is all inclusive and include at least i.e. fuel, tolls, maintenance, vehicle servicing, driver costs, insurance, tracking, administration, online booking system services, waiting time, empty return legs and other route costs.
 - Fuel adjustments mechanisms applied in terms of the cost/rates quoted
 - Fleet Capacity (Ownership) as it pertains to current a) owned, b) leased and c) subcontracted vehicles available for this contract.

Should it be found that the information provided in the bid document and/or during the bid evaluation process is not verifiable or misleading, SAPO will disqualify the bidder.