

Privileged and Confidential

Minutes of Transnet Pipelines Tender Briefing for

TENDER NUMBER: PYP/W1/6/21/1872/01

PROVISION OF HYDROCARBON SPILL RESPONSE (PRODUCT CONTAINMENT AND RECOVERY) AT THE TRANSNET PIPELINES KWAZULU NATAL AND FREE STATE FACILITIES (PIPELINE NETWORK AND DEPOTS) AS AND WHEN REQUIRED FOR A PERIOD OF TWO (2) YEARS.

AND

TENDER NUMBER: PYP/W1/6/21/1872/02

PROVISION OF HYDROCARBON SPILL RESPONSE (PRODUCT CONTAINMENT AND RECOVERY) AT THE TRANSNET PIPELINES GAUTENG, MPUMALANGA AND NORTH WEST FACILITIES (PIPELINE NETWORK AND DEPOTS) AS AND WHEN REQUIRED FOR A PERIOD OF TWO (2) YEARS.

Meeting No: 01

Date: 26 October 2021

Time: 11h00 to 14h00

Venue: Microsoft Teams – virtual meeting

Attendance:

Tenderers

Messrs.'

As per attached MS attendance register

Transnet Pipelines Representatives

Messrs:

Carol Khumalo	Senior Procurement Manager	(CK)
Andrew Baker	TPL Senior Quantity Surveyor	(AB)
Shiven Panday	TPL Project Manager	(SP)
Vicky Dlamini	Environmental Manager	(VD)
Giselle Nursoo	Senior SD & B-BBEE Manager	(GN)
Tavonga Shoko	Transnet External Consultant	(TS)
Duduzile Mthethwa	Transnet Internal Auditor	(DM)

Discussion Point		Responsible person/Resolution
1.	<u>OPENING</u> CK welcomed all present, All attendees introduced themselves. The purpose of the meeting was to discuss the content of the tender document, provide guidance in terms of the tender process, discuss the technical scope and give an opportunity for tenderers to ask questions, etc.	Carol Khumalo
2.	<u>SAFETY PROCEDURE</u> CK noted that this is a virtual meeting, and all attendees are to observe all Safety and emergency evacuation protocols and also to ensure that they adhere to all Covid-19 Safety	

protocols of wearing a mask, sanitising, and keeping a social distance at their respective locations.	
3. <u>THE AGENDA MENTIONED BELOW WAS DISCUSSED:</u> • Safety Presentation : Evacuation Procedure • Welcome : Introduction of TPL Team members • Tendering Procedure and clarification of Returnables • Questions • Technical Specification • Pricing instruction and Pricing Schedule • Contract Data • Communication • Bidders clarifications and Questions • Closing 4. <u>RECORD OF DISCUSSION:</u> This is a Non-compulsory Briefing meeting, the meeting is being recorded for record purposes. Microsoft Teams allows for this briefing to be recorded, which may be discoverable in a legal matter. An attendance register will be drawn from Teams register and this will be used as proof that attendance did take place. Meeting recording is available upon request. Please adhere to the meeting protocols as follows: - Kindly raise your hand and wait to be recognised. - Kindly ensure that you are muted if not presenting - Briefing presentations will be shared with all bidders, and published on the NT and Transnet website, etc. 5. <u>TENDERING PROCEDURES AND CLARIFICATION OF RETURNABLES</u> The content and structure of the RFP document were explained to the tenderers. The following key elements were highlighted and discussed: PROPOSAL SUBMISSION - Proposals must be addressed on the cover as follows: The Secretariat, Transnet Acquisition Council RFP No: <u>PYP/W1/6/21/1872/01</u> DESCRIPTION: PROVISION OF HYDROCARBON SPILL RESPONSE (PRODUCT CONTAINMENT AND RECOVERY) AT THE TRANSNET PIPELINES KWAZULU NATAL AND FREE STATE FACILITIES (PIPELINE NETWORK AND DEPOTS) AS AND WHEN REQUIRED FOR A PERIOD OF TWO (2) YEARS. <u>AND</u> RFP No: <u>PYP/W1/6/21/1872/02</u> DESCRIPTION: PROVISION OF HYDROCARBON SPILL RESPONSE (PRODUCT CONTAINMENT AND RECOVERY) AT THE TRANSNET PIPELINES GAUTENG, MPUMALANGA AND NORTH WEST FACILITIES (PIPELINE NETWORK AND DEPOTS) AS AND WHEN REQUIRED FOR A PERIOD OF TWO (2) YEARS.	Carol Khumalo

Closing date and time: 09 November 2021 at 10:00am

Closing address:

**THE SECRETARIAT
TRANSNET DIVISIONAL ACQUISITION COUNCIL
GROUND FLOOR TENDER BOX, OFFICE BLOCK FOYER, TRANSNET PIPELINES
202 ANTON LEMBEDE STREET, DURBAN, 4001**

Name of Respondent: _____

Contact details of Respondent: _____

Return address of Respondent: _____

Please note that this RFP closes punctually at **10h00 on Tuesday, 09 November 2021.**

If responses are not delivered as stipulated herein, such responses will not be considered and will be treated as "NON-RESPONSIVE" and will be disqualified.

No email or facsimile responses will be considered, unless otherwise stated herein.

INSTRUCTIONS FOR COMPLETING THE RFP

- Sign one set of original documents [sign, stamp and date the bottom of each page]. This set will serve as the legal and binding copy. A duplicate set of documents is required. This second set must be a copy of the original signed Proposal. A CD copy of the full tender document must also be submitted with the required hard copies.
- Both sets of documents are to be submitted to the address specified in paragraph 3 above.
- **All returnable documents tabled in Part T2: Returnable documents must be returned with your Proposal.**
- All envelopes must reflect the return address of the Respondent on the reverse side.

The Tenderer is also required to submit with his tender:

- **A TCS PIN issued by the South African Revenue Services to verify Tenderers compliance status.**
- A **valid and original B-BBEE certificate or a certified copy thereof** from a Verification Agency accredited by the South African Accreditation System [SANAS], or a **sworn affidavit** confirming annual turnover and level of black ownership in case of all EMEs and QSEs with 51% black ownership or more together with the tender;
- Proof of registration on the Central Supplier Database;
- Tenderer are required to self-register on National Treasury's Central Supplier Database (CSD) which has been established to centrally administer supplier information for all organs of state and facilitate the verification of certain key supplier information. The CSD can be accessed at <https://secure.csd.gov.za/>. Tenderer are required to provide the following to Transnet in order to enable it to verify information on the CSD:
- Supplier Number..... and Unique registration reference number.....(Tender Data)
- Letter of Good Standing with the Workmen's compensation fund by the tendering entity or separate Letters of Good Standing from all members of a newly constituted JV.

Note: Refer to Section T2.1 for List of Returnable Documents

6. TENDER EVALUATIONS

In terms of the Preferential Procurement Policy Framework Act (PPPFA) of 2000,

technical/functionality at pre-qualification stage. The proposal is evaluated on price and preference (B-BBEE)

The tender evaluation procedure and steps were discussed and explained to the tenderers as follow (these are also clearly stated in the tender document):

Step 1 – Test for administrative responsiveness - check that the bid was lodged on time, and that all returnable documents and schedules have been completed and returned by the closing time and date.

Step 2 – Test of substantive responsiveness - check that all pre-qualification criteria set by Transnet has been met, verify the validity of all returnable, confirm that the bid contains a signed offer and that the bid is materially compliant with the scope and specifications.

Step 3 – **Functionality pre-qualification criteria of an Overall Threshold of 60% for all Technical Criteria and Functionality Requirements.** Compulsory technical As prescribed in terms of the Preferential Procurement Policy Framework Act (PPPFA), Act 5 of 2000 and its Regulations, Respondents are to note the following:

- The minimum number of evaluation points for functionality is: **60**
- The procedure for the evaluation of responsive tenders is Functionality, Price and Preference:
- **Only those tenderers who attain the minimum number of evaluation points for Functionality will be eligible for further evaluation, failure to meet the minimum threshold will result in the tender being disqualified and removed from any further consideration.**
- Price and preference evaluation is in accordance with the **90/10** preference points systems as described in Preferential Procurement Regulations 6 and 7. whereby **90 points is awarded where the financial value of one or more responsive tenders received have a value equal to or above R50 million, inclusive of all applicable taxes, Should the BBBEE rating not be provided, tenderers with no verification will score zero points for preferencing**

Functionality Criteria

The functionality criteria and maximum score in respect of each of the criteria are as follows:

The test for the Technical and Functional threshold will include the following Criteria	Weightings	RFP Reference
Environmental Spill Containment and Recovery Procedure	15	Part T2.2-20
Availability of equipment	10	Part T2.2-21
Company Previous Experience with Hydrocarbon Spills	30	Part T2.2-22
Health and Safety Requirements	5	Part T2.2-23
Management and CV's of Key People	20	Part T2.2-24
Geographical Footprint	20	Part T2.2-25
Total Weighting:	100	
Minimum qualifying score required:	60	

The minimum overall qualifying for score for functionality as covered in Returnable Schedules T2.2-19, T2.2-20, T2.2-21, T2.2-22, T2.2-23, T2.2-24 and T2.2-25 shall be 60 points out of 100. Any tenderer that fails to obtain the minimum qualifying score for functionality will be regarded as an unacceptable tender. Only those tenderers who obtain the minimum qualifying score for functionality will be evaluated further in terms of price and the applicable preference point system.

Step 4 – The **90/10** preference point system shall apply as the estimated cost of the Works exceeds R50 000 000.00. Evaluation and final weighted scoring – Price 90 / B-BBEE 10.

Step 5 – Post tender negotiations with either one or more tenderers.

Tenderers were referred to tender document Part T2.1 for List of Returnable schedules. Tenderers are to ensure all returnable documents are signed and returned with their tender and that all required information requested in the returnable is submitted.

Carol Khumalo

7. **TECHNICAL SCOPE**

Background

Transnet Pipelines, a division of Transnet Limited, owns, operates and maintains approximately 3 100 km of underground liquid and gas pipelines traversing KwaZulu-Natal, Gauteng, Free State, Mpumalanga and North West Provinces

TPL (Employer) have been experiencing an increase in spill incidents caused mainly by pipeline theft incidents or attempted pipeline theft incidents. In the process of the illegal connections being made and the siphoning of fuel, product spills onto the surrounding environment creating contamination.

TPL's Emergency Response Plan in the 3 main work areas namely:

- Contain & Recover work area,
- Site Contamination Assessment work area,
- And Remediation & Rehabilitation work area.

This Service Information is restricted to the Contain and Recover work area where the end deliverable shall be sites where the spilled free phase product has been contained and recovered from the environment.

Employer's Objective

The Employer's main objective is to effectively and efficiently respond to hydrocarbon spill incidents and to contain and recover spilled product from its pipeline network and associated infrastructure for the

- KwaZulu Natal and Free State facilities (including depots and pump stations)
- Gauteng, Mpumalanga and North West facilities (including depots and pump stations)

The Employer is obliged to take reasonable measures to prevent or remedy significant pollution or degradation of the environment, in terms of environmental legislation. The provision of an emergency response service demonstrates the Employer's duty of care and of being an environmentally responsible organization committed to remedying the effects of environmental pollution.

As a part of the Employer's objective, is the intention to enter into an NEC Termed Services

Contract (TSC) with a Contractor to respond to hydrocarbon spill incidents and to contain and recover spilled product from its operations that has the potential to cause significant harm and risk to human health and the environment.

Scope of Services

The *Scope of Services* is to provide an emergency spill response to hydrocarbon spills and or leak incidents, and to contain and recover spilled product and is to be divided into two broad stages as follows:

Stage 1 - Emergency Response and Spill Stabilisation

- Based on an emergency response to the spill notification and subsequent spill stabilisation. The spill stabilisation will include for product containment and recovery as a part of the scope.
- The Emergency response effort shall be based on one of the 3 task types or categories.
- In instances where additional resources outside the tasks listed should be required, the scope has made provision for such additional resources to be mobilised.

The spilled product containment is categorised based on the size of the spill where the duration of the containment varies depending on the categorisation of the spill incident as follows:

- **Task 1 Emergency Response**, where the Emergency Response team shall respond to the containment of a small spill incident where the Emergency Response Team's effort will realise the spill containment within 80 hours from incident notification to spill containment.
- **Task 2 Emergency Response**, where the Emergency Response team shall respond to the containment of a medium spill incident, where the Emergency Response Team's effort will realise the spill containment within 96 hours from incident notification to spill containment.
- **Task 3 Emergency Response**, where the Emergency Response team shall respond to the containment of a large spill incident, where the Emergency Response Team's effort will realise the spill containment within 144 hours from incident notification to spill containment.

Stage 1 shall include for the following scope items:

- Incident Notification,
- Emergency response team deployment,
- Emergency response team spill site orientation and establishment
- Spill site stabilisation and containment including:
 - Exposing of the rupture point for repair,
 - Excavation of test pits,
 - Excavation of cut-off trenches,
 - Construction of earth berms,
 - Damming and diking,
 - Deployment of booms, under over systems, etc.,
 - Recovery of spilled product.
- Emergency response team demobilisation.

ALL

Stage 2 – Continuation of Spilled Product Recovery

- The stage 2 will comprise of the continuation of the recovery of spilled product and will be effected by a new / separate *Service Manager Instruction* after the spill is stabilised during stage 1.
- Stage 2 shall include for the following scope items:
 - Develop a response plan for stage 2 – continuation of spilled product recovery,
 - Stage 2 spilled product recovery team deployment,
 - Additional excavation for exposing the pipeline and preventing pipeline contact with contaminated soil,
 - Continuation of the recovery of spilled product,
 - Transportation of recovered product to the *Employer's* facilities,
 - Spilled product recovery team demobilisation,
 - Weekly progress reporting,
 - Containment and recovery close out reporting.

8. CONTRACT DATA

Form of Offer and Acceptance

Form of Offer must be completed and signed, as it is a compulsory document. However this is a cost reimbursable contract option E so there is no need to put a price there but the offer must be signed indicating that a formal offer has been made.

NEC3 Contract and Options

The contract used for this project will be the NEC3 Term Services Contract (TSC) with Option E (Cost reimbursable Contract). A task order will be issued for each task/order to the Service provider to execute a specific Scope.

Secondary Options

Secondary options clauses:

W1 – Dispute Resolution Procedure,
 X1 – Price adjustment for inflation,
 X2 – Changes in the Law,
 X7 – Low Service Damages ,
 X18 – Limitation of liabilities
 X19 – Task Order ,
 Z Clauses

11.2(14)	The following matters will be included in the Risk Register	• Working on National Key Point Sites • Working in a petro-chemical environment • Working on sites where there are other contractors executing work • Working in close proximity and/or over buried services that are not owned by Transnet • Working under overhead Power lines and other overhead infrastructure. • Working in built up areas (Residential, commercial and Industrial)
----------	---	---

11.2(15)	The Service Information is in	Part C3.1: The Service Information
----------	-------------------------------	---

12.2	The <i>law of the contract</i> is the law of	The Republic of South Africa subject to the jurisdiction of the Courts of South Africa.
------	--	--

13.1	The <i>language of this contract</i> is	English
------	---	----------------

13.3	The <i>period for reply</i> is	2 weeks.
------	--------------------------------	-----------------

2	The Parties main responsibilities	(If the optional statement for this section is not used, no data will be required for this section)
----------	--	---

21.1	The <i>Contractor</i> submits a first plan for acceptance within	1 week of receiving instruction from <i>Service Manager</i>
------	--	--

21.2	The Employer provides access to the Contractors	To be identified per Task Order
------	---	--

ESCALATION

Submission of prices is fixed for the first 12 months, thereafter prices will be subject to escalation base dated to Jan 2022 in accordance with escalation provided in Contract Data

12 Data for secondary Option clauses

X1	Price adjustment for inflation	Fixed Price for duration of 12 Months, thereafter applicable escalation applied
-----------	---------------------------------------	--

X1.1	The <i>base date</i> for indices is	January 2022
------	-------------------------------------	---------------------

PRICING DATA

Stage 1 – Emergency Response and Spill Stabilisation

- The *Contractor* will be notified by the *Service Manager* as to whether the incident is a small, medium or large spill and will deploy the relevant resources and Equipment in accordance with the Tasks set out in tables below.
- During Stage 1, the *Service Manager's* team will inform the *Contractor* of the extent of the incident and instruct the *Contractor* to deploy the relevant resources as specified in Task 1, 2 or 3.
- The duration prescribed in Stage 1 Tasks may be extended based on the severity and/or complexity of the incident or any other reason as notified by the *Service Manager*. Should the *Service Manager* extend the duration of the Stage 1 Task, the *Service Manager* may increase or decrease the number of People and Equipment as required by the incident.
 - Due to the unknown location of the sites, the *Contractor* will be compensated for the hours allocated in Stage 1 Task from the time of dispatch of People and Equipment ie: the allocated hours include for the travel of people and Equipment to the incident.

Stage 2 – Continuation of Spill Product Recovery

- During phase 1, the *Service Manager* will assess the extent of the contamination and product recovery required and compile a task list. The *Service Manager* will instruct the *Contractor* to provide a Price and *Contractors' Plan* for the Phase 2 Task (s) derived from the Price List (Table 1).
- Should the *Contractor* fail to complete the Task Order within the specified time, the *Service Manager* will impose penalties in accordance with X17.1 of Contract Data.

The *Contractor* may not add or reduce and resources without instruction from the *Service Manager*.

Rates for vehicles are all inclusive of fuel, maintenance, and any other indirect costs

Rates quoted in the tender for people are deemed to include for the following:

- All direct and indirect charges (overheads and profit).
- Personal protective equipment.
- Small tools and minor consumables.

All travel and travel costs will start and end at the nearest depot of the *Contractor* to the incident site. Should further equipment and vehicles be required in excess of what is available at nearest depot, the *Contractor* is to mobilise vehicles and equipment from the next nearest available depot.

Hydrocarbon response trailer to contain a minimum (but not limited to) of the following:

- Fire extinguisher
- First Aid kit
- Perma booms
- Absorbent booms
- Absorbents
- 3" Air operated diaphragm pump including compressor
- petroleum hoses (with 3 inch couplings and fittings)

Rate to include the utilisation of equipment in hazmat trailer

The *Contractor* to ensure all vehicles are equipped with GPS based tracking system which will enable the *Contractor* to substantiate vehicle travel log with information supplied by tracking system.

Should the incident not require the full complement of People and Equipment in Phase 1 & Phase 2, the *Service Manager* and Contractor may agree to remove underutilised People and/or Equipment off site and adjust the Price accordingly.

Should the Contractors equipment be idle for prolonged periods of time, the dry rate for Equipment will be applied, as instructed by the *Service Manager*.

All materials and/or items purchased by the Contractor (and Approved by *Service Manager*) will be reimbursed by the Employer (supported by proof of purchase) with the applicable fee percentage in the Contract Data

TASK 1 – SMALL SPILL**Based on 24hr working day**

ITEM	DESCRIPTION	UNIT	RATE	DURATION	AMOUNT
	PEOPLE				
1.01	Incident Commander	Hr	R	20	R
1.02	HAZMAT Responder	Hr	R	80	R
1.03	HAZMAT Safety Officer	Hr	R	80	R
1.04	HAZMAT Technician	Hr	R	80	R
1.05	HAZMAT Assistant x 5 (note rate is for 5 assistants per hour)	Hr	R	80	R
1.06	Security Guard x 2 (rate is for 2 guards per hr) – Day shift (12hr)	Hr	R	80	R
1.07	Security Guard x 2 (rate is for 2 guards per hr) – Night shift (12hr)	Hr	R	80	R
	EQUIPMENT				R
1.08	Light Duty Vehicle (LDV) 4X4 Double Cab	Hr	R	80	R
1.09	4 ton Truck – Wet rate	Hr	R	80	R
1.10	Hydro Carbon Response trailer	Hr	R	80	R
1.11	Heavy Duty vacuum sucker (super sucker) (incl operator and assistant) – Wet Rate	Hr	R	80	R
1.12	30 000L Road Tanker (incl driver)– Wet Rate	Hr	R	80	R
1.13	TLB 4x4 (inc operator)– Wet Rate	Hr	R	80	R
1.14	10 000L Jojo tank	Hr	R	80	R
1.15	Portable Guard House	Day	R	3	R
1.16	Mobile Toilet	Day	R	3	R

TASK 2 – MEDIUM SPILL

Based on 24hr working day

ITEM	DESCRIPTION	UNIT	RATE	DURATION	AMOUNT
PEOPLE					
2.01	Incident Commander	Hr	R	40	R
2.02	HAZMAT Safety Officer	Hr	R	96	R
2.03	HAZMAT Responder	Hr	R	96	R
2.04	HAZMAT Technician 1	Hr	R	96	R
2.05	HAZMAT Technician 2	Hr	R	96	R
2.06	HAZMAT Assistant x 10 (note rate is for 10 assistants per hour)	Hr	R	96	R
2.07	Security Guard x 2 (rate is for 2 guards per hr) – Day shift (12hr)	Hr	R	96	R
2.08	Security Guard x 2 (rate is for 2 guards per hr) – Night shift (12hr)	Hr	R	96	R
EQUIPMENT					
2.09	Light Duty Vehicle (LDV) 4X4 Double Cab	Hr	R	96	R
2.10	4 ton Truck – Wet rate	Hr	R	96	R
2.11	Hydro Carbon Response trailer	Hr	R	96	R
2.12	14 seater people carrier	Hr	R	96	R
2.13	Heavy Duty vacuum sucker (super sucker) (incl operator and assistant) – Wet Rate	Hr	R	96	R
2.14	30 000l Road Tanker (incl driver)– Wet Rate	Hr	R	96	R
2.15	TLB 4x4 (inc operator)– Wet Rate	Hr	R	96	R
2.16	10 000L Jojo tank	Hr	R	96	R
2.17	Portable Guard House	Day	R	4	R

9. GENERAL/ QUESTIONS AND ANSWERS

Bidders were requested to submit their Questions raised at this briefing in writing for TPL to respond adequately and these will be issued to all bidders in TPL clarification form. Some of the clarification questions received prior to meeting and during the meeting are as per clarifications register attached:

10. Communication Procedure

- Respondents are warned that a Proposal will be liable to disqualification should any attempt be made by a Respondent either directly or indirectly to canvass any officer or employee of Transnet in respect of this RFP between the closing date and the date of the award of the business.
 - For specific queries relating to this RFP, an RFP Clarification Request Form should be submitted before **12h00 on Monday, 01 November 2021**. In the interest of fairness and transparency, Transnet's response to such a query will then be made available to the other Respondents who have collected RFP documents.
 - After the closing date of the RFP, a Respondent may only communicate with the Secretariat of the Divisional Acquisition Council, **Sanelisiwe Zuma**, email sanelisiwe.zuma@transnet.net or phone number **031 361 1363** on any matter relating to its RFP Proposal.
- **Respondent found to be in collusion with one another will be automatically disqualified and restricted from doing business with Transnet in the future.**

11. Bid Closing Date

The closing date for the bid is **09 November 2021 at 10h00**. It was stressed that tenderers are to ensure that they submit their bids on time as late bids will not be accepted. The Tender Box is located at the ground level inside the Main office entrance of 202 Anton Lembede (Smith) street and is only accessible to the public from 07h30 to 16h00, Mondays to Fridays.

Closing

Meeting was closed at 13h30.

Complied By:



Carol Khumalo
Procurement Manager
Date: 03/11/2021