

TRANSNET FREIGHT RAIL,
a division of **TRANSNET SOC LTD**

Registration Number 1990/000900/30
[hereinafter referred to as **Transnet**]

ADDENDUM 1

REQUEST FOR PROPOSAL [RFP] SIC23009CIDB (HOAC FDT 41526)

MAINTENANCE OF RAILWAY TRACK WITH ON-TRACK BALLAST REGULATING MACHINE FOR NORTH CORRIDOR FOR A PERIOD OF 30 DAYS

RFP NUMBER	: SIC23009CIDB (HOAC FDT 41526)
ISSUE DATE	: 31 MAY 2023
CLARIFICATIONS	: 09 JUNE 2023
CLOSING DATE & TIME	: 15 JUNE 2023 @10h00 am
TENDER VALIDITY PERIOD	: 12 WEEKS FROM CLOSING DATE (07 SEPTEMBER 2023)

Transnet SOC Ltd	138 Eloff Street	P.O. Box 72501
Registration Number	Braamfontein	Parkview, Johannesburg
1990/000900/30	JOHANNESBURG	South Africa, 2122
	2000	

Directors: Dr PS Molefe (Chairperson) PPJ Derby* (Group Chief Executive) UN Fikelepi ME Letlape DC Matshoga Prof FS Mufamadi AP Ramabulana GT Ramphaka LL von Zeuner
NS Dlamini* (Group Chief Financial Officer)
*Executive

Group Company Secretary: Ms S Bopape

www.transnet.net

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TRANSNET HAS A 'ZERO GIFTS' POLICY. NO EMPLOYEE IS ALLOWED TO ACCEPT GIFTS, FAVOURS OR BENEFITS

PURPOSE OF THE ADDENDUM:

1. To inform bidders of the additional documents made to RFP Reference: SIC23009CIDB (HOAC FDT 41526)
 - There has been an omission of PART C2: PRICING DATA.

BACKGROUND:

2. Transnet is calling for proposals from experienced service providers with a proven track record for the provision of Maintenance of railway track with on-track ballast regulating machine.
3. The contract shall be inclusive of maintenance of track with on-track ballast regulating machine, including all necessary operators, maintainers, consumables, support services and equipment necessary for execution of the work according to the full meaning and the intent of the contract. The ballast regulator must be capable of at least handling the workload as outlined in the Bill of quantities

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TRANSNET FREIGHT RAIL
 ENQUIRY: SIC23009CIDB (HOAC FDT 41526)
 DESCRIPTION OF THE SERVICES: MAINTENANCE OF RAILWAY TRACK WITH ON-TRACK BALLAST REGULATING
 MACHINE FOR NORTH CORRIDOR FOR A PERIOD OF 30 DAYS

PART C2: PRICING DATA

	POSITION	NAME & SURNAME	DATE	SIGNATURE
Compiled by:	<i>Depot Contract Manager</i>			
Reviewed by:	<i>Senior Contract Manager</i>			

Document reference	Title	No of pages
C2.1	Pricing instructions	2 - 5
C2.2	Price Lists	6

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;

- 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 in order 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 as a result 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) a fixed 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



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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).

- 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.

The basis of payment of this contract is the final linear kilometre regulated or profiled.

4.1 ITEM 1.1

(Final km regulated as per the schedule of quantities) km per the SOQ

Payment for operation of the machine with standard equipment will be to regulate sections of the track:

Monthly payment = [Final km regulated to spec x {rate for item 2.1}]

(Final Km regulated refers to a km of track that has been profiled on both sides of the track as well as the centre of the track and the track has been broomed as well).

If only one of these three profiling functions is required on the track, then the total distance profiled will be divided by 3 to calculate the final Km regulated. $\{(km1+km2+km3)/3\}$. This item will be subject to clause X17 low service damages.

4.2 ITEM 1.2

The additional km will only be paid once the final tendered km's has been reached and additional work is required.

4.3 ITEM 2.1

Only approved overtime agreed between the Project Manager, Depot and *Contractor* shall be paid. No overtime shall be paid due to *Contractor* related issues i.e. productivity related or *Contractor* working extra hours to catch-up on daily targets and availability.

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

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4.4 ITEM 2.2

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

Overtime payment will also be made for work performed on a Saturday shift day when work is performed in excess of 8 hours for the day.

Only To occupation time allocated will be considered for the calculation of overtime. This implies excluding preparation time outside of To time.

4.6 ITEM 2.3

Sunday time 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 days or in excess of 10 consecutive days out of every 14 days.

Sunday time payment will also be made for work performed on a Sunday shift day when work is performed in excess of 8 hours for the day.

Only To occupation time allocated will be considered for the calculation of overtime. This implies excluding preparation time outside of To time.

4.7 ITEM 3.1

A shift allowance payment will be made for work performed on a Saturday when working five days out of every seven days or ten days out of every fourteen days.

4.8 ITEM 3.2

A shift allowance payment will be made for work performed on a Sunday or Paid Public Holiday when working five days out of every seven days or ten days out of every fourteen days.

4.9 ITEM 3.3

A night shift allowance payment will be made when an 8 hour occupation or part thereof falls between 18h00 and 06h00.

4.10 ITEM 4

This item shall also be used for any required and approved day labour. (Refer applicable clause of Part C3/A for additional preparation work). The rate shall be for additional labour inclusive of all the tools needed, supervision and transport. All additional preparation work must be approved by the *Service Manager*.

4.11 ITEM 5

Payment will be made per track kilometre for moving the machinery between work site and work site (See definition of moving time – Contract Data 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 Locomotive.

NB: The quantities indicated in the Price List are estimated and not guaranteed to the contractor.

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C2.2 the *price list*

SIC23009CIDB (HOAC FDT 41526)

Machine Category:

Ballast Regulating Machine Service – General Freight Business and Heavy Haul Business

Work Package:

Number of Machine Service Packages Required = **6**

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

PRICE LIST					
Item	Description	Qty	Unit	Rate	Amount
1	Final Km Regulated				
1.1	Final Km Regulated	120	Km		
1.2	Additional Final Km regulated	30	Km		
2	Overtime				
2.1	TOM > 8 Hrs Weekdays (Monday - Friday)	50	Hour		
2.2	Weekend Saturday > 8 Hrs	12	Hour		
2.3	Weekend Sunday & PPH	12	Hour		
3	Shift Allowance				
3.1	Sat when 10 out of 14/ 5 out of 7	12	Hour		

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3.2	Sunday & PPH	12	Hour		
3.3	Night shift 18h00 - 06h00	10	Hour		
4	Labour rates				
4.1	Artisan	provisional	Day		
4.2	Skilled labour	provisional	Day		
4.3	Unskilled labour	provisional	Day		
5	Moving Machine	2000	Km		
TOTAL AMOUNT (EXCLUDING VAT)					R

NB: BIDDERS ARE REQUIRED TO PROVIDE THE COMPLETE NUMBER OF MACHINES FOR BALLAST REGULATOR.

NUMBER OF MACHINES REQUIRED: SIX (6)

NOTE: THE PRICING LIST ABOVE IS EXPECTED TO REFLECT THE PRICING OFFER PER BALLAST REGULATOR MACHINES

STIPULATE THE NUMBER OF MACHINES BEING BID FOR..... (ENTER NUMBER HERE)

Bidder's Signature