

PART C2: PRICING DATA

C2.2 Price List

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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) Item based pricing with applicable rates based on estimated volumes of work provided in the Price list

In this regard the tendering contractor is required to propose the relevant rates for the defined parameters of works for items 1 to 7 of the Price List (as further described in paragraphs 4.2 to 4.5 below).

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).
- 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)**.

The basis of payment of this contract is the **final kilometres inspected**

Production Items

4.1 Item 1.1 – Establishment Cost

The purpose of the establishment payment is for the once off establishment of mobile accommodation facilities to cater for all operation and support staff undertaking the service.

These payments will be made with the work done payment(s). No payment will be made separately for this item if there is no work done in the month.

4.2 ITEM 2: kilometre inspected

Payment for a Standard kilometre inspected shall be made per machine. This rate shall include for the full-time availability of the machine including the provision and maintenance of the machine in full operational condition and including all maintenance and support staff and fuels.

All time and productivity records and calculations shall be recorded on every month's payment calculations to monitor time allowed for the contractor to achieve the required output. 60% of these quantities shall be guaranteed.

NB: This item will be subjected to clause X17 of the contract data

Machine Overtime

4.3 ITEM 3.1 Normal Overtime

Payment will be made for Overtime hours outside Tom of 8 hours per day.

4.4 ITEM 3.2 Saturday overtime

Payment will be made for Saturday overtime when in excess of 5 out of 7 or 10 out of 14 days.

4.5 ITEM 3.3 Sunday PPH & Overtime

Payment will be made Sunday & Paid Public Holiday overtime when in excess of 5 out of 7 or 10 out of 14.

Machine Shift allowance

4.6 ITEM 4.1 Saturday Shift

Payment will be made for Saturday shift when working 10 out of 14 days.

4.7 ITEM 4.2 Sunday Shift

Payment will be made for Sunday & PPH shift when working 10 out of 14 days.

4.8 ITEM 4.3 Night Shift

Payment will be made for night shifts between 19h00 and 05h00.

4.9 ITEM 4.4 Emergency Shift

Payment will be made for emergency working in excess of 5 out of 7 or 10 out of 14 days.

5.0 **ITEM 5: Data imports**

Payment will be made for data reports imported into the *Employer's* asset management system. Payment will be paid per hour regardless of the number of reports imported. If no imports are made on a day, no payment will be made for that day or days. If imports are made with errors, no payment will be made.

5.1 **ITEM 6: Travel by road**

Movement by road will be paid for per km travelled along the shortest route between work sites. The shortest route could be a combination of tar and gravel roads. Refer to clause 6.5 of the service information.

C2.2 the price list

Service Category:

Ultrasonic Rail Flaw Detection Measuring Machines Services

Work Packages:

Number of Machine Service Packages Required = 2

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

Item no.	Description	Unit of Measure	Estimated Quantity	Rate	Total Cost
1	Establishment				
1.1	Establishment Cost	Each	2		
2	Kilometre Inspected	Km	64 969		
3	Machine overtime				
3.1	Overtime hours outside Tom of 8 hours per day	Hour	120		
3.2	Saturday overtime when in excess of 5 out of 7 or 10 out of 14 days	Hour	28		
3.3	Sunday & PPH overtime when in excess of 5 out of 7 or 10 out of 14	Hour	28		
4	Machine shift allowance				
4.1	Shift payment for Saturday when working 10 out of 14 days	Hour	768		
4.2	Shift payment for Sunday & PPH when working 10 out of 14 days	Hour	768		
4.3	Night shift payment for night shifts between 19h00 and 05h00	Hour	16		
4.4	Emergency shift payment for working in excess of 5 out of 7 or 10 out of 14 days	Hour	16		
5	Data imports into IAMM/other system	Day	960		
6	Travel by road	Km	43515		

The total of the Prices for one (1) work package =
Item 1.1 + Item 2+ Item 3.1+Item 3.2+Item 3.3+Item 4.1+Item 4.2+Item 4.3+Item 4.4+Item 5+Item 6

Stipulate the number of Ultrasonic Defect Detection Measuring 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.