



NEC3 Term Service Contract (TSC3)

Transnet Limited

(REGISTRATION NO.1990/000900/06)

trading as

Transnet Freight Rail

RFP No. S.I.W. 10024

TENDER FOR THE CHEMICAL CONTROL OF ALL VEGETATION BY MEANS OF HERBICIDES APPLIED BY AN ON-TRACK MECHANISED METHOD ON TRANSNET PROPERTY (OPEN LINES) IN THE GEOGRAPHICAL AREA CONTROLLED BY THE INFRASTRUCTURE DEPOT: BELLVILLE.

OPENS: 22 August 2011

CLOSES: 13 September 2011 at 10h00



NEC3 Engineering and Construction

Term Service Contract (TSC3)

A contract between Transnet Limited t/a Transnet Freight Rail

and

for **The chemical control of all vegetation by means of herbicides applied by an on-track mechanised method on Transnet property (Open lines) in the geographical area controlled by the Infrastructure Depot: Bellville.**

Contents: Compiled in accordance with CIDB Standard for Uniformity in Construction Procurement (October 2005 amendments)

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Documentation prepared by: **Administrator : Caroline Moerane**

PART T1: TENDERING PROCEDURES

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delivering on our commitment *to you*

Suppliers Code of Conduct

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Suppliers Code of Conduct

Transnet aims to achieve the best value for money when buying or selling goods and obtaining services. This, however, must be done in an open and fair manner that supports and drives a competitive economy. Underpinning our process are several acts and policies that any supplier dealing with Transnet must understand and support.

These are:

- » Transnet Procurement Policy - A guide for tenderers;
- » Section 217 of the Constitution - the five pillars of Public PSCM (Procurement and Supply Chain Management): fair, equitable, transparent, competitive and cost effective;
- » The Public Finance Management Act (PFMA);
- » The Broad Based Black Economic Empowerment Act (BBBEE); and
- » The Anti-Corruption Act.

This code of conduct has been compiled to formally apprise Transnet Suppliers of Transnet's expectations regarding behaviour and conduct of its Suppliers.

Prohibition of Bribes, Kickbacks, Unlawful Payments, and Other Corrupt Practices

Transnet is in the process of transforming itself into a self-sustaining State Owned Enterprise, actively competing in the logistics industry. Our aim is to become a world class, profitable, logistics organisation. As such, our transformation is focused on adopting a performance culture and to adopt behaviours that will enable this transformation.

Transnet will not participate in corrupt practices. Therefore, it expects its suppliers to act in a similar manner.

- » Transnet and its employees will follow the laws of this country and keep accurate business records that reflect actual transactions with, and payments to, our suppliers.



- » Employees must not accept or request money or anything of value, directly or indirectly, from suppliers.

Employees may not receive anything that is calculated to:

- Illegally influence their judgement or conduct or to influence the outcome of a sourcing activity;
 - Win or retain business or to influence any act or decision of any person involved in sourcing decisions; gain an improper advantage.
- » There may be times when a supplier is confronted with fraudulent or corrupt behaviour of Transnet employees. We expect our suppliers to use our "Tip-offs Anonymous" Hotline to report these acts - 0800 003 056.

Transnet is firmly committed to free and competitive enterprise.

- » Suppliers are expected to comply with all applicable laws and regulations regarding fair competition and antitrust practices
- » Transnet does not engage non-value adding agents or representatives solely for the purpose of increasing BBBEE spend (fronting).

Transnet's relationship with suppliers requires us to clearly define requirements, to exchange information and share mutual benefits.

- » Generally, suppliers have their own business standards and regulations. Although Transnet cannot control the actions of our suppliers, we will not tolerate any illegal activities.



These include, but are not limited to:

- Misrepresentation of their product (origin of manufacture, specifications, intellectual property rights, etc);
 - Collusion;
 - Failure to disclose accurate information required during the sourcing activity (ownership financial situation, BBBEE status, etc.);
 - Corrupt activities listed above; and harassment, intimidation or other aggressive actions towards Transnet employees.
- >> Suppliers must be evaluated and approved before any materials, components, products or services are purchased from them. Rigorous due diligence must be conducted and the supplier is expected to participate in an honest and straight forward manner.
- >> Suppliers must record and report facts accurately, honestly and objectively. Financial records must be accurate in all material respects.

Conflict of Interest

A conflict of interest arises when personal interests or activities influence (or appear to influence) the ability to act in the best interests of Transnet. Examples are:

- >> Doing business with family members.
- >> Having a financial interest in another company in our industry.



Show that you support good business practice by logging onto www.transnet-suppliers.net and completing the form.

This will allow us to confirm that you have received, and agree to, the terms and conditions set out in our Suppliers Code of Conduct.

TIP-OFFS ANONYMOUS HOTLINE
0800 003 056

PART T1.2: TENDER DATA

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PART T1: TENDERING PROCEDURES

T1.2 TENDER DATA

The conditions of tender are the Standard Conditions of Tender as contained in Annex F of the CIDB Standard for Uniformity in Construction Procurement. (See www.cidb.org.za) which are reproduced without any amendment or alteration for the convenience of Tenderers as an annex to this Tender Data.

The Standard Conditions of Tender make several references to the Tender Data for details that apply specifically to this tender. The Tender Data shall have precedence in the interpretation of any ambiguity or inconsistency between it and the standard conditions of tender. Each item of data given below is cross-referenced to the clause in the Standard Conditions of Tender to which it mainly applies.

F.1.1 The employer is Transnet Limited trading as Transnet Freight Rail.

F.1.2 The tender documents issued by the employer comprise:

Part T1: Tendering procedures

T1.1 Tender notice and invitation to tender

T1.2 Tender data

Part T2: Returnable documents

T2.1 List of returnable documents

T2.2 Schedules

Part C1: Agreements and contract data

C1.1 Form of offer and acceptance

C1.2 Contract data

C1.3 Performance Bond

C1.4 Adjudicator's contract

Part C2: Pricing data

C2.1 Pricing instructions

C2.2 Price List / Activity Schedule

Part C3: Scope of Service

C3 Scope of service

Part C4: Site information

C4 Site information

F.1.4 The employer's agent is:

Name : Mr. Jan Homan

Address : Desk 2/34, Inyanda House 3

Corner of St. David's and Girton Roads

Parktown

F.2.1.1 ~~Only those tenderers who are registered with the CIDB, or are capable of being so prior to the evaluation of submissions, in a contractor grading designation equal to or higher than a contractor grading designation determined in accordance with the sum tendered for a 8CE class of construction work, are eligible to submit tenders.~~

~~Joint ventures are eligible to submit tenders provided that:~~

- ~~1. every member of the joint venture is registered with the CIDB;~~
- ~~2. the lead partner has a contractor grading designation in the 8CE class of construction work; and~~
- ~~3. the combined contractor grading designation calculated in accordance with the Construction Industry Development Regulations is equal to or higher than a contractor grading designation determined in accordance with the sum tendered for a 8CE class of construction work.~~

F.2.7 The arrangements for a compulsory site meeting are as stated in Part T1.1
Tender Notice and Invitation to Tender.

Confirmation of attendance to be notified at least one full working day in advance to:

Name : Ms. Caroline Moerane

Tel : 011 584 0626

Fax : 011 774 9835

E-mail : caroline.moerane@transnet.net

~~Tenderers must sign the attendance list in the name of the tendering entity. Addenda will be issued to and tenders will be received only from those tendering entities appearing on the attendance list.~~

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F.2.12 If a tenderer wishes to submit an alternative tender offer, the only criteria permitted for such alternative tender offer is that it demonstrably satisfies the Employer's standard, and requirements, the details of which may be obtained from the Employer's Agent.

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Calculations, drawings and all other pertinent technical information and characteristics as well as modified or proposed Pricing Data must be submitted with the alternative tender offer to enable the Employer to evaluate the efficacy of the alternative and its principal elements, to take a view on the degree to which the alternative complies with the Employer's standards and requirements and to evaluate the acceptability of the pricing proposals. Calculations must be set out in a clear and logical sequence and must clearly reflect all design assumptions. Pricing Data must reflect all assumptions in the development of the pricing proposal.

Acceptance of an alternative tender offer will mean acceptance in principle of the offer. It will be an obligation of the contract for the tenderer, in the event that the alternative is accepted, to accept full responsibility and liability that the alternative offer complies in all respects with the Employer's standards and requirements.

The modified Pricing Data must include an amount equal to 5% of the amount tendered for the alternative offer to cover the Employer's costs of confirming the acceptability of the detailed design before it is constructed.

F.2.13.3 Parts of each tender offer communicated on paper shall be submitted as an original, plus **one** copy.

F.2.13.5 The employer's address for delivery of tender offers and identification details to be shown on each tender offer package are:
If delivered by hand, to be deposited in the Transnet Freight Rail Acquisition Council tender box which is located in the foyer on the ground floor, Inyanda house, 21 Wellington Road, Parktown, Johannesburg and addressed as follow:

- i) The Chairperson
Transnet Freight Rail Acquisition Council
Inyanda House
21 Wellington Road
Parktown
Johannesburg
2001

It should also be noted that the above tender box is accessible to the public 24 hours per day, 7 days a week. The measurements of the "tender slot" are 500mm wide x 100mm high, and Tenderers must please ensure that tender documents/files are not larger than the above dimensions. Tenders, which are too bulky (i.e. more than 100mm thick) must be split into two or more files, and placed in separate envelopes.

- ii) If posted, the envelope must be addressed to:

The Chairperson
Transnet Freight Rail Acquisition Council
P O Box 4244
Johannesburg
2000

and must be despatched in time for sorting by the Post Office to reach the Post Office Box indicated above, before the closing time of the tender. In the event of the late receipt of a tender, the Tenderer's franking machine impression will not be accepted as proof that the tender was posted in time.

- iii) **Identification details**

Tenders must be submitted before the closing hour on the date as shown in F2.15 below, and must be enclosed in a sealed envelope which must have inscribed on the outside:

- (a) Tender No
- (b) Description of work
- (c) Closing date of tender

- F.2.13.6 A two-envelope procedure will not be followed.
- F.2.15 The closing time for submission of tender offers is **as stated in the Tender Notice and Invitation to Tender.**
- F.2.15 Telephonic, telegraphic, facsimile or e-mailed tender offers will not be accepted.
- F.2.16 The tender offer validity period is **12 weeks.**
- F.2.23 The tenderer is required to submit the following certificates with his tender:
A original and valid Tax clearance certificate issued by the South African Revenue Service and BBBEE certificate issued by an outside accredited authority.
- F.3.4 The time and location for opening of the tender offers are:
Time 10:15 on the closing date of tender.
Location: TableG66 & 69, West Wing, Ground Floor, Inyanda House, 21 Wellington Road, Parktown, Johannesburg
- F.3.11.1 The procedure for the evaluation of responsive tenders is **Method 4**
The score for quality is to be calculated using the following formula:
$$W_Q = W_2 \times S_0 / M_S$$

Where W_2 is the percentage score given to quality and equals **60**
 S_0 is the score for quality allocated to the submission under consideration
 M_S is the maximum possible score for quality in respect of a submission
The score for financial offer is calculated using Formula **2 (option 2)**
Where W_1 is the percentage score given to financial offer and equals **100 minus W_2 .**
The score for quality and financial offer is to be combined, before the addition of the score for preference, as follows:
$$W_C = W_3 \times \left(1 + \frac{S - S_m}{S_m}\right)$$

Where W_3 is the number of tender evaluation points for quality and financial offer and equals:
90 where the financial value, VAT inclusive, of all responsive tenders received have a value in excess of R2,000,000.00 or
 S is the sum of score for quality and financial offer of the submission under consideration

S_m is sum of the score for quality and financial offer of the submission scoring the highest number of points

Up to 100 minus W_3 tender evaluation points will be awarded to Tenderers who complete the preferencing schedule and who are found to be eligible for the preference claimed.

F.3.11.3 Only those Tenderers who score a minimum score of **60 points** in respect of the following quality criteria are eligible to submit tenders.

Description of quality criteria and sub criteria			Maximum number of tender evaluation points
Commercial	Financial Capacity and price	100%	
Technical/Quality criteria:	Detailed method of working	30%	%
	Safety (Safety Clauses and Questionnaire)	5%	
	Risk/Environmental Management/Integrated Management System	5%	
	Compliance to specifications	40%	
	Experience/ability relevant to scope of works	10%	
	Sufficient resources	10%	
	Supplier/Enterprise development	Submission of SD/ED Strategy	
Quality of SD/ED Strategy			
Skills Development		20%	
Small Business Promotion		20%	
Rural Development		20%	
Job Creation/Preservation		20%	
Total evaluation points for quality (W_Q)			100

Criteria to be evaluated on the following scales:

a) Non-compliance	=	0
A detrimental response/answer/solution	=	1 - 20
Less than acceptable	=	21 - 40
Acceptable response/answer/solution	=	41 - 60
Above acceptable	=	61 - 80
Excellent	=	81 - 100

F.3.13.1 Tender offers will only be accepted if:

- a) The Tenderer has in his or her possession an original valid Tax Clearance Certificate issued by the South African Revenue Services or has made arrangements to meet outstanding tax obligations.
- b) The Tenderer or any of its directors is not listed on the Register of Tender Defaulters in terms of the Prevention and Combating of Corrupt Activities Act of 2004 as a person prohibited from doing business with the public sector.
- c) The Tenderer has not:
 - i) abused the Employer's Supply Chain Management System; or
 - ii) failed to perform on any previous contract and has been given a written notice to this effect; and
- d) has completed the Compulsory Enterprise Questionnaire and there are no conflicts of interest which may impact on the Tenderers ability to perform the contract in the best interests of the employer or potentially compromise the tender process
- e) The tenderer must meet the legal requirements in terms of herbicide application as spelt out in the Fertilizers, Farm Feeds and Agricultural Remedies and Stock Remedies Act, Act 36 of 1947, i.e.,
 - i) have sufficient Pest Control Operators to supervise the Works
 - ii) That herbicidal products proposed are legally compliant for the intended use as specified in the Works.

F.3.18 The number of paper copies of the signed contract to be provided by the employer is **one**.

The additional conditions of tender are:

- 1 The Tenderer is deemed to have satisfied himself before tendering as to the correctness and sufficiency of his tender for the *Works* and of the rates and prices stated in the priced Price List in the *Works* Information. The rates and prices (except in so far as otherwise provided in the Tender) collectively cover full payment for the discharge of all his obligations under the Contract and all matters and things necessary for the proper completion of the *works*.
- 2 Notwithstanding what is stated in Pricing Data, Tenderers are required to tender for **all** the areas quoted in the Price List.
- 3 Transnet Freight Rail may conclude one or more contracts as a result of this tender.

Deleted: SUPPLIER DEVELOPMENT (SD) / ENTERPRISE DEVELOPMENT (ED).¶

¶ Transnet's SD/ED Objective¶

¶ Transnet's short-term Supplier Development and Enterprise Development objective is to align their SD/ED initiatives with their B-BBEE Strategy in order to achieve the maximum score on the B-BBEE Scorecard.¶

¶ Transnet's long-term objective as defined by the Enterprise Development vision, is to leverage medium to large suppliers, as external agents, to influence downstream ED opportunities within the greater Transnet supply chain, focusing on Rolling stock, Port Equipment and Infrastructure etc.¶

¶ Focus SD/ED Area's¶

A focus will be on providing small businesses with opportunities and preferential trading terms.¶

Empowering HDI's to create their own business resulting in quality job creation.¶

Consider SD/ED strategy which should include financial and non financial assistance to downstream suppliers as well as skills development.¶

¶ Respondents are requested to provide TFR with their Supplier Development (SD) / Enterprise Development strategy as well as providing details of:¶

Job Preservation¶

Job Creation¶

Skills Development¶

Rural Development¶

Small Business Promotion¶

¶ should they be successful with this tender. As part of the proposal, the respondent will need to include a high level SD/ED proposal which will be subject to evaluation as per the ED evaluation criteria. The successful respondent/tenderer must submit a more detailed SD/ED plan within 60 days of award of contract.¶

¶

PART T2: RETURNABLE DOCUMENTS

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PART T2: RETURNABLE DOCUMENTS

T2.1 LIST OF RETURNABLE DOCUMENTS

The tenderer must complete the following returnable documents:
(Tender will be disqualified if all returnable documents and schedules are not returned)

1 Returnable Schedules required for tender evaluation purposes

No	Returnable schedules (All are to be submitted)
1	Record of Addenda to Tender documents
2	Certificate of authority for joint ventures (where applicable)
3	Labour Payment Schedule
4	Proposed amendments and qualifications
5	Curriculum Vitae of key personnel
6	Certificate of Attendance at Site/Clarification Meeting
7	Schedule of Subcontractors
8	Schedule of Plant and Equipment
9	Schedule of the Tenderer's Experience
10	Supplier Declaration form
11	Transnet Limited: Contractual Safety clauses which will form part of any resulting contract and Questionnaire
12	RFP Declaration Form

2 Other documents required for tender evaluation purposes

No	Returnable Documents (All are to be submitted)
1	Safety Plan in accordance with the Construction Regulations of 2003 and Transnet's E4E (See Draft)
2	Comprehensive Environmental Management Plan, Risk Register and Business Continuity Plan. Risk register to cover identified risks associated with this project and accompanying risk mitigation measures
3	Form of Intent to provide performance bond
4	Certificate of Authority for Signatory (Resolution by Board)
5	Method and detail of process including – <ul style="list-style-type: none"> • List of registered herbicides to be used in the work, supported by full specimen labels. • Application rates of herbicides to be applied • Product mixtures

	<ul style="list-style-type: none"> • Water usage per hectare • Detail and function of personnel to carry out operation • Work rates of the unit(s) per day List of support resources to carry out operation
6	Certified copies of latest Pest Control Operators registration certificates of the supervisory staff.
7	Letter of Good Standing with the Compensation Commissioner
8	Quality Assurance Plan
9	Proposed Organization and Staffing including quantity of personnel to be trained in aspects of safety
10	BBBEE rating certificate with detailed scorecard
1	Certified Copy of Financial Statements (for the past 3 years) including Balance sheets
12	Certified Copy of Share Certificates CK1 & CK2
13	Certified copy of certificate of incorporation and CM29 and CM9
14	Certified Copy of Identity Documents of Shareholders/Directors/members (where applicable)
15	Cancelled Cheque
16	Current and original Tax clearance certificate
17	Vat registration certificate
18	Copy of BEE Policy/BEE Plan/Employment Policy/Procurement Policy
19	Respondents to provide TFR with their Supplier Development (SD) / Enterprise Development (ED) strategy as well as providing details of job retention and creation should they be successful with this tender. As part of the proposal, the respondent must include a high level SD/ED proposal which will be subject to evaluation as per the ED evaluation criteria.

3 C1.1 Form of Offer and Acceptance

4 C1.2 Contract Data (Part 1 and 2)

5 C2.2 Price List

T2.2 RETURNABLE SCHEDULES

- Certificate of Attendance at Clarification meeting
- Schedule of the Tenderer's Experience
- Schedule of Subcontractors
- Schedule of Plant and Equipment (Tools)
- Record of addenda to Tender Document
- Compulsory Enterprise Questionnaire
- CV of key personnel.
- Proposed Amendments and Qualifications
- Certificate of Authority for joint ventures
- Supplier Declaration form (version 7)
- Suppliers Code of Conduct
- Transnet Limited: Contractual Safety clauses which will form part of any resulting contract
- RFP declaration form

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