

PART T1: TENDERING PROCEDURES

T1.1 TENDER NOTICE AND INVITATION TO TENDER

RFP NO. SIW9013

Transnet Limited trading as Transnet Freight Rail (the Employer) invites tenders for the chemical control of vegetation including declared weeds and declared invader plants by means of chemical herbicides applied by a Spray Unit on Transnet property (Open lines) in the geographical areas covered by the Koedoespoort, Polokwane and Nelspruit Infrastructure Depots.

The physical address for collection of tender documents is: Transnet Freight Rail, Tender Advice Centre, Level 100, Carlton Centre, 150 Commissioner Street, Johannesburg.

Tender documents may be collected during working hours after 08:00 on 21 September 2009 and will only be available until 15:00 on 28 September 2009.

Payment of an amount of R 750-00 (per set) to be made to Transnet Freight Rail at the Standard Bank, account number 203158598, branch code 4805. The deposit slip must reflect the tender number SIW9013 and the Company name. The official Bank receipt(s) franked with the official Bank stamp to be provided with the collection of a tender document. This amount is not refundable. No tenders will be sold after 15:00 on Monday, 28 September 2009

Queries relating to the administrative issues of these documents may be addressed to:

Mr. Neo Majoe

or

Mr. A. P. Erasmus

Tel No. 011 584 0624

Tel. no. 011-308-3868

E mail : Abel.Molokwane@Transnet.net

Fax no. 011-308-3867

Queries relating to technical information may be addressed to:

Mr. Pieter le Roux

Tel No: 011 773 6550

Fax No. 011 773 9068

E mail: Pieter.le_roux@transnet.net

A clarification meeting with representatives of the Employer will take place at **Umjantshi C Boardroom, Ground Floor, Inyanda House 2, 15 Girton Road, Parktown, Johannesburg** on **Tuesday, 29 September 2009** starting at **10h00**. Tenderers without a valid tender document in their possession will not be allowed to attend the clarification meeting.

Transnet reserves the right to accept the whole or any part of a tender. Transnet also reserves the right to negotiate terms and conditions with all, or a short-listed group of contenders, or the preferred Tenderer, should it be deemed necessary.

This tender closes punctually at 10:00 hrs on Tuesday, 13 October 2009

Tenders may only be submitted on the tender documentation that is issued. Telegraphic, telephonic, facsimile and late tenders will not be accepted.

Tenderers are warned that a tender will be liable to disqualification should any attempt be made by a Tenderer either directly or indirectly to canvass any officer(s) or employees of Transnet Limited in respect of a tender between the date the tender is submitted and the date of the award. A Tenderer may, however, at any time communicate with the Chairperson of the Transnet Freight Rail Acquisition Council, at telephone no. 011 308 3860 on any matter relating to his tender.

Envelopes must not contain documents relating to any tender other than that shown on the envelope. *No slips are to be attached to the tender documents. Any additional conditions must be embodied in an accompanying letter. Alterations, additions or deletions must not be made by the Tenderer to the actual tender documents.* Tenders submitted by Tenderers must be neatly bound and the inclusion of loose documents must be avoided.

Requirements for sealing, addressing, delivery, opening and assessment of tenders are stated in the Tender Data.

Compliance of tender(s) with Transnet's requirements is the sole responsibility of the Tenderer and any costs incurred in subsequent modifications to or replacement of equipment accepted by Transnet Limited in good faith on the grounds of certified compliance with specified standards by the contractor and in fact found to be inadequate in such respects, will be to the relevant Tenderer's account

BROAD-BASED BLACK ECONOMIC EMPOWERMENT ("BBBEE")

Transnet fully endorses and supports the Government's Broad-Based Black Economic Empowerment Programme and it is strongly of the opinion that all South African business enterprises have an equal obligation to redress the imbalances of the past.

Transnet would therefore prefer to do business with local business enterprises who share these same values and who are prepared to contribute to meaningful BBBEE initiatives (including, but not limited to subcontracting and Joint Ventures) as part of their RFP responses. Transnet will accordingly allow a "preference" in accordance with the 10% preference system, as per the Preferential Procurement Policy Framework Act 5 of 2000 (as amended), to companies who provide a BBBEE Accreditation Certificate. All procurement and disposal transactions in excess of R30 000 will be evaluated accordingly. All transactions below R30 000 will as far as possible be earmarked for EMEs

Consequently, when Transnet invites prospective suppliers to submit Proposals for its goods and services, it urges Respondents (Large Enterprises and QSE's - see below) to have themselves accredited by any one of the various Accreditation Agencies approved by SANAS (the South African National Accreditation Systems, under the auspices of the Dti)

In terms of Government Gazette No 32467, Notice No. 810 dated 31 July 2009, as from 1 February 2010 only BBBEE Accreditation Certificates issued by SANAS Approved verification agencies will be valid. However Accreditation Certificates issued before 1 February 2010, and which are still within their 1 year validity period, will still be acceptable, until its expiry date and provided the accreditation was done in accordance **with the latest Codes (i.e. those promulgated on 9 February 2007)**.

No certificate issued after 1 February 2010, by a Verification Agency not approved by SANAS, will be acceptable as from that date.

Enterprises will be rated by such agency based on the following:

Large Enterprises (i.e. annual turnover >R35million)

- Rating level based on all seven elements of the BBBEE scorecard

Qualifying Small Enterprises — OSE (i.e annual turnover between R5million and R35million):

- Rating based on any four of the elements of the BBBEE scorecard

Exempted Micro Enterprises — EME (i.e. annual turnover <R5m):

- **EMEs are exempted from BBBEE accreditation**
- Automatic rating of Level 4 BBBEE irrespective of race of ownership, i.e. 100% BBBEE recognition
- Black ownership >50% or Black Women ownership >30% automatically qualify as Level 3 BBBEE, i.e. 110% BBBEE recognition
- EME's should only provide documentary proof of annual turnover (i.e. audited financials) plus proof of Black ownership if Black ownership is >50% or Black Women ownership >30%.

In addition to the above, Respondents who wish to enter into a Joint Venture or subcontract portions of the contract to BBBEE companies, must state in their RFP5 the percentage, of the total contract value that will be allocated to such BBBEE companies. should they be successful in being awarded any business. A rating certificate in respect of such BBBEE JV-partners and / or sub-contractor(s), as well as a breakdown of the distribution of the aforementioned percentage must also be furnished with the RFP response to enable Transnet to evaluate / adjudicate all RFP5 received on a fair basis.

The Dti has also contracted with B1SA (Pty) Ltd to create a national database of BBBEE enterprises. It will therefore be in the best interest of BBBEE enterprises, and they are accordingly encouraged to register themselves with B1SA (Pty) Ltd, immediately their SANAS approved verification agency issues their verification certificate. Not only will their name and BBBEE recognition level be published on the National BBBEE Database but other potential clients in the private and public sector requiring a particular commodity! service may source them from this National Database for possible future business opportunities.

Respondents will be required to furnish proof of the above to Transnet. (i.e. a detailed scorecard as stipulated above in respect of Large Enterprises and QSEs, or proof of turnover in respect of EMEs). Failure to do so will result in a score of zero being allocated for BBBEE.

Turnover: Kindly indicate your company's annual turnover for the past year

R_____

- If annual turnover <R5m, please attach audited financials
- If annual turnover >R5m please attach an accreditation certificate issued by an Accreditation Agency, together with all the relevant score sheets pertaining thereto.

Suppliers and Tenderers are requested to duly complete the Supplier Declaration Form (SDF) and provide all the relevant supporting attachments as requested. Failure to provide the following may disqualify your tender submission:-

1. Duly completed SDF
2. Current tax clearance certificate

The Supplier and Tenderer shall furnish proof of the above to Transnet.

Transnet at its sole discretion may decide to allow certain price preferences in order to uplift the historically disadvantaged in terms of the PPPFA (Act 5 of 2000).

Transnet insists on honesty and integrity beyond reproach at all times and will not tolerate any form of improper influencing, bribery, corruption, fraud, or any other unethical conduct on the part of bidders/ Transnet employees. If, in the opinion of Transnet's Chief Operating Officer, a tenderer/contractor/ supplier has or has caused to be promised, offered or given to any Transnet employee, any bribe, commission, gift, loan, advantage or other consideration, Transnet shall be entitled to revoke the tender / contract by following its internal policies that govern the Exclusion process. In such an event Transnet will be entitled to place any Tenderer/Contractor/Supplier who has contravened the provisions of Transnet's business ethics on its List of Excluded Tenderers. This List will also be distributed to all other State Owned Enterprises and Government Departments.

Transnet invites its valued suppliers to report any allegations of fraud, corruption or other unethical activities to Transnet Tip-offs Anonymous, at any of the following addresses/contract numbers :-

- **Toll free anonymous hotline – 0800 003 056**
- **Email – Transnet@tip-offs.com**
- **Fax number – 0800 007 788**
- **Freepost DN 298, Umhlanga Rocks, 4320**

Confidentiality is guaranteed.

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Part T1.2: Tender Data

PRIEVIEW COPY ONLY

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.

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 Bill of Quantities

Part C3: Scope of work

C3 Scope of work

Part C4: Site information

C4 Site information

F.1.4 The employer's agent is:
Name : Mr. Jan Homan

Address : P O Box 30943
Braamfontein
2017

Tel : 011 773 3250

Fax : 011 773 8869

E-mail : Jan.Homan@transnet.net

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

Location : Refer to part T1.1 Tender Notice and invitation to Tender.

Date : Refer to part T1.1 Tender Notice and invitation to Tender.

Starting time : Refer to 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 : Mr. Pieter le Roux

Tel : 011 773 6550

Fax : 011 773 9068

E-mail : Pieter.le_Roux@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.

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 standards and requirements, the details of which may be obtained from the Employer's Agent.

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 **two** copies.

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 follows:

- 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 F.2.6 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: Table G66 and G69, 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:

$$W_Q = W_2 \times S_O / M_S$$

Where W_2 is the percentage score given to quality and equals 60

S_O 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) of Sans 294.

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:	Total cost of ownership	30%	
	Competitive Pricing	40%	
	Financial Capacity	30%	
Technical/Quality criteria:	Compliance with technical/legal specs	40%	
	Risk and safety (safety plan & adequacy for assignment)	20%	
	Quality of products	20%	
	Sufficient resources (qualified & technical approach & methodology)	20%	
Total evaluation points for quality (W_Q)			

Criteria to be evaluated on the following scales:

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

F.3.13.1 Tender offers will only be accepted if:

- a) The Tenderer has in his/her 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 is not in arrears for more than 3 months with municipal rates and taxes and municipal service charges;
- c) 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.
- d) 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

- e) 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

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 him/herself before tendering as to the correctness and sufficiency of his/her tender for the *Works* and of the rates and prices stated in the priced Bill of Quantities 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/her 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 Bill of Quantities, if possible. Transnet Freight Rail may conclude one or more contracts as a result of this tender.
- 3 Time value of money” methodology and principles will be used in evaluation of tenders

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