

# Technical Specification: SARS Centralised Customs Warehouse Turnkey Project

## 1. General Overview

SARS is seeking a turnkey solution provider to deliver a fully functional customs warehouse facility. The scope of this project is a comprehensive fit-out and refurbishment of an existing building and its entire exterior yard, which the service provider is responsible for sourcing and presenting to SARS for approval.

The facility must meet the specific operational and logistical criteria outlined in this specification.

SARS is not looking for a contractor to construct a new building from the ground up, but rather a partner who will identify a suitable property and manage its complete internal and external transformation. This includes all aspects of the interior design, installation of storage systems and material handling equipment, and the full integration of all necessary utilities. On the exterior, this encompasses the design and preparation of the yard, including but not limited to the layout of container stacking areas, designated parking bays, and traffic flow management.

This specification defines the functional, structural, technical, and operational requirements for a SARS Centralised Warehouse Turnkey Solution, to be located in Centurion & Kempton Park areas defined below. The facility must accommodate Customs' enforcement functions including detention, storage, destruction, and disposal of goods across multiple modalities (land, air, sea).

## 2. Purpose and Objective of the Tender

SARS invites suitably qualified and experienced developers, landlords, or investors to design, fit-out, and deliver a fully compliant, ready-for-occupation turnkey warehouse facility to support the centralisation of SARS State Warehouse operations in the Gauteng Region. The objective is to secure a long-term, cost-effective solution that optimises operational efficiency while ensuring a measurable return on investment (ROI) for SARS, whether through lease, lease-to-own, ownership models, or any other alternative models.

The framework ensures evaluators consider total occupancy cost, value beyond price, and innovation in financial structure, positioning the SARS as a value-driven negotiator rather than a simple price-taker.

To determine the Total Effective Occupancy Cost (TEOC) and identify innovative financial or structural arrangements that align with the organisation's long-term operational and financial objectives.

The evaluation will move beyond base rental rates to account for all financial components entry, operational, exit, and amortisation costs while also assessing creative models.

### 3. Scope and Turnkey Requirement

The successful bidder shall be responsible for the end-to-end delivery of the warehouse facility on a turnkey basis, which includes, but is not limited to:

- Identification and presentation of a suitable existing property or facility (or a property with approved industrial zoning and building rights) for SARS approval.
- Conceptual and detailed design development and submission of compliant architectural and engineering drawings.
- All construction, refurbishment, and fit out works necessary to achieve an operational warehouse facility.
- Securing all statutory and municipal approvals (planning, zoning, building plans, environmental, fire, health) required for occupation and operation.
- Full internal fit-out including racking and storage systems, mechanical, electrical and plumbing (MEP) installations, HVAC, fire detection/suppression systems, lighting, and tenant installations as specified.
- Provision of security related basic infrastructure (perimeter fencing, access control gates, secure high-value storage cages/vault provisions) – CCTV and certain ICT items are excluded per tender exclusions, but the facility must be CCTV-ready and have space/cabling provision for integration.
- Testing, commissioning, and handover of a fully operational warehouse to SARS with all required documentation and manuals.

### 4. General Requirements

- Location: Preferred zone (Centurion & Kempton Park areas also acceptable based on feasibility), Centurion and Surrounding Areas.
- Within a 7 km radius of Centurion CBD, including Irene, Louwlandia, and Midrand logistics zones.
- Must provide direct access to N1 and N14 freeways for efficient connectivity to Pretoria, Johannesburg, and other inland ports.
- Johannesburg R21 Logistics Corridor:
- Within a 10 km radius of the R21 freeway in the Kempton Park / OR Tambo International Airport logistics hub.

- Must be in established logistics/industrial zones where distribution centres and bonded warehouses are concentrated, ensuring compatibility with Customs enforcement operations.
- **Size:**
  - Internal warehouse floor space: 15,000 – 20,000 m<sup>2</sup>.
  - Warehouse height: 12 – 18 meters (to allow high stacking, racking, and container tiering).
  - Office space inside the warehouse to accommodate NOE staff (up to 20 staff, approx. 200 m<sup>2</sup>), including a boardroom.
- **Site Requirements:**
  - Easy access for inbound/outbound trucks and customs inspections.
  - Onsite parking and secure perimeter fencing.
  - Parking
  - Visitors parking (5 parking spaces)
  - 24/7 access capability.

## 5. Facility Layout & Physical Infrastructure

- **Secure Storage Zones:**
  - High-Value Vault/Safe Room:
  - Container Yard: Demarcated outdoor containerized goods storage zone, with access control.
  - Dedicated zones for:
    - High-value goods.
    - Hazardous or perishable items.
- **Destruction Area:**
  - Custom-designed enclosed and ventilated destruction chamber
  - Includes:
    - Smoke extraction
    - Chemical-resistant flooring
    - Explosion-proof lighting
    - Observation room
    - Live recording system for audit and compliance
  - Must be isolated from main inventory zones to prevent contamination or interference.
- **Auction and Viewing Area:**
  - Controlled access space for public or appointed agents to inspect goods prior to auction.
  - Separate from secure storage and operational areas.
- **Accommodation Space:**

- Secure offices, restrooms, training and pause areas for up to 20 staff
- Change rooms and lockers
- Administrative and surveillance office separate from warehouse operations.
- **Loading Docks:**
  - At least four high-volume docks for intermodal loading and offloading.
  - One temperature-controlled receiving bay for perishables or medicines.
  - Roller shutters and dock levellers.
- **Warehouse Flooring & Structure:**
  - Floor loading capacity for containerized and palletized stock.
  - Forklift and equipment movement zones (turret trucks, Hyster, pallet jacks).
  - Durable, dust-sealed, and fire-resistant materials.
- **Water Storage and Reticulation:**

The facility must include the allocation and installation of water storage tanks of a volumetric capacity sufficient for the warehouse's operational, health, and safety requirements. At a minimum, provision must be made for:

  - **Potable Water Supply:** A dedicated tank system (e.g., JoJo-type or equivalent) for drinking water and basic operational needs. Tanks must be UV-resistant, food-grade, and integrated with the building's water reticulation system.
  - **Fire Safety Reserve:** A separate water storage allocation dedicated to fire-fighting systems, including hydrants, hose reels, and sprinklers. The exact volumetric capacity must be determined and certified by a registered fire engineer in accordance with SANS fire safety standards.
  - **Operational Resilience:** Tanks must be connected to the municipal supply with automatic switch-over to ensure continuity during supply interruptions, with proper overflow and drainage design.
  - **Placement and Security:** Tanks must be located in the designated service area with appropriate clearances for maintenance and inspection and secured to prevent unauthorized access.
- **Lighting**
  - General lighting using high level suspended fluorescent luminaires type T- bay light fittings. These will be suspended at the same height throughout the warehouse, yielding 200 lux average initial illuminance.

## 6. Technology & Monitoring (Security infrastructure)

**The facility must include robust perimeter and access security measures to protect goods, staff, and operations. This must cover:**

- **Perimeter Security:** ClearVu or equivalent high-security fencing, with provision for electric fencing where required.
- **Access Control Gates:** Automated, heavy-duty gates for vehicles (with queuing and inspection capacity) and secure pedestrian access points such as turnstiles or controlled gates.
- **Intrusion Prevention:** Integrated barriers and detection systems along the perimeter to prevent unauthorized entry.
- **Security Integration:** All barrier and access systems must be designed for seamless integration with SARS's centralized security and ICT monitoring platforms.

## 7. Security & Compliance

- **Fire Safety:**
  - Fully compliant with SANS 10400, ASIB and Rational Fire Design.
  - In-rack sprinkler systems in all racking zones.
  - Smoke and heat detectors in all enclosed spaces.
  - Water tanks large enough to sustain and support Fire Sprinkler system
- **Backup Power:**
  - Diesel generator - The facility must be equipped with a diesel generator capable of sustaining full warehouse operations, including but not limited to lighting, fire suppression systems, security/access control, handling equipment, and office functions, for a minimum period of 24 hours in the event of a power outage. The bidder's appointed electrical engineer must calculate and specify the required generator capacity (kVA) based on the facility's total load profile, ensuring compliance with municipal and national electrical standards.
  - UPS for mission-critical systems - Uninterrupted Power Supply (UPS) system to ensure seamless, continuous operation of all critical systems (such as security/access control, fire alarms, IT servers, and monitoring equipment) during the transition period from mains to generator power.

## 8. Environmental & Sustainability

- Green building certification (if feasible): EDGE or equivalent.
- Solar PV readiness for future energy conversion.
- HVAC and lighting energy efficiency.
- Rainwater harvesting infrastructure.
- Waste separation and recycling facility – must include a designated area for waste separation and recycling. To provide for the sorting of general waste, recyclable materials and hazardous waste in compliance with municipal by-laws and environmental legislation. The size and layout of the facility must be appropriate to the warehouse's operational capacity and waste output, with the bidder required to demonstrate how the design supports efficient, safe, and sustainable waste management practices.
- Use of low-emission handling equipment (e.g., electric forklifts) - Prioritise environmentally friendly material handling solutions, such as electric forklifts and pallet movers, to minimize carbon emissions. Must ensure the inclusion of sufficient charging stations, appropriately distributed across operational zones, with capacity to meet peak usage demand. Charging infrastructure must comply with relevant electrical safety standards and provide for both fast and standard charging options.

## 9. Tenant Installation (TI)

The Bidder shall include, fund, and deliver the complete Tenant Installation (TI) scope on a fixed-price, turnkey basis, at no additional cost to SARS. For the avoidance of doubt, Tenant Installation shall include (but not be limited to):

- Partitioned and fitted office spaces (with flooring, ceilings, air conditioning, power outlets, ICT/data points).
- Access control and security systems (including biometric access and provision for CCTV integration).
- Fire detection, suppression, and emergency evacuation systems.
- Ablution facilities, change rooms, and kitchen/canteen areas.
- Specialized warehouse fit-out (e.g., hazardous goods areas, high-value cages, racking layouts as per SARS operational needs).
- Internal and external signage and operational branding.
- Provision for charging infrastructure for low-emission handling equipment where applicable.

## 10. Compliance & Certification

- Compliance with:
  - Customs & Excise Act No. 91 of 1964 (especially Sections 17 & 43).
  - Occupational Health & Safety Act.
  - SANS 10400 building standards.
  - ASIB fire certification.
- Required documentation:
  - Certificate of Occupancy - the successful bidder must secure and provide a valid Certificate of Occupancy for the facility prior to handover.
  - Municipal governance requirements - ensure that the facility fully complies with all municipal governance requirements, including but not limited to zoning approvals, building plan approvals, fire safety certification, health and sanitation approvals, and environmental compliance, with documentary proof submitted before final acceptance.
  - Electrical Certificate of Compliance (CoC), HVAC, and plumbing COCs.
  - Waste handling and destruction permits
  - Environmental Health Approval (public health compliance).
  - Letter of Good Standing with Compensation Commissioner (COIDA).

## 11. Return on Investment (Financial Models)

Bidders are required to submit financial proposals illustrating the total cost of ownership and return to SARS under the following financial models as a minimum:

- Lease model – specified term and annual rental schedule.
- Lease-to-own model – terms, buyout clauses, residual value estimates.
- Purchase/development model (installment sale) – full cost to SARS and transfer proposals.
- Bidders may also propose alternative transparent financing structures, provided they are fully described and compliant with procurement regulations. All financial proposals must include indicative schedules, escalation assumptions, and lifecycle cost analysis (e.g., 10 and 20-year total cost of ownership projections).

## 12. Two-Stage Tender Process

This Tender will follow a two-stage process to ensure technical comparability and best financial value:

### **Stage 1: Mandatory and Technical Evaluation**

Submit full technical proposals, mandatory compliance documents, conceptual designs, and proposed financial model(s). Bidders will be evaluated on technical compliance and the viability of proposed financial models. Only bidders who meet mandatory requirements will be shortlisted.

### **Stage 2: Financial Model Confirmation and Comparative Evaluation**

SARS will select a preferred financial model based on Stage 1 analysis. Shortlisted bidders will be invited to submit final, detailed financial offers on the selected model.

## 13. Bidder Responsibilities

- Provide a conceptual design and layout plan showing functional zones aligned to specification.
- Provide a detailed description of the proposed financial model(s) including assumptions, escalation clauses, and lifecycle costing.
- Submit a preliminary implementation schedule from design through to occupation.
- Provide evidence of financial capacity.
- Provide a detailed Tenant Installation (TI) cost breakdown and per square metre pricing to enable normalized evaluation across bidders.
- Provide a statement of exclusions and assumptions explicitly noted in the bid.

## 14. SARS Rights Reserved

SARS reserves the right to accept or reject any or all bids, to negotiate the financial model structure with preferred bidders, to finalise the exact footprint within the stated range, and to request clarifications or best-and-final offers.

## 15. Exclusions

For avoidance of doubt, the following are expressly excluded from the turnkey scope and must not be priced by bidders in their Stage 1 submission:

- Warehouse Management System (WMS) software and license costs.
- ICT infrastructure beyond basic provisions and cabling readiness (networking, servers, access control systems to be procured via SARS ICT).
- Office furniture and loose equipment (furniture will be procured under separate furniture tender).
- Operational staffing costs post-handover.