

RFP 51/2015

ELECTRICAL COMPLIANCE UPGRADE AT LEHAE LA SARS COMPULSORY BRIEFING SESSION

17th MARCH 2016



Presented by Frans Ramodibana (MCIPS)

AGENDA

1) WELCOME AND INTRODUCTION

2) ATTENDANCE

3) PROCUREMENT PRESENTATION

- Tender Information
- Purpose and Scope
- Procurement Objectives and Statutory Compliance
- Pre-Qualification Criteria

4) EVALUATION AND ADJUDICATION PROCESS

4.1) PRE-QUALIFICATION AND INSTANT DISQUALIFYING CRITERIA

4.2) TECHNICAL SPECIFICATION

- Example Specification Photos
- Rules of Engagement

4.3) PRICING AND BILL OF QUANTITIES (BOQ'S)

4.4) BBBEE

- BEE Requirements

4.5) FINANCIAL ANALYSIS

5) TENDER DATE CLOSURE & QUESTIONS

PROCUREMENT PRESENTATION

TENDER INFORMATION

- RFP documents will only be available for download from the SARS website (www.sars.gov.za) ;
- No tender documents will be available in SARS Procurement Centre, Hilton House, in Pretoria
- Tender documents will be available from the 26th February 2016 until the 30th March 2016;
- RFP documents are not for sale

PURPOSE AND SCOPE

- **PURPOSE** – Appointment of a suitably qualified 3EB or higher contractor for Electrical Compliance Upgrade at Lehae La SARS
- **SCOPE** – Electrical Compliance Upgrade at Lehae La SARS
- A JBCC Agreement will be signed between SARS and the appointed contractor.

PROCUREMENT OBJECTIVES

Public Procurement

Fairness

Competitive

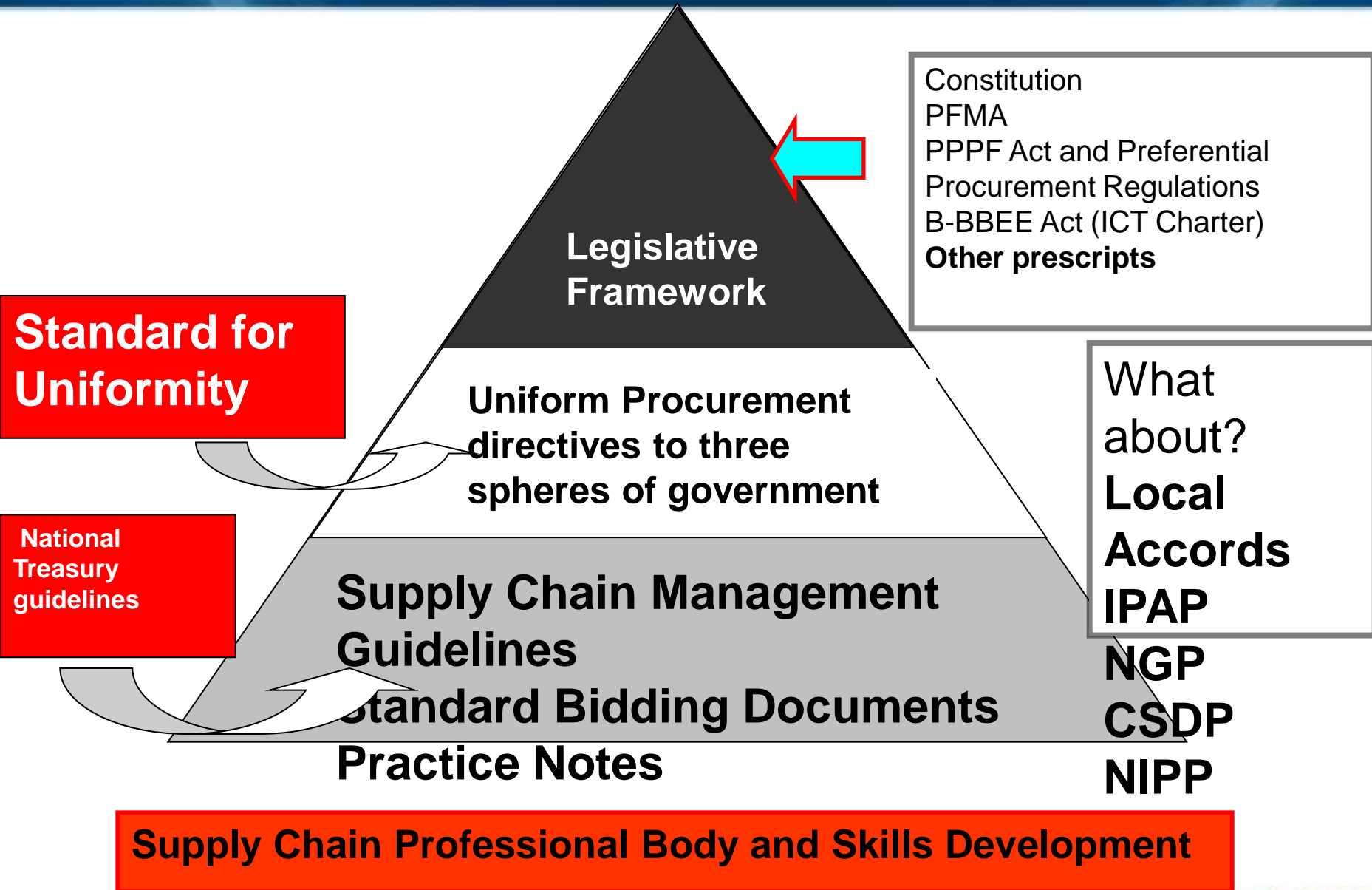
Equitable

**Cost
Effectiveness**

Transparency

PPPFA of 2011(Not Exempted)

STATUTORY COMPLIANCE



EXPECTED PUBLIC PROCUREMENT OUTCOMES

Supplier Development



- Focus on big contracts for BBBEE
- OEM localisation for companies that comply with BBBEE codes.
- Develop local suppliers for the manufacturing of strategic items that are procured overseas.
- Build capacity of the existing and future small enterprises.

Preferential Procurement



- Support local content initiatives
- Develop and agree on local content targets
- Monitor and report on local content targets, outputs and outcomes.
- Build long term relationships with suppliers.

Skills Development



- Build capacity for small enterprises through skills development.
- Training and development, prioritising youth and women.
- Partnership with training institutions for practical training.
- Continuous investment in sector skills development

Regional Economic Development



- Localise the manufacturing of material items used in that region where possible.
- Build capacity and capability of regional suppliers.
- Enlist the support of Financial institutions to fund the small enterprises.
- Direct investment in Special Economic Zones

Evaluation and Adjudication Process



South African
Revenue Service

Presented by Frans Ramodibana (MCIPS)

PRE-QUALIFYING CRITERIA

- **An original valid Tax Clearance Certificate;**
- **All SBD documents, completed as instructed;**
- **SARS Oath of Secrecy signed by each member of the Bidder's Bid team in the presence of a Commissioner of Oath;**
- **Ensure all relevant Annexures are completed and/or signed; and**
- **Submit a valid SANAS or IRBA accredited BEE certificate.**

DISQUALIFYING CRITERIA

- **Non submission of the bidders Certificate of Contractors active registration issued by the Construction Industry Development Board (CIDB), minimum of 3 EB (Electrical Engineering Works - Building). For joint ventures, the lead partner must have a CIDB grading of 3 EB and a registration certificate issued by the CIDB must be submitted;**
- **Non attendance and signing of the attendance register for the compulsory briefing session; (SARS will verify the attendance by checking the register against submissions);**
- **No proof of Public Liability Insurance to the value of R 1 000 000 (Certified copy of insurance policy) or letter of intent to obtain the liability insurance of R1 000 000 from the insurance company.**
- **SARS retains the right to request further information with regards to CIDB and Public Liability Insurance**

EVALUATION & ADJUDICATION PROCESS

CRITERIA	WEIGHT
Technical Evaluation	100 min 75
Pricing	90
Refer to Bill of Quantities	
BEE Compliance	10
Conformance of the service provider to the PPPFA	
Total	100

QUALITY CRITERIA	MAXIMUM NUMBER OF POINTS
Experience & Capability	75
Project Administration	20
Health & Safety Policy & Plan	5
Maximum possible score for technical criteria <i>Note: Only service provider/s that score 75% or more on the technical evaluation, will be taken through to Pricing and BEE.</i>	100

TECHNICAL EVALUATION-BREAKDOWN

EXPERIENCE AND CAPABILITY

Contractor to submit at least five previous projects completed not earlier than January 2013 with a value of more than R3m.

75

Experience: Allocation of points (maximum of five projects):

- Name of client company
- Name of person that is contactable
- Telephone number of person that can be contacted within three calls
- Description of project of which the main scope of work must be electrical above the value of R3m.
- Value of the project completed = above R3m, less than R3m.
- Proof of value of completed projects above R3m supplied ie Payment certificate signed off by client / Project Completion Certificate / Works Completion Certificate.
- Proof of Professional Electrical Engineer supplied to confirm completed projects above (can be the same document as in (6)).

Registration

- Proof of qualification (Wireman's Licence) for at least the team leaders?
- Proof of registration at the Department of Labour as Electrical Contractor for at least the team leaders.
- Proof of registration at the Electrical Contractor's Board - ECB (SA) or the Electrical Contractors Association - ECA (SA) supplied for at least the team leaders.

TECHNICAL EVALUATION-BREAKDOWN

Project Organogram

The SARS site consists of eight buildings with 18 floors. Did the contractor supply a project organogram indicating the teams with team leaders to execute the project in the shortest possible time?’

- Yes, eight teams or more with eight team leaders to start at eight buildings simultaneously.
- Yes, five to seven teams with team leaders to start at five to seven buildings simultaneously.
- Yes, less than five teams with team leaders.
- No project specific team organogram supplied.

PROJECT ADMINISTRATION

PROJECT ADMINISTRATION

- Was a project plan / schedule supplied?
- Did the schedule supplied include weekends and possible holiday
-) Did the project plan schedule indicate 18 floors separately (even if they run concurrently)?
- Did the project plan indicate an office standby electrician?

NAME LIST OF PERSONNEL THAT WILL BE DEDICATED TO THIS PROJECT.

- Did the Bidder submit a name list of the personnel that will be dedicated to this project?

20

TECHNICAL EVALUATION-BREAKDOWN

HEALTH & SAFETY PLAN	<p>The SARS site consists of eight buildings with 18 floors. Did the contractor supply a project organogram indicating the teams with team leaders to execute the project in the shortest possible time?’</p> <ul style="list-style-type: none"> • Was a Health & Safety document submitted? • Was the Health & Safety document specific for electrical work? • Is the Health & Safety plan applicable for the eight buildings with 18 floors? • Did the Bidder agree to the signing of an Occupational Agreement in terms of Section 27(2) of the Act 85 of 1993? 	5
TOTAL POINTS	<p><u>TECHNICAL THRESHOLD:</u></p> <p><u>Note: Only bidder/s that score 75% or more on the technical evaluation, will proceed further to Pricing and BEE evaluation.</u></p>	100

TECHNICAL SPECIFICATIONS

TECHNICAL SPECIFICATION

Areas of work:

- **Eight buildings.**
- **18 Floors.**
- **No lifts to be used.**
- **Possibility of one parking bay
(Bidder to include parking in
Ps&Gs)**

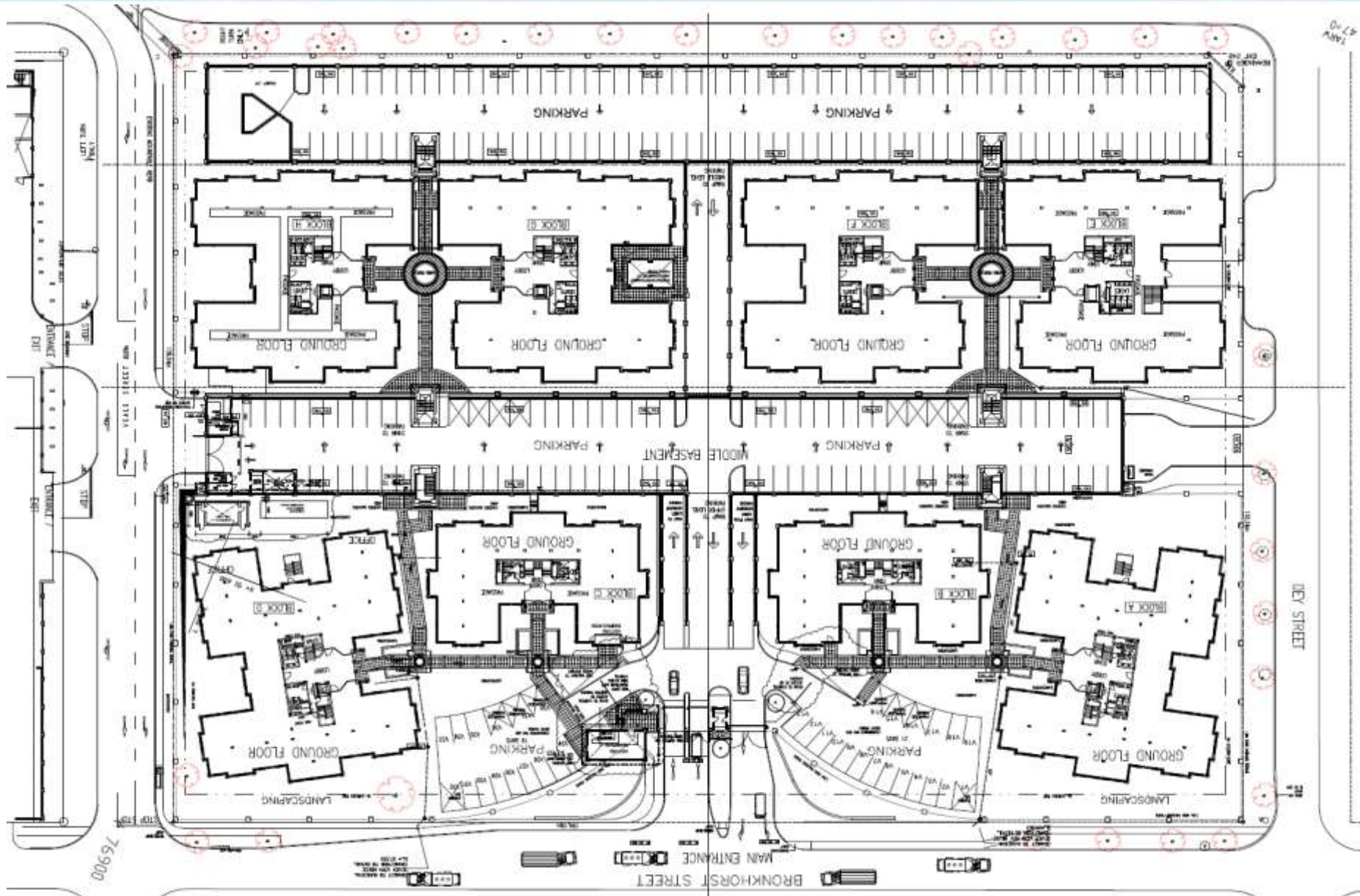
MAIN ENTRANCE



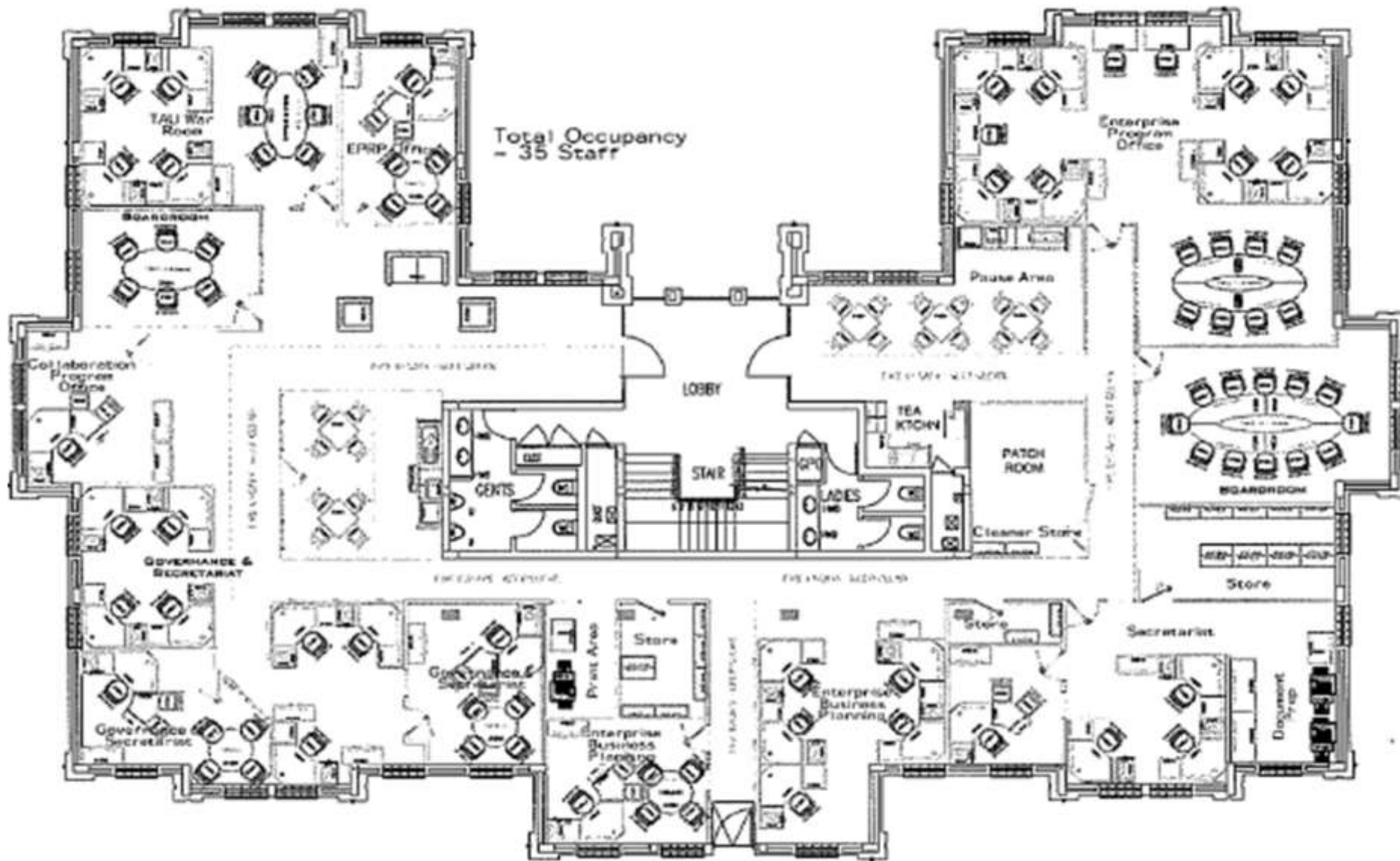
ARIAL VIEW



SITE LAYOUT



TYPICAL FLOOR LAYOUT



SCOPE OF WORK

To:

- **Repair existing electrical infrastructure.**
- **Install additional cable trays where possible.**
- **Install new electrical infrastructure where approved.**
- **Upgrade existing distribution boards.**

EXAMPLES OF WORK TO BE DONE



No gland on the junction box. There is no cover for the JB and it's not properly mounted to the wall. Proper connector blocks should be used for the joints.



No gland used, the JB is not secured and not closed.



EXAMPLES OF WORK TO BE DONE



No covers for the socket outlets on power skirting.



Cable connected directly into the P8000 wire way instead of through a socket outlet.



Multiple lights sharing a 5A plug. Improper joints were done.



90 degree bends are missing.

EXAMPLES OF WORK TO BE DONE



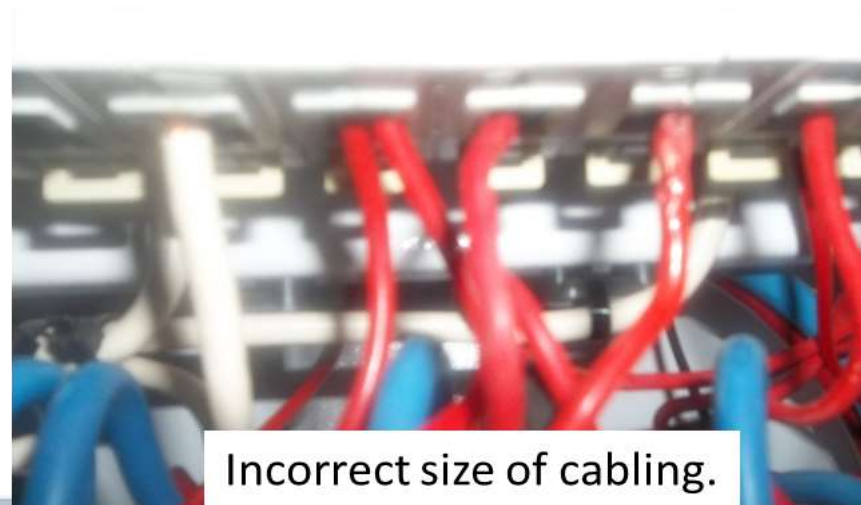
There are no flash barriers on the circuit breakers.



GP wires are being used as bus bars to loop between MCBs.



Joints done inside DB



Incorrect size of cabling.

CHALLENGES

- **All work to be done:**
 - ☐ **after hours during the week or**
 - ☐ **over weekends or**
 - ☐ **on public holidays.**
- **All areas to be fully operational by 06:00 every weekday.**
- **Qualified electrician on standby during office hours**
(30 min response).
- **Ceiling grids: Damages for the cost of the successful bidder.**
Including dirty ceilings / walls.

CHALLENGES (PART 2)

- **Cleaning of all areas where work was done before office hours start.**

Limited on site storage area – bidder to include container in P&Gs.

- **Health & Safety:**

- ☐ **Safety file with all required/relevant information.**
- ☐ **Relevant signage to be displayed.**
- ☐ **Successful bidder's H&S representative to inspect area Where work was done the previous shift together with the SARS representative before office hours start.**
- ☐ **No dangerous material / equipment in office areas – office hours**

PLANNING

- **Project plan for all areas and for specific areas/floors will be required.**
- **Resources (suitably qualified) to match planning.**

Limited on site storage area – bidder to include container in P&Gs.

- **Health & Safety:**
 - ☐ **Successful bidder's H&S representative to inspect area**
Where work was done the previous shift together with the
SARS representative before office hours start.
 - ☐ **No dangerous material / equipment in office areas**
– office hours

PRICING

Preference point systems

- The 80/20 preference point system is applicable to bids* with a Rand value equal
- to, or above R30 000 and up to a Rand value of R1 million (all applicable taxes included).
- The 90/10 preference point system is applicable to bids with a Rand value above R1 million (all applicable taxes included).

PRICE EVALUATION

- Only Bidders that have achieved the technical threshold will be considered for price evaluation
- Evaluation criteria:

Adjudication Criteria	Points
$P_s = 90 \left(1 - \frac{P_t - P_{\min}}{P_{\min}} \right)$	90

Where :

- P_s = Points scored for price of bid under consideration
- P_t = Rand value of bid under consideration
- P_{\min} = Rand value of lowest acceptable bid

INCORRECT ASSUMPTIONS WITH REGARDS TO PRICING

INCORRECT ASSUMPTIONS	CONCLUSION
<p>PRICE IS REGARDED AS A DETERMINING FACTOR FOR AWARDING OF A TENDER, AS A RESULT:</p> <ul style="list-style-type: none"> • Bidders submit Lower quotations in an attempt to secure the bid and consequently are unable to render the service 	<p>PRICE IS NOT THE ONLY DETERMINING FACTOR ON AWARDING A TENDER:</p> <ul style="list-style-type: none"> • Bidders should submit realistic quotations
<p>BIDDER' INTERPRETATIONS OF THE SPECIFICATIONS VARY WHICH LEADS TO:</p> <ul style="list-style-type: none"> • Incomplete quotations • Alterations to the specifications by the bidder 	<p>THE SPECIFICATION IS MEANT TO BE CLEAR AND UNAMBIGUOUS, WHERE IT MIGHT APPEAR TO BE UNCLEAR/UNAMBIGUOUS, BIDDERS ARE URGED TO SEEK CLARIFICATION</p> <ul style="list-style-type: none"> • Your interpretation of the Specifications whether correct or incorrect will affect your pricing
<p>CALCULATION ERRORS</p> <ul style="list-style-type: none"> • Incorrect calculations 	<p>COMMON ERRORS WHICH MAY LEAD TO COMPLICATIONS WHEN EVALUATING BIDS</p> <ul style="list-style-type: none"> • In case of calculation errors between hardcopy and soft copy, the signed hardcopy prevails

PRICING

BoQ's comprising of:

- **Electrical Works**
 - ✓ Block A
 - ✓ Block B
 - ✓ Block C
 - ✓ Block D
 - ✓ Block E
 - ✓ Block F
 - ✓ Block G &
 - ✓ Block H
- **Preliminaries & General**
- **Provisional Sum**
- **Contingency**

EXAMPLE BoQ

PART I - ELECTRICAL COMPLIANCE UPGRADE AT LEHAE LA SARS

SECTION 5 - BILLS OF QUANTITIES - ELECTRICAL COMPLIANCE UPGRADE AT LEHAE LA SA

SUMMARY OF BILLS OF QUANTITIES

1	ELECTRICAL WORKS	
2	PRELIMINARIES & GENERALS	
3	PROVISIONAL SUM	
4	CONTINGENCY	
5	FINAL SUMMARY	R
	SUB-TOTAL	R
	PLUS: 14% VAT	R
	TOTAL AMOUNT	R

.....
Authorized Signature

.....
Name

.....
Date

BEE

BEE = 10 POINTS

B-BBEE points may be allocated to Bidders on submission of documentation or evidence as follows:

ADJUDICATION CRITERIA	POINTS
A duly completed Preference Point Claim Form: SBD 6.1 and a B-BBEE Certificate.	10

Bidders **MUST** complete and sign the SBD 6.1 form to claim the Bidder's B-BBEE preference points, failing which, the Bidder will be scored zero.

B-BBEE KEY SECTIONS TO COMPLETE IN SBD

BID DECLARATION

6.1 Bidders who claim points in respect of B-BBEE Status Level of Contribution must complete the following:

7. B-BBEE STATUS LEVEL OF CONTRIBUTION CLAIMED IN TERMS OF PARAGRAPHS 1.3.1.2 AND 5.1

7.1 B-BBEE Status Level of Contribution: =(maximum of 10 or 20 points)

(Points claimed in respect of paragraph 7.1 must be in accordance with the table reflected in paragraph 5.1 and must be substantiated by means of a B-BBEE certificate issued by a Verification Agency accredited by SANAS or a Registered Auditor approved by IRBA or an Accounting Officer as contemplated in the CCA).

8 SUB-CONTRACTING

8.1 Will any portion of the contract be sub-contracted? YES / NO (delete which is not applicable)

8.1.1 If yes, indicate:

- (i) what percentage of the contract will be subcontracted?%
- (ii) the name of the sub-contractor?
- (iii) the B-BBEE status level of the sub-contractor?
- (iv) whether the sub-contractor is an EME? YES / NO (delete which is not applicable)

BEE CERTIFICATE

The table below indicates the specific B-BBEE certification documents that must be submitted for this tender. Failure to submit the required certification documents will also result in Bidders scoring zero for B-BBEE.

Classification	Turnover	Submission Requirement
Exempted Micro Enterprise (EME)	Below R5 million p.a. - (Old Codes)	Certified copy of B-BBEE Rating Certificate from a SANAS Accredited rating agency or a Registered Auditor approved by IRBA or a letter from an Accounting Officer as contemplated in the CCA. A sworn Affidavit or Certificate from CIPC
	Below R10 million p.a. - (Amended Codes)	
Qualifying Small Enterprise (QSE)	Between R5 million and R35 million p.a. (Old Codes)	Certified copy of B-BBEE Rating Certificate from a SANAS Accredited rating agency or a Registered Auditor approved by IRBA. A sworn Affidavit or Certificate from CIPC
	Between R10 million and R50 million p.a. (Amended Codes)	
Large Enterprise (LE)	Above R35 million p.a. (Old Codes)	Certified copy of B-BBEE Rating Certificate from a SANAS Accredited rating agency or a Registered Auditor approved by IRBA.
	Above R50 million p.a. (Amended Codes)	

SARS will accept B-BBEE Certificate issued on the revised B-BBEE Codes.

USE AND ACCEPTANCE OF AFFIDAVITS

It has been advised that the Verification Professional will need to test the affidavits submitted as part of a company's procurement rating. All companies will need to request the information which proves Black Ownership and Turnover in addition to the Affidavit, or request that their EME/QSE suppliers be verified and have this confirmed on the Affidavit.

SARS reserves the right to request that bidders submit their Black ownership and turnover information in support of their Affidavits.

BEE

Joint Ventures and Consortiums

- Incorporated JVs must submit the B-BBEE status of the entity. Unincorporated JVs must submit a consolidated B-BBEE certificate as if they were a group structure for every separate Bid.

Sub-contracting

- Bidders who want to claim preference points will have to comply fully with regulations 11(8) and 11(9) of the Preferential Procurement Regulations, 2011 with regard to sub-contracting:

Regulation 11(8)

- A person must not be awarded points for B-BBEE status level if it is indicated in the tender documents that such a tenderer intends sub-contracting more than 25% of the value of the contract to any other enterprise that does not qualify for at least the points that such a tenderer qualifies for, unless the intended sub-contractor is an Exempted Micro Enterprise that has the capability and ability to execute the sub-contract.

BEE

Regulation 11(9)

- A person awarded a contract may not sub-contract more than 25% of the value of the contract to any other enterprise that does not have an equal or higher B-BBEE status level than the person concerned, unless the contract is sub-contracted to an Exempted Micro Enterprise that has the capability and ability to execute the sub-contract.

Proof of Existence: Joint Ventures and/or Sub-Contracting

- Bidders must submit concrete proof of the existence of joint ventures and/or sub-contracting arrangements. SARS will accept signed agreements as acceptable proof of the existence of a joint venture and/or sub-contracting arrangement.
- The joint venture and/or sub-contracting agreements must clearly set out the roles and responsibilities of the Lead Partner and the joint venture and/or sub-contracting party. The agreement must also clearly identify the Lead Partner, who shall be given the power of attorney to bind the other party/parties in respect of matters pertaining to the joint venture and/or sub-contracting arrangement.

FINANCIAL ANALYSIS

BACKGROUND



Public Finance Management Act (PFMA)

- **Fair**
- **Equitable**
- **Transparent**
- **Competitive**
- **Cost Effective**

PURPOSE

 **Financially Stable**

 **Financially Viable**

 **Identify Financial Risks**

 **Apply Appropriate Mitigating Strategies**

REQUIRED

Complete Sets of Audited/Reviewed Annual Financial Statements

- Signed Auditors / Accounting Officers Opinions
- Statement Of Comprehensive Income (*Income Statement*)
- Statement of Financial Position (*Balance Sheet*)
- Statement of Cash Flows (*Cash Flow Statement*)
- Accompanying Unabridged Notes for ALL of the above documents

Less than 3 Financial Periods

- *Explanatory Letter*

Joint Ventures

- *Unincorporated JVs must submit separate F/S for each party to the JV.*
- *Signed JV legal agreement.*

Financial statements in Bidding Companies Name

- *Subsidiary submitting holding company's F/S must also furnish a Performance Guarantee*

RULES OF ENGAGEMENT

- Bidders may not contact SARS staff directly.
- All contact relating to RFP matters are only to be addressed to SARS Procurement at tenderoffice@sars.gov.za

TENDER DATES

- ☐ Clarification of queries : 26th February - 22nd of March 2016
- ☐ Tender Closing Date : 31th March 2016
: 11H00 AM (late tenders will not be considered)
- ☐ Responses to questions will be posted on the SARS website
: 24th of March 2016

**Submissions – BIDS MUST BE SUBMITTED IN HARD COPY (PAPER).
Please initial each page of paper format**

**ALL QUESTIONS SHOULD BE IN WRITING TO ENSURE
CONSISTENT RESPONSE TO ALL BIDDERS**

Tender Office

Tel: 012 422 6821/4078

E-mail : TenderOffice@sars.gov.za

CLOSURE

Questions & Answers

Questions asked at the briefing sessions as well as via e-mail will be posted on the SARS website