

**DEPARTMENT OF WATER AND SANITATION (DWS)**

**MINUTES OF THE TENDER COMPULSORY BRIEFING MEETINGS:**

**DWS06-1117WTE: THREE YEAR TERM CONTRACT FOR DIVING SERVICES WITHIN OPERATION CLUSTERS (NORTHERN, SOUTHERN, EASTERN AND CENTRAL) AND DAM SAFETY REHABILITATION PROJECTS.**

**VENUES OF MEETINGS:**

<u>Dates</u>	<u>Venue</u>
12 December 2017	Department of Water and Sanitation, Zwamadaka building, room 139

**1. PROCEDURAL MATTERS**

**1.1 Present, Welcome and Purpose of the meeting**

MrNathi Mdletshe (Deputy Director: Supply Chain Management (SCM)) welcomed everyone present at the meeting, the purpose of which was to share with bidders the technical and SCM compliance requirements of the bid.

A round of introductions was taken. Refer to Attendance Register (attached as ***Annexure A***).

Attendance from DWS:

Mr Mohale Shai (SCM WTE)

MrNathi (Mzwandile) Mdletshe (SCM WTE)

Mr Tiyani Mabobo (SCM WTE)

Mr Thulani Ngati (Strategic Assets Management)

**1.2 Apologies**

None

AGENDA ITEM NO.	DISCUSSION/ACTION/RESOLUTION, DEADLINE	RESPONSIBILITY AND PERSON
2.	<b><u>ITEMS FOR DISCUSSION</u></b>	
2.1	<b><u>Overview of the meeting</u></b>	M. Mdletshe
2.1.1	Mr Mdletshe outlined the following– <ul style="list-style-type: none"><li>The meeting is a compulsory briefing session or meeting for tender DWS06-1117WTE. That means that only bidders who attended the meeting will be considered for evaluation.</li><li>The Department will be using the attendance register and the briefing session certificates to confirm attendance. For joint ventures (JVs), it is a requirement that at least one partner must have attended the session;</li><li>The intention of the tender process is to appoint as many contractors as possible that qualifies into a term contract that will be used as-and-when required for three years. It seeks to replace a contract that has expired.</li><li>It is a legal requirement that all the documents that are produced from the process become public information, including minutes of meetings, attendance registers and presentations. These will be uploaded into the Departmental website before the closing date.</li></ul>	

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	<ul style="list-style-type: none"> <li>There are two presentations that will be done, which are technical requirements and SCM compliance requirements including the evaluation criteria; and</li> <li>The bidders will be allowed to ask questions during the meeting and at any time after the meeting until at least five days before the closing date, preferably through emails.</li> </ul>	
<p><b>2.2</b></p> <p><b>2.2.1</b></p>	<p><b><u>Technical presentation</u></b> (Technical presentation attached) Areas of emphasis –</p> <p>5Parts:</p> <ul style="list-style-type: none"> <li>Instructions to bidders               <ul style="list-style-type: none"> <li>Cost of participation: R200 (non-refundable)</li> <li>Form of Offer and Acceptance, Form of Performance Guarantee (not to be completed at time of bidding)</li> </ul> </li> <li>Conditions and special condition of contract</li> <li>Conditions of bid               <ul style="list-style-type: none"> <li>Capabilities of the bidder (one page CV template attached should be used)</li> </ul> </li> <li>Technical specification and requirements</li> <li>Technical schedules;</li> <li>Pricing (bidded rates. The grand totals in the pricing schedules are not relevant as this is a rates-based contract. <u>All rates</u> included in the scope of works should be provided, failure will lead to disqualification.</li> <li>The labour rates proposed should be in line with the Basic Conditions of Employment and rate tariffs where applicable. The requirements for the competent person in terms of this contract means, any person who has had at least five years' practical experience in diving operations and who is registered as a Diving Supervisor for the diving class he/she is required to supervise.</li> <li>The diving contractors shall ONLY make use of commercial diving supervisors and commercial divers under this contract, no scuba diving allowed.</li> </ul>	<p><b>T. Ngati</b></p>
<p><b>2.2.2</b></p>	<p><b><u>Questions and Answers (Q&amp;A):</u></b></p> <ul style="list-style-type: none"> <li>The Department must consider specifying the number of diving supervisors and divers on the price schedule, in order to compare bidders equally? <b>The bidders are required to indicate the number of diving supervisors and divers per project as required on the bid price schedules, this will give the Department a clear indication how the appointed diving contractor will attend to similar projects. Bidders must ensure the number of diving personnel used per project in the price schedule is NOT below the minimum manning levels as indicated in Annexure C of the Diving Regulations 2009.</b></li> <li>Must the bidder be a diving contractor or a company that employs divers? <b>The contractors to be appointed under this contract shall be diving contractors as defined in the Diving Regulations.</b></li> <li>Whether a bidder can propose an alternative to the item listed? <b>In cases where there are better alternatives, a bidder must complete Annexure A (Proposed alterations to specification) to indicate each of the alternative item. DWS will assess the alternatives proposed and agree if they are acceptable.</b></li> </ul>	<p><b>Bidders and DWS</b></p>

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	<ul style="list-style-type: none"> <li>• In cases where the project will run over the agreed time, what would the measures be to ensure that the project is completed and the contractor is paid? It is the responsibility of the contractor and the DWS project manager to assess and determine the duration of the contract vs the scope of work. When the period is not sufficient, the proper administrative tasks should be performed to align the two, including the amendment of the construction programme, variation approval and amendment and/or extension of the purchase order.</li> <li>• Whether the bidder can change the sub-contractors during the contract? Sub-contractors can be replaced but, while doing this, the B-BBEE level, designation status and capacity of the sub-contractor cannot be compromised or reduced.</li> <li>• Should rates be firm or non-firm? The decision should be taken by the bidder, however, it is allowed for contracts longer than a year to have non-firm rates.</li> <li>• Whether any mark-up can be applied to accommodation? No, the contractors cannot apply mark up to items they do not provide (accommodation, food or fuel).</li> <li>• How will the 3 quotation system be applied during subcontracting? The principle is that contractors must quote within the market value of each item. In cases where 3 quotes are requested, the additional quotes may be requested when DWS views the 3 quotes to be uncompetitive. If possible, and contractors are using private establishments, bidders may be required to request 3 quotes. The quotes should be attached to the invoices.</li> <li>• How will requesting additional quotations from sub-contractors work and will this only include nominated sub-contractors? The principle above applies. The initial request will be required from nominated sub-contractors. However, if the Department deems them uncompetitive, additional quotes from other companies other than the nominated sub-contractors may be requested.</li> <li>• Whether toll rates can be claimed? If there are toll gates to or from the site, these should be claimed under actuals.</li> <li>• Part 6 section 6.2 (Overtime) – Overtime should have two columns for Saturday and Sunday overtime? As described under Part 6: "Overtime shall be in accordance with the Basic Conditions of the Employment Act". For bidding purposes do not modify the table/overtime column, only complete the hourly rate for normal overtime (fill in the Saturday rate ONLY!) Sunday/Public holiday rate forms part of the contract and will be considered during overtime agreement stage.</li> <li>• For the purpose of this bid do we fill in Performance Guarantee form? You don't have to complete the Performance Guarantee form at the time of bidding. Refer to Part 1: Instruction to Bidders. The appointed diving contractor may be required to complete the form when required on a project.</li> <li>• If you in possession of a Tax Clearance Certificate are you required to complete the application form for tax clearance? No, you don't have to complete the form.</li> <li>• Pages under BID W XXX WTE (page 30, 32, 35 and 37). Are these templates or are we required to also complete them? You don't have to complete those forms at the time of bidding. The forms under Part 4: Conditions of Bid; Annexures 1 to Annexure 5 you don't have to complete at the time of bidding, these forms will be</li> </ul>	

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	<p>completed by the appointed diving contractors before diving services on site.</p> <ul style="list-style-type: none"> <li>• Additionally can you also give us clarity on the following: Part 6 Evaluation Criteria, Page 2, Mandatory requirements, Letter of good standing from D.O.L. (UIF). Do we submit the letter of registration for UIF under this section? <b>The bidder must attach proof of registration with UIF which can either be a print out from the system or UIF number in the tax clearance certificate (TCC)</b></li> <li>• Please note that on the Bid pricing schedule it indicates that Floriskraal dam is in the Eastern Cape, it is however situated in the Western Cape near Laingsburg.</li> <li>• Annexure B, Schedule of similar work undertaken by Bidder – In the past we use to include prove of all the work undertaken by us for DWS, however under Part 6 Evaluation Criteria we will only be scored on 4 or more projects, so do we include only 4 completed projects for DWS in Annexure B? <b>You may include more diving services related projects on Annexure B.</b></li> <li>• Part 5, Technical Specification and Requirements, Under point 6.2 the department asks for Labour costs, for example you asking for labour costs on a project manager, but there is no requirement in the pricing schedule to include a project manager or dive systems technician or a skipper for that matter, so I take it that this schedule of labour costs is just when DWS asks us to include this personnel in a future RFQ and are not to be quoted into our pricing schedule? <b>Yes, the labour rates in table 6.2 must be completed in full.</b></li> <li>• In your Pricing Schedule on all the dam's you never included a box for Plant and Equipment Hire rates, is this intentional or a mistake, where do we include this rate then on the form Item N: Other rates? <b>Plant and Equipment hire rates shall be included in Item N: Other rates. If the bidders has chargeable plant and equipment that will be used under this contract, the bidder may include an annexure to Item N: Other rates, the total (excl. VAT) shall include the annexure items' rates.</b></li> <li>• Then in your pricing schedule you require a day rate for occupational health &amp; safety, is this an express requirement for an onsite safety officer or what is this rate for? Do we have to quote this in? <b>The occupational health and safety day rate is a rate that the contractor charges in order to comply with the occupational health and safety requirements per project. The required rate is not specifically for an onsite safety officer. On some Departmental sites a Departmental Safety Officer and/or Inspector from the Department of Labour may conduct an inspection of equipment, induction on site, go through the diving contractors safety file, diving plan, etc. The occupational health and safety day rate is compulsory.</b></li> <li>• Part 5: Technical Specification and Requirements; page 22, paragraph 7.4 "Summary Total Cost for Item B", item 6 description is a typing error, the description must be replaced with "Detailed Report(s) on Diving Services (2 days)". The bidder must include a rate for the diving report (for 2 days).</li> </ul>	

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## PERSON

## 2.3

## SCM requirements

**M. Mdletshe**

**Points of emphasis:-**

- Phased evaluation process will be used. Bidder must be competent or meet requirements in a previous phase in order to be evaluated further in other phases or stages;
- The Preferential Procurement Regulations of 2017 are applicable. Functionality is also applicable for this tender to evaluate the capability of the bidder.

### 2.3.1

- **Administration compliance:**

Tax compliance will be verified through the CSD and SARS system (it is compulsory for bidders to be tax compliant and CSD registered)

Details of the company must be fully completed on SBD 1 (except the bid price), SBD 3.2 is replaced by the pricing schedules that must be fully completed, Bidders must fully and honestly declare on SBDs 4, 8 and 9. SBD 9 pertains to bid rigging and other competition matters. Bidders that are in a horizontal relationship, as outlined in the Competition Regulations, cannot bid for the same tender.

Company registration certificate must be issued in terms of the 2008 Companies Act with Directors or members visible in the certificate.

### 2.3.2

- **Mandatory requirements:**

COIDA or a private insurer (this must be a registered FSB)

Proof of registration with UIF can either be print out from the system or UIF number in the tax clearance certificate (TCC)

All partners must meet all compliance requirements (tax, CSD, CIBD, individual SBD 4, 8 and 9, individual company registration certificates).

Template CV in the tender document must be used. Relevant qualifications must be clearly listed in the CV and related schedule (Annexure D).

Bidders must only list relevant experience (Annexure B) and reference letters.

### 2.3.3

**Q&A:-**

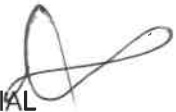
- Whether having lower rates will put a bidder in an advantage? No, bidders are evaluated based on the phased system and have to qualify for all the phases and meet the minimum threshold that has been set for functionality in order to be evaluated until the last stage, which is price (rates) and BBBEE.
- Should JVs and sub-contractors submit individual SBD forms? Sub-contractors are not required to submit SBDs but must submit their CSD registration, copies of TCC, and sub-contracting agreements. SBD 1, 3.2, 6.1 and 6.2 should be completed as a JV but SBD 4, 8 and 9 should be completed by each member of a JV.
- Whether a JV partner may be used by another bidder as a sub-contractor? No, this will breach competition regulations as the bidders are in a horizontal relationship.
- Whether JVs should form incorporated or unincorporated agreements. DWS cannot dictate the form of partnerships that companies will form. However, it is our advise that the unincorporated JVs should be formed as it will only bind companies to a JV for the purposes of this contract only.



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	<ul style="list-style-type: none"> <li>• Which CVs should be submitted? <b>Only the CVs of commercial diving supervisors and divers should be submitted.</b></li> <li>• Whether a bidder will be disqualified if details of a particular key personnel are not submitted? <b>The bidder will not be disqualified but will lose the points associated with the personnel under Ability and Capability (Functionality). The more points are lost the more likely the bidder will not meet the set minimum functionality threshold. The bidders must ensure that they find all the technical personnel that will be needed for the project. Bidders must ignore the requirement for the submission of the proof of qualifications and professional registration, the CV will suffice for the purposes of evaluation and adjudication. What is the purpose of the briefing session certificate? In conjunction with the attendance register, the purpose of the certificate is to prove the attendance of the meetings. Bidders should ensure that they fill in the certificate and sign them, have one of the DWS Representatives to sign it and submit it with their bids.</b></li> <li>• How the name of a new consolidated JV differs from the name that appears in the attendance register? <b>In cases where the name differs, the bidder, under SBD 1, should indicate that name of the company that attended the briefing session, which is part of the JV. This information will also be extracted from the briefing session certificate.</b></li> <li>• Whether the consolidated BEE certificate is a requirement? <b>In a case of a JV, a consolidated B-BBEE verification certificate is a requirement. Although the Department has relaxed the requirement for compliance certificates and registered JVs at this stage, the requirement for consolidated B-BBEE certificates for JVs cannot be lowered as it is a regulatory requirement. DWS understands the time it takes to do B-BBEE verification and certification for JVs. Failure to obtain such will not disadvantage the bidders.</b></li> </ul>	<b>M. Mdletshe and All</b>
<b>2.3</b>	<p><b><u>Administrative issues</u></b></p> <p>It was emphasised that –</p> <ul style="list-style-type: none"> <li>• enquiries must be send until at least 5 days before the closing date.</li> <li>• enquiries must be send through the emails, and these will be shared with other bidders.</li> <li>• the minutes of the compulsory briefing session and the attendance register will be advertised in the DWS website.</li> <li>• The bidders must monitor this means of communication for all the changes and documentation that will be issued before the closing date.</li> <li>• The closing time is 11h00, the tender box opens 24 hours but in cases of big documents these should be submitted inside the tender office during office hours (these instructions should be communicated to couriers).</li> </ul>	<b>M. Mdletshe</b>

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2.4	<u>CLOSURE</u>  The Chairperson thanked everyone for their attendance and participation. The meeting closed.	

SCM OFFICIAL  
DATE:

  
2018/01/17