

REF NO: 054/2024/PMID/MCWAP2/RFB NOTICE 30

20 MAY 2024

***ABSTRACTION WORKS, PUMPING STATIONS, RESERVOIRS, PIPELINE, RELATED
MULTIDISCIPLINE WORKS, ANCILLARY WORKS***

Dear Bidder,

TCTA acknowledges receipt of the requests for clarification listed in the attached table. The response to each request for clarification is provided in the attached table.

Yours faithfully

Azwi Nelwamondo

Senior Manager: Supply Chain Management

NO.	REQUESTS FOR CLARIFICATION	TCTA RESPONSES								
1	<p>In the C311 General P2V2 of the Specification, the following content can be found in Table A of ANNEXURE 1/6 INTEGRATION OF PIPE CONSTRUCTION TRAIN OF ACTIVITIES:</p> <table border="1" data-bbox="203 440 855 651"> <thead> <tr> <th data-bbox="203 440 490 472">Pipe laying (Note 1):</th> <th data-bbox="490 440 855 472"></th> </tr> </thead> <tbody> <tr> <td data-bbox="203 472 490 536">• 3 pipes laid and welded per day.</td> <td data-bbox="490 472 855 536">400 m</td> </tr> <tr> <td data-bbox="203 536 490 600">• 4 pipes laid and welded per day.</td> <td data-bbox="490 536 855 600">550 m</td> </tr> <tr> <td data-bbox="203 600 490 651">• 5 pipes laid and welded per day.</td> <td data-bbox="490 600 855 651">700 m</td> </tr> </tbody> </table> <p>We do not understand the meaning of the maximum lengths of 400m, 550m, and 700m in the table. Please explain which specific regulations restrict construction operations, and what is the relationship between the maximum length and the activities of 3-5 pipes laid and welded per day?</p>	Pipe laying (Note 1):		• 3 pipes laid and welded per day.	400 m	• 4 pipes laid and welded per day.	550 m	• 5 pipes laid and welded per day.	700 m	<p>Reference is to be made to the following:</p> <ul style="list-style-type: none"> • Part C3.1 Specification, Section 1, General, Annexure 1/6. • Part C3.1 Specification, Section 9, Bulk Surface Excavations and Trenching, Sub-section 9.5.7. <p>The lengths stated refer to the maximum length of open trench that will be allowed on site, determined by the Contractors average pipelaying production rate (laid and welded pipes).</p> <p>Table A indicates the permissible upper limits applicable to the pre-construction and pipe laying activities, unless otherwise approved by the Engineer.</p>
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• 3 pipes laid and welded per day.	400 m									
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2	<p>Tender documents and contracts can be quite complex when it comes to local content requirements for projects. These requirements cover the origin, nature, and quantity of subcontractors, suppliers, and labour, and failure to meet them can result in penalty charges. Would Employer be able to clarify if there is a cap on the local content penalty?</p>	<p>Refer to addendum 13.</p>								
3	<p>According to Clause 50.3.1.5 of C3150 Socio-Economic Targets and Penalties, "The CSPG is the monetary value of the targets set by the Employer in the Contract Social Participation process and stated in the Contract Data." We were unable to find any information regarding the Contract Social Participation Goal Value (CSPG) in the Contract Data. Could you please provide some clarification?</p>	<p>CSPG is not in the contract data and such penalties were removed as per addendum 13.</p>								

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4	<p style="text-align: center;">Penalty Targeted Labour = 0.15 x (Sum (TL n – TG n) - 1.2 x L dp)</p> <p>Where:</p> <p>n= Each lowest order subgroup of Targeted Labour stipulated in the Contract Data.</p> <p>TL= Monetary value of the Targeted Labour calculated at the percentage stipulated in the Contract Data applied to the final contract value (excluding VAT).</p> <p>TG= Cumulative monetary value of Targeted Labour employed on the contract by the Contractor and all Subcontractors.</p> <p>L dp= Cumulative monetary value of black Disabled Persons employed on the Contract by the Contractor and all Subcontractors.</p> <p>(TL n - TG n) = The monetary values calculated unless if any calculated value is negative, then it shall be a zero value.</p> <p style="text-align: center;">Penalty Targeted Enterprises = 0.15 x (Sum (TE n – TGE n) - 1.2 x TE mv - 1.2 x TE dp)</p> <p>Where:</p> <p>n= Each lowest order subgroup of Targeted Enterprise stipulated in the Contract Data.</p> <p>TE= Monetary value (excluding VAT) of Targeted Enterprises calculated at the percentage stipulated in the Contract Data applied to the final contract value (excluding VAT).</p> <p>According to Clause 50.3.1.6 of C3150 Socio-Economic Targets and Penalties, Penalties for Targeted Labour and for Targeted Enterprises shall be calculated as above, but neither can we find the "each lowest order subgroup of Targeted Labour/Targeted Enterprise" nor "monetary value (excluding VAT) of Targeted Labor/Enterprise at the percentage" in the Contract Data. The Employer is requested to provide relevant information.</p>	Refer to the response in 3 above.

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5	<p>According to Clause 50.3.2 of C3150 Socio-Economic Targets and Penalties there are designated "Employment Target" as stipulated in Table 50/1 to be reached by the Contractor, failing which a penalty shall be applied according to the formula as stated below:</p> <p>Penalty amount = [(target unskilled local people % - actual unskilled local people %) x (total payroll costs for total unskilled workforce for the month in question)] + [(target semi-skilled black people % - actual semi-skilled black people %) x (total payroll costs for total semi-skilled workforce for the month in question)] + [(target semi-skilled local black people % - actual semi-skilled local black people %) x (total payroll costs for total semi-skilled workforce for the month in question)].</p> <p>We are wondering what is the difference between "Targeted Labor" of CSPG and " Employment Target"? Do they overlap? We are also wondering what is the difference between "Penalty Targeted Labour" referred to in Clause 50.3.1.6 and " Penalty Amount" referred to in this Clause 50.3.2? Do they overlap? The Employer is requested to clarify.</p>	<ul style="list-style-type: none"> • Targeted Labor" of CSPG and " Employment Target" means the same thing in relation to the participation of the local people on the project as per the targets set in Clause 50.3.2 of C3150 Socio-Economic Targets and Penalties. • Correct, there is an overlap which will lead to a double penalty and Addendum 13 clarifies the intended application of the penalty.
6	<p>According to Clause 50.4.1 of C3150 Socio-Economic Targets and Penalties, it is said that [The value of goods and services preferentially procured from sources external to the Contractor shall be based on the tendered percent as a percentage of the Procurement Target Amount shown in the Bill of Quantities. Such percentage shall not be less than 15%. "]</p> <p>In the first paragraph and [Important to note is that the targets below are to be considered as "sub-percentages" of the Black Owned Enterprise (15%) target, thus a percentage of a percentage"] in the third paragraph.</p>	<ul style="list-style-type: none"> • The right columns of Table 50/2 and 50/3 is means a 'percentage of the Procurement Target Amount shown in the Bill of Quantities' and kindly refer to addendum 13 and see definition "k" on page 2 of 29. • Whilst there is an overlap and some categories are mutually inclusive, such are not necessarily sub-percentages of Black Owned Enterprise target of 15% but each sub-catergory standing on its own for e.g.Military Veterans.

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	<p style="text-align: center;">TABLE 50/2 MCWAP-2 PREFERENTIAL PROCUREMENT TARGETS (OTHER CONSTRUCTION)</p> <table border="1"> <thead> <tr> <th data-bbox="293 344 920 400">PREFERENTIAL PROCUREMENT BENEFICIARIES CATEGORY</th> <th data-bbox="1025 331 1312 416">TARGET (% OF THE ACCEPTED CONTRACT AMOUNT)</th> </tr> </thead> <tbody> <tr> <td data-bbox="232 448 595 475">Black Owned Enterprise (BOE)</td> <td data-bbox="1151 448 1182 475">15</td> </tr> <tr> <td data-bbox="232 507 730 534">Black Women Owned Enterprises (BWOE)</td> <td data-bbox="1151 507 1182 534">10</td> </tr> <tr> <td data-bbox="232 566 689 593">Black Youth Owned Enterprise (BYOE)</td> <td data-bbox="1151 566 1171 593">5</td> </tr> <tr> <td data-bbox="232 625 647 652">Black Persons with Disability (BPD)</td> <td data-bbox="1151 625 1171 652">5</td> </tr> <tr> <td data-bbox="232 684 432 711">Military Veterans</td> <td data-bbox="1151 684 1171 711">5</td> </tr> <tr> <td data-bbox="232 743 696 770">Black Owned Local Enterprises (BOLE)</td> <td data-bbox="1151 743 1182 770">10</td> </tr> </tbody> </table> <p style="text-align: center;">TABLE 50/3 MCWAP-2 PREFERENTIAL PROCUREMENT TARGETS (PIPE CONSTRUCTION)</p> <table border="1"> <thead> <tr> <th data-bbox="293 970 920 1026">PREFERENTIAL PROCUREMENT BENEFICIARIES CATEGORY</th> <th data-bbox="1025 954 1312 1038">TARGET (% OF THE ACCEPTED CONTRACT AMOUNT)</th> </tr> </thead> <tbody> <tr> <td data-bbox="232 1074 595 1101">Black Owned Enterprise (BOE)</td> <td data-bbox="1151 1074 1182 1101">15</td> </tr> <tr> <td data-bbox="232 1121 730 1149">Black Women Owned Enterprises (BWOE)</td> <td data-bbox="1151 1121 1182 1149">10</td> </tr> <tr> <td data-bbox="232 1169 689 1197">Black Youth Owned Enterprise (BYOE)</td> <td data-bbox="1151 1169 1171 1197">5</td> </tr> <tr> <td data-bbox="232 1249 647 1276">Black Persons with Disability (BPD)</td> <td data-bbox="1151 1249 1171 1276">5</td> </tr> <tr> <td data-bbox="232 1297 432 1324">Military Veterans</td> <td data-bbox="1151 1297 1171 1324">5</td> </tr> <tr> <td data-bbox="232 1345 680 1372">Black Owned Local Enterprise (BOLE)</td> <td data-bbox="1151 1345 1182 1372">10</td> </tr> </tbody> </table>	PREFERENTIAL PROCUREMENT BENEFICIARIES CATEGORY	TARGET (% OF THE ACCEPTED CONTRACT AMOUNT)	Black Owned Enterprise (BOE)	15	Black Women Owned Enterprises (BWOE)	10	Black Youth Owned Enterprise (BYOE)	5	Black Persons with Disability (BPD)	5	Military Veterans	5	Black Owned Local Enterprises (BOLE)	10	PREFERENTIAL PROCUREMENT BENEFICIARIES CATEGORY	TARGET (% OF THE ACCEPTED CONTRACT AMOUNT)	Black Owned Enterprise (BOE)	15	Black Women Owned Enterprises (BWOE)	10	Black Youth Owned Enterprise (BYOE)	5	Black Persons with Disability (BPD)	5	Military Veterans	5	Black Owned Local Enterprise (BOLE)	10	
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	<p>We understand that "the Accepted Contract Amount" referred to in the right columns of Table 50/2 and 50/3 means "the Procurement Target Amount shown in the Bill of Quantities". The Employer is requested to confirm if our understanding is correct or not.</p> <p>We also would like to know the difference between "the Black Owned Enterprise (15%) target" referred to in the third paragraph of Clause 50.4.1 and "the Black Owned Enterprise (BOE)" referred to in Table 50/2 and 50/3. Or if they refer to the same thing, how to understand [the targets are to be considered as "sub-percentages" of the Black Owned Enterprise (15%) target, thus a percentage of a percentage]?</p>	
7	<p>According to Clause 50.5.1 of C3150 Socio-Economic Targets and Penalties, it is provided that "Total expenditure on MTEDBs and other enterprise development beneficiaries shall not be less than 15% of the Accepted Contract Amount".</p> <p>We understand that "the Accepted Contract Amount" referred to above means "Procurement Target Amount shown in the Bill of Quantities". The Employer is requested to confirm if our understanding is correct or not.</p>	<p>The accepted Contract Amount" referred to in the right columns of Table 50/2 and 50/3 means "the Total Contract value. (see definition "k" on page 2 of 29). This is so because this clause is for enterprise development which is an extensive intervention in addition to the preferential procurement.</p>
8	<p>According to Appendix to Tender, the minimum threshold for interim certificates should be 0.5% of the awarded contract value.</p> <p>Considering 0.5% of the awarded contract value can be a relatively huge amount, we would like to know if it's possible for the Employer to remove the requirement?</p>	<p>The requirement remains as described in the RFB.</p>
9	<p>According to Appendix to Tender, the Advance Payment should be repaid in 12 equal monthly amounts;</p> <p>We are wondering when repayment of the Advance Payment starts and is it possible that the repayment of Advance Payment should be achieved by deducting 10% of the amount certified in each milestone payment certificate, so the burden on the Contractor's cashflow will be lesser?</p>	<p>Vol 2, Part C1.1 – Retunable Documents, Appendix to Tender, Sub-Clause 14.2 states that:</p> <ul style="list-style-type: none"> • Start repayment of advance payment 6 months after payment of advance. • Repayment of advance payment to be 12 equal monthly amounts. <p>The Advance Payment amounts shall be repaid through deductions in the relevant Payment Certificates.</p>

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10	<p>According to Appendix to Tender, 10% of each interim payment will be retained as Retention Money.</p> <p>We are wondering if the Contractor is allowed to provide a Retention Bond in lieu of Retention Money</p>	<p>Correct,TCTA will be agreeable to either retention monies or the retention bond. Refer to addedmum 13.</p>
11	<p>According to Notice 4 issued on March 01, 2024, the Taking Over Certificate will be issued in the 76th month after the Commencement Date while Water Delivery will be completed in the 54th month.</p> <p>Could the Employer help clarify why there should be 22 months between the completion of Water Delivery and the issuance of Taking-Over Certificate? (please kindly note that the Defects Liability Period starts from the date of the issuance of Taking-Over Certificate but it seems more reasonable that it should start from Water Delivery).</p>	<p>As per the Tender Briefing Sessions, Tender Documentation, please note the following:</p> <ul style="list-style-type: none"> • Ready For Operation (RFO), Water Delivery Milestone is at end of month 54. • Defect Liability Period is the 12 months after the RFO Milestone (up to month 66). • This is then followed by a 10 monthExtended Rehabilitation Liability Period, which takes the project up to month 76.
12	<p>According to Sub-Clause 4.2 of Particular Conditions, it's provided that "The Contractor shall ensure that the Performance Security is valid and enforceable until the Contractor has executed and completed the Works and remedied any defects. The Performance Security shall indicate validity up to the date of issue of the Performance Certificate and shall not have an expiry date."</p> <p>The Employer's requirement seems not consistent with the common practise as issuing banks usually require a fixed expiry date for securities.</p> <p>The Employer shall have the right to extend the expiry date if the time for completion is delayed.</p>	<p>The Tenderer shall determine that expiry date in line with their proposed schedule to be submitted with their proposal. Should the project extend beyond the Tenderer proposed schedule, the Tenderer shall extend the expiry/validity of the performance bond.</p>
13	<p>Would the Employer please consider allowing bidders to quote and the Contractor to receive payment in a certain percentage of foreign currency ?</p>	<p>South African Rands is the only applicable currency in this RFB.</p>