

## **C2.1 PRICING INSTRUCTIONS**

### **GENERAL ASSUMPTIONS**

Pricing Assumptions mean the criteria as set out below, read together with all Parts of this contract document, which it will be assumed in the contract that the tenderer has taken into account when developing his prices.

1. The short descriptions given in the schedules below are brief descriptions used to identify the services and related cost items for which prices are required. Detailed descriptions of the services to be priced are provided in the Scope of Work (Part C3.1 of this document) and the relevant statutory body.

2. The bidder must price for services as detailed under C.3.1 below. The fee scales shall be calculated as per the Government Gazette Vol. 606 December 2015, No. 39480 reduced by any applicable discounts

3. For the purpose of the service or cost item, the following words shall have the meanings hereby assigned to them:

WORD	MEANING
Unit	The unit of measurement for each item of work.
Quantity	The number of units of work for each item.
Rate	The agreed payment per unit of measurement
Amount	The product of the quantity and the agreed rate for an item
Sum	An agreed lump sum payment amount for an item, the extent of which is described in the Scope of Work, but the quantity of work which is not measured in any units.
Professional Fee	The agreed fee for a service, the extent of which is described in the Scope of Work and may where required be expressed as a percentage of the estimated construction contract value or part thereof.

4. A rate, sum, professional fee and/or price as applicable, is to be entered against each item in the schedules. An item against which no price is entered will be considered to be covered by the other prices or rates in the relevant Table of Quantities.

5. The rates, sums, professional fee and prices in the schedules are to be fully inclusive prices for the work described under the several items. Such prices and rates are to cover all costs and expenses that may be required in and for the execution of the work described in accordance with the provisions of the Scope of Work, and shall cover the cost of all general risks, liabilities, and obligations set forth or implied in the Contract Data, as well as overhead charges and profit.

6. Where quantities are given in the Table of Quantities, these are provisional and do not necessarily represent the actual amount of work to be done. The quantities of work accepted and certified for payment will be used for determining payments due and not the quantities given in the Table of Quantities. In respect of time-based services, the allocation of staff must be agreed with the employer before such services are rendered.

7. Tendered time-base fees (where the unit of measurement is time based) shall be adjusted in terms of clause 3.16 of the Standard Professional Services Contract. Tenderers are to note that apart from the stated adjustment to the time-based fees, there will be no adjustment in the tendered professional fees and/or other rates tendered during the initial term of the contract. If the successful tenderer is given any extension with respect to their appointment term, the tendered time-base fees shall be adjusted for the extension with respect to their appointment term, in terms of Clause 3.16 of the Standard Professional Services Contract and shall not revert automatically to the recommended prevailing time-based fees contained the various gazettes and notices of the relevant respective professional bodies such as, for example, the hourly rates recommended by the South African Council for Project and Construction Management Professionals (SACPCMP) and the Engineering Council of Southern Africa (ECSA) at the time of the extension.

7.1. DBSA reserves the right to negotiate the Professional fees with the successful Bidder due to any circumstances beyond their control, this could result in an increase or decrease of Professional fees that will be agreed to by both parties.

8. The tendered Professional fee or rate for construction monitoring staff shall include all overtime costs in respect of construction monitoring services provided outside of normal working hours.

9. Tenderers are to carefully note that only those recoverable expenses listed in the schedules will be reimbursed to the Service Provider.

10. Items for printing/copying shall be for specified contract documents, reports, manuals and drawings, excluding general correspondence, minor reports, progress reports, etc. which shall be deemed to be included in the professional fees. Payment will only be made for copies of reports and drawings submitted to the Employer or issued, as specified or requested by the Employer, and all drafts shall be for the Service Provider's account. The prices tendered in Schedule C2.2.2.(A) should be on the basis of a percentage of the Total Professional fees.

11. The per kilometre rate for the reimbursement of travel expenses shall be limited to the kilometre rates published by the Department of Public Works from time to time for vehicles with engine capacities of various capacities but not exceeding the maximum of 2500cc for the purpose of this contract. If 4x4 vehicles or other vehicles exceeding 2500cc are required due to accessibility or poor road conditions, the applicable rate needs to be agreed between the Service Provider and the Employer upfront before trips are undertaken. The prices tendered in Schedule C2.2.2.(A) should be on the basis of a vehicle with 2500cc engine capacity. Please note that the first **200Km** of every travel should not be claimed for by the Services Provider, it should be part of the cost in the Professional fees.

12. Tenderers are to note that the planning for this contract is based on a Departmental budget which is subject to change. While the Employer has every intent to complete the full scope of works, the Employer reserves the right to reduce or increase the scope of works according to the dictates of the budget, or to terminate this contract, without adjustment to the agreed rates, sums or professional fees and without payment of any penalty or surcharge in this regard. The Service Provider shall however be entitled to a pro-rata payment for all services carried out in terms of any adjustment to the Scope of Works or, in the case of termination, remuneration and/or reimbursement as described in Clause 8.4.4 of the Standard Professional Services contract.

13. The hourly rates and professional fees of Experts that are used by the Tenderer to provide the services shall not exceed the hourly rates and professional fees applicable for professionals in the respective disciplines as stipulated by the relevant Government Gazette in the various Guidelines to Scope of Services and Tariffs of Fees for the various disciplines. The bidder must price for normal services as contained in the Government Gazette Fee Scale. The fees shall be calculated as per the Government Gazette Fee Scale reduced by any applicable discounts.

14. Professional / Technical Services Fees: These are to be based on a realistic estimate of the cost of all the services required to achieve all the specific deliverables listed in the Scope of Work. The professional fees are to be completed in the schedules of this section. The completed schedules are to be completed and returned with the tender proposals.

15. Operational Expenses (Accommodation): Accommodation includes breakfast and means the following:  
A bed and breakfast  
A guest house  
A self-catering accommodation  
A hotel with a star rating not exceeding 3 as defined by the Tourism Grading Council of South Africa (per [www.tourismgrading.co.za](http://www.tourismgrading.co.za))  
Costs of accommodation in a lodge, country house, or a 4-star or higher star rated hotel cannot be claimed as an expense

Reimbursement for accommodation expenses will be based on the actual accommodation rate paid in an establishment.

16. Operational Expenses (Subsistence Expenses): These expenses are not applicable to this contract.

17. Printing /Copying Expenses: Where applicable (see 10 above), these expenses shall be reimbursed based on a percentage.

## C2.2 PRICING ASSUMPTIONS

Tenderers are to price each of the attached schedules. Of the price schedules to be submitted by the tenderer, the time-based fees (hourly rates) of Schedule C2.2.1 will be used in the event of changes to the contract price or period of performance (contract term) of the tenderer.

### C2.2.1 TIME-BASED FEES

N.B –The bidding team should have a list of all professional services as a company or consortium. The bidder must price for normal services as contained in the Government Gazette Fee Scale. The fees shall be calculated as per the Government Gazette Fee Scale reduced by any applicable discounts.

TABLE A: FSDOE SMPMO REQUIRED RESOURCES & PLANNED UTILISATION				No. of Hours & Utilisation for FSDOE SMPMO Resources					
				a	b	c	d	e	f
No.	Category	Resource	Quantity	Year 1	Year 2	Year 3	Year 4	Year 5	Total Estimated no. of Hours = sum (a:e)
1	Technical	PMO Manager / Lead	1	1760	1760	1760	1760	1760	8800
2	Technical	Architect	1	1760	1760	1760	880	880	7040
3	Technical	Quantity Surveyor	1	1760	1760	1760	880	880	7040
4	Technical	Civil / Structural Engineer	1	1760	1760	1760	880	880	7040
5	Technical	Electrical Engineer	1	1760	1760	1760	880	880	7040
6	Technical	Mechanical Engineer	1	1760	1760	1760	880	880	7040
7	Technical	SHEQ Specialist (Health & Safety)	1	1760	1760	1760	880	880	7040
8	Technical	Development Facilitation Specialist	1	1760	1760	1760	880	880	7040
9	Technical	Clerk of Works	4	1760	1760	1760	880	880	7040
10	Operational	Information Systems & Data Specialist	1	1760	1760	1760	880	880	7040
11	Operational	Call Centre Operator	4	1760	1760	1760	880	880	7040
12	Operational	Document Controller	2	1760	1760	1760	880	880	7040
13	Operational	PMO Administrator	1	1760	1760	1760	1760	1760	8800

TABLE B: TENDERED RESOURCE RATES FOR FSDOE SM-PMO				Tendered Rate per Hour for FSDOE SMPMO Rsources				
				g	h	j	k	m
No.	Category	Resource	Quantity	Year 1 (EXCL. VAT)	Year 2 (EXCL. VAT)	Year 3 (EXCL. VAT)	Year 4 (EXCL. VAT)	Year 5 (EXCL. VAT)
1	Technical	PMO Manager / Lead	1					
2	Technical	Architect	1					
3	Technical	Quantity Surveyor	1					
4	Technical	Civil / Structural Engineer	1					
5	Technical	Electrical Engineer	1					
6	Technical	Mechanical Engineer	1					
7	Technical	SHEQ Specialist (Health & Safety)	1					
8	Technical	Development Facilitation Specialist	1					
9	Technical	Clerk of Works	4					
10	Operational	Information Systems & Data Specialist	1					
11	Operational	Call Centre Operator	4					
12	Operational	Document Controller	2					
13	Operational	PMO Administrator	1					

TABLE C: TENDERED AMOUNT CALCULATION COST FOR FSDOE SM-PMO				Amount per FSDOE SMPMO Resource					
				n = a x g x Quantity	p = b x h x Quantity	q = c x j x Quantity	r = d x k x Quantity	s = e x m x Quantity	u = sum (n:t)
No.	Category	Resource	Quantity	Year 1 (EXCL. VAT)	Year 2 (EXCL. VAT)	Year 3 (EXCL. VAT)	Year 4 (EXCL. VAT)	Year 5 (EXCL. VAT)	Total for 5 Years (EXCL. Vat)
1	Technical	PMO Manager / Lead	1						
2	Technical	Architect	1						
3	Technical	Quantity Surveyor	1						
4	Technical	Civil / Structural Engineer	1						
5	Technical	Electrical Engineer	1						
6	Technical	Mechanical Engineer	1						
7	Technical	SHEQ Specialist (Health & Safety)	1						
8	Technical	Development Facilitation Specialist	1						
9	Technical	Clerk of Works	4						
10	Operational	Information Systems & Data Specialist	1						
11	Operational	Call Centre Operator	4						
12	Operational	Document Controller	2						
13	Operational	PMO Administrator	1						
Total Amount for Resources [= sum of all values above]									

TABLE D: CALCULATION OF TOTAL TENDERED AMOUNT		
No	Item & Description (Calculation references are from Item Numbers in this Table D only)	Amount
1	Total Tendered Professional Fee (from Column u above i.e. Total Amount for Resources in Table C)	
2	Establishment of Systems & Tools (Lump sum for establishment only. On-going Maintenance & Enhancements will be via Resource No. 10)	
3	Allowance for Disbursements at 10% of Professional Fee [= (Sum of Items 1+2) x 10%]	
4	Client Contingency Allowance at 5% of Professional Fee [= (Sum of Items 1+2+3) x 5%]	
5	SubTotal 1 [= Sum of Items (1+2+3+4)]	
6	VAT at 15% [= Sub-Total 1 x 15%]	
7	Total Tendered Amount carried to Form of Offer [= Sum of Items 5+6]	

**Ensure that each line item is priced for. Items for zero values must be indicated as such or will be presumed to be zero if not completed.**

I, the undersigned, do hereby declare that the above is a proper pricing data forming part of this Contract Document upon which my/our tender for

SIGNED ON BEHALF OF TENDERER: ..... Date:.....