



ENVELOPE A – TECHNICAL PROPOSAL

TENDER NO: **ELHARBOUR/2021/DRYDOCK/SLIPWAY**

REQUEST FOR PROPOSAL (RFP) PACK

FOR THE PROVISION OF PROFESSIONAL CONSULTING SERVICES FOR THE FEASIBILITY AND VIABILITY RESEARCH, DESIGN, CONSTRUCTION, MAINTENANCE AND OPERATION OF THE TNPA DRYDOCK AND SLIPWAY FACILITY

START DATE: 30 July 2021

CLOSING DATE: 26 August 2021

NAME OF TENDERER: \_\_\_\_\_

TENDERER'S ADDRESS:

\_\_\_\_\_  
\_\_\_\_\_  
\_\_\_\_\_  
\_\_\_\_\_

# RFP PACK CONTENTS

## **ENVELOPE A – TECHNICAL PROPOSAL**

**VOL 1 of 2**

**Section A:** General Guidelines

**Section B:** Requirements Specification

**Section C:** Service Level Agreement

## **ENVELOPE A – TECHNICAL PROPOSAL**

**VOL 2 of 2**

**Returnables Schedules**

**Annexure 1:** Procurement Handbook

## **ENVELOPE B – FINANCIAL PROPOSAL**

Offer and Acceptance

Pricing Instructions and schedule



## **SECTION A: General Guidelines**

---

FOR THE PROVISION OF PROFESSIONAL CONSULTING SERVICES FOR THE  
FEASIBILITY AND VIABILITY RESEARCH, DESIGN, CONSTRUCTION,  
MAINTENANCE AND OPERATION OF THE TNPA DRYDOCK AND SLIPWAY FACILITY

**CHECKLIST FOR SUBMISSIONS**

ITEM	
<b>Supporting Documentation To Be Submitted</b>	
Original Cancelled Cheque / Bank Stamped Letter	
CV's and Certified Qualification Certificates of proposed team members	
Accredited Valid Original or Certified B-BBEE Certificate	
Proposed Implementation Methodology/Project Approach	
Membership Certificate of Company with Relevant Professional Discipline Associations	
A minimum of two signed and stamped reference forms (Provided herein) including company name, contact name, phone number, brief details of work done with dates and analysis of performance) should be submitted which can be verified	
Valid Tax Clearance Certificate or SARS PIN	
Company Registration Document accompanied by Share Certificates where applicable	
<b>Compulsory Documentation To Be Submitted</b>	
Completed and Signed ELIDZ Procurement Handbook	
JV Participation Documentation (If applicable)	
Proof of Professional Registration/Certificate of Competency of the Individuals (Project Team)	
Proof of registration with CSD / MAAA number	

**Please Note: All the above documents must be submitted with Envelope A - Technical Proposal.**

**The price schedule and proposed solution costing must be submitted with Envelope B – Financial Proposal.**

## 1. EVALUATION CRITERIA AND COMMERCIAL EQUITY GOALS

### 1.1. Functionality evaluation matrix

FUNCTIONALITY TABLE		
<b>Qualifications &amp; Ship Repair Background</b>	<b>25</b>	
ECSA Registered/Certificate of Competency with Proven Experience of being a Ship-Repair Operator/Supervisor/Manager.	<b>0</b>	No relevant evidence provided
	<b>15</b>	Relevant experience with no ECSA Registration/Certificate of Competency
	<b>25</b>	Relevant Experience with ECSA Registration/Certificate of Competency
<b>Experience – company</b>	<b>30</b>	
Company experience in conducting ship repair research AND analysis projects in the public sector harbour environment.	<b>0</b>	Less than one (1) year verifiable experience in conducting ship repair research AND analysis projects in the public sector harbour environment.
	<b>20</b>	More than one (1) year, but less than five (5) years verifiable experience in conducting ship repair research AND analysis projects in the public sector harbour environment.
	<b>30</b>	More than five (5) years verifiable experience in conducting ship repair research AND analysis projects in the public sector harbour environment.
<b>Experience - team</b>	<b>30</b>	
Engagement Manager experience in conducting ship repair research AND analysis projects in the public sector harbour environment.	<b>0</b>	No verifiable experience in conducting research AND analysis projects
	<b>20</b>	More than one (1) year, but less than five (5) years verifiable experience in conducting research AND analysis projects
	<b>30</b>	More than five (5) years verifiable experience in conducting research AND analysis projects
<b>References</b>	<b>15</b>	
References (must be relevant to research AND analysis projects)	<b>0</b>	No relevant references provided
	<b>5</b>	One relevant reference provided – including contact details
	<b>15</b>	Two relevant references provided – including contact details

**All tenders with functionality less than 75% of the total functional requirements will not be considered for the next stage of tender evaluation.**

1.2. Broad Based Black Economic Empowerment (BBBEE).

The East London Industrial Development Zone (ELIDZ) supports national transformation goals and strives to target its procurement to create opportunities for Historically Disadvantaged suppliers and service providers. In awarding this tender, preference will be given to companies with a better rating in terms of contributions towards Broad Based Black Economic Empowerment (BBBEE).

The “tender” will be evaluated in accordance with the ELIDZ Procurement Policy using the 80/20 rule for tenders up to and including R50 000 000 incl VAT i.e. 80 of evaluation points will be based on price competitiveness and 20 will be based on BBBEE status.

The following formula is used:

Calculation of the points for Price:

$$P_s = R \times \left[ 1 - \frac{P_t - P_{min}}{P_{min}} \right]$$

Where:

$P_s$  = Points scored for price of tender under consideration

$R$  = Percentage of the price

$P_t$  = Rand value of tender under consideration

$P_{min}$  = Rand value of lowest acceptable tender

$R$  must be up to a maximum of 80

Score Breakdown:

Price ( $R$ ) = 80 points

BBBEE = 20 points

Preference points shall be awarded on the basis of a B-BBEE verification certificate issued by an accredited Verification Agency. Tenderers are required to submit a valid original or certified B-BBEE Certificate, and failure to submit a valid B-BBEE certificate will result in zero points being awarded for preference.

The following tables shall be used to convert the contribution level as per B-BBEE certificate into points

Table: B-BBEE Points Conversion 20 points

Level Contribution	B-BBEE Score	Points Conversion 20
Level 1	>100%	20
Level 2	85~100%	18
Level 3	75~85%	16
Level 4	65~75%	10
Level 5	55~65%	8
Level 6	45~55%	6
Level 7	40~45%	4
Level 8	30~40%	2
Level 9	0~30%	0

Companies with annual turnover less than R10million (Exempted Micro Enterprises or EME's) are automatically awarded a level 4 contributor status, unless the EME is Black Owned (more than 50% black ownership), in which case the enterprise will have a level 2 contributor status. EME which is 100% black owned qualifies for a level 1 contributor. In awarding the EME status, the ELIDZ shall accept a letter from an accounting firm or SARS confirming a company's turnover as less than R10m as well as a sworn affidavit confirming annual turnover and level of black ownership. B-BBEE certificates issued by non-accredited verification agencies will not be accepted as valid proof of a company's B-BBEE status.

No points will be awarded for achieving B-BBEE objectives if the total percentage scored for B-BBEE is less than 30%.

The tender will be awarded to the bid with the highest number of points. A tender may be awarded to a bidder that did not score the highest number of points if reasonable and justifiable grounds exist.

Any contract offered by the ELIDZ will be based on the correctness of information submitted by the service providers. Any misrepresentation of facts by a service provider may lead to disqualification. Should such misrepresentation be uncovered after the commencement of the contracted work, the ELIDZ reserves the right to terminate the contract and recover all payments made to that service provider and any costs that may have been incurred in the process.

ELIDZ reserves the right to have the tenderer's Black Economic Empowerment Credentials verified by an independent agency. (Procurement Handbook – Annexure: A must be fully completed and supplementary information may be completed by service providers with a turnover of less than R10m and be accompanied by letter from an accounting firm or SARS confirming the company's or sworn affidavit turnover is less than R10m).

## **2. CONDITIONS OF TENDERING**

- General Conditions of Tendering;

### **PLEASE NOTE THE FOLLOWING CONDITIONS ARE APPLICABLE TO ALL TENDERS.**

- A Non- Compulsory briefing session will be held on the **18 August 2021, 10h00** on Teams
- Registration for the briefing to be sent to [anathi@elidz.co.za](mailto:anathi@elidz.co.za) no later than 15:00 on 17 August 2021
- Questions relating to the RFP will be accepted until **12h00 on the 23 August 2021**. All questions must be submitted to [anathi@elidz.co.za](mailto:anathi@elidz.co.za)
- The closing date for this tender is at **12h00 on the 26 August 2021**
- E-mailed, faxed, late, or incomplete proposals will not be considered;
- ELIDZ is not obligated to accept the lowest or any proposal;
- Tender documents are to remain securely bound;
- Any expenses incurred by the tenderer in preparing and submitting the proposal will be for the tenderer's account, as the ELIDZ SOC Ltd will not accept any liability in this regard;
- We reserve the right to correct discrepancies and errors as necessary with the consent of the tenderer; however, the value total of the prices shall remain unaltered;
- Proposals which do not comply with the tender conditions or which are incomplete will, as a general rule, not be considered.

## **3. SIGNATURES ON TENDERS**

All tenders submitted must be signed by that individual, or by someone on his behalf duly authorized and proof of that authority must be attached. All tenders submitted by a company must be signed by a person duly authorized thereto by a resolution of the Board of Directors, a copy of which resolution, duly certified by the Chairman of the company can be submitted with the tender.

If the tender is submitted by a joint venture of more than one person and/or companies and/or firms it shall be accompanied by:

A certified copy of the original document under which the joint venture was constituted. This document must clearly define the conditions under which the joint venture will function, as well as the duration and participation of the several constituent persons and/or companies and/or firms.

A certificate signed by or on behalf of each participating person and/or company and/or firm authorizing the person who signed the tender to do so.

In instances of a joint venture, each participating person and/or company and/or firm must complete and submit Annexure A (Procurement Handbook) with the tender together with all profit sharing percentage information.

#### **4. AREA OF SERVICE/POINT OF DELIVERY**

The delivery of services will be required at the ELIDZ, Lower Chester Road, Sunnyridge, East London.

#### **5. SPECIAL CONDITIONS APPLICABLE TO THIS CONTRACT**

- A service provider will only be awarded and appointed in one discipline where he/she/it has achieved the highest points which is fair and acceptable. In the event a service provider has already been awarded a discipline, but there are no other bidders in this discipline the ELIDZ reserve the right to award the bid to that service provider
- Project Manager, Architect/Principal Agent, and Quantity Surveyor are required to make provision in their pricing proposal for the employment of a minimum of at least one intern from designated groups for the duration of the project

#### **6. SERVICE LEVEL AGREEMENT**

The successful tenderer will be required to enter into a PROCSA Client / Consultant Professional Services Agreement with the ELIDZ that will include amendments set out herein in Section C, as per the PROCSA Agreement.

#### **7. CONFIDENTIALITY AGREEMENT**

All information relating to the ELIDZ's customers (and potential customers), systems, operating procedures etc. is confidential and to this end, the successful tenderer will be required to enter into a Confidentiality Agreement with the ELIDZ.

#### **8. POPIA**

By submitting this tender, the bidder hereby consents to providing the ELIDZ with personal information as provided in the Protection of Personal Information Act 2013 (POPIA).

1. The ELIDZ undertakes to:
2. It will take all reasonable steps and precautions to preserve the integrity of bidders Personal Information and to prevent any corruption or loss of such data.
3. It will not do any of the following: copy, compile, collect, collate, process, store, transfer, alter, delete, interfere with or in any other manner use the bidders Personal Information as described in the Act for any purpose other than with the express prior written consent of the bidder.

4. Utilize the personal information provided for the purposes of assessment of the tender submitted by the bidder and contracting with the successful bidder as the case may be.
5. It will immediately inform the bidder in writing if any Personal Information relating to it has been compromised. The ELIDZ undertakes to immediately inform the bidder in writing as to how it will manage such compromise and what steps will be taken to rectify the situation.
6. Due and reasonable care of the bidders personal information and not to share the said personal information with any third party unless you have authorised such disclosure or the release of such information is required by law.
7. At all times strictly comply with its obligations under Data Protection Legislation.
8. Subject to legislative, regulatory, contractual and other legitimate conditions, the respective bidder has certain rights in terms of how their information is processed. The bidder can request access to information or guidance on how to lodge a complaint from or direct a request to exercise afforded rights to the ELIDZ Information Officer, or his/her deputy/ies, or the Information Regulator.
9. It will maintain guidelines, policies or procedures for the retention or destruction of data and will retain it only as long as necessary for the identified purposes or to meet legal requirements or policies.
10. It shall implement and maintain, at its cost and expense, appropriate, reasonable
11. technical and organisational measures to prevent loss of, damage to or unauthorised destruction of Personal Information and unlawful access to or Processing of Personal Information.
12. The ELIDZ shall not incur any liability for costs, loss or damage arising from the use of inaccurate or incomplete data provided by or on behalf of the bidder.

## **9. PRICE BASIS**

ELIDZ requires the tender price to remain firm for the validity period of ninety (90) days after the closing date of the tender. The tender price shall be in South African Rand.

Where prices are subject to variation it must be noted that no prices are to be revised or invoiced, without prior mutual agreement and official modification of the contract.

## **10. SUFFICIENCY OF TENDER**

The tenderer shall satisfy itself before tendering, as to the correctness and sufficiency of its tender for the project. The tenderer shall ensure that the rates and prices it has stated in the schedules cover all the obligations included in the tender and sufficient for the proper completion of the project.

## **11. TENDERER'S CONDITION**

All tenderer's shall be deemed to have waived, renounced and abandoned any terms and conditions printed or written upon any stationery used by the tenderer for the purpose of, or in connection with the submission of this tender.

## **12. DISQUALIFICATION**

Respondents are advised that should there be any contact with ELIDZ staff and the Adjudication Team which could in any way be seen or deemed to constitute a conflict of interest, bribe or otherwise influence the process and the outcome thereof, will result in immediate disqualification.

It must be stressed that any queries relating to this tender must be in writing and within the period of one week from the date of the briefing session, and must be addressed to the Project Manager only. Respondents are not to communicate in any manner or form whatsoever with members of ELIDZ personnel about the RFP until the winning service provider has been selected and such selection has been formally communicated to the public. Any such communications by Respondents with ELIDZ personnel or with persons other than the Project Manager may prejudice a Respondent, and may lead to disqualification from consideration for selection. The ELIDZ cannot accept responsibility for the accuracy of any information obtained outside the formal communication process as stipulated.

Any misrepresentation, in particular as it relates to the truthfulness of involvement of HDI's at both ownership level, management and operational level will also result in immediate disqualification.

### **13. ACCEPTANCE OF TENDER IN WHOLE OR IN PART**

The ELIDZ reserves the right to accept the complete tender as submitted by the tenderer or alternatively, to accept only specific “areas of work” (or parts of “areas of work”) of the tender as it sees fit.

Accordingly tenderer’s are advised to ensure that all prices submitted against each “area of work” are sufficient to cover the tenderer’s entire obligation as defined in these documents, required to provide each specific “area of work”.

### **14. SUPPORTING DOCUMENTATION TO BE SUBMITTED**

- Original Cancelled Cheque / Bank Stamped Letter
- Accredited Valid B-BBEE Original or Certified Certificate
- Membership Certificate of Company with Relevant Discipline Associations
- Letters of reference (a minimum of two)
- CV’s of the Proposed Project Team
- Proposed Implementation Methodology/Project Approach
- Proof of ECSA Registration/Certificate of Competency

### **15. COMPULSORY DOCUMENTATION TO BE SUBMITTED**

The following documentation is considered as compulsory documentation and is required to be submitted with your tender. Failing to submit the compulsory documentation will lead to disqualification due to non-compliance.

- Valid Tax Clearance Certificate
- Company Registration Document accompanied by Share Certificates where applicable
- Completed and Signed Procurement Handbook
- JV Participation Documentation (If applicable)
- Professional Indemnity Insurance (Min of R10Million)
- Professional Registration of Individuals
- Registration with CSD, MAAA number
- 

### **16. METHOD OF SUBMISSION**

It will be the responsibility of the tenderer to ensure that the tender reaches the ELIDZ.

All tender documents submitted are to be securely bound and Tenderers must submit technical and financial proposals in two separate envelopes clearly marked “Envelope A – Technical Proposal” and “Envelope B – Financial Proposal”. The financial proposal will only be opened should the technical proposal be deemed compliant and the Functionality criteria is met.

The tender should be placed in a sealed envelope and deposited by hand in the tender box before the closing date and time of **12h00, 26 August 2021**.

ELIDZ WILL NOT BE RESPONSIBLE FOR DOCUMENTS PLACED IN AN INCORRECT TENDER BOX.

The tender box will be marked

**“ELHARBOUR/2021/DRYDOCK/SLIPWAY/01 - PROVISION OF PROFESSIONAL SERVICES FOR FEASIBILITY AND VIABILITY RESEARCH, DESIGN, CONSTRUCTION, MAINTENANCE AND OPERATION OF THE TNPA DRYDOCK AND SLIPWAY FACILITY**

” which can be found in the following location:

The ELIDZ, Head Office Reception, Lower Chester Road, Sunnyridge, East London, 5201

Tenders must be marked:

**CONFIDENTIAL TENDER**

**“ELHARBOUR/2021/DRYDOCK/SLIPWAY/01 - PROFESSIONAL SERVICES FOR FEASIBILITY AND VIABILITY RESEARCH, DESIGN, CONSTRUCTION, MAINTENANCE AND OPERATION OF THE TNPA DRYDOCK AND SLIPWAY FACILITY”**

For the attention of:

**ELIDZ SCM**

## **17. ELIDZ RIGHTS**

The ELIDZ reserves the right:

- a. To negotiate with the successful tenderer and/or
- b. modify the RFP's goods / service(s) and request Respondents to re-bid on any changes;
- c. reject any Proposal which does not conform to instructions and specifications which are detailed herein;
- d. disqualify Proposals submitted after the stated submission deadline;
- e. disqualify Proposals submitted that do not meet the goods or services specifications;
- f. disqualify Proposals submitted that do not meet the necessary functionality where required;
- g. not necessarily accept the lowest priced Proposal;
- h. reject all Proposals, if it so decides;
- i. place an order in connection with this Proposal at any time after the RFP's closing date;
- j. award only a portion of the proposed goods / service/s which are reflected in the scope of this RFP;
- k. split the award of the order/s between more than one Supplier/Service Provider; or
- l. make no award at all;
- m. ELIDZ reserves the right not to award business to the highest scoring bidder/s where objective criteria justify the award to another bidder.
- n. The ELIDZ does not bind itself to accept your (or any) proposal, nor will it disclose any information regarded as confidential.





## **SECTION B: Requirements Specification**

---

FOR THE PROVISION OF PROFESSIONAL CONSULTING SERVICES FOR THE  
FEASIBILITY AND VIABILITY RESEARCH, DESIGN, CONSTRUCTION,  
MAINTENANCE AND OPERATION OF THE TNPA DRYDOCK AND SLIPWAY FACILITY

**Table of Contents**

**1. Introduction ..... 17**

**2. Scope ..... 17**

    2.1. The Scope of This RFP Includes the Following: .....17

    2.2. The Scope of This RFP Excludes the Following: ..... **Error! Bookmark not defined.**

**3. Considerations..... 21**

    3.1. Time Constraints .....21

    3.2. Area of Service & Facilities .....21

**4. Project Approach ..... Error! Bookmark not defined.**

    4.1 Project Approach..... **Error! Bookmark not defined.**

**5. Conclusion..... 22**

## 1. Introduction

The primary objective of the ELIDZ is to be able to attract local as well as international investors. The ELIDZ should reflect South Africa as a high-calibre and world-class competitive investment destination

The East London Industrial Development Zone (ELIDZ) in partnership with Transnet National Ports Authority (TNPA) and East London Harbour are required to explore possibilities of operating and maintaining the Drydock and later add the 800 Ton Victoria Slipway. Specifically, the ELIDZ is required to appoint an Expert Service Provider (ESP) to investigate, conduct a market research and due diligence on commercial and technical aspects of East London Harbour Dry Dock and Slipway facilities. The ESP will also conduct a Feasibility Study and Operating Model which will assess current and historical performance data; overall process design leading to non-performance of two facilities. This investigation will not only focus on East London region but to also look into Port Elizabeth, Cape Town as well as the route between Durban & Walvis Bay

## 2. Scope

### 2.1. The Scope of This RFP Includes the Following:

Ship repair is one of the commercial services that the Port of East London offers. This service will continuously be required for the following reasons;

- a. Mandatory Classification Survey work: Vessel Surveys are normally done every 2 to 2.5 years with special surveys required mandatory dry-docking of vessel every 5 years.
- b. Other Routine Repair & Maintenance work: This depends on insurance requirements, ship management policies, and the level of maintenance work undertaken by the ship's crew.
- c. Accident & Emergency Repairs
- d. With respect to the commercial port policy and ports act, designed as port services and therefore mandatory.

TNPA has approached ELIDZ to be in partnership and be an IMPLEMENTING AGENT with East London Harbour and explore possibilities of Operating and Maintaining the Drydock and the 800 Ton Victoria Slipway.

ELIDZ is looking for an Expert Service Provider (ESP) that can undertake a research, feasibility and viability study on the design and remedial construction works and proposal for the operations and maintenance of East London TNPA DRYDOCK AND SLIPWAY FACILITIES.

This has resulted in ELIDZ to undertake this project that seeks to formulate a to investigate how best can this partnership be achieved.

The Port of East London Dry Dock is used to maintaining and repairing vessels for the Port of East London and surrounding ports like Ngqura and Port Elizabeth. The Dry Dock is mainly occupied by

internal and external vessels requiring maintenance or repairs which inject revenue to the Port. The Port is obliged to maintain and ensure the operation of the Dry Dock due to the mandatory bi-annual docking of TNPA crafts as required by the South African Maritime Safety Authority (SAMSA) which ensures the safe operation of TNPA crafts in East London as well as the Ports of Ngqura & Port Elizabeth. Failure to maintain the Dry Dock will result in TNPA crafts not being able to be dry docked and crafts sailing to other ports for dry docking purposes, which comes at a high cost. This could result in closure of the Ports if the tugs Dry Docking certificates expire and the vessels are detained by SAMSA. The repercussions of this could result in the Port being closed due to unavailability of vessels to service the customers. The unavailability of the other dry docks to service the tugs could also be to detrimental to the Eastern Cape Ports.

## **OBJECTIVE**

The objective of this project is for the ELIDZ to appoint an Expert Service Provider (ESP) to investigate, conduct a market research and due diligence on commercial & technical aspects of East London Harbour Dry Dock & Slipway facilities. Feasibility Study and Operating Model

The ESP will look at historical performance data, current performance, overall process design to search for operating deviations that lead to non-performance of these two facilities and process interactions which could lead to a swift turnaround and maximum utilization of these two facilities. This investigation will not only focus on East London region, to also look into Port Elizabeth, Cape Town as well as the route between Durban & Walvis Bay.

RSA Government launched Operation Phakisa in July 2014 to unlock the economic potential of South African's oceans. Infrastructure development has been identified as the primary driver for job creation. Within the findings and recommendations of Operation Phakisa, is the directive to maintain ship repair facilities in the South African Port System, TNPA have identified the upgrading of the current, and potential new, facilities to meet the changes in the shipping technology and develop new markets for vessel repairs in RSA.

### **Detailed Scope:**

Key indicators to be considered should include:

An Expert Service Provider (ESP) must investigate, conduct a market research and due diligence on commercial and technical aspects of East London Harbour Dry Dock and Slipway facilities. The ESP will also conduct a Feasibility Study and Operating Model which will assess current and historical performance data; overall process design leading to non-performance of two facilities. This investigation will not only focus on East London region but to also look into Port Elizabeth, Cape Town as well as the route between Durban & Walvis Bay

As such the scope of the project will focus on achieving the following:

This project needs to complement the mission and vision of Transnet National Ports Authority in the following ways:

- Focus on customer needs/client service by improving operational efficiencies, and
- Manage and reduce risks, improve safety and comply with Safety Laws & Regulations as well Codes and Standards.
- To improve business potential, protect the current revenues, provide sustainable infrastructure and enable increased throughput at dry dock and slipway facility.
- To accommodate vessels with various hull designs at dry dock and slipway
- To replace infrastructure that has deteriorated and to extend its life span

#### KEY BENEFITS

- Providing dry dock & slipway in East London Harbour where various vessels including tugboats can be docked and slipped safely for maintenance purposes.
- Improve reliability and efficiency of the dry dock and slipway facilities
- Provide flexible docking and slipway system that can accommodate various hull designs.
- Extend the infrastructure life expectancy by 20 years and more.
- Stimulate the boat building and boat repair industry in the Eastern Cape.
- Increase safe operating conditions for all persons working on the facilities; and
- Improve efficiency through safe operating conditions and planned maintenance.
- Ensuring compliance to the National Ports Act 12 of 2005, section 11;
- Ensuring compliance with OHS ACT 85 of 1993 and Driven Machinery Regulation;

The ESP to develop a comprehensive SOW that will fit with TNPA Strategic and Master Plans. Deliverables;

1. The ESP need to work on this entire project and aim at turning around these two underperforming facilities.
2. Formulating the correct Scope of Work with Activity Based Costing methodology and the best procurement process that needs to be adopted.
3. Conduct Feasibility Study and Condition Assessment Report of Dry Dock and Slipway, what needs to be done with associated costing.
4. Determining the Cost benefit analysis and the break-even point in terms of Potential Revenue vs Expenditure.
5. Explore whether the pricing is regulated or is based on demand and supply situation.

6. What is an ideal of various operating models suitable for ELIDZ and concession option of infrastructure refurbishment.
7. Procurement Sourcing type, i.e. Request For Information as a point of departure.
8. Sourcing the right Service Provider, the type of contracting and outputs.
9. The preferred option for ELIDZ leading to a recommendation whether to insource or outsource and what resources will be required having been informed that there's existing resources at Dry dock.
10. Investigating possible funding streams/opportunities, beyond TNPA & Dept of Transport Operation Phakisa.
11. Market Estimation and Revenue of PE & Ngqura boats being serviced in Cape Town as well as Walvis Bay boats being serviced in Durban.
12. To also check the type of services are offered by Cape St Francis and establish Competitor Analysis.
13. He also mentioned that it will be important to get hold of the previous/recent reports for these two facilities from TNPA.

The appointed Service Provider will have to review these reports.

14. The ESP will need to look at the following pillars;
  - a) Condition Assessment of these infrastructure = Current Status and what need to be done to optimize these two facilities and possibly to modernize them.
  - b) Funding = If it is still available for Operation Phakisa, whether it is adequate or not, this will give a clear picture of how much is needed from possible partner/investor that may need to collaborate with TNPA.
  - c) Operating Model = Current optimal operating costs, combination of incoming revenue, pricing & fixed staffing costs.

The ESP need to comment on operating structure if it is adequate to make these facilities optimal. Whether the staff is adequate and need to be taken over.

The service provider need to give us the ideal resourcing.

- d) Growth Prospects = need to look at volumes and where they come from, i.e. Tugs, Private Sector, where would new volumes/prospects likely to come from as these facilities are under-utilised
- e) Concession Model = What is in it for ELIDZ (Operator/Investor) to venture into this kind of partnership.

What becomes the legal mechanism of the concession in simpler terms. The leasing of infrastructure to ELIDZ, what type and length of lease, that will allow ELIDZ to attract a private sector (operator/investor).

To see this attractive and be able to re-coupe the investment, for ELIDZ to cover its costs and gains/profits for the investor to achieve the overall objective.

ELIDZ getting into Concession Contract, what are limitations, the type of arrangement need to be investigated by the Service Provider and to be taken to Board for Approval.

## 3. Considerations

### 3.1. Time Constraints

The ELIDZ envisages that the work will take a month for the consultant to present the feasibility study findings, and the finding will determine the next phase.

### 3.2. Area of Service & Facilities

The delivery of services will be required at the East London IDZ, Lower Chester Road, Sunnyridge, East London.

## 4. Project Approach

### 4.1 Project Approach

A structured program of meetings will be put in place so as to co-ordinate all aspects of the contract for the successful execution of the project. These will be structured as follows:

- **Consultants Planning Meetings held every 2 weeks.** These meetings will deal with all design issues and integration of design aspects of the different disciplines. The Consultant Principal agent chairs these meetings.
- **Management Meetings (ELIDZ PM and all Consultants).** These meetings will be chaired by the Consultant Principal Agent. The purpose is to report to the client the progress, discuss the strategies, performance and quality.
- **Cost Reporting will occur at the Management Meeting.** The report will specifically deal with overall project/contract cost including the Professional fees and disbursements. Issues around cash-flow, approval of variation orders, special claims and any other design changes affecting the budget.
- **Progress/Site Meetings held on monthly basis from Site handover onwards.** These meetings are chaired by the Principal Agent. The Repairs/Maintenance Service provider, Selected Sub-Contractor, Direct Material Suppliers (only on invitation), ELIDZ representatives and Project

Professional Team (PPT) attend these meetings. The meetings address all contractual issues pertaining to progress & programme on site, legal compliance to conditions of contract, delays, claims and disputes, inclement weather, occupational health and safety issues (OHS), Construction Environment Management Plan (CEMP), Payments and other relevant issues.

- **Technical Meetings held on a monthly basis commencing 2 weeks after Site handover.** The Project Manager will chair these meetings with the PPT, PC, Direct Material Suppliers and Nominated Sub-Contractors in attendance. These meetings will deal with all technical information required for construction purposes by all contractors. Also dealt with are issues of co-ordination of services, quality assurance and approval of systems and equipment. Also included are clarities on specifications and detailing of complex portions of the work packages.
- **Principal Contractor/Vendors meetings** with his main suppliers and sub-contractors. These meetings are chaired by the Principal Contractor. The meetings deal specifically with all programming related items, co-ordination and practical aspects of the execution of works.

## 5. Conclusion

This document seeks to provide comprehensive information for the purposes of supporting the proposal of a solution that meets the requirements of the ELIDZ.

Please forward any queries to **Ms Anathi Mzantsi** at the following contact details:

Tel: (043) 702 8200

[anathi@elidz.co.za](mailto:anathi@elidz.co.za)

