

## PART 2: PRICING DATA

### TSC3 Option A

<b>Document reference</b>	<b>Title</b>
C2.1	Pricing assumptions: Option A
C2.2	The <i>price list</i>

## C2.1 Pricing assumptions: Option A

### 1. How work is priced and assessed for payment

Clause 11 in NEC3 Term Service Contract (TSC3) core clauses and Option A states:

<b>Identified and defined terms</b>	11	
	11.2	(12) The Price List is the <i>price list</i> unless later changed in accordance with this contract.
		(17) The Price for Services Provided to Date is the total of
		<ul style="list-style-type: none"><li>• the Price for each lump sum item in the Price List which the <i>Contractor</i> has completed and</li><li>• where a quantity is stated for an item in the Price List, an amount calculated by multiplying the quantity which the <i>Contractor</i> has completed by the rate.</li></ul>
		(19) The Prices are the amounts stated in the Price column of the Price List. Where a quantity is stated for an item in the Price List, the Price is calculated by multiplying the quantity by the rate.

This confirms that Option A is a priced contract where the Prices are derived from a list of items of service which can be priced as lump sums or as expected quantities of service multiplied by a rate or a mix of both.

### 2. Function of the Price List

Clause 54.1 in Option A states: "Information in the Price List is not Service Information". This confirms that instructions to do work or how it is to be done are not included in the Price List but in the Service Information. This is further confirmed by Clause 20.1 which states, "The *Contractor* Provides the Service in accordance with the Service Information". Hence the *Contractor* does **not** Provide the Service in accordance with the Price List. The Price List is only a pricing document.

### 3. Link to the *Contractor's* plan

Clause 21.4 states "The *Contractor* provides information which shows how each item description on the Price List relates to the operations on each plan which he submits for acceptance". Hence when compiling the *price list*, the tendering contractor needs to develop his first clause 21.2 plan in such a way that operations shown on it can be priced in the *price list* and result in a satisfactory cash flow in terms of clause 11.2(17).

### 4. Preparing the *price list*

Before preparing the *price list*, both the *Employer* and tendering contractors should read the TSC3 Guidance Notes pages 14 and 15. In an Option A contract, either Party may have entered items into the *price list* either as a process of offer and acceptance (tendering) or by negotiation depending on the nature of the *service* to be provided. Alternatively the *Employer*, in his Instructions to Tenderers or in a Tender Schedule, may have listed some items that he requires the *Contractor* to include in the *price list* to be prepared and priced by him.

It is assumed that in preparing or finalising the *price list* the *Contractor*:

- Has taken account of the guidance given in the TSC3 Guidance Notes relevant to Option A;
- Understands the function of the Price List and how work is priced and paid for;
- Is aware of the need to link operations shown in his plan to items shown in the Price List;
- Has listed and priced items in the *price list* which are inclusive of everything necessary and incidental to Providing the Service in accordance with the Service Information, as it was at the time of tender, as well as correct any Defects not caused by an *Employer's* risk;
- Has priced work he decides not to show as a separate item within the Prices or rates of other listed items in order to fulfil the obligation to complete the *service* for the tendered total of the Prices.
- Understands there is no adjustment to items priced as lump sums if the amount, or quantity, of work within that item later turns out to be different to that which the *Contractor* estimated at time of tender. The only basis for a change to the (lump sum) Prices is as a result of a compensation event.

#### **4.1. Format of the *price list***

(From the example given in an Appendix within the TSC3 Guidance Notes)

Entries in the first four columns in the *price list* in section C2.2 are made either by the *Employer* or the tendering contractor.

If the *Contractor* is to be paid an amount for the item which is not adjusted if the quantity of work in the item changes, the tendering contractor enters the amount in the Price column only, the Unit, Expected Quantity and Rate columns being left blank.

If the *Contractor* is to be paid an amount for an item of work which is the rate for the work multiplied by the quantity completed, the tendering contractor enters the rate which is then multiplied by the Expected Quantity to produce the Price, which is also entered.

If the *Contractor* is to be paid a Price for an item proportional to the length of time for which a service is provided, a unit of time is stated in the Unit column and the expected length of time (as a quantity of the stated units of time) is stated in the Expected Quantity column.

## C2.2 the price list

Item No.	Description	UoM	Qty	Rate	Total
<b>A</b>	<b><u>THE OVERHEAD TRACK EQUIPMENT AND SUBSTATION MAINTENANCE</u></b>				
A1	<b><u>PRELIMINARIES AND GENERAL</u></b>				
1.0	<b><u>Fixed Charge Items:</u></b>				
1.1	Establish staff on site (FTC. Employment)	sum	1		
1.2	OHSA - Establish / Compliance to Safety control - include safety FILE / - officer	sum	1		
1.3	Site induction training	sum	1		
1.4	Remove staff from site & exit medicals	sum	1		
1.5	Defleeting cost	sum	1		
	<b>Sub Total</b>				
2.0	<b><u>Time Related Items</u></b>				
	<u>Operation and Maintenance of Facilities on Site</u>				
2.1	Staff living out allowance (expenses)	D/Man	756		
2.2	Living accommodation	D/Man	756		
2.3	Ablution & latrine facilities	day	756		
2.4	Tools and equipment	day	756		
2.5	Telephone communications, Access	day	756		
2.6	Vehicles and heavy plant	Mon	36		
2.7	Contract supervision (& their transport) Site Agent / Engineering Technician	Mon	36		
	<b>Sub Total</b>				
	<b>TOTAL (P &amp; G's)</b>				
A2	<b><u>MAINTENANCE WORK</u></b>				
-	<b><u>Normal Time:</u></b>				
-	Site Supervisor X 1	days	756		
-	Junior Supervisor X 0	days	756		
-	Electrician X 1	days	756		
-	Erectors X 4	days	3024		
-	General workers X 12	days	9072		
-	Flagmen X 2	days	1512		
-	Driver X 3	days	2268		
-	SHE training level 3 - X 2	days	1512		
-	Safety Officer X 1	days	756		
	<b>Sub Total</b>				

Item No.	Description	UoM	Qty	Rate	Total
	<b><u>Saturday Overtime:</u></b>				
-	Site agent X 1	hr	2160		
-	Safety Officer X 1	hr	2160		
-	Supervisor X 1	hr	2160		
	Junior Supervisor X 0	hr	2160		
-	Electrician X 1	hr	2160		
-	Erectors X 4	hr	8640		
	General workers X 12	hr	25920		
	Flagmen X 2	hr	4320		
	Driver X 3	hr	6480		
	SHE training level 3 - X 2	hr	4320		
	<b>Sub Total</b>				
	<b><u>Sunday and PPH Overtime:</u></b>				
	Site agent X 1	hr	720		
	Safety Officer X 1	hr	720		
	Supervisor X 1	hr	720		
	Junior Supervisor X 0	hr	720		
	Electrician X 1	hr	720		
	Erectors X 4	hr	2880		
	General workers X 12	hr	8640		
	Flagmen X 2	hr	1440		
	Driver X 3	hr	2160		
	SHE training level 3 - X 2	hr	1440		
	<b>Sub Total</b>				
A3	<b><u>VEHICLES</u></b>				
-	Vehicles: 2* LDV Rental for (normal day) 0km travel (per each)	day	504		
-	LDV: Travelling cost	km	50400		
-	Vehicles: 1 *DBL CAB LDV Rental for (normal day) 0km travel (per each)	day	252		
-	DBL CAB LDV: Travelling Cost	km	25200		
-	Vehicles: 1* 23 seater Microbus Rental for (normal day) 0km travel (per each)	day	252		
-	23 Seater Microbus: Travelling Cost	km	25200		
-	Vehicles: 1* 7T Crane truck Rental for (normal day) okm travel (per each)	day	252		
-	7T Crane truck: Travelling cost for first 2500 km per month	km	25200		
	<b>Sub Total</b>				
A4	<b><u>PROVISIONAL FOR MATERIALS</u></b>				
-	Provisional amount for Substation and OHTE replacement materials	sum	2		
	<b>Sub Total</b>				
A5	<b><u>PROVISIONAL FOR SUBSTATION TEST AND CALIBRATE</u></b>				
-	Test and calibrate traction substation every 12 months	ea	4		
	<b>Sub Total</b>				

Item No.	Description	UoM	Qty	Rate	Total
<b>TOTAL - Overhead Track Equipment and Substation Maintenance</b>					
<b>B</b>	<b><u>RAILWAY MAINTENANCE</u></b>				
1	<b><u>PRELIMINARIES AND GENERAL</u></b>				
1.1	Establish team on site	sum	1		
1.2	De-establishment of team	sum	1		
1.3	De-fleeting cost	sum	1		
1.4	Site establishment	sum	1		
	<b>Sub Total</b>				
2	<b><u>ON - TRACK ACTIVITIES ONCE THREE YEARLY ACCORDING TO INSPECTION AND REPORT</u></b>				
2.1	Procure Ballast to Ermelo Loading Yards and Load on AY's (30 to be loaded every 3rd day)	m3	8 460,00		
2.2	Off Load Ballast from AY's to Track	sum	1,00		
2.3	Establish Tamper, regulator, Geometric measuring car	sum	3,00		
2.4	Tamper and regulator	hr	135,00		
2.5	Geometric measuring car	hr	135,00		
2.6	Perway Project Team Ballast profiling by hand	km	rate only		
	<b>Sub Total</b>				
3	<b><u>OFF - TRACK ONCE OFF INTERVENTION TO CLEAR DRAINS, REPAIR FENCES AND CUT GRASS, REPAIR SERVICE ROADS</u></b>				
3.1	Clean Drains (as per pre-approved inspection quantities) twice yearly	meter	19200		
3.2	Repair Fencing (as per pre-approved inspection quantities) as required	km	rate only		
3.3	Cut Grass	km	564		
3.4	Vegetation control application once yearly	km	282		
3.5	Repair service road twice yearly				
3.5.1	Establish and de-establish plant	sum	9		
3.5.2	Grader	hr	1080		
3.5.3	TLB	hr	1080		
3.5.4	Tipper	hr	1080		
	<b>Sub Total</b>				
4	<b><u>INSPECTION AND MAINTENANCE</u></b>				
4.1	Earthworks inspection and Drainage	insp/3years	6		
4.2	Geotechnical investigations	tests/3years	15		
4.3	Inspection of Track material	insp/3years	6		
4.4	Inspection of Turnout sets, slips and components	insp/3years	36		
4.5	Inspection of Signs, cattle grid and level crossing	insp/3years	36		
4.6	Inspection of Track Geometry (By hand or On Track machine)	insp/3years	36		

<b>Item No.</b>	<b>Description</b>	<b>UoM</b>	<b>Qty</b>	<b>Rate</b>	<b>Total</b>
4.7	Inspection of Bridges, Culverts and lined tunnels	insp/3years	3		
4.8	Track Team to repair minor faults after inspection report every two months for 21 working days	team days	378,00		
4.9	Track Maintenance Team - Normal working Hours, excluding Sunday. (8.8 hours call out for emergency)	team hr			
4.10	Track Maintenance Team - Outside normal working Hours, Sunday (minimum of 3 hours to be paid for call out)	team hr			
4.11	Track Maintenance Team - Outside normal working Hours, Call out Rate (minimum of 3 hours to be paid)	team hr			
4.12	Standby per team per day	days	1 095,00		
4.13	Stress tests 94 km	tests	30,00		
4.14	Destressing 94 km	destressing	30,00		
4.15	Trolley inspection	inspection	36,00		
	<b>Sub Total</b>				
5	<b><u>WELDING AND Xrays</u></b>				
5.1	Welding team attending to skidmarks and welding joints	team days/3yrs	90		
5.2	Welding team Normal Time	hr	rate only		
5.3	Welding team overtime	hr	rate only		
5.4	Welding team Sunday time	hr	rate only		
5.5	Xrays	joints	150		
	<b>Sub Total</b>				
<b>TOTAL - Railway Maintenance</b>					
<b>TOTAL - OHTE &amp; Railway Maintenance - FOR 36 MONTHS</b>					