

TENDER NUMBER GMA/004/12

NOTES FROM SUPPLIER BRIEFING SESSION HELD AT GAUTRAIN OFFICES, LINBRO BUSINESS PARK  
AT 11:30 ON FRIDAY 17<sup>TH</sup> AUGUST 2012

BIDDER NOTE NUMBER 1 (Distributed on 21 August 2012)

**Transfer of the Gautrain Rapid Rail System to the Gautrain Management Agency "GMA"  
including componentisation of the Gautrain Rapid Rail System assets**

**Notes in Response to Suppliers Questions:**

1. Submission of Tax Clearance Certificates', Consortium/Joint Ventures

It is a condition of the bid that the tax affairs of the successful bidder must be in order, or that satisfactory arrangements have been made with the South African Revenue Services (SARS) to meet the bidder's tax obligations.

In bids where Consortia/Joint Venture/Sub-contractors are involved, each party must submit a separate Tax Clearance Certificate. Bidder's who do not submit separate Tax Clearance Certificates will be disqualified from the Tender process.

Bidder's must complete Form TCC 001 "Application for a Tax Clearance Certificate" which is available from any SARS branch office nationally or on the website [www.sars.gov.za](http://www.sars.gov.za).

2. Location of Assets

All assets are located in Gauteng. Access to the location of assets will take place during engineering hours, i.e. 22h00 to 04h00 daily.

### 3. Current Baseline

There is no detailed current baseline in place at present; however a high level document which groups the assets is in place. This project is therefore to be treated as 'Greenfield'.

### 4. Asset Responsibility

The Gautrain Management Agency (GMA) is a relatively small entity and therefore the Assets are not the responsibility of one particular individual/department.

### 5. Non-Physical Assets

The Gautrain brand is considered as an asset as well as proprietary information. The GMA does hold intellectual property rights of some systems developed for the project. This information will be provided to the successful bidder.

### 6. Non-Solicitation Agreements

The GMA will have no objection to signing the above agreements to ensure that personnel of the successful service provider are not 'poached' by the GMA.

### 7. Work In Progress (Deadline)

The deadline for the transfer of the Gautrain Rapid Rail System to the GMA including componentisation of the Gautrain Rapid Rail System assets is 1 April 2013.

### 8. Identified Costs

The cost of Assets currently is identified on a high level basis and will be made available to the successful service provider. Therefore, the costs per component need to be identified correctly and confirmed.

#### 9. Asset Hierarchy Categorisation

Bombela Operating Company (BOC) currently uses the software package, Maximo to control the assets and within this system hierarchy of assets is determined. However, this system is predominantly maintenance driven and it is likely that the assets may not have been categorised correctly therefore changes may be required during this project.

#### 10. Foreign Exchange

All values attached to the assets will be in South African Rands. It is possible that BOC may have some assets with foreign currencies attached. However, the successful service provider will be expected to explore this and propose a suitable solution.

#### 11. Capitalisation of Borrowing Costs

Management of debt is the function of The Provincial Treasury, therefore the successful service provider will not be required to consider capitalisation of borrowing costs.

#### 12. Completeness and Accuracy of Records at Bombela Operating Company

The GMA has not conducted an audit of BOC to properly ascertain whether asset records are complete and/or accurate. In addition, the GMA have no information with regard to the amounts spent on assets to date. At this stage it is unclear as to how the above will be verified going forward and discussions with the Auditor-General and Accountant-General will need to take place to agree on further actions.

#### 13. Existing Asset Register

Information contained in the existing asset register should be checked and the successful service provider will be expected to expand on, or create a new register at an appropriate level as may be required by the Auditor General and/or the Accountant General.

#### 14. Asset Count and Valuation

Whilst a high level document which groups assets is currently available, the successful service provider will be expected to use this as a basis to perform a 'zero based' asset count and valuation. Currently assets are shown as one item, for example, escalators. These will need to be broken down to a much more detailed level in order to identify the number, type and location of all assets going forward with the assistance of GMA personnel. The level to which these will need to be componentised will be determined by the Auditor-General and the Accountant-General. Bidders should reference similar asset valuations in the public sector. Experience in such transfers is an evaluation criterion.

#### 15. Software System

The successful service provider should draft an appropriate specification for a software system that can be utilised by the GMA going forward. It is expected that the GMA will procure this system in January 2013 and therefore specifications should be available before this time.

#### 16. Interaction with Stakeholders

Interaction with Bombela Concession Company, BOC and subsidiaries will take place on a regular basis. The GMA hold a contractual right to audit the system and to have access to the system.

#### 17. GMA Accounting System

The GMA currently utilise the Pastel accounting package for financial purposes.

#### 18. Presentations made at the Briefing Session

All presentations made are attached to this briefing note.

*Clare Harrison*

---

**Mrs Clare Harrison**

Acting Executive Manager: Supply Chain Management

Gautrain Management Agency

21 August 2012

Signed for and on behalf of;

**Mr William Dachs**

Senior Executive Manager: Technical and Project Sponsor

Gautrain Management Agency