

## INVITATION FOR PROPOSALS

---

### FOR THE DUBE TRADEPORT CORPORATION VALUABLE CARGO BUILDING (VCB)

Ref No: DTP/CFP/01/2020

---

DUBE TRADEPORT CORPORATION WISHES TO LEASE THE VALUABLE CARGO BUILDING TO A VCB OPERATOR

#### 1. INVITATION FOR PROPOSALS

DTPC invites interested companies who may wish to lease its Valuable Cargo building facility for the operations of handling Valuable Cargo by air, to submit expressions of interest. Based on the responses, DTPC will thereafter commence with an evaluation process following which will then enter into a lease agreement negotiations with the preferred entity.

The Valuable Cargo Building comprises the main building (275m<sup>2</sup>) and ancillary buildings (101m<sup>2</sup>). The building is a purpose built, secure facility for the management of valuable and vulnerable cargo at King Shaka International Airport, and is used as a transit point for valuable cargo between air and land modes of transport. This facility has both airside and landside access for the safe and timely movement of valuable cargo to and from the facility. It is situated within the TradeZone precinct of Dube TradePort. The building is equipped with a SABS Category 4 vault as well as various other high security features, ideal for companies dealing with high value freight cargo, currency etc.

DTPC intends to rent this building at a market related rate.

#### 2. RECEIPT OF PROPOSALS

- The proposals must be submitted by the 14<sup>th</sup> October 2020 at 11H00.
- Other proposals may be received after the 14<sup>th</sup> October 2020.

#### 3. SITE INSPECTION

The Prospective tenant may request to have site inspection or facility viewing. All requests must be sent to the email provided in this document. A request to visit the site must be made at least forty eight (48) hours in advance.

#### 4. LOCATION OF BUILDING

The VCB is situated within the TradeZone precinct of Dube TradePort. The building is equipped with a SABS Category 4 vault as well as a string of other high security features, ideal for companies dealing with high value freight cargo, currency etc.



## **5. DTPC'S OBJECTIVES**

The DTPC's primary objective is to obtain the best possible, market related, commercial terms and value for money for the leasing of this building.

## **6. SPECIFIC COMMERCIAL TERMS**

The Prospective Operator shall:

- Be responsible for all costs associated with the running of the VCB for the duration of the lease period.
- Be responsible to maintain and keep the facility in the same or improved state.
- The prospective tenant will be required to replace any property or installation that may be damaged during the lease period.
- Ensure that the security service provider operating within ACSA's aerodrome is authorized and licensed by ACSA, the list of licensed providers will be provided to the successful tenant
- Provide a comprehensive Security Plan, including procedures on movement (escorts) of cargo from VCB to an aircraft Comprehensive Operational Plan detailing security measures to be implemented at the facility/premises and when cargo is transported/escorted from VCB to an aircraft
- Give consent to background checks on all employees
- Ensure relevant training of all valuable cargo handlers
- Ensure SACAA approval Part 108 for Air Cargo Manual
- Ensure that it adheres to all ACSA and DTPC security/safety rules and regulations.

## **7. RENTAL PROPOSAL**

The rental proposal submitted by the interested party should contain:

1. Details of the company intending to lease
  - 1.1 Company Registration documents (CIPC)
  - 1.2 Identity document copies of the directors
  - 1.3 Company Profile
2. Company Financial Statements for the past three(3) years
  - 2.1 Company Trading Accounts
  - 2.2 Any funding agreements
  - 2.3 Bank Confirmation letter/s
3. Details for the proposed use of facility

4. Commercial proposal
  - 4.1 Financial projections for a five (5) year period
  - 4.2 Costs of new installations
  - 4.3 Target market/clients
  - 4.4 Operational Plan
  - 4.5 Human Resource plans
  - 4.6 Risk Management plan
  - 4.7 Security plan
5. Duration of the proposed lease
6. Tendered monthly rental
7. List of existing clients;
  - 7.1 Client take off agreements
  - 7.2 Client commitment letters
8. Any tenant installation requirements
9. All applicable licenses for the proposed operations

## **8. EVALUATION FOR PROPOSALS**

Proposals will be evaluated in terms of the commercial benefit to DTPC and the suitability of the proposal in relation to DTPC's core business operations. DTPC will evaluate each proposal received after the closing date and will select the proposal which is the most economically viable and in DTPC's interest. DTPC will then enter into negotiations with the preferred tenant with regards to the proposal submitted.

Site Visits can be arranged between DTPC and the prospective tenant on request to the SCM Officer as per contact details below.

All proposals shall be valid for a minimum of 180 days from the date of receipt.

NB – As a requirement by DTPC, the interested parties must note that the facility will be operating as a Regulated Agent in terms of the SACAA Part 108 Regulations. All Airside regulations as required by Airports Company South Africa (ACSA), for access to the KSIA airside must be complied with.

**Note:**

DTPC reserves the right to:

- reject any proposals it deems not commercially favorable, market related and or economically viable.
- not review the next group and cancel the evaluation process if it has approved the best suitable proposal that meet the organizations' objectives.

Evaluations will be conducted based on the time of submission. Proposals will be accepted until 6 October 2020. Additional proposals will be evaluated on a month-by-month basis.

DTPC reserves the right to stop accepting proposals as soon as the best / suitable proposal is received.

**8.1. EVALUATION PROCESS**

**COMPLIANCE WITH MINIMUM REQUIREMENTS**

All proposals submitted will be examined to determine compliance with call for proposal requirements and conditions. Proposals with obvious deviations from the requirements/conditions will be eliminated from further consideration.

**DETERMINATION OF SCORE FOR FUNCTIONALITY**

The evaluation criteria and weights for functionality as indicated in the table in below, will apply

| FUNCTIONAL CRITERIA  | WEIGHT |
|--|--------|
| <b>1.FINANCIAL STRENGTH OF PROSPECTIVE TENANT:</b> <ul style="list-style-type: none"><li>• The operator to demonstrate the ability to fund and sustain a high tech facility. Submissions must include inter alia:</li><li>• Audited/reviewed Financials for the past 3 years</li><li>• Letter of good standing from bank of business account holder</li><li>• Trading Account, Management Accounts, Cash flows, Balance Sheet and Income statements, etc from date of last AFS to period of submission</li><li>• Funding Agreement (valid)</li><li>• Progress on Funding for the operation</li></ul> | 15     |
| <b>2.COMPANY PROFILE AND EXPERIENCE IN SIMILAR OPERATIONS:</b> <ul style="list-style-type: none"><li>• Company profile</li></ul>   |        |

| FUNCTIONAL CRITERIA   | WEIGHT |
|---|--------|
| <ul style="list-style-type: none"> <li>• Describe the scope of services provided by the company</li> <li>• Each proposal must include the specialist fields of the valuable cargo goods and services. Where the company has expertise in more than one field of valuable cargo, all relevant fields must be indicated in the proposal together with demonstrated experience in the specified area .</li> <li>• The company should have at least three (3) years' operational experience in operating a valuable cargo facility.</li> <li>• Indication of experience in operating of valuable cargo buildings including products, markets served, number of years, location of facilities, etc. If there are any references from current or previous clients, these would be considered</li> </ul> | 15     |
| Three (3) years proven experience   | Max 3  |
| Four to six (4-6) years proven experience   | Max 4  |
| More than six (6) years proven experience   | Max 5  |
| <p><b>3.COMMERCIAL TERMS OF PROPOSAL:</b></p> <ul style="list-style-type: none"> <li>• Financial projections for a five (5) year period</li> <li>• Costs of new installations</li> <li>• Proposed monthly rental</li> <li>• Beneficial occupational period if required</li> <li>• Turnover rental (If applicable)</li> <li>• Proposed lease period / duration of the lease</li> <li>• Any other special terms and conditions</li> </ul>   | 20     |
| <p><b>4.MARKETING AND SALES STRATEGY</b></p> <ul style="list-style-type: none"> <li>• Target market</li> <li>• List of current clients</li> <li>• Take off Agreements</li> <li>• Commitment letters</li> <li>• Value Add</li> </ul>   | 15     |
| <p><b>5.OPERATIONAL PROPOSAL:</b></p> <p><b>OPERATIONAL READINESS</b></p> <ul style="list-style-type: none"> <li>• Details of usage of the facility <ul style="list-style-type: none"> <li>- Alignment with DTTPC's services</li> <li>- Type of new installations</li> <li>- Lead time to acquire all operational equipment</li> </ul> </li> </ul>  | 25     |

| FUNCTIONAL CRITERIA  | WEIGHT     |
|--|------------|
| <ul style="list-style-type: none"> <li>- Setup time of the facility</li> <li>• Operational Plan</li> <li>• Human Resource Plan</li> <li>• Risk Management Plan</li> <li>• Security Plan</li> </ul>   |            |
| <p><b>6. STATUTORY COMPLIANCE</b></p> <ul style="list-style-type: none"> <li>• Statutory required licencing agreements to operate <ul style="list-style-type: none"> <li>- Process and timeframe to acquire licences</li> <li>- Current progress on your applications</li> </ul> </li> <li>• Proof of Registration or Accreditation</li> <li>• BBB-EE certificates</li> <li>• Tax Clearance Certificates</li> <li>• ACSA requires all Security service providers operating within our aerodrome to be ACSA licensed</li> </ul> | <b>10</b>  |
| <b>Total Score</b>   | <b>100</b> |
| <b>Minimum Threshold</b>   | <b>70</b>  |

**The score for functionality will be calculated as follows:**

- Each panel member shall award values for each individual criterion on a score sheet. The value scored for each criterion shall be multiplied with the specified weighting for the relevant criterion to obtain the marks scored for the various criteria. These marks should be added to obtain the total score for functionality.
- The score of each panel member shall be added together and divided by the number of panel members to establish the average score obtained by each individual respondent for functionality.

**ELIMINATION OF PROPOSALS ON GROUNDS OF FUNCTIONALITY**

Proposals that score less than **70%** of the marks available for functionality will be eliminated from further consideration. Marks will therefore not be awarded for their cost proposals or for preference.

The minimum threshold is **70%** to be attained by the respondent.

The values to be used will be as follows:

- 0 =not addressed
- 1 = poor
- 2 = acceptable
- 3 = average
- 4 = good
- 5 = excellent

## **9. PROPOSAL PROCESS**

The process will involve:

**Stage 1** • DTPC issues the Invitation for Proposal

**Stage 2** • Interested parties submit proposals

**Stage 3** • Initial proposals will be evaluated after closing date of submission by DTPC.

**Stage 4** • Thereafter proposals will be evaluated on a first come first serve basis until the best proposal is accepted by DTPC.

**Stage 5** • After the proposal is accepted by the Review Committee the preferred proposal will be submitted to Assessment Committee for final approval.

**Stage 6** • Lease contract to be negotiated between DTPC and the preferred tenant.

## **10. General Terms**

This document constitutes a guide to the call for proposal process, and interested companies must familiarise themselves with the specific provisions of any document governing this process. The preferred operator will be subject to DTPC's General Conditions of Contract which can be downloaded from DTPC's website.

Companies submitting proposals undertake to do so in accordance with the terms of this document, and acknowledge that they agree to be bound by the terms of this document and will strictly adhere to its requirements.

## **11. Rules and Guidelines**

This document sets out the rules and guidelines for participation in this call for proposal process and guides Operators on the preparation of proposals to enable the DTPC to select Operators that:-

- Have suitable experience;
- offers the best commercial, financial and legal terms;
- ability to sustain a viable business over the rental term;
- comply with the DTPC's specific requirements as contained in this document



## **12. DISCLAIMER**

While all reasonable care has been taken in preparing all documents comprising the Proposal Call, neither the DTPC nor its board members, or any of their officers, employees, agents or advisors accepts any liability or responsibility for the adequacy, accuracy or completeness of any of the information or opinions set out in the document.

The DTPC reserves the right to amend, modify or withdraw the document, or terminate any of the procedures or requirements in the process for which this document has been issued, at time, and without prior notice.

The DTPC reserves the right to reject any proposal or submission made during the course of this process.

## **13. NO CLAIM**

No Operator shall have any claim against the DTPC, its officers, employees, servants, agents or advisors arising out of any matter relating to the proposal call process and proposed development of any nature whatsoever, where such claim is based on any act or omission by the DTPC of any nature whatsoever, under any circumstances whatsoever, or if such claim is based on the content of, or any omission of this document

## **14. NO WARRANTY**

Except where expressly stipulated, no representation or warranty is or will be given by the DTPC or any of its officers, employees, servants, agents or advisors in respect of the information or opinions contained herein, or in relation to any briefing not issued in relation to the proposal call process.

## **15. CONFIDENTIAL INFORMATION**

During the course of this proposal call process interested parties will receive confidential information. By participating in this proposal call process interested parties and their advisors undertake to treat such information as confidential and not to disclose such information to third parties. Interested parties will be requested to sign non-disclosure forms at the time proposal call documents are collected.

## **16. IMPROPER LOBBYING / INTERFERENCE**

Any party who is found to have lobbied an official, employee, agent or representative of DTPC or the province in respect of a proposal submission will face immediate disqualification and/or black listing in respect of any future proposals.

## **17. NO DAMAGES**

Any party taking part in this Process does so on the express term that they may not seek damages, or institute any action against DTPC, its advisors, agents or employees for any reason what so ever arising from this process.

## **18. THE CONTRACT PROCESS**

DTPC will enter into a lease with the preferred tenant who will be bound by the conditions of the lease agreement.

## **19. LEASE TERMS**

The lease terms will be according to the DTPC lease agreement as determined by DTPC.

## **20. NO CONTRACT**

This document does not constitute an offer to enter into a contractual relationship with any interested party, but is merely a solicitation for proposals.

## **21. THE DTPC'S RIGHTS**

Without limitation of any of its rights, the DTPC expressly reserves the right to:-

- request clarification on any aspect of an offer or proposal received from Interested parties, which requests and responses will be in writing;
- DTPC reserves the right to accept the most suitable and commercially viable proposal.
- DTPC has the sole right to accept or reject any or all proposals.

## **22. CONTACT DETAILS**

Any queries relating to this document may be addressed in writing via email to Nompumelelo Shelembe at [Nompumelelo.Shelembe@dubetradeport.co.za](mailto:Nompumelelo.Shelembe@dubetradeport.co.za), which shall reflect the proposal number **DTP/CFP/01//2020**. Queries will be dealt within 5 working days of receipt of written queries.

No other communication may be sent to any other person or email address except the one provided above.

## **23. SUBMISSION OF PROPOSALS**

This process will end on the conclusion of the lease agreement between DTPC and the preferred tenant.

For purposes of this proposal, hand, courier or email can submit proposals. It is the responsibility of the interested parties who submitted proposals via email to confirm that such proposal was indeed received by designated DTPC official. No facsimile will be accepted.

Hard copies can be hand delivered to:

The Tender Box

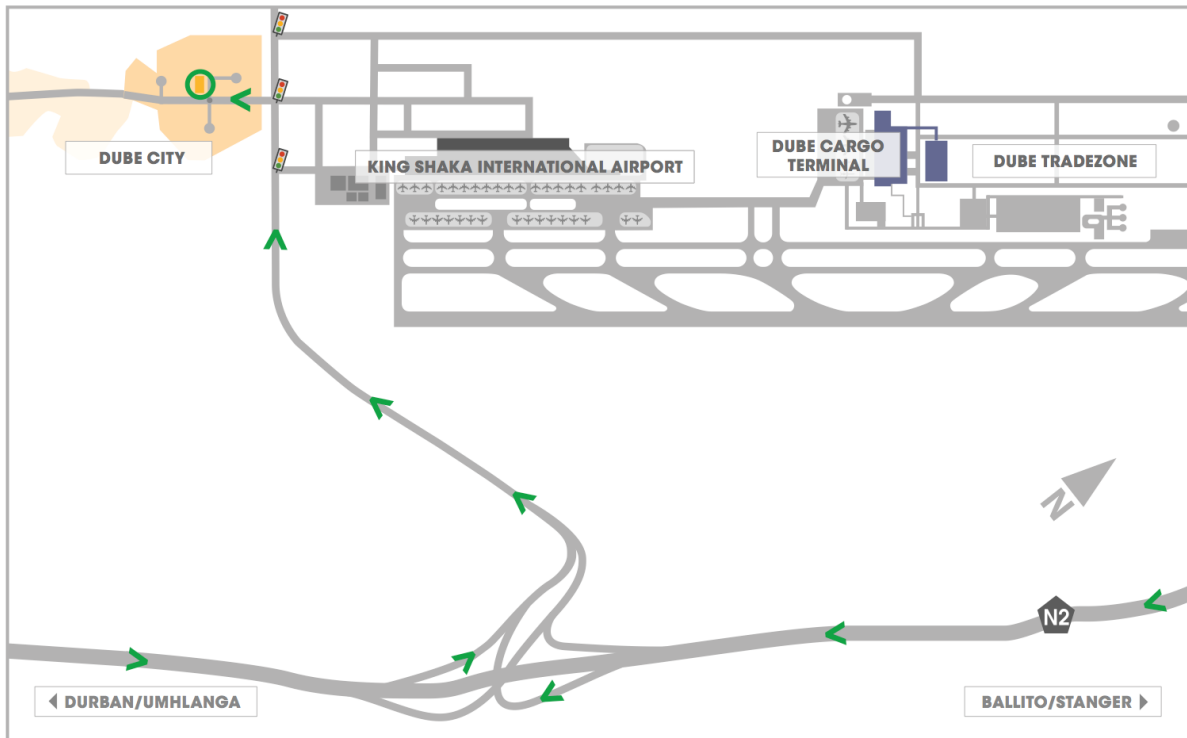
Ground Floor

29° South7 Umsinsi Junction

La Mercy KwaZulu-Natal

4399

For the attention of: "The Supply Chain Officer"



#### Directions

- From Umhlanga: Head North on the N2 towards Stanger/Ballito
- Or From Ballito: Head South on the N2 towards Umhlanga
- Take exit 195 towards M65/Dube TradePort/King Shaka International Airport
- Turn left at the second traffic lights to Dube City
- Turn right after the traffic circle, towards the 29° South building

Proposals should be submitted in a sealed envelope/pack, marked with:

- Proposal number: **DTP/CFP/01/2020**
- Description: “ **VALUABLE CARGO BUILDING PROPOSAL**”
- The name, address and contact details of the interested parties.

## 24. COSTS OF SUBMITTING PROPOSALS

Prospective Interested parties will be responsible for all costs associated with the submission of proposals.

**APPENDIX 1**

**INTERESTED ENTITIES DETAILS**

|  |  |
|--|--|
| Name of interested entity :  |  |
| Type of interested entity (e.g., Private Individual, Group of private individuals, company, etc) |  |
| Company Registration Number  |  |
| VAT Number   |  |
| Postal Address :   |  |
|  |  |
|  |  |
|  |  |
| Telephone Number :   |  |
| Cell Phone Number :  |  |
| Email Address :  |  |
| Designated Representative of Company :   |  |

*Additional information* may be included in a separate document.

**APPENDIX 2**

[To be completed as part of proposal submission.]

| <b>State Proposed Lease Period (Number of years)</b>   |                               |                              |  |   |
|--|-------------------------------|------------------------------|--|---|
| <b>Option to Renew (Number of years)</b>   |                               |                              |  |   |
| <b>Proposed Lease Commencement Date</b>  |                               |                              |  |   |
| <b>Proposed Escalation percentage (%) per annum</b>  |                               | _____ %                      |  |   |
| <b>Year</b>  | <b>Basic Rental Amounts</b>   |                              | <b>Additional Rental</b>                                 | <b>Total Annual</b>   |
|  | <b>Monthly Rental<br/>(R)</b> | <b>Annual<br/>Rental (R)</b> | <b>Total Projected<br/>Turnover Rental<br/>per annum</b> | <b>Proposed % of<br/>Turnover payable<br/>(if applicable)</b> |
| <b>Year 1</b>  |                               |                              |  |   |
| <b>Year 2</b>  |                               |                              |  |   |
| <b>Year 3</b>  |                               |                              |  |   |
| <b>Year 4</b>  |                               |                              |  |   |
| <b>Year 5</b>  |                               |                              |  |   |
| <b>Notes:</b>  |                               |                              |  |   |
| <ul style="list-style-type: none"> <li>• All Rental amounts must exclude vat</li> <li>• Turnover Rental may be considered in addition to basic rental</li> </ul> |                               |                              |  |   |

| Where Applicable: Option to renew |  |  |  |  |
|-----------------------------------|--|--|--|--|
| Year 6                            |  |  |  |  |
| Year 7                            |  |  |  |  |
| Year 8                            |  |  |  |  |