

NUMBER: ENI 22-137P-000/RR

REVISION: 5.0

TITLE: MAGARE WORKS AT MANTRA MKUJU RIVER U1 DEMONSTRATION PLANT.

## 1. SUMMARY OF PROPOSAL

Our proposal includes the necessary equipment, services, materials and labour to fulfil the requirements as per the Scope of Works, as part of the overall solution for the Electrical and Instrumentation works at Mantra Mkuju River U1 Demonstration Plant as per the Client's inquiry documents.

## 2. GENERAL CONDITIONS OF CONTRACT

Our offer is based on **Schedule C: Pro-forma Terms & Conditions for Installation Works** as provided from page 38 to 83 of 109 of the document "**0117E1-X003\_Mkuju River - E&I\_RFP**" as received with the RFQ. We reserve the right to review and negotiate the final version of the General Conditions of Contract once received.

Our qualifications to the proposed General Conditions of Contract are included under Schedule D Qualifications section 4.1.6 of the returnables.

Our proposal submitted herewith is contingent upon reaching mutually acceptable terms and conditions of contracting. In the event the Parties cannot agree on terms and conditions governing the work, this proposal may be withdrawn by ourselves without liability of either Party to the other.

It will also be necessary for the end user to complete the end user declaration, a copy of which is included in our tender document pack.

## 3. PRICE

Our price to execute and complete such Works and remedy any defects therein in conformity with the terms and conditions of contract and as per the priced BOQ is the sum of **USD 1,725,084** (one million, Seven hundred and twenty five thousand, and eighty four US Dollars) excluding VAT.

Our installation rates are based on the labour rates prevailing at the time of tender (no future increments have been allowed for). Material pricing is based on current availability

## 4. RATE OF EXCHANGE VARIATION

Our price is based on and subject to Rate of Exchange variation at the time of invoicing, against a rate of **R 18.00 = USD 1.00**.

## 5. TAX AND DUTIES

All prices quoted exclude:

- Value added tax.
- Withholding tax.
- Import / export taxes, duties and clearing costs.

## 6. FREE ISSUE ITEMS

Our proposal assumes that the following will be free issued from the client's site stores, as and when required by the project schedule. No provision has been made to store these items in our stores. The client is to ensure that the correct quantity of these items is available when required.

- 2 x Diesel gensets
- 1 x Containerised LV substation and 1 x Containerised MCC
- 2 x Distribution Boards
- 8 x Control Panels
- 2 x E-Stops
- 1 x Main PLC Cubicle & 5 x Remote I/O Panels
- 1 x Operator Station & 1 x OS/ES Cubicle
- All field instruments complete with mounting equipment (Valves, Level, Flow, Temperature, Pressure)

## 7. EXCLUSIONS

Our proposal expressly excludes the following (Where required, site instruction variations to be issued):

- All civil, structural or piping construction works.
- Any instrumentation complete with mounting equipment to be free issued.
- Any specialised calibration and test equipment required for the calibration of instruments on site.
- Any Original Equipment Manufacturer (OEM) spare parts required.
- Any other item not listed in the bill of quantities.
- Supply and installation of all zero quantity items in the BOQ.

## 8. BASIS OF TENDER

Based on the Scope of Work and Bill of Quantities, our construction man-hours is estimated to be **41,803** man-hours. We anticipate the construction period including testing and commissioning to be completed within 24 weeks based on a 60 hour work week, 6 days per week.

The on-boarding, medicals, inductions and commissioning assistance durations will be:

- Site Establishment – 2 Week/s
- On-boarding Medicals & Inductions – 4 Week/s
- Site Construction – 20 Week/s
- Commissioning Assistance – 4 Week/s
- Site De-Establishment – 2 Week/s

It is further assumed that the above-mentioned durations are subject to free issue equipment and material having been inspected at the manufacturers or supplier's works by others to ensure the dimensional accuracy, adequacy and specifications. We accept no responsibility for such inspection at the site.

## 9. TERMS OF PAYMENT

Payment to be made at the end of the month, following the invoice month, with a maximum of 30 days.

- The anticipated invoice date is the 25th of each month.
- Invoicing will be generated from signed and approved certificates.
- Certificates are prepared between the 15th and the 22nd of each month.
- Certificates must be evaluated and approved by the Clients Representative in the same month of submission.

Monthly progress invoices based on the work done will be submitted.

## **10. DELIVERY POINT OF EQUIPMENT AND LEAD TIMES**

All equipment will be DAP – Mjuku River U1 Demonstration Plant, Tanzania, in accordance with INCOTERMS ® 2020.

We have made allowance two (2) 20 foot containers delivered to site for all Project material and equipment and allowed for two (2) flat-bed truck trips for delivery of all cable drums, racking and steelwork.

As it was not possible to properly calculate the import / export taxes, duties and clearing costs at the time of tender, we have not priced for these in our offer. These costs may be calculated at the time of delivery with the particular costs being for the Client's account.

## **11. WARRANTY**

The Equipment/material offered is guaranteed against faulty workmanship and components for a period not exceeding 12 calendar months from final acceptance certificate or 18 months from delivery, whichever occurs first.

Our liability is limited to the free replacement or repair of faulty components and the rectification of incorrect factory manufacturing only.

Faulty equipment must be returned to Magare Company Ltd, Ilemela District, Third Floor, Mwanza, Tanzania.

## **12. SURETY / RETENTION BOND**

We have made provision for the following bonds in our proposal:

- 20% Advance payment guarantee.
- 10% Performance bond.
- 10% Retention bond.

## **13. VALIDITY**

This offer will remain valid and open for acceptance for a period of ninety (90) days until 10 January 2023 12H00.

## **14. GENERAL COMMENTS**

Cable cut lengths quoted are for tender purpose only. If unavailable at time of purchase we reserve the right to procure minimum drum lengths which will be charged for at tendered rates.

## **15. RESPONSIBILITY AND OWNERSHIP**

Please note that all goods/equipment delivered to site are accepted on the understanding that the responsibility for such goods/equipment is transferred to the purchaser on delivery.

The transfer of ownership to the client from ZEST WEG Group Africa will only occur upon receipt of full payment by the client.

## 16. VARIATIONS

Any variations regarding scope of supply requested after the issue of the initial order may require an order amendment. This will be required before any manufacturing will continue.

## 17. PENALTIES AND DAMAGES

Our offer has not provided to accept any damages that may arise due to delays, however based on the final program and contract negotiations, these will be considered.

## 18. CLARIFICATIONS

### 18.1 Scope of Work:

- All cables costed are of the “red stripe” type.
- Cable supply rates includes the cost of cable strapping. Should cable supply be removed from our scope, all strapping requirements shall be free issued or re-costed into the installation rates.
- All costed cable racking and accessories are GRP, rates for stainless steel (SS316) material has been provided as per the BOQ. Material type for steelwork was not specified and we have therefore priced for HDG for racking support steelwork.
- Allowance has been made for racking support steelwork up to unistrut supports type in the cable racking rates. We assume that other types of racking supports (eg, channel iron or I-beams) shall be covered in BOQ items for sundry steel.
- We have made allowance for splices and fasteners in the cable racking rates.
- No allowance has been made for any racking covers.
- We have made allowance for clamping of the cable racking to supports as per specifications in the RFQ.
- Termination rates includes the cost of glands, cable labels, core markers, lugs and termination consumables.
- No allowance has been made for any Original Equipment Manufacturer (OEM) spare parts required.
- We have not made allowance for any qualified welders and non-destructive examination as we will not be carrying out any structural welding, except for welding of our racking brackets.

### 18.2 Preliminary & General Costs:

- Allocation has been made per person as follows for on-boarding (Max 5 paid days):
  - Entry / exit medicals – 2 Day/s
  - General & plant specific inductions – 1 Day/s
  - Site Access Card to be issued – Same day on completion of plant induction.
- Allowance has been made for Covid-19 testing of all employees prior to mobilisation and for compliance to regulations as set out by the Tanzanian Government at the time of tender.
- We have made allowance to accommodate our expat staff off-site. For all locals, except general workers (whom will be employed from the surrounding community) we have allowed for monetary accommodation allowance.
- We have allowed to provide lunch packs and bottled water on site for all personnel on the Project.
- We have made allowance for 200m only of laydown area fencing. All our equipment and material will be stored in locked containers except, cable drums, racking and steelwork which shall be stored in the fenced laydown area.
- Electrical and water connections for the laydown area and site is required within a 50m distance.
- Allowance has been made for chemical toilets for the laydown and site working areas.
- For safety requirements, allowance has been made for 1 x dedicated Safety Officers with 1st Aid Training and 1 x dedicated Safety Rep.

- Heavy lifting shall be limited to the capability and access of a 12-ton meter hi-ab truck. Allowance has been made for a crane for lifting and placing of the containerised LV substation and MCC (The crane is allowed to be onsite for 2 days only).
- We have made allowance for 20 tons of scaffolding per week for 12 weeks only.