

RAIL CORPORATION NEW SOUTH WALES

Level 6, 18 Lee Street
Chippendale NSW 2008

**REQUEST FOR PROPOSAL
DOCUMENT No. 08/05004**

**HIRE OF EQUIPMENT
(Plant and Trucks)**

Submission of Proposals close at 10:00 AM on

**Wednesday 28 January 2009, Sydney, NSW Time
“closing date for proposals”**



RailCorp

REQUEST FOR PROPOSAL

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OVERVIEW OF RAILCORP'S HIRED EQUIPMENT SYSTEM

Introduction

This overview is provided to help tenderers understand what RailCorp's Hired Equipment System is, and how it works. Through the issue of this RFP Document, RailCorp is seeking to set up *a panel of contractors for a new plant hire supply system* to supply external plant, trucks and water vehicles to RailCorp. The supply of equipment will predominantly be used to support RailCorp's maintenance programs throughout its operating network.

RailCorp's new plant hire supply system is similar to the current Roads and Traffic Authority system that creates a database of plant suppliers through an annual tender; this new system will replace RailCorp's current system which sources plant and equipment through designated organisations called plant services managers.

This overview is for tenderers' general background information only and does not form part of this RFP or any subsequent contract (External Hire Order). The requirements for the RFP are set out in the Conditions of Tendering. Once the panel is established and the database is created, the requirements for any subsequent contract are set out in the Conditions of Contract, the Operational Requirements and the completed Tender Schedules.

Note. Where a capitalised term is used and not otherwise defined in this Overview, that capitalised term will have the same meaning as is defined in the Conditions of Contract and the Operational Requirements.

Equipment needed by RailCorp

Each year, RailCorp requires the use of a variety of plant, trucks and water vehicles at various locations throughout its rail network in New South Wales. The list of Equipment for which RailCorp is inviting organisations to submit proposals, is set out in Appendices B1 and B3 of the Operational Requirements.

RailCorp wishes to form a panel of contractors offering to hire these items of Equipment to RailCorp at fixed prices for the period 1 April 2009 to 31 March 2010 and enter these contractors onto a Database. Equipment will only be added to the Database provided that a tenderer's proposal is successful.

Proposals

Tenderers must comply with the Conditions of Tendering. By submitting a proposal, a tenderer is:

- asking RailCorp to consider its Equipment for the panel and to be entered on the Database;
- holding itself ready to supply items of Equipment (with or without an Operator) for the period 1 April 2009 to 31 March 2010 upon the terms required by RailCorp as referred to in the Conditions of Contract, the Operational Requirements and the completed Tender Schedules;
- committing itself to ensure that its Equipment complies with the Equipment Requirements set out in Appendices B2 and B4 to the Operational Requirements (and will continue to do so throughout the period 1 April 2009 to 31 March 2010) and that its operators comply with the Operator Competency Requirements as set out in Appendix F to the Operational Requirements and will be of an acceptable standard to RailCorp.

- complying with the Conditions of Contract, the Operational Requirements and the completed Tender Schedules in respect of any future Hires to RailCorp under RailCorp's Equipment Hire System.

Entry onto Database

If a proposal is accepted, each particular item of acceptable Equipment will be entered onto the Database in the appropriate class and category in numerical ranking according to overall value for money to RailCorp.

RailCorp reserves the right to reclassify any plant, truck and water vehicle items that it believes have been incorrectly classified by the tenderer. Additionally, at its discretion, RailCorp may vary the categories and then reclassify items of Equipment accordingly.

No guarantee of hiring

Neither selection on the panel nor inclusion on the Database gives any guarantee that RailCorp will hire the Equipment. Nor is RailCorp bound to only Hire Equipment in the panel or listed on the Database.

Hiring overview

When RailCorp requires a particular item of Equipment, it may consult the Database and may contact a number of Contractors from the Database to check the availability of Equipment for the proposed Hire Period. The selection of a Contractor for a particular Hire may include a consideration of the best value for money involving all relevant costs such as hourly or daily hire costs and transport costs.

For some hires, such as possession related activities, RailCorp may prefer a Contractor that can provide operators with proven experience.

Key Features of the RFP

The key features of this RFP are:

- The RFP invites offers for the supply of a range of Equipment (comprising Plant, Truck and Water Vehicle items as defined in Appendix B of the Operational Requirements) to RailCorp over the period of 1 April 2009 to 31 March 2010.
- Owners of Equipment will tender specific items for entry into RailCorp's Database for use when, and as required, by RailCorp.
- RailCorp operates on a 24 hours per day / 365 days per year basis and contractors must be able to supply Equipment at these times.
- Within RailCorp's operating network, four areas (referred to as Offer Areas) have been defined, these being M1 (Sydney Metro), M2 (Central Coast), M3 (Blue Mountains) and M4 (Illawarra).
- The rates tendered for each item of Equipment are normal time and overtime for wet hire and shall include an optional rate for dry hire. Attachments which are used in conjunction with the Equipment will be reimbursed on a time based rate.
- A one off, lump sum transport cost to cover all transport related costs to and from the site will be paid for items of Plant which are transported to Site but not under their own power. Trucks, Water Vehicles and items of mobile plant which travel to Site under their own power will be paid an agreed daily travel cost to cover travel to and from the Site on a daily basis. The method of payment for transport (either transport cost or daily travel) is defined in the Tender Forms.

- Different rates may be tendered for each separate Offer Area. These rates shall be inclusive of all accommodation, meal and other incidental costs, hence no additional reimbursement will be paid for the costs incurred by the Operator when required to stay overnight away from his normal place of residence.
- Once the Contractor has commenced the provision of wet hire services on a shift, RailCorp will pay a minimum hire period of 4 hours per shift provided there is no default on the part of the Contractor. At its discretion, RailCorp may cancel unused shifts and has no liability for the payment of minimum hire periods for shifts that have not yet commenced.
- Standby rates are not used and will not be paid.
- The Contractor shall be responsible for all costs (including theft, loss or damage) to the Equipment.
- The Contractor will provide Safe Work Method Statements / Safe Work Instructions for all Equipment provided under an External Hire Order.
- All Operators are required to have an OHS Construction Industry Induction Card, RISI qualifications and have successfully completed a Category 1 Health Assessment.
- The supply of Equipment to RailCorp is subject to stringent safety and environmental controls as is outlined in the Operational Requirements.
- Equipment and Operators are subject to ongoing inspection by RailCorp to assess and rate their suitability for the Equipment Hire Services.
- For some Hires, RailCorp may require a Contractor with “Possession Qualified” status to perform the Equipment Hire Services. RailCorp intends to assess contractors for their ability to provide operators with the necessary skills and experience to perform critical hires.
- The minimum level of public liability insurance is \$20 million although RailCorp may prefer contractors with higher levels of insurance.
- In wet hire situations, agreed quantities of the services provided will be certified on a daily work docket and these details will be entered into RailCorp’s ERP system for payment under a recipient created tax invoice arrangement.
- In dry hire situations, the Contractor will regularly prepare a payment claim and send it to the responsible RailCorp officer who will certify and then enter the details into RailCorp’s ERP system for payment under a recipient created tax invoice arrangement.

Note: This overview is a brief, summary document for the information of tenderers only and does not form part of the RFP or any subsequent contract. For details on the information described herein, the tenderer is referred to the Conditions of Tendering in relation to the RFP and the Conditions of Contract, the Operational Requirements and the Tender Schedules in relation to any subsequent contract.