

**RESPONSES TO REQUESTS FOR CLARIFICATIONS/QUERIES SUBMITTED BY PROSPECTIVE BIDDERS IN RELATION TO THE RFP FOR JPMC
SAFETY & SECURITY PROJECT**

SR. NO.	PROVISION AND PAGE NUMBER OF RFP	COMMENTS/QUERIES	RESPONSES
1.	Financial Bid on the format of template given	Whether the financial bid is required to be given only on the format/template given in the RFP.	<p>Yes, the financial bid must be submitted using the Financial Model Template (MS Excel) provided in the RFP. Furthermore, the financial bid must reflect the quantities of all equipment and related items exactly as specified in the Financial Model Template.</p> <p>Any deviation—whether increase or decrease—in the specified quantities by the bidder shall render the financial bid non-responsive, and the bidder shall be disqualified from the bidding process accordingly.</p>
2.	Salary Rate Calculation Based on Full Year	<p>The financial model does not calculate salary rates on a 12-month basis.</p> <p>Clarification Sought: Please confirm whether salaries are to be calculated monthly over a full 12-month period. If so, the financial model should reflect this by multiplying monthly salary rates by 12 to represent the annual cost per position.</p>	<p>Bidders are required to input the annual (12-month) salary for the first year only in cells D3 to D19 of the “<u>Detailed Operational Budget</u>” sheet within the MS Excel file (Financial Model Template).</p> <p>The annual salaries for the subsequent four years are auto-calculated in the “<u>Budget Summary</u>” sheet of the same Financial Model Template.</p>
3.	First-Year Rate Escalation Applied Incorrectly	<p>The financial model applies a 10% escalation in the first year, which is inconsistent with the RFP clause stating that escalation should begin from the second year of the project.</p> <p>Clarification Sought: Please confirm that rate escalation should only apply from Year 2 onward, and whether the financial model will be updated accordingly.</p>	<p>It is hereby clarified that all bidders shall apply a 10% annual escalation rate starting from Year 2 onwards.</p>

4.	Restrictions on Repair & Maintenance Costs	<p>Repair & maintenance costs are capped at: 0.75% for general equipment 1.5%-2.25% for vehicles. Additionally, these costs are considered only from the second year onward.</p> <p>Clarification Sought: Please clarify the rationale for restricting maintenance costs in the first year. Several items may not be under full warranty, or early failures may require immediate maintenance.</p>	<p>It is hereby clarified that maintenance costs shall apply from the first year of the Operations & Maintenance (O&M) period and continue through to the fifth (final) year of the O&M period.</p> <p>The reference to the ‘second year’ in cells F28 and F32 was a typographical error and should be disregarded.</p>												
5.	Omission of Repair & Maintenance Costs for Communication Equipment	<p>Maintenance costs for key communication equipment are missing from the financial model. These items include:</p> <ul style="list-style-type: none">• Speakers with amplifiers, wireless microphones, and desktop microphones• Wireless walkie-talkie sets• Telephone exchange system <p>Clarification Sought: Please confirm whether maintenance for the above items will be included in the financial model, or whether bidders are expected to include these under a separate AMC provision.</p>	<p>It is hereby clarified that the Concessionaire (Private Partner) shall be responsible for implementing the systems/items (as mentioned in the query) and ensuring they are fully operational for handover to JPMC management, either during or at the end of the Installation Period.</p> <p>Subsequently, JPMC will be responsible for the Operations and Maintenance (O&M) of the said systems. Therefore, bidders are not required to include O&M costs for these systems in the financial model.</p>												
6.	Quantity Discrepancies - Annexure D vs Financial Model	<p>There are discrepancies between the quantities listed in the financial model and those stated in Annexure D (Items 2, 3, 7, and 11) of the RFP</p> <table><tr><th>Item</th><th>As per Annex. D</th><th>As per Fin. Model</th></tr><tr><td>HARD DRIVE 6TB</td><td>244</td><td>100</td></tr><tr><td>STORAGE SERVER</td><td>6</td><td>2</td></tr><tr><td>DOKING SYSTEM</td><td>2</td><td>4</td></tr></table>	Item	As per Annex. D	As per Fin. Model	HARD DRIVE 6TB	244	100	STORAGE SERVER	6	2	DOKING SYSTEM	2	4	<p>It is hereby clarified that bidders should follow the numbers given as per financial model template.</p>
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7.	Clarification on Row No. 45 - Vehicle Description and Quantity	<p>In Row No. 45 of the detailed installation budget within the financial model, the item is described as: <i>"2700 - One double cabin & one single cabin"</i></p> <p>This description creates confusion as it is unclear whether:</p> <ul style="list-style-type: none">• The bidder is required to supply both one double cabin and one single cabin vehicle,• Only a single vehicle (either double or single cabin) is required. <p>Additionally, the pricing for double cabin and single cabin vehicles differs, yet only a single line item is provided without price separation.</p> <p>Clarification Sought:</p> <ul style="list-style-type: none">• Please confirm whether both vehicles (1 double cabin and 1 single cabin) are to be provided, or only one of them.• If both are required, request that the financial model be updated to reflect them as two separate line items, with separate quantities, descriptions, and price entries.	<p>It is hereby clarified that bidders are required to consider only one (1) Single Cabin vehicle with an escort canopy for security personnel. The reference to a Double Cabin was a typographical error and should be disregarded.</p>									

		<ul style="list-style-type: none"> • If only one vehicle is required, then the description in the financial model should be corrected for clarity. 	
8.	Flexibility in Management Fee & Project Structure	<p>The financial model defines the Management Fee as the cost incurred by the bidder for managing the project. This includes activities such as field monitoring by staff, stamp duty (0.35% of the bid price), organizational expertise, and any other costs not covered elsewhere in the bid-essential for ensuring compliance with Key Performance Indicators (KPIs). However, the model does not clearly define the structure or calculation methodology of this fee. Moreover, there appears to be an implied cap across key cost components such as salaries, operations, and maintenance. Notably, this fee head is also subjected to deductions based on KPI compliance, adding further financial pressure.</p> <p>Clarification Sought:</p> <ul style="list-style-type: none"> • Has a formal cap been applied to the Management Fee? • If so, what is the rationale, methodology, and structure behind this cap? • Due to the cap, it becomes financially challenging for bidders to accommodate critical expenses such as operational support, compliance costs, and unforeseen contingencies--each of which is vital for maintaining service quality and meeting KPIs. Will the Authority consider revising this approach to allow greater flexibility? 	<p>It is hereby clarified that the floor and cap for the Management Fee are set at 7.5% and 15%, respectively.</p> <p>Please note that penalties or adjustments to the Management Fee will apply if the Concessionaire's KPI score falls below the required threshold. The floor (minimum percentage of the Management Fee) has been established to ensure a reasonable financial impact on the Concessionaire in such cases.</p> <p>The cap of 15% reflects the prevailing market return and serves as the upper limit of the Management Fee.</p> <p>No revision or amendment has been made to the floor or cap on the Management Fee. The originally specified cap and floor in the RFP document remains unchanged and in effect.</p>
9.	Revision in Minimum Wage Rate	The current minimum wage rate is PKR 38,250 for the year 2024-2025. However, wage rates are subject to annual revisions by the government.	It is hereby clarified that the revision in the minimum wage rate falls under the Change in Law provision.

		<p>Clarification Sought: Please confirm what provisions are in place should the minimum wage be increased in the following years (e.g., 2025-2026 and beyond).</p>	<p>Accordingly, the increased minimum wage rate shall be admissible and released in line with the applicable terms of the Agreement.</p>
10.	Management Fee and Responsibility for Security Personnel	<p>The financial model currently excludes the management fee for a major operational component-deployment and supervision of approximately 325 security guards, required 365 days a year for the entire 5-year project duration.</p> <p>Clarification Sought:</p> <ul style="list-style-type: none"> • If the lead partner is not allocated the management fee for managing the security guards, please clarify which party (lead or consortium member) holds this responsibility. • In case this responsibility is to be contracted separately, kindly outline the proposed operational structure and cost allocation mechanism. 	<p>It is hereby clarified that the matter pertains to the consortium members, who shall be responsible for determining the modalities, including cost sharing, revenue sharing (management fee), and risk allocation among themselves.</p>
11.	IE fees during installation period	<p>According to Schedule J (Terms of Reference for Independent Expert), all fees, costs, charges, and expenses related to the Independent Expert are to be solely borne by the Concessionaire. However, the current financial model only accounts for these expenses during the five-year post-installation (O&M) period, and does not include any allocation for the installation phase of the project.</p> <p>Clarification Sought: Will an Independent Expert (technical and/or financial) be officially engaged during the installation phase at the Project Site?</p> <p>If yes:</p>	<p>It is hereby clarified that bidders shall include the fees for the Independent Expert (IE) for the Installation Period in their respective financial bids.</p> <p>Bidders are advised to refer to the “Detailed Installation Budget” sheet in revised Financial Model template for further guidance.</p>

		<ul style="list-style-type: none"> • Will the financial model be revised to incorporate the applicable fees and expenses for this phase? • Or, will the Authority bear the cost of such engagement during the installation period? <p>Alternatively, we seek confirmation whether the Authority will continue utilizing its in- house or designated technical expert(s)-as were present during the pre-bid meeting-to oversee and verify technical compliance during the installation phase, with only Independent Financial Expert provisions applicable thereafter.</p>	
12.	Clarification Sought - Scope Confirmation	Kindly confirm whether the 0.75% Repair & Maintenance (R&M) rate is applicable exclusively to the items listed in Annexures D-1, D-2, D-4, D-10, and D-11, as per the current financial model guidelines.	This is hereby clarified that 0.75% Repair & Maintenance (R&M) rate is applicable exclusively to the items listed in Annexures D-1, D-2, D-4, D-10, and D-11
13.	Clarification Sought - Exclusion Rationale & Implications	<p>Please clarify the rationale behind the exclusion of vital operational components listed in Annexures D-3, D-5, D-6, D-7, D-8, D-9, D-12, D-13, and D-14 from R& provisioning despite their high usage, critical functional role, and the potential wear and tear over the project's lifecycle.</p> <p>These exclusions create a significant financial blind spot for bidders. In the absence of clear guidance or allocated R&M provisions, bidders are left to arbitrarily estimate these costs, potentially leading to inconsistent budgeting, hidden liabilities, and long-term risks for both the Concessionaire and the Authority.</p>	This is hereby clarified that the items mentioned in annexures that are excluded from the Repairment and Maintenance are expected to be covered under insurance.

14.	Clarification Sought - Request for Revision of Financial Model	<p>Is the Authority considering revising the financial model to explicitly account for R&M expenses related to these excluded annexures?</p> <p>Without such provisions, it is financially impractical and operationally risky for bidders to ensure continued performance, compliance, and service delivery over the five-year concession period.</p>	Not accepted. No change made in this regard.
15.	Clarification Sought - Urgency & Strategic Concern	<p>We strongly urge the Authority to address this point with the utmost seriousness.</p> <p>From a bidder's perspective, exclusion of R&M for high-value and high-dependency assets is not just a budgeting oversight-it is a critical operational and financial concern.</p> <p>To ensure competitive, accurate, and sustainable bids, we recommend either:</p> <ul style="list-style-type: none"> ○ Providing explicit R&M cost allocations for all relevant components in the revised model, ○ Or issuing a formal addendum permitting bidders to include custom R&M provisions with supporting justifications. <p>Ignoring R&M for essential systems risks project degradation, cost escalation, and non-compliance with KPIs. We seek clear, prompt guidance to treat this matter appropriately in our financial models and strongly encourage the Authority to prioritize this issue in the interest of transparency, fairness, and long-term project viability.</p>	Not accepted. No change made in this regard.
16.	Clarification Sought -	The specific criteria for selecting the Lead Member of the consortium? Or can any one of the five consortium	Please refer serial # 10

		members be designated as the Lead Member, regardless of their role or contribution?	
17.	Clarification Sought -	As per given Financial Model, it seems that repair and maintenance costs for Year 1 have been excluded, even though all systems can face issues at any time. If bidders aren't allowed to claim any repair costs during first year, how will such issues be handled both financially and operationally and how KPIs shall be met in the first year. It is not mentioned which items are covered under warranty and which aren't and based on that, what kind of cost provisions are allowed so everyone's clear on what to plan for. If we are not allowed to charge a management fee on the guard and SSG salaries which make up the biggest portion of operations- then who is expected to manage them?	This is hereby clarified that the repair and maintenance costs will apply from first year of operations.
18.	Clarification Sought -	As per the financial model, there's no provision to input any vehicle maintenance cost for the first year. Given the expected usage, is it realistically possible to operate the required vehicles. for an entire year without any maintenance budget?	It is hereby clarified that the repair and maintenance of the vehicles will apply at the rate 1.5% start from Year one (1). Bidders may please refer to clarified financial model template.
19.	Clarification Sought -	The financial model does not account for any unforeseen or soft costs. Kindly clarify who will be responsible for bearing these expenses.	It is hereby clarified that such unforeseen costs can be included under the head of Budget for Misc. Charges in “Detailed Operational Budget” sheet of clarified financial model template.
20.	Request for Extension in Bid Submission Deadline	However, we respectfully request an extension of the bid submission deadline. One of our consortium partner, whose input is crucial to the preparation of our proposal, is currently on Hajj pilgrimage. Additionally, the upcoming Eid-ul-Adha holidays are limiting the number of working days available to finalize the bid documentation.	Bid submission deadline shall remain unchanged.

		<p>In light of the above, we kindly request that the submission deadline be extended from present bid closing date to minimum four weeks. We believe this extension would not only assist our organization in preparing a comprehensive and competitive bid but would also benefit other potential bidders facing similar constraints, thereby contributing to a fair and inclusive bidding process.</p>	
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