



**ELIAS MOTSOALEDI LOCAL MUNICIPALITY**

**EMLM 17/2024**

**PRE-PAYMENT ELECTRICITY VENDING & REVENUE MANAGEMENT SYSTEM  
FOR ELIAS MOTSOALEDI LOCAL MUNICIPALITY FOR A PERIOD OF 36 MONTHS**

<b>CLOSING DATE:</b>	<b>05 APRIL 2024</b>	<b>TIME</b>	<b>11H00</b>
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<b>NAME OF TENDERER</b>	
<b>TOTAL AMOUNT</b>	
<b>CENTRAL SUPPLIER DATABASE NUMBER</b>	MAAA-
<b>TOTAL SPECIFIC GOAL POINTS</b>	
<b>CONTACT PERSON</b>	
<b>TELEPHONE NUMBER</b>	
<b>FAX NUMBER</b>	
<b>EMAIL ADDRESS</b>	

<b>ENQUIRIES REGARDING BID PROCEDURES</b>		<b>TECHNICAL ENQUIRIES</b>	
<b>DIRECTORATE: BUDGET AND TREASURY</b>		<b>DIRECTORATE: INFRASTRUCTURE SERVICES</b>	
<b>V MASILELA</b>		<b>K. MAMETSA / M NAMANE</b>	
<b>MANAGER: SUPPLY CHAIN MANAGEMENT</b>		<b>ELECTRICAL ENGINEER / MANAGER REVENUE MANAGEMENT</b>	
<b>TEL. NUMBER</b>	<b>TEL.013 262 3056</b>	<b>TEL. NUMBER</b>	<b>013 262 3056</b>
<b>TENDER ISSUED BY</b>			
<b>SUPPLY CHAIN MANAGEMENT UNIT</b>			
<b>ELIAS MOTSOALEDI LOCAL MUNICIPALITY</b>		<b>P.O. BOX 48, GROBLERSDAL, 0470</b>	

## ELIAS MOTSOLEDI LOCAL MUNICIPALITY

TENDER DETAILS						
TENDER NUMBER	<b>EMLM 17/2024</b>					
TENDER TITLE	<b>PRE-PAYMENT ELECTRICITY VENDING &amp; REVENUE MANAGEMENT SYSTEM FOR ELIAS MOTSOLEDI LOCAL MUNICIPALITY FOR A PERIOD OF 36 MONTHS</b>					
CLOSING DATE	<b>05 APRIL 2024</b>		CLOSING TIME		<b>11H00</b>	
SITE MEETING	DATE	N/A	TIME	N/A	N/A	N/A
SITE MEETING ADDRESS	N/A					
CIDB GRADING REQUIRED	N/A		LEVEL AND CATEGORY		N/A	
TENDER DOCUMENT FEE	<b>R1 000.00 (if collecting from the Municipality) Free when uploading from e-tender portal</b>		PREFERENCE POINT SYSTEM		<b>80/20</b>	
BID BOX SITUATED AT	<b>MAIN OFFICES, 2<sup>ND</sup> GROBLER AVENUE</b> , Elias Motsoaledi Local Municipality					
OPERATING HOURS	The bid box is open during office hours, Monday to Friday from 07h30 to 16h15.					
OFFER TO BE VALID FOR	90	DAYS FROM THE CLOSING DATE OF TENDER.				

**PLEASE NOTE:**

1. Prospective suppliers must be registered on CSD prior to submitting bid (open tender)
2. Tenders that are deposited in the incorrect box will not be considered.
3. Mailed, telegraphic, telex, or faxed tenders will not be accepted.
4. No late bids after closing date and time will be accepted.
5. Bids not clearly marked and unamend will not be accepted.
6. Bids may only be submitted on the bid documentation provided by the municipality.
7. No awards will be made to a person:
  - i. Who is in the service of the state,
  - ii. If that person is not a natural person, of which any director, manager, principal shareholder or stakeholder is a person in the service of the state
  - iii. Who is an advisor or consultant contracted with the municipality or municipal entity

**BIDDER'S TENDER DOCUMENTATION DECLARATION CERTIFICATION**

I, the undersigned certify that the information furnished on this declaration form is correct, completed and submitted.

NAME OF REPRESENTATIVE	
POSITION / DESIGNATION	
SIGNATURE	
DATE	

**T1.1 TENDER NOTICE & INVITATION**  
**ELIAS MOTSOLEDI LOCAL MUNICIPALITY**  
**TENDER NO: EMLM 17/2024**  
**CLOSING DATE: 05 APRIL 2024 AT 11H00**



In terms of Section 110 of the Municipal Finance Management Act, 2003 (No. 56 of 2003), tenders are hereby invited for **PRE-PAYMENT ELECTRICITY VENDING & REVENUE MANAGEMENT SYSTEM FOR ELIAS MOTSOLEDI LOCAL MUNICIPALITY FOR A PERIOD OF 36 MONTHS**

Tender documents and specifications are available and can be obtained from CASHIERS OFFICE IN THE MAIN OFFICES, 2<sup>nd</sup> Grobler Avenue Groblersdal, P.O. Box 48, Groblersdal, 0470 (Tel: [013] 262 3056, at a non-refundable deposit of **R1000.00** when the bidder request/need a document from the municipality and it is free of charge when downloaded from the e-Tender Portal. Payments can be made through cash payable to the Elias Motsoaledi Local Municipality.

The closing time for receipt of tenders is **05 April 2024 at 11H00**. Telegraphic, telephonic, telex, facsimile, e-mail, unmarked and **late tenders** will under no circumstances be considered and accepted. The tender box will be emptied just after closing time on the closing date. Hereafter all bids will be open in public.

Any technical enquiries relating to the tender document may be directed to **Infrastructure Services: Manager Electrical (Mr. K Mametsa) / Manager Revenue Management (Mrs. M Namane)** at [kmametsa@emlm.gov.za](mailto:kmametsa@emlm.gov.za) / [mnamane@emlm.gov.za](mailto:mnamane@emlm.gov.za) or 013 262 3056 for technical assistance. Fully completed tender documents, clearly marked **"PRE-PAYMENT ELECTRICITY VENDING & REVENUE MANAGEMENT SYSTEM FOR ELIAS MOTSOLEDI LOCAL MUNICIPALITY FOR A PERIOD OF 36 MONTHS** with **"NAME of TENDERER"** must be placed in a sealed envelope and placed in the **tender box No: 1** on the **2<sup>nd</sup> Grobler Avenue**, Elias Motsoaledi Local Municipality, Main Offices, Groblersdal, **by no later than 05 April 2024 at 11H00**. The envelope must be endorsed with number, title and closing date as indicated above.

Bidders will be evaluated on functionality whereby **70 points (70%)** has to be attained before financial proposals can be looked at. A preferential point system shall apply whereby a contract will be allocated to a tenderer in accordance with the Preferential Procurement Policy Framework Act, Act No. 5 of 2000 and as defined in the Conditions of Tender in the tender document, read in conjunction with the Supply Chain Management Policy of Elias Motsoaledi Local Municipality where **80 points** will be allocated in respect of price and **20 points** in respect of specific goals.

No awards will be made to a person:

- Who is not registered on the Central Supplier Database;
- Who is in the service of the state;
- If that person is not a natural person, of which any director, manager, principal shareholder or stakeholder is a person in the service of the state; and/or
- Who is an advisor or consultant contracted with the municipality or municipal entity.

The municipality reserves the right to withdraw any invitation to tender and/or to re-advertise or to reject any tender or to accept a part of it. The municipality does not bind itself to accepting the lowest tender or award a contract to the bidder scoring the highest number of points



## **TERMS OF REFERENCE**

### **FOR**

## **PRE-PAYMENT ELECTRICITY VENDING & REVENUE MANAGEMENT SYSTEM FOR ELIAS MOTSOALEDI LOCAL MUNICIPALITY FOR A PERIOD OF 36 MONTHS**

### **DESCRIPTIONS OF WORKS**

#### **Employer's Objective**

The Elias Motsoaledi Local Municipality is therefore looking for a service provider that will assist in Supporting and maintaining an electricity prepayment vending system as it is an integral part of the Municipality.

#### **Overview of the Works**

The objective of this tender is to invite bidders for a SMART Prepayment Electricity Meter Vending System that is Standard Transfer Specification (STS) Edition 2 compliant and an Advanced Metering Infrastructure (AMI) Head End System to serve the three Municipal areas Groblersdal, Roosenekal and Masakaneng.

The contract includes the support and maintenance of all hardware and software to meet the SMART STS Solution requirements; as well as Electricity Prepayment Data Management and Revenue Protection Service and Revenue Management, to ensure that it is operating efficiently in all areas right across the Municipality.

#### **Extend of the Works**

##### **PRIMARY SERVICES:**

1. Commissioning of a Cloud Smart STS prepayment system that is STS Edition 2 Certified;
2. Supply of all prepayment high quality communication links;
3. Support and maintenance of all software and hardware to meet the new vending requirements;
4. Provide functionality for internet, cellular phone, bank ATMs, as well as third party vending;
5. Integrate into the current Billing system for arrears payments and account payment for prepaid and post-paid consumers.
6. Integration into existing Head End System for Remote token routing, meter diagnostics and maintenance of existing and future meter support.
7. A complete TID Rollover implementation plan detailing multiple methods of token distribution to be used to facilitate process.

##### **SECONDARY SERVICES:**

1. To provide Prepayment Electricity Data Management related to the Revenue Management Function in order to ensure that customer and meter information in the system is correct and up to date;
2. Distribute FBE Tokens to indigent consumers without the need to visit a vending station;
3. Prepayment Electricity Meter Data Management such as (but not limited to) meter information, tariff information, faulty meters, meter changes, statistics, financial information, blocked meters, debtor data information, synchronization of data between the financial and vending system, historical information;
4. To provide a Revenue Protection Functionality to indicate tampered meters and irregular transactions;
5. To supply a detailed hard and soft copy Operations and Maintenance Manual for each of the supplied goods/products;
6. To successfully migrate the data from the existing prepayment system to the new system;

7. The system must comply with all legislative and audit requirements;
8. The system must generate standard reports with filtering ability, as well as ad-hoc reports that are requested from time to time
9. To provide training and transfer of skills to all relevant officials;
10. The Vending system must integrate to the core financial system for mSCOA compliance.

### **Location of the Works**

The Service to be rendered in Elias Motsoaledi local Municipality for the following area of Supply :

- Groblersdal area
- Masakaneng area
- Roosenekal area

### **Implementation program**

#### **Vending**

The system must perform vending through:

- Point of sale terminals;
- Website based
- Internet banking system
- Cellular phone and
- ATM machines

#### **The steps of vending shall be:**

- 1.1 On receipt of the vend request the system shall have a provision to ascertain the identity of the consumer;
- 1.2 The keys to identify the consumer shall be the meter serial number;
- 1.3 The vend terminal shall send the request to a central database server that shall authenticate the transaction request and generate an encrypted code;
- 1.4 In order to provide maximum security to the system, the encryption shall not be done on the vending terminal but only on the central database server;
- 1.5 On receipt of each request the vend terminal shall connect to the central database server in order for the encrypted vending code to be generated;
- 1.6 The generated vending code shall be printed by the officially supplied hardware, and/or digitally displayed as in the case of internet or cellular phone vending;
- 1.7 Token layout will comply with the Municipality's specification;
- 1.8 Tokens will be legible for at least one month from date of purchase;
- 1.9 The monetary value per token can be limited per the Municipality's requirements e.g. minimum and maximum value, per consumer etc;
- 1.10 The Municipality must have the option to limit the customer total monthly purchases per customer.
- 1.11 All payment types are recorded as returned by the vending terminal or third party aggregator;
- 1.12 The amount tendered must first be allocated to clear the debtor's arrear balance if applicable, and then to allow for immediate purchasing of prepayment electricity;
- 1.13 The consumer can pay the municipal debtor account at any terminal which will be transferred to the Municipality's financial system, in a format as prescribed by the Municipality;
- 1.14 The system functionality must include reprints of tokens when required;
- 1.15 The system is capable of performing vending functions simultaneously across all terminals and multiple types of vend can be combined one receipt at each terminal e.g. account payment, EBSST and electricity token;
- 1.16 Cancellations are not allowed at the terminals;
- 1.17 Inclining block tariffs are supported per NERSA requirements;
- 1.18 The Municipality's image will be positively reflected by the service provider's staff, collectors and aggregators per a code of conduct.
- 1.19 The system must support the TID rollover process and must be STS Edition 2 Compliant.
- 1.20 Tokens must be played remotely to meters on purchase should consumers wish to enable this feature.

## **AMI STS SYSTEM Integration Requirements**

- 1.1 Collection of data from existing and new meters
- 1.2 Remotely send data and tokens to meters
- 1.3 Perform load balancing
- 1.4 Generate profiling reports
- 1.5 Perform demand side management
- 1.6 On demand meter profiling
- 1.7 Prepaid and pot-paid meter switching capability.
- 1.8 Remote Meter disconnects and reconnects.
- 1.9 Event and alert notifications such as meter tamper conditions.
- 1.10 API for post-paid billing to billing system integration.

## **Account Payments**

- 1.1 The consumer should be able to make bill payments at any point of sale. This is in line with the Municipality's goal of increasing accessibility to municipal services and debt reduction;
- 1.2 The consumer does not have to be registered to a meter to make a payment.

## **General**

- 1.1 The system must integrate with the Municipality's financial and other systems such as, Debt Management System.
- 1.2 The system must support STS Edition 2 and provide a mechanism for a phased rollout of key-change tokens to support the base date change over for management of the TID rollover process. This must include automated TID rollover per region, zone, tariff, and individual accounts at the minimum.
- 1.3 The system must cater for multiple base date functionality in the security module.
- 1.4 The system must support an import mechanism for loading of the new key-load file specification as contained in STS600-4-2.

The service provider must provide the minimum number of vending terminals as required with the following functionality, but not limited to:

- Integrated Modem;
- Integrated Printer;
- Integrated LAN Port;
- Integrated Display Screen.

## **Management Centre**

The successful bidder to provide personnel that shall be a part of the vending system process. The vending system must have capability to integrate with the financial management system central database and produce the management reports. The successful bidder must manage the administrative data, including settings of system accounts, tariffs, meter and Consumer data.

**Various tasks that should be performed for the municipality are outlined below, but not limited to:**

- 1.5 Consumer Data Maintenance related to the debtor's profile
- 1.6 Meter Database Management
- 1.7 Uploading of meter database

## **Meter Management**

The system shall support at least the following meter states:

- 1.8 Scrapped;
- 1.9 Installed;
- 1.10 Removed;
- 1.11 In Stock

Meter states can be updated and modified as required.

## **Functionality**

- 1.12 Link a consumer with a location / meter/Point of Connection;
- 1.13 Meter management processes shall automatically change the modes of operation associated with a meter.

## **Tariff Management**

- 1.14 Tariff Management
- 1.15 Tariff structure definition is to be in line with NERSA requirements;
- 1.16 Tariff change administration in line with Auditor General requirements;
- 1.17 Inclining Block Tariff (IBT) to be supported;

## **Debt Management**

- 1.18 Transferring arrear information from the financial system into the Prepayment system;
- 1.19 Blocking and unblock meters manually and/or electronically;
- 1.20 Provision of various levels of blocking as prescribed by the Municipality;
- 1.21 Vending once arrears have been cleared
- 1.22 Account Payment

## **Revenue Protection**

- 1.23 Irregular transactions indicator/s (nil, low, or abnormally high);
- 1.24 Free-format comments field (notes) (maximum 250 characters)
- 1.25 Remote meter tamper notifications.
- 1.26 Meters not connecting to the system, possible bypass.
- 1.27 The service provider shall perform a sweep audit of all installed meters at least once per year for the duration of the contract.
- 1.28 Alternate audits may be required for meters suspected of tampering based on data and reports from both the vending system and the AMI system.

## **Transaction management**

The system shall support the following types of transaction:

- 1.29 Cash vend transaction;
- 1.30 Retained credit transaction;
- 1.31 Refund money transaction;
- 1.32 Purchase blocking facility;
- 1.33 Free basic electricity transaction;
- 1.34 Arrear collection and debtor account payments;
- 1.35 Engineering transactions
- 1.36 Account Payment transaction



### **Message Management**

The system shall allow:

- 1.37 Entry of system messages;
- 1.38 Entry of customer specific messages;
- 1.39 Entry of predefined messages;
- 1.40 Ability to send short message service (SMS) or email

### **User Security Management**

Security management shall include:

- 1.41 Group rights definition;
- 1.42 Entry of system users and allocation of group rights;
- 1.43 System administrator rights
- 1.44 Customer portal to view transaction history and messages

### **Monitoring**

- 1.45 Control of all vending terminal operations;
- 1.46 Control and banking of cash collected through the prepayment system;
- 1.47 Issue of free basic electricity to indigent consumers;
- 1.48 On-line viewing of all vending terminals

### **TID Rollover**

- 1.49 As part of the contract the service provider shall be responsible to implement the TID rollover process commencing on commissioning of the new Vending System. The process shall include the implementation and commissioning of the required STS hardware and software as well as the process to effect the base date update on each STS meter.
- 1.50 The base date update on each STS meter shall be undertaken by physically entering the tokens into the meter while auditing the meter installation at the same time.

### **Reports**

- 1.51 All reports must have the functionality to export into various formats, such as (but not limited to) excel, csv, txt, etc. The export must be in a one-liner format;
- 1.52 The front-end screen of each report must include filters such as dates, areas, ward numbers, tariffs, debtor types, surnames, ERF numbers, meter numbers, street names, etc. The filters must be clearly defined in terms of data entry;

### **Access Management**

The management interface required to operate the proposed solution shall be web-enabled.

### **Customer Service And Technical Support**

Bidder to provide technical and customer support services as follows:

- 1.53 Personnel on call and available to visit the site when
- 1.54 Detailed problem logging and escalation process with timelines;
- 1.55 To provide a flow chart - At a minimum, explain the number of severity levels, the criteria used to define problem severity at each level, who is notified at each level, and the time period between each severity level;
- 1.56 To provide a solution that has proactive service features. Bidder to describe any ability to self-diagnose errors and perform automated corrective action;

- 1.57 To describe the Professional Services capability as it pertains to this project. Include services offered, locations provided, and whether insourced or outsourced personnel are used;
- 1.58 To provide the details of the contractual arrangements between the bidder and the various communication networks, such as mobile telephone networks; to ensure that an uninterrupted service is Provided.

### **Operation And Maintenance Manuals**

The operation and maintenance manuals of software, application and equipment supplied shall be furnished with the detail diagram of the design. The manuals must be available in hard copy and electronic format. A "help" facility must be available to all users of the system.

### **Change in works**

The Engineer may, from time to time by order in writing without in any way violating the Contract or giving to the Contractor any claim for additional payment, require the Contractor to proceed with the execution of the works in such order as in his opinion may be necessary, and may alter the order of or suspend any part of the Works at such time and times as he may deem desirable and the Contractor shall not, after receiving such written order, proceed with work ordered to be suspended until he shall receive a written order to do so from the Engineer.

Where the work must of necessity be carried out in conjunction with work of other Contractors, or with that of the Employer, it shall be co-ordinated and arranged in such a manner as to interfere as little as possible with the progress of such other work so as to offer every reasonable facility to other Contractors or to employees of the Employer.

## **ENGINEERING**

**Design services and activity matrix**  
**NOT APPLICABLE**

**Drawings**  
**NOT APPLICABLE.**

## **PROCUREMENT**

The Tenderer's attention is drawn to the fact that the awarding of this tender will be in terms of the Supply Chain Management Policy of the Elias Motsoaledi Local Municipality

## **SUB-CONTRACTING**

NOT APPLICABLE:

## **PROVISION OF THE SERVICES**

### **Work Specifications**

#### **Applicable SANS 10142 Standards**

Applicable SANS 10142 Standardised Specifications for the purpose of this Contract the latest issues of the following Standard Specifications for Electrical Engineering Construction, applicable at the date of tender advertisement, shall apply –

SANS 10142-2: 2017 Medium voltage installations

The term project specifications appearing in any of the SABS 1200 standardised specifications must be replaced with the terms scope of work.

The variations and additions to the specifications listed in C3.4.1.2 (a) are as follows: PSA GENERAL

C3.5.1.2 Other applicable national and international standards  
 NRS 047  
 NRS 048  
 NRS 033  
 Eskom standards  
 Elias Motsoaledi Local Municipality standards

### **The system and materials**

- 1.The System must be based on an online, web based architecture to vend tokens securely and efficiently.
- 2.The system should conform to the relevant standards relating to prepaid vending including IEC (International Electro technical Commission), STS (Standard Transfer Specification), SANS (South African National Standards) and NRS (National Regulatory Services).
- 3.Service provider shall establish vending footprint to ensure that all customers can access a physical vending point within a 1 km radius.
- 4.Manage third party vendors on behalf of Municipality; this includes signing contract equivalent to the length of the third-party vending contract.
- 5.Offer various platforms for customers to purchase including but not limited to banking platforms (at least 4 major banks), online / web based and retailers.
- 6.Solution must be a hosted solution.
- 7.The service provider will be responsible to maintain the system infrastructure, the platform and the application software including software maintenance, patches and updates.
- 8.The service provider shall ensure 24 hours a day and 7 days a week technical support to vendors and Municipality staff. This will include onsite support.
- 9.The successful Tenderer shall have the new system commissioned within three (3) months of the contract being awarded.
- 10.The system must be a real time system and shall be operational on a 24 hour, 7 days a week basis.
- 11.Daily, weekly and monthly performance reports will be required.
- 12.A customer portal must be available to the consumer to view history view sales history, usage profiles, display alerts, etc. Functionality for Customer Query logging should be included.

### **MANAGEMENT**

#### **Management of the Works**

- a) Fully Compliant with IEC62055-41 (STS) Edition 2 specifications and all relevant STS guidelines, with relevant certificate to be supplied as proof.
- b) The Supplier needs to comply with National Rationalised Specification - NRSO47 and NRS009 specifications.

#### **Training & Administration**

The successful bidder shall provide training as follows:

<b>Department</b>	<b>Training Requirements</b>
Counter Services and Prepayment	Operational and Administrative
Vendor Training	Operational
Debt Management	Operational and Administrative
Revenue Protection	Operational and Administrative
Electrical Engineering	Administrative and Technical
ICT System Administrator	System Maintenance
ICT Technical Engineers	Hardware Maintenance

The training will be conducted onsite and all trained staff members must be issued with a certificate after completion.

The bidder shall create a Standard Administration and Maintenance Procedure for solution provided.

### **Maintenance And Defects Liability Period**

The bidder shall provide regular maintenance services as per the manufacturer's instructions, which shall include but not limited to the following work, during the thirty six (36 months warranty period)

- a. Inspect and repair where necessary;
- b. Adjustment of applications;
- c. Replacement of any defective parts

The successful bidder to ensure service continuity on solution proposed without transaction/data loss.

### **Service Level Agreement**

A three (3) year Service Level Agreement (SLA) will govern the working relationship between the Elias Motsoaledi Local Municipality and the successful bidder for the solution provided. The contract (SLA) must be in line with the tender specification. The SLA must be executed with remote support call centre and site visits form offices located with 150 kms from Elias Motsoaledi Local Municipality offices.

### **Maintenance Contract**

The services to be rendered through this contract will be as follows:

- d. Support and maintenance;
- e. Preventative maintenance;
- f. Remote support;
- g. Onsite support (such as, but not limited to onsite visits, onsite meetings, etc.);
- h. Telephone support;
- i. Upgrade services;
- j. Enhancement services (such as, but not limited to amendments to reports, new reports, etc.);
- k. Consulting service;
- l. Licenses;
- m. Patches updates;

The contract will be managed as follows:

The user department will log the calls to the ICT Department and will escalate the faults to the service provider when needed;

**The calls logged will be categorised as follows:**

Priority	Fault Severity	Description
1	CRITICAL	Vending System is not functioning — high impact on Business
2	HIGH	Processing can continue — circumvention acceptable in the short term
3	MEDIUM	Processing can continue — acceptable circumvention
4	LOW	No impact on processing
5	ENHANCEMENT	Request for additional functionality

**The response and resolution times are expected to be as follows:**

Priority	Description	Response	Resolution times
1	CRITICAL	Respond within one (1) working hour	Best effort to resolve within two (2) working hours
2	HIGH	Respond within two (2) working hours.	Best effort to resolve within four (4) working hours
3	MEDIUM	Respond within four (4) working hours.	Best effort to resolve within six (6) working hours
4	LOW	Solution may be implemented in future releases	
5	ENHANCEMENT	Quotation for enhancements and procurements of new equipment must be supplied with milestone dates for additional functionality and both parties will have to agree	

**Guarantees System Performance**

- n. The successful Tenderer shall have the new system commissioned within Two (2) months of the contract being awarded;
- o. The Tenderer shall guarantee the systems' functional performance and any upgrades required to correct any system mal-operation, shall be for the Tenderer's account;
- p. In the event of any latent defect (programming "bug") becoming evident, the Tenderer shall be responsible for the immediate rectification of such defects at their own cost.

**1 Termination of Contract**

If application is made for the sequestration of the Contractor's estate, or if the Contractor publishes a notice of surrender of his estate or presents a petition for the acceptance of the surrender of his estate as insolvent, or makes a compromise with his creditors, or assigns in favour of his creditors, or agrees to carry out the Contract under the supervision of a committee representing his creditors, or (being a company) goes into liquidation, whether provisionally or finally (other than a voluntary liquidation for the purposes of amalgamation or reconstruction), or if the contractor assigns the contract without having first obtained the Employer's consent in writing, or if execution is levied on his goods or if the Engineer certifies reference to this Clause, that in his opinion the Contractor:

- ✓ Has abandoned the contract; or
- ✓ Without reasonable excuse has failed to commence the Works in terms of Clause 10 of the General Conditions of Contract for Construction Works (2015 3rd Edition), or has suspended the progress of the Works for fourteen (14) days after receiving from the Engineer written notice to proceed or
- ✓ Has failed to proceed with the Works with due diligence; or
- ✓ Has failed to remove materials from the site or to pull down and replace work within fourteen (14) days after receiving from the Engineer written notice that the said materials or work have been condemned and rejected by the Engineer in terms of these conditions; or
- ✓ Is not executing the Works in accordance with the Contract, or is neglecting to carry out his obligations under the Contract; or
- ✓ Has, to the detriment of good workmanship or in defiance of the Engineer's instruction to the contrary, sublet any part of the Contract; or
- ✓ Has assigned the Contract or any part thereof without the Employer's consent in writing; or
- ✓ The contractor or anyone on his behalf or in his employ would pay, offer or offer as payment to any person in the employ of the Employer a gratuity or reward or commission; or
- ✓ The contractor furnished inaccurate information in the Schedules forming part of this Contract.

Then the Employer may, after giving fourteen (14) days' notice in writing to the Contractor, terminate the Contract and order the Contractor to vacate the Site and to hand it over to the Employer, and the Employer may then enter upon the site and the Works and expel the Contractor there from without thereby affecting the rights and powers conferred on the Employer of the Engineer by the Contract, and the Employer may himself complete the Works or may employ another contractor to complete the Works, and the Employer or such other contractor may use for such completion so much of the construction equipment, temporary works and materials bought onto the site by the Contractor as the Employer may think proper, and the Employer may at any time sell any of the said construction equipment, temporary works and unused materials and apply the proceeds of sale toward payment of any sums that may be due or become due to the Employer by the Contractor under the Contract. In such circumstances the Contractor shall forthwith vacate the site and shall not be entitled to remain on the site on the grounds that he is entitled to do so on a right of retention until amounts due to him have been paid, neither will the contractor be entitled to any further payments of this Contract.

## **HEALTH AND SAFETY**

### ▪ **Health & Safety Issues**

All work is to be carried out in accordance with the Occupational Health and Safety Act and Regulations (Act 85 of 1993) (a copy of which must be kept on site), the Explosive Material Act of (Act 26 of 1956), the Minerals Act of 1991, and the Factories Machinery and Building Work Act (No 22 of 1941).

The Contractor's notice is drawn to the stipulations of the Construction Regulations 2003, a regulation of the Health and Safety Act 1993 (Gov Notice No R1010 of 18 July 2003). The regulation will be applied vigorously on the project.

. A compliance audit will also be carried out to ensure that the Contractor has appointed a full-time competent person in writing to deal with the issues of the OHS and that a risk assessment has been conducted and a copy of the Safety plan is on site before any work commences.

Operational audits will be carried out on the following important issues:

- ✓ That the Safety Plan is on site at all times
- ✓ That the Contractor's Safety file is on site at all times
- ✓ That the Safety Officer is on site at all times
- ✓ That Safety meetings are conducted as per the Safety Plan
- ✓ That employees are working under safe conditions
- ✓ That the public is not placed in danger
- ✓ That there is no harm to the environment

## **PROJECT SPECIFICATIONS**

### **Tender Documents And Format Of Submission**

Bidders are requested to present one copy of the response in ORIGINAL hardcopy. All documents relating to the tender must be in English.

Tender documents and submissions must be properly indexed and must be presented in line with the reference numbering within the tender specification.

### **Mandatory Documents And Information**

The documents listed and information must also be submitted. Failure to submit such documents and information will deem the tender submission to be non-responsive:

- a. STS Edition 2 Compliance Certificate
- b. Size and Ability to Support Online Vending System;
- c. Bidder to describe the company's existing vending infrastructure (e.g. cellular phone/internet vending, etc.), including the volume of transactions, size and number of vending points;

- d. The bidder should furnish the information on major past supplies under the relevant product/services and satisfactory performance for the last five financial years;
- e. The bidder should be a manufacturer or the OEM authorized representative of respective system and or supply and maintenance of the offered items for a minimum period of three years in South Africa;
- f. The bidder to provide the name, respective titles, and years of experience of the person/s who will be responsible for management/co-ordination of all work on the project. In addition, provide the names of all personnel that are proposed to be involved in the project, their resumes, and their proposed roles/responsibilities (including the name of subcontractors and their personnel who will be working on the project, if any);
- g. The Bidder to provide a summary describing the bidder's area of expertise and resource capabilities as they relate to this proposal;
- h. Bidder shall also submit a minimum of three references from similar projects. Listing shall include name and address, title and phone number of a contact person at that client. The Municipality reserves the right to contact any of the references supplied by the bidder to obtain information regarding work that the bidder has performed.

**Elias Motsoaledi Local Municipality Schedule of Compliance**

**Management of an STS EDITION 2 compliant prepayment electrical SMART Solution, Revenue Management and Revenue Protection for a period not more than three years**

**Tender Number: EMLM 17/2024**

<b>VENDING SYSTEM</b>				
1.	Offered solution provides for a fully functional SMART Meter System for the entire vending domain of the municipal area ( <i>must be demonstrated during practical evaluation</i> ).	YES		NO
2.	Offered Solution has integrated AMI functionality with remote meter reading and token routing capability ( <i>must be demonstrated during practical evaluation</i> ).	YES		NO
3.	Vending solution includes Retail Shops, Internet, ATM, Cellular Phone and Mobile Devices as points of sale ( <i>system implementation plan must be included</i> )	YES		NO
4.	The SMART Meter System supplier needs to comply with National Rationalised Specification - NRSO47 and NRS009 specifications. ( <i>documentary proof must be included</i> ).	YES		NO
5.	Tenderer is certified as an ISO 9001 company ( <i>documentary proof must be included</i> ).	YES		NO
6.	The SMART Meter System must be able to comply with municipal MSCOA requirements by integrating into a compliant Billing System ( <i>must be demonstrated during practical evaluation</i> )	YES		NO
7.	SMART Meter System provide for all types of payments i.e. cash, credit card, debit card, bank transfer and cheque.	YES		NO



8.	SMART Meter System can generate STS Electricity, STS Water and STS Smart Meter Currency Token <i>(must be demonstrated during practical evaluation)</i> .	YES		NO	
9.	SMART Meter System is real time and on-line <i>(must be demonstrated during practical evaluation)</i> .	YES		NO	
10.	SMART Meter Solution support is provided on a 24x7x365 basis.	YES		NO	
11.	SMART Meter Solution is operational on a 24x7x365 basis.	YES		NO	
12.	The SMART Meter Solution must be fully Compliant with IEC62055-41 (STS) Edition 2 specifications and all relevant STS guidelines. <i>(documentary proof must be included)</i> .	YES		NO	
13.	The System must support the STS TID rollover process, and documented approach must be included.	YES		NO	
14.	Guarantee of the vending systems' functional performance during the tender period <i>(documentary proof must be included)</i>	YES		NO	
15.	Active STS Vending Hardware shall be hosted in a secure cloud environment <i>(documentary proof must be included)</i>	YES		NO	
16.	Back-up SMART Meter System shall be hosted off the designated site - another location that meets compliant environment standards <i>(documentary proof must be included)</i>	YES		NO	
17.	Existing direct on-line vendors which are managed by the current service provider shall be facilitated and equipped with the necessary hardware to fully operate <i>(system implementation plan must be included)</i> .	YES		NO	
18.	Existing 3rd party vendors which are managed by aggregators of the current supplier, shall remain operational during the installation and commissioning of the SMART Meter System <i>(system implementation plan must be included)</i> .	YES		NO	
19.	SMART Meter System must be able to vend to all active STS meters installed in the municipal distribution jurisdiction <i>(documentary proof must be included)</i>	YES		NO	



20.	The SMART Meter System shall accommodate both 11 (eleven) and 13 (thirteen) digit STS meter serial numbers (must be demonstrated during practical evaluation)	YES		NO	
21.	The transfer from the existing system to a new system shall be executed without any hindrance to the normal vending operations (system implementation plan must be included)	YES		NO	
22.	The proposed system should be able to support multiple meter technologies i.e. Smart Metering and Automatic Metering Reading (must be demonstrated during practical evaluation)	YES		NO	
23.	The proposed SMART Meter solution should be able to interface with the existing municipal financial billing system, (system implementation plan must be included and an integration example must be demonstrated during practical evaluation).	YES		NO	
24.	The system shall be fully STS Edition 2 compliant and capable of vending STS prepayment credit and engineering tokens on both legacy STS and STS Edition 2 as required for the TID Rollover process (must be demonstrated during practical evaluation)	YES		NO	
25.	The SMART Meters System shall have an Application Programme interface (API) to allow third parties to access the system securely for integration purposes (must be demonstrated during practical evaluation)	YES		NO	
26.	The tenderer must be able to have all hardware operational for the hosted environment 2 (two) weeks before start date of the tender period (system implementation plan must be included)	YES		NO	
27.	The database must allow concurrent users to access data on a central database from various online terminals (must be demonstrated during practical evaluation)	YES		NO	
28.	Generate Reports as requested as per specification (must be demonstrated during practical evaluation)	YES		NO	
29.	The SMART Meter System shall operate on a standard readily available, PC-based machine Windows with no special modifications	YES		NO	

	required to any parts (must be demonstrated during practical evaluation)			
30.	The SMART Meter System must include a consumer portal that will enable end consumers i.e. view sales history, usage profiles, display alerts, etc. (must be demonstrated during the practical evaluation)	YES		NO
31.	The functionality of the security module must be in compliance with STS 600-4-x (documentary proof and system implementation plan to be included)	YES		NO
32.	The data model of the SMART Meter System must allow for multiple meters to be linked to a single consumer account (must be demonstrated during the practical evaluation)	YES		NO
33.	The software and database shall be able to accommodate, with no special changes other than hardware scaling, more than 1 million consumer records and 120 million transaction records from the main sewer (must be demonstrated during the practical evaluation)	YES		NO
34.	A full system description and technical details of the solutions offered must be included (system implementation plan must be included)	YES		NO
35.	Guarantee the systems' functional performance and any upgrades required to correct any system mal-operation will be for the Tenderer's account (system implementation plan to be included)	YES		NO
36.	The system shall support the latest version of the NRS009-6-10 XMLVend specification (must be demonstrated during the practical evaluation).	YES		NO
37.	Detailed plan and costs of TID rollover process and implementation.	YES		NO
38.	Revenue protection program including sweep audit plan and implementation plan included	YES		NO
<b>VENDOR MANAGEMENT</b>				
1	Payment of collected revenue into the Municipalities bank account must be completed within 72 hours (working days) of transaction date (system implementation plan must be included).	YES		NO

2	The tenderer must have insurance against revenue loss (proof needs to be included).	YES		NO	
3	Payment of revenue received (Prepaid & Auxiliary separately) directly in the municipalities account at predetermined times together with a reconciliation of said revenue.	YES		NO	
4	The tenderer will not allow any vending outlets to charge any additional cost for electricity on top of the YES approved municipal tariffs (system implementation plan to be included)	YES		NO	
<b>DATA MANAGEMENT AND REVENUE PROTECTION</b>					
1	The tenderer must have a proven experience at least 5 year track record to revenue protection services in a municipal environment, and may be required to demonstrate their solution and provide physical proof of the in-field tools used for these services.	YES		NO	
2	The tenderer shall include the details (identity documents and electrical trade certificates) of at least two qualified technicians (proof must be included)	YES		NO	
3	SARPA registration must be provided (proof must be included)	YES		NO	
<b>PROOF OF EVIDENCE</b>					
1	Attachment of full description and technical details of the solutions offered (System implementation Plan).	YES		NO	
2	Submit a schedule listing clause-by-clause, specific details indicating compliance or non-compliance with the requirements of specifications.	YES		NO	
3	Tenders shall supply independent, documented proof to substantiate conformance to these aspects.	YES		NO	
The tenderer must attach all supporting documents and will be subjected to a technical evaluation during a practical demonstration of the proposed system.					
<b>Total score points</b>					

## **PARTICULAR SPECIFICATIONS**

### **WHERE APPLICABLE**

In addition to the Standardized and Contract Specifications the following Particular Specifications shall apply to this contract and are bound in hereafter.

### **Minimum Standards of the Vending System**

1. Offered solution provides for a fully functional vending system for Municipality coverage areas
2. Vending solution includes Retail Shops, Online portal/Internet purchase, ATM/Cellular Phone/Mobile Devices and Banks as points of sales
3. Vending system is fully STS complaint
4. Vending system is fully International Electro-technical Commission (IEC) compliant
5. Vending system provide for all types of payments i.e. cash, credit card, debit card, bank transfer and cheque
6. TID (Token Identifier) rollover supported system. Must support the legacy key load files until TID rollover and the new upgraded key load file format
7. Vending system is real time and on-line
8. Vending system support is provided on a 24 hours, 7 day a week basis
9. Vending System is operational on a 24 hours, 7 day a week basis
10. Guarantee of the vending systems' functional performance during the tender period
11. Back-up Vending System shall be hosted off the designated site – another location that meets compliant environment standards
12. Existing direct on-line vendors which are managed by the current service provider shall be facilitated and equipped with the necessary hardware to fully operate
13. Existing 3rd party vendors which are managed by aggregators of the current supplier, shall remain operational during the installation and commissioning of the vending system
14. Vending system must be able to vend to all active STS meters installed in the Municipality distribution jurisdiction
15. The Vending System shall accommodate 13 (thirteen) digit STS meter serial numbers
16. The transfer from existing system to new system shall be executed without any hindrance to the normal vending operations
17. The proposed system should be able to support multiple meter technologies i.e. Smart Metering and Automatic Metering Reading
18. The proposed Vending System should be able to interface with the existing Municipality financial billing system via Flat Files
19. The system shall be fully STS compliant and capable of vending STS prepayment credit and engineering tokens
20. The tenderer must be able to have all hardware operational for the hosted environment 3 (three) weeks before start date of the tender period
21. The tenderer must be able to make all hardware available for the Municipality environment 2 (two) months after the start date of the tender period
22. The database must allow concurrent users to access data on a central database from various online terminals

### **SYSTEM TECHNICAL SPECIFICATION**

- The software and database shall have no limitation on the number of named users and work station sit can accommodate.
- A standard vending operation shall be less than 30 seconds from request to completion token printing or programming. The system must produce at least 10 transactions per minute.
- Standard language on the system shall be English, standard currency shall be Rand and standard units shall be Kl (Kilolitres)

### **Interface and Data**

- All system functions shall be accessed via a user-friendly Graphical User Interface (GUI).
- A copy of the database will be provided during or after expiry of the contract.

## **Database**

- The relational database management system and the system related application must operate on any platform to ensure future enterprise scalability, security and flexibility.
- The design of the database shall be such that it conforms to published Relational Data base Management System (RDBMS) rules.
- All information shall be represented only in tables.
- The database shall allow concurrent users to access data on a central database from various online terminals.
- To ensure data integrity, audit-ability and data completeness the RDBMS shall allow for automated triggers to be set on any database field, prompting for a function to be executed.
- The database shall allow the reading of, and writing to, external files via Stored Procedures, ensuring ease of system integration.
- The tenderer must specify their latest technology, software and platforms

## **Security**

- Database security governing low- and high-level database access shall be via a proven technology and applied at both database and application level.
- The system shall allow for the addition of an unlimited number of named operators.
- Security shall be adjustable to allow for limited individualised access to any field within the database, with access control.
- The system shall allow smart card based SSL security to be implemented for on-line PoS.

## **Power and Module failures**

- The system shall be able to auto-restart after a power failure and shall report on individual component failures especially encryption cards and security modules.
- An alert shall be automatically sent to the support staff in the event of such failures via SMS and e-mail messaging.

## **Transactions**

- All transactions shall be structured according to taxes, levies, standing charges, arrears, free basic Electricity and water, ESP benefits and services are all created through individual rows in the database.
- Fixed charges for customers may accumulate on a monthly basis if not settled.
- Tokens and receipts shall be contained in customizable templates that shall be customized at will by the entity. The default templates shall also be kept on the system.
- The system shall have the functionality to print a message on the token of at least 400 characters, which can be customer specific, or a general message to all customers.
- It shall be possible to automatically print a message on the token advising the customer of any problems, (e.g. insufficient funds tendered, outstanding demand levy).
- The transaction fee is linked directly to the Rand value collected from consumers.

## **Vending Operations**

- The system shall be capable of vending online to all prepayment meters in the Municipality's area of Electricity and Water supply.
- The system shall be capable of vending online engineering tokens.
- The system shall be capable of vending free Electricity and Water grants and ESP grant. The system must be able to issue all customer free allocations without the customer having to pay or buy. In other words, a zero Rand vend.
- The system shall be capable of collecting arrears.
- The system shall be capable of handling step tariffs.

The system shall be certified by the STS association as being Vending, Engineering and Key Change Management compliant.

- The system shall be capable of allowing transaction viewing and re-prints without compromising the integrity of transactions and subject to appropriate security.
- The system shall have the ability to calculate and display cash change to the vendor.
- Meter numbers, charge breakdown in line to the approved tariffs should be displayed on the receipt.

## **Tariffs**

The system should allow for:

- Accommodation of step tariffs, with an unlimited number of based steps.
- Unique tax and fixed charges profiles shall be definable for each tariff block.
- Tax and fixed charge blocks independent from step tariff blocks shall be definable according to monthly monetary value transacted, or KI purchased.
- Tariffs include Free Basic Electricity and Water and Expanded Social Program benefits that are issues to the customers which the system must be able to issue.
- Benefits will be a monthly file received for allocation to certain customers.
- Accumulation of unsettled services charges.
- The Vending system shall have automated activation dates for tariff changes. A historic audit trail must be available.
- The Vending system shall allow the entity to change their reconciliation and tariff rules, irrespective of the system's functionality and operation the transactions shall be reconciled by an independent reconciliation application operating at central level.

## **Meter Management**

- To assist with meter management, the system shall have the ability to record, in a free-form field, a meter status. Meter statuses will include Audit, Operations, Illegal Connection, etc.
- All meter management processes shall be performed via a user-friendly, iconic graphical user interface depicting a certain task. The minimum number of pre-defined meter management tasks shall be:

- Receive a meter from a service provider
- Send a meter to a service provider for repair
- Install a meter
- Remove a meter
- Change status of a meter
- Update status of a meter
- Create a location
- Update a locations details
- Link a consumer with a location/meter

Meter management processes shall automatically change the modes of operations associated with a meter.

- Changed meter or removed meter history shall not be deleted from the system. Records of these meters including buying history, consumption history and meter readings must be kept on the system perpetually.
- Changes to an active meter linked to a location shall not be possible without selecting a pre-defined task and performing the steps indicated.
- The system shall be customisable in real time and in such a way that processes could be adapted to the entity's unique process flows and needs.
- The system shall allow for the definition of an unlimited number of meter locations that could be associated with the real-time customisable meter management processes.
- The system must be able to link the customer and a meter to a location. The system must use GPS co-ordinates and address data to correctly plot the meters on the map. The system must reflect stands that are not metered and be able to store reasons why the stand is not meters using a pre-defined list of reasons. Unmetered stands must appear on the exceptions report.
- System must allow for bulk upload and update of meters, linking them to a stand and a customer

## **Consumer Management**

- The System must be able to register and maintain customer information.
- The system must be able to validate ID numbers. If ID number is not available, the system must insist on a form of ID e.g., passport, home affairs documentation for internationals, etc.
- The system must link the customer and a meter to a location. This location must be plotted on a map.
- The system shall allow to view, download and report on all indigent status of the customers.
- The customer profile shall reflect FINA information, status and benefits allocated and collected, customer transactions and consumption data. This should also be reflected in trends.
- The system must allow bulk upload, update and creation of new customer, linking them to a stand and a meter.

The system must be able to print out a customer account confirmation which will reflect the customer information, stand information, meter information and buying history and trends.

## **Meter Readings and Consumption data**

- The system shall store meter reading data and consumption data from the meter.
- Meter reading and consumption data shall be used for data analytics together with the sales data

## **System Reports**

Provision shall be made for a report generating system for reporting, viewing and printing on inter alia:

- Electricity and Water sales per meter, per PoC (point of connection) and per customer.
- Electricity and Water purchased by cash, cheque, credit card, debit card, electronic fund transfer
- Financial statistics relating to individual transactions
- Total sales summary by vending channels
- Total sales summary by suburb and regions
- Total sale summary per day
- Total sale summary per month
- Refunds given
- Free units issued
- Number of customers purchasing less than a selectable number of kl per month
- Value of service charges per tariff
- Number of active customers per suburb and total sales per suburb
- Statistics of installed meters filtered by date range, connected type, district, etc.
- User audit trace
- Indigent benefits Report



## **Vending Footprint**

- Service provider shall establish vending footprint to ensure that all customer can access a vending point within a 1 km radius
- Manage third party vendors on behalf of Municipality, this includes signing contract equivalent to the length of the third-party vending contract.
- Where applicable, the Service provider shall be responsible for the supply of the vending equipment that shall be used for vending. All vendors must have appropriate signage indicating that Electricity and water can be purchased there.
- PoS (Point of Sale) terminals can be either PC or Mobile terminals that comply with the hardware and software requirements.
- Provide training as and when necessary for the vendor or his appointed operators in order to operate the equipment and relevant software.
- Provide the necessary consumables, e.g. paper, printer cartridges, etc.
- Provide the routine, preventative and necessary maintenance, repair and servicing as is required to maintain the equipment.
- The commissioned point of sales to include all banks, retail, mobile/online and SMS purchases
- Customers must be able to buy Electricity and water through banking channels through all major banks.
- Collection of all revenue from the vendors is required.
- To reconcile the revenue received from the vendors on a daily basis and provide the necessary credit to the vendor to continue vending.
- Provide the necessary security measures for collecting the revenue if required.
- Payment of any vendor commissions owed.

## **Online Vending**

- The system shall have the ability to work online via a scalable message queuing mechanism.
- The online transaction processing infrastructure shall have unlimited scalability with hot-swappable redundancy.

## **Transaction Switching**

- The system shall include as an additional the capability to direct transaction requests from vending clients to different services databases. Tenderer to indicate whether process is manually done or automatically.
- The transaction switch shall include a billing system where different commissions for different services as well as vendors can be calculated.
- The transaction switch shall include vendor credit management tool allowing upfront vendor to be managed.
- The transactions switch shall either include, as an option, or be able to integrate to an electronic fund transfer (EFT) switch to facilitate credit/debit card payments.
- The EFT option shall include a secure web site for selling services.
- The transaction switch shall allow for various service providers of mobile technology to integrate seamlessly to the transaction switch.
- The transaction switch shall allow a SMS (GSM) based message to transact with the switch.

## **Revenue Collection**

- Payment of revenue received (Prepaid & Auxiliary separately) directly in municipality's account at predetermined times together with a reconciliation of said revenue.

## **Maintenance**

- The service provider will be responsible to maintain the system infrastructure, the platform and the application software including software maintenance, patches and updates
- The service provider will be responsible to provide application support during the duration of the contract.



## **Support**

- The service provider shall provide a 24 hour,7 days a week support service for vendors, customers and Municipality staff. This will include onsite support.
- There must be an operational call centre to receive and log all technical faults that operates for24 hours 7 days a week.

## **System Enhancements**

- The service provider will be responsible to develop any enhancements to the system including interfaces to other systems such as Financial System, etc.
- The service provider will be responsible for building additional system reports to meet operational requirement as and when required

## **Work-flow and Query Management**

### **Query Management**

- The system must allow user to Log customer queries and centralize them in one place. The system must keep the history of every interaction with the customer. All interactions must belogged under the relevant query
- The system must allow user to view a customer's pending and resolved queries; and all interactions with the customer
- The system must allow user to automatically assign queries to the right person or department
- Keep user and customers notified of any progress made on their query
- The system must allow for updates to be added to a closed query.
- The system must allow a closed query to be re-opened and be re-assigned for further action if the customer is not satisfied with the outcomes.
- The system must allow users to set reminders, due dates and notifications for each query and work request
- The system must generate a reference number for each query and must allow work request linked to the related query.
- All transactions must be record via an audit trail.

### **Workflow Management**

- The system shall allow for configurable processes in order to map the working environment of Municipality.
- The System must allow for work request to be created and assigned to a department or a person in a particular department
- The system must track progress on each work request until completion.
- The system must send notifications when work request is created, being worked on and completed.
- The system must allow for customisation of work sheets that needs to be populated before work request can be completed.
- The system must allow the administrator to build service catalogue, define each service and the turnaround time on each service.

The system must allow for each work request to have multiple files attached to it. It must also allow for different file types to be attached. It must store attached files for viewing in the future.

### **Workforce Management Portal**

The tenderer shall provide Municipality with a web-enabled module that provides Municipality with the ability to manage its workforce and automate critical business processes. Typical business processes must include but not limited to:

- Meter Installations.
- Meter Replacements
- Conversions
- Field audits
- Meter Disconnections

The Management Portal should allow Municipality to define their own business to processes.  
The execution of these business processes shall be in real time.

The Management Portal must include a mobile application to allow field operators to perform the following actions:

- ☐Field audits for residential and commercial customers
- ☐Auditing of meter assets and network infrastructure.
- ☐Targeted audits like tamper investigations.
- ☐Disconnection of metering

The Management Portal must store all audit evidence and must be easily accessible by Municipality's management team. Such audit evidence must include the audit findings, photos and vending profiles.

- The Management Portal and mobile application shall not be device or platform specific. It should be possible to operate the software on both Microsoft Windows platform and well as an Android platform.
- The Management Portal shall include a geographical view of all related field works.

### **Customer Portal**

- The system must be accompanied by an app / portal
- Customer must be able to buy tokens
- The customer must be able to redeem FBW and ESP benefits
- Customer must be able to view all purchased tokens
- Customer must be able to view buying trends and consumption trends

### **System Commissioning**

- The successful Tenderer shall be responsible for migration of all existing data from the existing Vending Systems operating in the entity to the new Vending System.
- A project plan showing the proposed stages for the commissioning of the new Vending System shall be provided as part of the tender documents.
- The tenderer shall specify his full commissioning schedule from the setting up to the final handover of the Vending System.
- It is expected that new system interfaces will have been fully tested and approved before the commissioning

### **Training**

- The scope and cost of the training for the staff of the entity shall form part of the tender.
- A full training schedule indicating what type and level of training shall be provided.
- The entity's staff must be fully trained and proficient before the system is finally handed-over.
- The training shall include, but not limited to:
  - All operational requirements
  - Full system administration
  - Database administration
  - Report writing tools
  - Data mining tools

### **Integration and Interface Requirements**

- The entity uses the xxxx ERP system as its Financial System. The Vending System offered must have the capability to interface with applicable modules via the Weaver Process Integration (PI) software and other systems.

### **Data Ownership**

- All the information on consumers and related info in the databases will remain the property of Municipality at all times and will not be disclosed as a whole or in part to any third party without the express permission of the Municipality.
- Any data archived and warehoused on behalf of the Municipality shall be accessible at any time to Municipality.

**The successful Bidder will have to demonstrate a clear understanding of the following: -**

Processes around Municipal services  
Municipal By-laws  
Tariff Modeling  
Regulatory Compliance

How the prepaid electricity system could be rolled out in the provision of other municipal revenue generating services and what additional costs would be applicable for say programming of meters.

**Systems Specific Requirements:**

The systems implemented by the successful bidder will include (but not be limited to) the key features as shown below. These systems will be deployed by experienced personnel from the bidder, after which comprehensive training of municipal personnel, operation of the system will be transferred to the municipality.

**Metering Management**

The prepaid metering management system must not be locked into any proprietary protocols or metering equipment. Interfacing to all commonly available intelligent and non-intelligent meters and metering equipment must be possible. The successful bidder will be expected to provide proof of this with suitable live demonstrations.

**The following sources for consumption for electricity meters must be accommodated for in the system:**

- Pre-paid Meter Sales [STS]
- Manual meters
- Uploading and linking of supporting documentation to specific devices for efficient record keeping.
- A comprehensive asset register functionality must be available and be integrated into the management system for tracking and reporting on all so installed electricity network assets. Efficient methods of initial and ongoing auditing of network assets must be available and expertise must be passed onto the municipal staff during the training/handover.
- Integration with a current GIS System if necessary

**Financial**

A comprehensive Tariff-engine for catering for all electricity, water, refuse, sewerages and rates must be integrated or available in all software modules.

Billing information as determined from metered data must be exported to existing financial systems.

Bill verification and tariff analyses must be possible for use in regulatory compliance and budget setting.

Arrears management tool

Customer details management

Financial Reporting and export functionality to import in current financial system

**Customer Services**

The System must have the ability to manage internal and external tasks that can be used for Reporting purpose on service delivery.

A Customer portal must be available where a customer can log in and have access to the following features to reduce interaction with municipal staff:

- Ability to change password and personal details
- Transaction history
- Any other relevant information the Municipality want to publish
- Log query to Municipality

**System must be able to create work order automatically if the customer logs it by the following means:**

Sms to a short sms number

Log the query via the Customer Portal

Operator at the Municipality can create a work order on the customer's behalf if they phone the call center.

Customer must receive a sms with reference number. A detail log of all activity on the task must be recorded and notifications sent to the customer if necessary

Notification must be sent to the customer via email and/or sms if a work order has been resolved.

All software modules will be browser based and be able to work on a standard computer and mobile devices (with internet access).

A sophisticated user access authorization system must be implemented and user system access must be defined according to the job scope.

## PRICE SCHEDULE

**TENDER NUMBER: EMLM 17/2024**

**Tender Description: Pre-payment Electricity Vending and Revenue Management System for Elias Motsoaledi Local Municipality For a Period of 36 months**

### BILL OF QUANTITY (BOQ)

ITEM	DESCRIPTION	YEAR 1	YEAR 2	YEAR 3	FIXED PRICE (Total tender Price (Inc,VAT@15%)
1.	SYSTEM SETUP COST  Once-Off		N/A	N/A	R
2.	DATA MIGRATION COST  Once Off		N/A	N/A	R
3.	INTERFACE WITH (FINANCIAL SYSTEM)  Once Off		N/A	N/A	R
4.	WEB SERVICES BASED INTEGRATION  Once Off		N/A	N/A	R
5.	TRAINING COST PER USERS				R
6.	HANDHELD VENDING TERMINALS (Cost per terminal)		N/A	N/A	R

	Once Off				
7.	APPLICABLE LICENSE FEES	R	R	R	
8.	DATA COMMUNICATION COST	R	R	R	
9.	SUPERVENDING BANK CREDIT CARD FEES	R	R	R	
10.	COMMISSION: VENDING SALES (Percentage)	%	%	%	
13	Meter Audit (per meter)				
14	Bulk Metering System				
	SUB-TOTAL				

## MINIMUM REQUIREMENTS

**RETURNABLE TENDER DOCUMENTS MUST BE COMPILED WITH CLEAR FILES DIVIDERS IN NUMERICAL ORDER AS PER THE BELOW MINIMUM REQUIREMENTS**

### Minimum Qualifying Requirements / Compulsory Returnable Documents:

- 1) Fully Completed and Signed MBD Forms with a black ink (1;4; 6.1; 8 & 9)
- 2) Valid copy CK / Company registration certificate
- 3) CSD registration report **(Detailed)**. **(NB: Not Summary)**.
- 4) Proof of quality management certification **ISO 9001**
- 5) Any alteration on the tender document must be signed **(NB: Not Initialed)**.
- 6) Every page on the tender documents must be signed **(NB: Not Initialed)**.
- 7) CIPC Abridged Certificate Annual returns **(NB applicable to entities that were in business for more than 12 months and must be paid before the closing date of the tender)**.
- 8) Company Profile **(Detailing; Name of Client; Service Provided; Award Amount; Contact Person and Contact Number)**.
- 9) Original Certified copies of ID's of the Director(s) **(Certification not older than 3 months before the closing date)**.
- 10) Proof of Municipal rates and taxes or services charges:
  - Of the company and all of its directors not in arrears for more than 90 days or
  - Confirmation from the municipality if municipal rates and taxes are not levied (for the company and all its director(s)) as per CK/Company form of address on the registration certificate or
  - If leasing, a signed lease agreement by the lessor and the lessee and Municipal rates in the name of the lessor for both company and directors.
- 11) **In case of a Joint Venture**, Association or Consortium a formal contract agreement must be signed by both parties and be attached and the following must be adhered to:
  - a. All of the above requirements must be for the both entities.

**NB: FAILURE TO MEET ANY OF THE ABOVE REQUIREMENTS WILL LEAD TO IMMEDIATE DISQUALIFICATION,**

## FUNCTIONALITY

BIDDER EVALUATION CRITERIA FOR FUNCTIONALITY	SCORES	TOTAL POINTS
<p><b>Company Experience:</b></p> <p><b>Note 1:</b> Tenderers to submit names of the completed projects with valid contact details, Appointment letters and Stamped Reference letters. <b>Non-submission will result in loss of points.</b></p>	<p>Attach Appointment Letters and Stamped Reference letters for Prepaid Vending projects valued from:</p> <ul style="list-style-type: none"> <li>R 500 000.00 to R1 million = <b>5 points per project</b></li> <li>Above R1 million = <b>10 points per projects</b></li> </ul> <p><b>NB: Attach Signed &amp; Stamped Reference letters corresponding with Appointment Letters</b></p>	<p><b>40</b></p>
<p><b>Standard Transfer Specification (STS) Certificate-</b></p> <p>Tenderer to submit proof of registration with STS Authority It should be of the Lead Partner in case of Joint Venture.</p> <p><b>Note: Points will not be allocated if proof not attached.</b></p>	<ul style="list-style-type: none"> <li>Attach STS Certificate = <b>20 points</b></li> </ul>	<p><b>20</b></p>
<p><b>Methodology, Implementation plan and Specific Personnel Knowledge</b> – Well detailed Curriculum Vitae and original certified copies of academic qualification certificates need to be attached for functionality points scoring, Concise implementation Plan</p> <p><b>(Certified copies should not be older than 3 months)</b></p>	<p><b>Projects Manager: Experience in Vending and Revenue Management. Points = 4 points (Max)</b>  N. Dip: Electrical Engineering or Higher</p> <ul style="list-style-type: none"> <li>2 - 5 years' experience = <b>2-points</b></li> <li>Above 5 - 7 years' experience = <b>4-points</b></li> <li>7 years' and above experience = <b>4-points</b></li> </ul> <p><b>Contract Manager (Site Agent): Points = 4 points (Max)</b>  N. Dip: Electrical Engineering or Higher</p> <ul style="list-style-type: none"> <li>2 - 5 years' experience = <b>2-points</b></li> <li>Above 5 - 7 years' experience = <b>4-points</b></li> <li>7 years' and above experience = <b>4-points</b></li> </ul> <p><b>Methodology and Implementation Plan Points = 12 points</b></p> <ul style="list-style-type: none"> <li>Methodology = <b>5-points</b></li> <li>Implementation plan = <b>7-points</b></li> </ul>	<p><b>20</b></p>
<p><b>Call Centre Facility</b></p>	<p><b>Call Centre Facilities</b></p> <ul style="list-style-type: none"> <li>Detailed Contact details = <b>5 points</b></li> <li>Examples of Works Order generating capabilities = <b>5 points</b></li> </ul>	<p><b>10</b></p>

<b>BANKING RATINGS LETTER</b>	<b>A – C = 10 points</b> <b>D = 05 points</b>	<b>10</b>
<b>TOTAL POINTS (MINIMUM QUALIFYING POINTS 70 (70%) POINTS)</b>		<b>100</b>

**NB: Please note that prospective service providers that did not achieve at least 70 points will not be considered for further evaluation.**

### **CONCLUSION**

Any false information given by the Prospective Service Provider and not meeting the minimum qualifying requirement, will lead to automatic disqualification of the PSP.

The council reserves the right to either accept the whole or part of any Bid, or not to appoint at all. **Faxes or e-mail are not acceptable.**

Bidders will be required to show compliance with the New Preferential Procurement policy Framework Act of 2022.

### **PHASE 2: PRICE AND PREFERENTIAL POINTS ALLOCATIONS**

For quotes with a Rand value up to R50 000 000, the preference point system of 80/20 will apply, where 80 points will be for **(Price)** and 20 points will be for **Specific Goals** (Black, Women, Disability & people living in rural underdeveloped areas) in terms of section 2(1)(d) of the Preferential Procurement Policy Framework Act, 2000, (Act No 5 Of 2000)

<b>Price</b>	<b>=</b>	<b>80 Points</b>
<b>Specific Goals</b>	<b>=</b>	<b>20 Points</b>
<b>Total</b>	<b>=</b>	<b>100 Points</b>

The specific goals allocated points in terms of this tender	Number of points allocated (80/20 system) (To be completed by the organ of state)	Number of points claimed (80/20 system) (To be completed by the tenderer)
<b>Local area of Supplier</b>	<b>10</b>	
• Within the area of Elias Motsoaledi Local Municipality	<b>10</b>	
• Within the area of Sekhukhune District Municipality	<b>6</b>	
• Within the area of Limpopo Province	<b>4</b>	
• Within the Republic of South Africa	<b>2</b>	
<b>Company which is at least 51% is owned by black people</b>	<b>10</b>	
<b>TOTAL POINTS</b>	<b>20</b>	

## **COMPULSORY MUNICIPAL BID DOCUMENTATION**

- a) MBD 1 : Invitation to tender
- b) MBD 4 : Declaration of interest
- c) MBD 6.1 : Preference points on terms of Preferential Procurement Regulation
- d) MBD 8 : Declaration of bidder's past supply chain management practices
- e) MBD 9 : Certificate of Independent Bid Determination

**M.W MOHLALA**

**ACTING MUNICIPAL MANAGER**



**PART A  
INVITATION TO BID**

**YOU ARE HEREBY INVITED TO BID FOR REQUIREMENTS OF THE (ELIAS MOTSOLEDI LOCAL MUNICIPALITY)**

BID NUMBER:	<b>EMLM 17/2024</b>	CLOSING DATE:	<b>05 APRIL 2024</b>	CLOSING TIME:	<b>11H00</b>
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DESCRIPTION	<b>PRE-PAYMENT ELECTRICITY VENDING &amp; REVENUE MANAGEMENT SYSTEM FOR ELIAS MOTSOLEDI LOCAL MUNICIPALITY FOR A PERIOD OF 36 MONTHS</b>
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**THE SUCCESSFUL BIDDER WILL BE REQUIRED TO FILL IN AND SIGN A WRITTEN CONTRACT FORM (MBD7).**

BID RESPONSE DOCUMENTS MAY BE DEPOSITED IN THE BID BOX  
SITUATED AT (STREET ADDRESS

**02 GROBLER AVENUE**

**GROBLERSDAL**

**0470**

**SUPPLIER INFORMATION**

NAME OF BIDDER	
----------------	--

POSTAL ADDRESS	
----------------	--

STREET ADDRESS	
----------------	--

TELEPHONE NUMBER	CODE		NUMBER	
------------------	------	--	--------	--

CELLPHONE NUMBER	
------------------	--

FACSIMILE NUMBER	CODE		NUMBER	
------------------	------	--	--------	--

E-MAIL ADDRESS	
----------------	--

VAT REGISTRATION NUMBER	
-------------------------	--

TAX COMPLIANCE STATUS	TCS PIN:		OR	CSD No:	
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B-BBEE STATUS LEVEL VERIFICATION CERTIFICATE [TICK APPLICABLE BOX]	<input type="checkbox"/> Yes	<input type="checkbox"/> No	B-BBEE STATUS LEVEL SWORN AFFIDAVIT	<input type="checkbox"/> Yes	<input type="checkbox"/> No
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**[A B-BBEE STATUS LEVEL VERIFICATION CERTIFICATE/ SWORN AFFIDAVIT (FOR EMES & QSEs) MUST BE SUBMITTED IN ORDER TO QUALIFY FOR PREFERENCE POINTS FOR B-BBEE]**

ARE YOU THE ACCREDITED REPRESENTATIVE IN SOUTH AFRICA FOR THE GOODS /SERVICES /WORKS OFFERED?	<input type="checkbox"/> Yes	<input type="checkbox"/> No	ARE YOU A FOREIGN BASED SUPPLIER FOR THE GOODS /SERVICES /WORKS OFFERED?	<input type="checkbox"/> Yes	<input type="checkbox"/> No
---	------------------------------	-----------------------------	--	------------------------------	-----------------------------

	[IF YES ENCLOSE PROOF]		[IF YES, ANSWER PART B:3 ]
--	------------------------	--	----------------------------

TOTAL NUMBER OF ITEMS OFFERED		TOTAL BID PRICE	R
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SIGNATURE OF BIDDER		DATE	
---------------------	--	------	--

CAPACITY UNDER WHICH THIS BID IS SIGNED	
---	--

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<b>BIDDING PROCEDURE ENQUIRIES MAY BE DIRECTED TO:</b>	<b>TECHNICAL INFORMATION MAY BE DIRECTED TO:</b>
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DEPARTMENT	BUDGET AND TREASURY	DEPARTMENT	INFRASTRUCTURE SERVICE
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CONTACT PERSON	V MASILELA	CONTACT PERSON	K MAMETSA
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TELEPHONE NUMBER	013 262 3056	TELEPHONE NUMBER	013 262 3056
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FACSIMILE NUMBER	013 262 2547	FACSIMILE NUMBER	013 262 2547
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E-MAIL ADDRESS	vmasilela@emlm.gov.za	E-MAIL ADDRESS	kmametsa@emlm.gov.za
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**PART B  
TERMS AND CONDITIONS FOR BIDDING**

**1. BID SUBMISSION:**

- 1.1. BIDS MUST BE DELIVERED BY THE STIPULATED TIME TO THE CORRECT ADDRESS. LATE BIDS WILL NOT BE ACCEPTED FOR CONSIDERATION.
- 1.2. **ALL BIDS MUST BE SUBMITTED ON THE OFFICIAL FORMS PROVIDED–(NOT TO BE RE-TYPED) OR ONLINE**
- 1.3. THIS BID IS SUBJECT TO THE PREFERENTIAL PROCUREMENT POLICY FRAMEWORK ACT AND THE PREFERENTIAL PROCUREMENT REGULATIONS, 2022, THE GENERAL CONDITIONS OF CONTRACT (GCC) AND, IF APPLICABLE, ANY OTHER SPECIAL CONDITIONS OF CONTRACT.

**2. TAX COMPLIANCE REQUIREMENTS**

- 2.1 BIDDERS MUST ENSURE COMPLIANCE WITH THEIR TAX OBLIGATIONS.
- 2.2 BIDDERS ARE REQUIRED TO SUBMIT THEIR UNIQUE PERSONAL IDENTIFICATION NUMBER (PIN) ISSUED BY SARS TO ENABLE THE ORGAN OF STATE TO VIEW THE TAXPAYER'S PROFILE AND TAX STATUS.
- 2.3 APPLICATION FOR THE TAX COMPLIANCE STATUS (TCS) CERTIFICATE OR PIN MAY ALSO BE MADE VIA E-FILING. IN ORDER TO USE THIS PROVISION, TAXPAYERS WILL NEED TO REGISTER WITH SARS AS E-FILERS THROUGH THE WEBSITE WWW.SARS.GOV.ZA.
- 2.4 FOREIGN SUPPLIERS MUST COMPLETE THE PRE-AWARD QUESTIONNAIRE IN PART B:3.
- 2.5 BIDDERS MAY ALSO SUBMIT A PRINTED TCS CERTIFICATE TOGETHER WITH THE BID.
- 2.6 IN BIDS WHERE CONSORTIA / JOINT VENTURES / SUB-CONTRACTORS ARE INVOLVED, EACH PARTY MUST SUBMIT A SEPARATE TCS CERTIFICATE / PIN / CSD NUMBER.
- 2.7 WHERE NO TCS IS AVAILABLE BUT THE BIDDER IS REGISTERED ON THE CENTRAL SUPPLIER DATABASE (CSD), A CSD NUMBER MUST BE PROVIDED.

**3. QUESTIONNAIRE TO BIDDING FOREIGN SUPPLIERS**

- 3.1. IS THE ENTITY A RESIDENT OF THE REPUBLIC OF SOUTH AFRICA (RSA)?  YES  NO
- 3.2. DOES THE ENTITY HAVE A BRANCH IN THE RSA?  YES  NO
- 3.3. DOES THE ENTITY HAVE A PERMANENT ESTABLISHMENT IN THE RSA?  YES  NO
- 3.4. DOES THE ENTITY HAVE ANY SOURCE OF INCOME IN THE RSA?  YES  NO
- 3.5. IS THE ENTITY LIABLE IN THE RSA FOR ANY FORM OF TAXATION?  YES  NO

**IF THE ANSWER IS "NO" TO ALL OF THE ABOVE, THEN IT IS NOT A REQUIREMENT TO REGISTER FOR A TAX COMPLIANCE STATUS SYSTEM PIN CODE FROM THE SOUTH AFRICAN REVENUE SERVICE (SARS) AND IF NOT REGISTER AS PER 2.3 ABOVE.**

**NB: FAILURE TO PROVIDE ANY OF THE ABOVE PARTICULARS MAY RENDER THE BID INVALID.  
NO BIDS WILL BE CONSIDERED FROM PERSONS IN THE SERVICE OF THE STATE.**

SIGNATURE OF BIDDER: .....

CAPACITY UNDER WHICH THIS BID IS SIGNED: .....

DATE: .....

**DECLARATION OF INTEREST**

1. No bid will be accepted from persons in the service of the state<sup>1</sup>.
2. Any person, having a kinship with persons in the service of the state, including a blood relationship, may make an offer or offers in terms of this invitation to bid. In view of possible allegations of favouritism, should the resulting bid, or part thereof, be awarded to persons connected with or related to persons in service of the state, it is required that the bidder or their authorised representative declare their position in relation to the evaluating/adjudicating authority.
3. In order to give effect to the above, the following questionnaire must be completed and submitted with the bid.

No.	Information	Please provide detail	
3.1	Full name of bidder or his or her representative		
3.2	Identity number		
3.3	Position occupied in the company (director, trustee, hareholder <sup>2</sup>		
3.4	Company registration number		
3.5	Tax reference number		
3.6	VAT registration number		
Note	<i>(The names of all directors / trustees / shareholders members, their individual identity numbers and state employee numbers must be indicated in paragraph 4 below.)</i>		
3.7	Are you presently in the service of the state?  If yes, please furnish particulars :	Yes	No
3.7.1	Name of director		
3.7.2	Service of state organization		

3.8	Have you been in the service of the state for the past twelve months?	Yes	No
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	If yes, please furnish particulars :		
3.8.1	Name of director		
3.8.2	Service of state organization		
3.9	Do you have any relationship (family, friend, other) with persons in the service of the state and who may be involved with the evaluation and or adjudication of this bid?	Yes	No
	If yes, please furnish particulars :		
3.9.1	Name of person in the service of state		
3.9.2	Relationship		
3.10	Are you, aware of any relationship (family, friend, other) between any other bidder and any persons in the service of the state who may be involved with the evaluation and or adjudication of this bid?	Yes	No
	If yes, please furnish particulars :		
3.10.1	Name of person in the service of state		
3.10.2	Relationship		
3.11	<i>Are any of the company's directors, trustees, managers, principle shareholders or stakeholders in service of the state?</i>	Yes	No
	If yes, please furnish particulars :		
3.11.1	Name of director		
3.11.2	Service of state organization		
3.12	Is any spouse, child or parent of the company's director trustees, managers, principle shareholders or stakeholders in service of the state?	Yes	No
	If yes, please furnish particulars:		
3.12.1	Name of director		
3.12.2	Name of relative		
3.12.3	Relationship		
3.13	Do you or any of the directors, trustees, managers, principle shareholders, or stakeholders of this company have any interest in any other related companies or	Yes	No



5. I, the undersigned certify that the information furnished on this declaration form is correct.

I accept that the state may act against me should this declaration prove to be false.

<b>NAME OF REPRESENTATIVE</b>	<b>AUTHORIZED SIGNATURE (UNDERSIGNED)</b>
<b>DATE</b>	<b>CAPACITY</b>

## PREFERENCE POINTS CLAIM FORM IN TERMS OF THE PREFERENTIAL PROCUREMENT REGULATIONS 2022

This preference form must form part of all tenders invited. It contains general information and serves as a claim form for preference points for specific goals.

**NB: BEFORE COMPLETING THIS FORM, TENDERERS MUST STUDY THE GENERAL CONDITIONS, DEFINITIONS AND DIRECTIVES APPLICABLE IN RESPECT OF THE TENDER AND PREFERENTIAL PROCUREMENT REGULATIONS, 2022**

### 1. GENERAL CONDITIONS

1.1 The following preference point systems are applicable to invitations to tender:

- the 80/20 system for requirements with a Rand value of up to R50 000 000 (all applicable taxes included); and
- the 90/10 system for requirements with a Rand value above R50 000 000 (all applicable taxes included).

### 1.2 To be completed by the organ of state

*(delete whichever is not applicable for this tender).*

- a) The applicable preference point system for this tender is the **90/10** preference point system.
- b) The applicable preference point system for this tender is the **80/20** preference point system.
- c) Either the **90/10 or 80/20 preference point system** will be applicable in this tender. The lowest/ highest acceptable tender will be used to determine the accurate system once tenders are received.

1.3 Points for this tender (even in the case of a tender for income-generating contracts) shall be awarded for:

- (a) Price; and
- (b) Specific Goals.

### 1.4 To be completed by the organ of state:

The maximum points for this tender are allocated as follows:

	POINTS
PRICE	80
SPECIFIC GOALS	20
<b>Total points for Price and SPECIFIC GOALS</b>	<b>100</b>

1.5 Failure on the part of a tenderer to submit proof or documentation required in terms of this tender to claim points for specific goals with the tender, will be interpreted to mean that preference points for specific goals are not claimed.

1.6 The organ of state reserves the right to require of a tenderer, either before a tender is adjudicated or at any time subsequently, to substantiate any claim in regard to preferences, in any manner required by the organ of state.

### 2. DEFINITIONS

- (a) **“tender”** means a written offer in the form determined by an organ of state in response to an invitation to provide goods or services through price quotations, competitive tendering process or any other method envisaged in legislation;
- (b) **“price”** means an amount of money tendered for goods or services, and includes all applicable taxes less all unconditional discounts;
- (c) **“rand value”** means the total estimated value of a contract in Rand, calculated at the time of bid invitation, and includes all applicable taxes;

- (d) **“tender for income-generating contracts”** means a written offer in the form determined by an organ of state in response to an invitation for the origination of income-generating contracts through any method envisaged in legislation that will result in a legal agreement between the organ of state and a third party that produces revenue for the organ of state, and includes, but is not limited to, leasing and disposal of assets and concession contracts, excluding direct sales and disposal of assets through public auctions; and
- (e) **“the Act”** means the Preferential Procurement Policy Framework Act, 2000 (Act No. 5 of 2000).

### 3. FORMULAE FOR PROCUREMENT OF GOODS AND SERVICES

#### 3.1. POINTS AWARDED FOR PRICE

##### 3.1.1 THE 80/20 OR 90/10 PREFERENCE POINT SYSTEMS

A maximum of 80 or 90 points is allocated for price on the following basis:

$$\begin{array}{ccc}
 \mathbf{80/20} & \mathbf{or} & \mathbf{90/10} \\
 \\
 \mathbf{Ps} = \mathbf{80} \left( \mathbf{1} - \frac{\mathbf{Pt} - \mathbf{Pmin}}{\mathbf{Pmin}} \right) & \mathbf{or} & \mathbf{Ps} = \mathbf{90} \left( \mathbf{1} - \frac{\mathbf{Pt} - \mathbf{Pmin}}{\mathbf{Pmin}} \right)
 \end{array}$$

Where

- Ps = Points scored for price of tender under consideration  
Pt = Price of tender under consideration  
Pmin = Price of lowest acceptable tender

#### 3.2. FORMULAE FOR DISPOSAL OR LEASING OF STATE ASSETS AND INCOME GENERATING PROCUREMENT

##### 3.2.1. POINTS AWARDED FOR PRICE

A maximum of 80 or 90 points is allocated for price on the following basis:

$$\begin{array}{ccc}
 \mathbf{80/20} & \mathbf{or} & \mathbf{90/10} \\
 \\
 \mathbf{Ps} = \mathbf{80} \left( \mathbf{1} + \frac{\mathbf{Pt} - \mathbf{Pmax}}{\mathbf{Pmax}} \right) & \mathbf{or} & \mathbf{Ps} = \mathbf{90} \left( \mathbf{1} + \frac{\mathbf{Pt} - \mathbf{Pmax}}{\mathbf{Pmax}} \right)
 \end{array}$$

Where

- Ps = Points scored for price of tender under consideration  
Pt = Price of tender under consideration  
Pmax = Price of highest acceptable tender

### 4. POINTS AWARDED FOR SPECIFIC GOALS

- 4.1. In terms of Regulation 4(2); 5(2); 6(2) and 7(2) of the Preferential Procurement Regulations, preference points must be awarded for specific goals stated in the tender. For the purposes of this tender the tenderer will be allocated points based on the goals stated in table 1 below as may be supported by proof/ documentation stated in the conditions of this tender:
- 4.2. In cases where organs of state intend to use Regulation 3(2) of the Regulations, which states that, if it is unclear whether the 80/20 or 90/10 preference point system applies, an organ of state must, in the tender documents, stipulate in the case of—
- (a) an invitation for tender for income-generating contracts, that either the 80/20 or 90/10 preference point system will apply and that the highest acceptable tender will be used to determine the applicable preference point system; or



(b) any other invitation for tender, that either the 80/20 or 90/10 preference point system will apply and that the lowest acceptable tender will be used to determine the applicable preference point system, then the organ of state must indicate the points allocated for specific goals for both the 90/10 and 80/20 preference point system.

**Table 1: Specific goals for the tender and points claimed are indicated per the table below.**

*(Note to organs of state: Where either the 90/10 or 80/20 preference point system is applicable, corresponding points must also be indicated as such.*

*Note to tenderers: The tenderer must indicate how they claim points for each preference point system.)*

The specific goals allocated points in terms of this tender	Number of points allocated (80/20 system) (To be completed by the organ of state)	Number of points claimed (80/20 system) (To be completed by the tenderer)
<b>Local area of Supplier</b>	<b>10</b>	
• Within the area of Elias Motsoaledi Local Municipality	<b>10</b>	
• Within the area of Sekhukhune District Municipality	<b>6</b>	
• Within the area of Limpopo Province	<b>4</b>	
• Within the Republic of South Africa	<b>2</b>	
<b>Company which is at least 51% is owned by Black people</b>	<b>10</b>	
<b>TOTAL POINTS</b>	<b>20</b>	

**DECLARATION WITH REGARD TO COMPANY/FIRM**

4.3. Name of company/firm.....

4.4. Company registration number: .....

4.5. TYPE OF COMPANY/ FIRM

- Partnership/Joint Venture / Consortium
- One-person business/sole propriety
- Close corporation
- Public Company
- Personal Liability Company
- (Pty) Limited
- Non-Profit Company
- State Owned Company

[TICK APPLICABLE BOX]

4.6. I, the undersigned, who is duly authorised to do so on behalf of the company/firm, certify that the points claimed, based on the specific goals as advised in the tender, qualifies the company/ firm for the preference(s) shown and I acknowledge that:

- i) The information furnished is true and correct;
- ii) The preference points claimed are in accordance with the General Conditions as indicated in paragraph 1 of this form;
- iii) In the event of a contract being awarded as a result of points claimed as shown in paragraphs 1.4 and 4.2, the contractor may be required to furnish documentary proof to the satisfaction of the organ of state that the claims are correct;
- iv) If the specific goals have been claimed or obtained on a fraudulent basis or any of the conditions of contract have not been fulfilled, the organ of state may, in addition to any other remedy it may have –
  - (a) disqualify the person from the tendering process;
  - (b) recover costs, losses or damages it has incurred or suffered as a result of that person's conduct;
  - (c) cancel the contract and claim any damages which it has suffered as a result of having to make less favourable arrangements due to such cancellation;
  - (d) recommend that the tenderer or contractor, its shareholders and directors, or only the shareholders and directors who acted on a fraudulent basis, be restricted from obtaining business from any organ of state for a period not exceeding 10 years, after the *audi alteram partem* (hear the other side) rule has been applied; and
  - (e) forward the matter for criminal prosecution, if deemed necessary.

.....  
**SIGNATURE(S) OF TENDERER(S)**

**SURNAME AND NAME:** .....

**DATE:** .....

**ADDRESS:** .....

.....

.....

.....

**DECLARATION OF BIDDERS PAST SUPPLY CHAIN MANAGEMENT PRACTICES**

1. This municipal bidding document must form part of all bids invited.
2. It serves as a declaration to be used by municipalities and municipal entities in ensuring that when goods and services are being procured, all reasonable steps are taken to combat the abuse of the supply chain management system.
3. The bid of any bidder may be rejected if that bidder, or any of its directors have:
  - 3.1 abused the municipality's / municipal entity's supply chain management system or committed any improper conduct in relation to such system;
  - 3.2 been convicted for fraud or corruption during the past five years;
  - 3.3 willfully neglected, reneged on or failed to comply with any government, municipal or other public sector contract during the past five years; or
  - 3.4 been listed in the Register for Tender Defaulters in terms of section 29 of the Prevention and Combating of Corrupt Activities Act (No. 12 of 2004).
4. **In order to give effect to the above, the following questionnaire must be completed and submitted with the bid.**

Item	Question	Yes	No
4.1	Is the bidder or any of its directors listed on the National Treasury's Database of Restricted Suppliers as companies or persons prohibited from doing business with the public sector?  (Companies or persons who are listed on this database were informed in writing of this restriction by the accounting officer / authority of the institution that imposed the restriction after the <i>audi alteram partem</i> rule was applied).  <b>The Database of Restricted Suppliers now resides on the National Treasury's website <a href="http://www.treasury.gov.za">www.treasury.gov.za</a> and can be accessed by clicking on its link at the bottom of the home page</b>	Yes	No
4.1.1	If so, furnish particulars:		
4.2	Is the bidder or any of its directors listed on the Register for Tender Defaulters in terms of section 29 of the Prevention and Combating of Corrupt Activities Act (No. 12 of 2004)?  <b>The Register for Tender Defaulters can be accessed on the National Treasury's website <a href="http://www.treasury.gov.za">www.treasury.gov.za</a> by clicking on its link at the bottom of the home page.</b>	Yes	No
4.2.1	If so, furnish particulars:		
4.3	Was the bidder or any of its directors convicted by a court of law (including a court of law outside the Republic of South Africa) for fraud or corruption during the past five years?	Yes	No
4.3.1	If so, furnish particulars:		

Item	Question	Yes	No
4.4	Does the bidder or any of its directors owe any municipal rates and taxes or municipal charges to the municipality / municipal entity, or to any other municipality / municipal entity, that is in arrears for more than three months?	Yes	No
4.4.1	If so, furnish particulars:		
4.5	Was any contract between the bidder and the municipality / municipal entity or any other organ of state terminated during the past five years on account of failure to perform on or comply with the contract?	Yes	No
4.5.1	If so, furnish particulars:		

**CERTIFICATION**

I, the undersigned certify that the information furnished on this declaration form true and correct.

I accept that, in addition to cancellation of a contract, action may be taken against me should this declaration prove to be false.

<b>NAME OF REPRESENTATIVE</b>	<b>AUTHORIZED SIGNATURE (UNDERSIGNED)</b>
<b>DATE</b>	<b>CAPACITY</b>

**CERTIFICATE OF INDEPENDENT BID DETERMINATION**

- 1 This municipal bidding document (MBD) must form part of all bids<sup>1</sup> invited.
- 2 Section 4(1)(b)(iii) of the Competition Act No. 89 of 1998, as amended, prohibits an agreement between, or concerted practice by, firms, or a decision by an association of firms, if it is between parties in a horizontal relationship and if it involves collusive bidding (or bid rigging). <sup>2</sup>Collusive bidding is a *pe se* prohibition meaning that it cannot be justified under any grounds.
- 3 Municipal Supply Regulation 38(1) prescribes that a supply chain management policy must provide measures for the combating of abuse of the supply chain management system, and must enable the accounting officer, among others, to:
  - 3.1. take all reasonable steps to prevent such abuse;
  - 3.2. reject the bid of any bidder if that bidder or any of its directors has abused the supply chain management system of the municipality or municipal entity or has committed any improper conduct in relation to such system; and
  - 3.3. cancel a contract awarded to a person if the person committed any corrupt or fraudulent act during the bidding process or the execution of the contract.
- 4 This MBD serves as a certificate of declaration that would be used by institutions to ensure that, when bids are considered, reasonable steps are taken to prevent any form of bid rigging.
- 5 In order to give effect to the above, the attached Certificate of Bid Determination (MBD 9) must be completed and submitted with the bid:

<sup>1</sup> **Includes price quotations, advertised competitive bids, limited bids and proposals.**

<sup>2</sup> **Bid rigging (or collusive bidding) occurs when businesses, that would otherwise be expected to compete, secretly conspire to raise prices or lower the quality of goods and / or services for purchasers who wish to acquire goods and / or services through a bidding process. Bid rigging is, therefore, an agreement between competitors not to compete**

**CERTIFICATE OF INDEPENDENT BID DETERMINATION**

I, the undersigned, in submitting the accompanying bid: **(Tender Number and Description):**

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in response to the invitation for the bid made by:

<b>NAME OF MUNICIPALITY / MUNICIPAL ENTITY</b>

do hereby make the following statements that I certify to be true and complete in every respect:

I certify, on behalf of (name of bidder):
<b>NAME OF REPRESENTATIVE:</b>

that:

1. I have read and I understand the contents of this certificate.
2. I understand that the accompanying bid will be disqualified if this certificate is found not to be true and complete in every respect.
3. I am authorized by the bidder to sign this certificate, and to submit the accompanying bid, on behalf of the bidder.
4. Each person whose signature appears on the accompanying bid has been authorized by the bidder to determine the terms of, and to sign, the bid, on behalf of the bidder.
5. For the purposes of this certificate and the accompanying bid, I understand that the word "competitor" shall include any individual or organization, other than the bidder, whether or not affiliated with the bidder, who:
  - a. Has been requested to submit a bid in response to this bid invitation;
  - b. Could potentially submit a bid in response to this bid invitation, based on their qualifications, abilities or experience; and
  - c. Provides the same goods and services as the bidder and/or is in the same line of business as the bidder.
6. The bidder has arrived at the accompanying bid independently from, and without consultation, communication, agreement or arrangement with any competitor. However, communication between partners in a joint venture or consortium<sup>3</sup> will not be construed as collusive bidding.

7. In particular, without limiting the generality of paragraphs 6 above, there has been no consultation, communication, agreement or arrangement with any competitor regarding:
- 7.1 Prices;
  - 7.2 Geographical area where product or service will be rendered (market allocation);
  - 7.3 Methods, factors or formulas used to calculate prices;
  - 7.4 The intention or decision to submit or not to submit a bid;
  - 7.5 The submission of a bid which does not meet the specifications and conditions of the bid; or
  - 7.6 Bidding with the intention not to win the bid.
8. In addition, there have been no consultations, communications, agreements or arrangements with any competitor regarding the quality, quantity, specifications and conditions or delivery particulars of the products or services to which this bid invitation relates.
9. The terms of the accompanying bid have not been, and will not be, disclosed by the bidder, directly or indirectly, to any competitor, prior to the date and time of the official bid opening or of the awarding of the contract.
- <sup>3</sup> **Joint venture or consortium means an association of persons for the purpose of combining their expertise, property, capital, efforts, skill and knowledge in an activity for the execution of a contract.**
10. I am aware that, in addition and without prejudice to any other remedy provided to combat any restrictive practices related to bids and contracts, bids that are suspicious will be reported to the Competition Commission for investigation and possible imposition of administrative penalties in terms of section 59 of the Competition Act No. 89 of 1998 and or may be reported to the National Prosecuting Authority (NPA) for criminal investigation and or may be restricted from conducting business with the public sector for a period not exceeding ten (10) years in terms of the Prevention and Combating of Corrupt Activities Act No. 12 of 2004 or any other applicable legislation.

<b>NAME OF REPRESENTATIVE:</b>	<b>AUTHORIZED SIGNATURE (UNDERSIGNED):</b>
<b>DATE:</b>	<b>CAPACITY:</b>

## GENERAL CONDITIONS OF CONTRACT

The General Conditions of Contract are not included in this document and may be downloaded from the following website – [www.treasury.gov.za/legislation](http://www.treasury.gov.za/legislation)