



ELUNDINI LOCAL MUNICIPALITY
INVITATION TO TENDER

Elundini Local Municipality is calling for service providers to bid for the following services:

Project Name	Contract Number	Closing Date
Provision of Electrical Vending Services for 2 years	ELM-2/011/2018-2019	Monday , 19 November 2018

The minimum terms of reference and functionality is detailed in the bid document.

OBTAINING OF TENDER DOCUMENTS

Bid Documents will be available from the SCM Unit upon payment of a **non-refundable** cash fee of **R250.00 (Two hundred and Fifty rands only)** (paid in cash or by means of an electronic funds transfer (EFT)) made payable to Elundini Local Municipality. The deposit is to be paid at the Cashier's office between the hours of **08h00 and 16h00** during the normal working hours prior to the collection of the bid documents from SCM Unit. The bid documents will be available from **Monday, 22 October 2018**.

SUBMISSION OF TENDERS:

Completed bid documents and supporting documentation are to be placed in a sealed envelope endorsed with **Provision of Electrical Vending Services for 2 years: ELM-2/011/2018-2019** must be delivered to the **ELUNDINI LOCAL MUNICIPALITY** offices, at No. 1 Sella Street, Maclear and placed in the Tender Box situated at the cashier's reception area, Finance Department not later than **12H00** on **Monday, 19 November 2018** at which time the tenders will be opened in public.

Only those tenderers who satisfy the following eligibility criteria and who provide the required evidence in their tender submission are eligible to submit tenders and have their tenders evaluated:

1. Tender offers will only be accepted if:

- 1) the tenderer is registered on the Central Supplier Database (CSD) for the South African government (see <https://secure.csd.gov.za/> /) unless it is a foreign supplier with no local registered entity.
- 2) the tenderer provides written proof from SARS that the tenderer either has no Tax obligations or has made arrangements to meet outstanding Tax obligations,
- 3) the tenderer or any of its directors/shareholders is not listed on the Register of Tender Defaulters in
- 4) the financial offer is market related (See Regulation 6 (9) and section 7 (9) of the 8(9) OF Preferential Procurement Regulation 2017.
- 5) the tenderer or any of its directors/shareholders is not listed on the Register of Tender Defaulters in terms of the Prevention and Combating of Corrupt Activities Act of 2004 as a person prohibited from doing business with the public sector terms of the Prevention and Combating of Corrupt Activities Act of 2004 as a person prohibited from doing business with the public sector;
- 6) the tenderer has not:
 - i) abused the Employer's Supply Chain Management System; or
 - ii) failed to perform on any previous contract and has been given a written notice to this effect; and
 - iii) the tenderer has completed the Compulsory Declaration and there are no conflicts of interest
Which may impact on the tenderer's ability to perform the contract in the best interests of the employer or potentially compromise the tender process.
- 7) the statement of municipal account that is not older than three months or Lease Agreement OR Affidavit from SAPS stating that the bidder is not obliged to pay municipal rates with a letter from a ward councillor is submitted with the tender document.
- 8) the Joint Venture has attached the following :
 - a) J V agreement,
 - b) original or certified copy of consolidated BBBEE certificate, and
 - c) letter of signatory.

2. The tenderer is required to submit with his tender the following certificates:

- 1) Proof of registration with Central Supplier Database must be attached.
- 2) A Copy of business entity registration certificate e.g. CK Document
- 3) Certified ID copy/s of business entity owners
- 4) Tax Compliance status documents with PIN from SARS must be attached.
- 5) Proof of B-BBEE status level of contributor in the form of an appropriate original or certified completed affidavit downloaded from www.thedti.gov.za/economic_empowerment/bee_codes.jsp or an original or certified copy of a valid verification certificate from a verification agency accredited by SANAS and recognized as an Accredited B-BBEE Verification Agencies (www.sanas.co.za/afdirectory/bbbee_list.php) or accounting officers as contemplated in the CCA or registered auditors

3. Returnable schedules required for tender evaluation processes

MBD 1: Invitation to tender

- MBD 4: Declaration of Interest form
- MBD 3.2 Price schedule – non firm
- MBD 6.1: Preference Points Claim Form In Terms Of the Preferential procurement Regulations 2017
- MBD 8: Declaration of Bidder's Past Supply Chain Management Practices
- MBD 9: Certificate of Independent Bid Determination

Please note the following:

- Failure to submit required information will lead to zero score on Functionality stage.
- Tender documents must be completed with non-erasable ink. Any tender document completed with pencil will not be acceptable and shall be disqualified.
- Ensure that there are no errors or omissions.
- The submission should be entirely legible. Any changes made to the original text of bid should be crossed through and signed for.
- If correct delivery is not received by the indicated agreed date the contract will immediately be terminated
- DO NOT USE CORRECTION FLUID as this may invalidate your submission.
- Bidders must FULLY complete, SIGN tender document and INITIAL every page. Failure to do so may lead to the tender deemed non-responsive.

PREFERENTIAL PROCUREMENT POLICY FRAMEWORK ACT (PPPFA) POINTS WILL BE AWARDED AS FOLLOWS:

Price Points	- 80 points
B-BBEE Status Level of Contributor	-20 points
TOTAL	100 points

FUNCTIONALITY

Bidders to note that a Pre-qualification Evaluation (table attached in tender document) will be undertaken. A minimum score of 70 points out of 100 points must be score in order to proceed to the Financial Evaluation.

Stage 1 of Evaluation – Functionality

Stage 2 of Evaluation – Price and Preferential Points

Description	Maximum Points Allocated
STAGE 1 OF EVALUATION - FUNCTIONALITY	
FUNCTIONALITY	
• Experience	30 points
• Software support	10 points
• Project plan	40 points
• Capacity and infrastructure	20 points
TOTAL	100 points
STAGE 2 OF EVALUATION – PRICE & B BBEE	
PRICE	80
BBEE POINTS	20

NB: For EFT payments use this reference No. 020114350000. The banking details and detailed breakdown of functionality (stage 1 of evaluation criteria) are available on ELM Website. www.elundini.gov.za and also attached in the tender document.

BIDDERS SHOULD TAKE NOTE OF THE FOLLOWING BID CONDITIONS:

- The Elundini Local Municipality Supply Chain Management Policy will apply. This policy is obtainable from Elundini Local Municipality offices in Maclear and is available on ELM Website:www.elundini.gov.za
- The Elundini Local Municipality does not bind itself to accept the lowest bid or any other bid and reserves the right to accept whole or part of the bid;
- Bids which are late, incomplete, unsigned or submitted by facsimile or electronically, will not be accepted;
- Bids submitted are to hold good for a period of 90 days;
- Bidders will be required to register as a supplier/service provider on the ELM's Supplier/Service Provider Database, if not already registered prior to the tender closing date.
- The latest General Conditions of Contract and any Special Conditions of Contract will apply
- Failure to comply with these conditions may invalidate your offer
Upon submission of a bid/quote the bidder automatically grants confirmation that SARS may, on an ongoing basis during the contract term disclose the bidders Tax Compliance status to the municipality

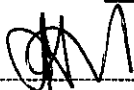
Technical enquiries Contract

Bidding Process Enquires should be directed to:

Mrs T. Zilwa E-mail:thuthulas@elundini.gov.za

Technical Queries should be directed to:

Mrs B Dlodlo E-mail: bukelwad@elundini.gov.za



K. GASHI
MUNICIPAL MANAGER
ELUNDINI MUNICIPAL

ELUNDINI LOCAL MUNICIPALITY



TERMS OF REFERENCE

Provision of electricity vending services for 2 years

Specifications for Provision of electricity vending services for 2 years

SCOPE OF WORK

VENDING SYSTEM COSTS

The Tenderer must detail the pricing plan based on a server hosting proposal. Insufficient detail may lead to the tender being disqualified since a fair comparison of tenderers will not be possible.

The Tenderer shall specify his support costs per hour after final commissioning and handover. A proposed Service Level Agreement (SLA) must be included.

The Tenderer shall separately identify the individual components included in the total cost, such as:

- Vending Terminals
- Management Stations
- Database, operating systems, workstations and POS license (if applicable)
- Additional hardware requirements (if applicable)
- The Municipality's financial system integration
- Complete system and interface testing
- Training costs.

As well as additional options, to enable a fair comparison of tenders offered to be made.

DEMONSTRATION OF SYSTEM OFFERED

Only Tenderers who can offer a fully functional Vending System that can be demonstrated will be considered. Tenderers shall specify the number of technical staff engaged in development and testing of the vending software as well as the support staff available after hand-over and call centre availability.

Compatibility with types of meter being used by the municipality (CONLOG)

- CONLOG-single phase- BEC w44
- CONLOG -Three phase-BEC w23(09)

GUARANTEES SYSTEM PERFORMANCE

The successful Tenderer shall have the new system commissioned within three (3) months of the contract being awarded.

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.

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.

SITE VISIT / INTERVIEWING CLIENTELE

Information must be provided of current client(s) and ELUNDINI LOCAL Municipality reserves the right to:

- (1) Interview these customers to verify their level of satisfaction with the service provided.
- (2) Perform a site visit and inspect the prospective service provider(s)' office and equipment (including Disaster Recovery site).

TERMS OF REFERENCE

The service provider is required to comply with the following:-

- TECHNOLOGY AND PLATFORM
 - DATABASE

The system shall operate on a relational database technology, like Microsoft SQL Server or ORACLE and shall allow concurrent users to access data on a central database from various online vending terminals and management stations.

- OPERATING SYSTEM

The system shall operate exclusively on a Windows platform. All system functions shall be accessed via a user-friendly Graphical User Interface.

- HARDWARE

All components of the system shall operate on a standard, readily available, PC-based machine with no special modifications required to any parts. No manufacturer specific hardware

- OPERATION

- CRITICAL PERFORMANCE PARAMETERS

Note: Short listed Tenderers will be required to demonstrate and test their vending system at ELUNDINI LOCAL Municipality.

- (i) The software, database and hardware shall be able to accommodate, with no special changes, more than 1 million consumer records and 120 million transaction records on a single machine.
- (ii) The software and database shall have no limitation on the number of named users and workstations it can accommodate.
- (iii) The online system shall be scale-able to transact a minimum of 10 requests per second.
- (iv) A standard vending operation shall be less than 15 seconds from request to completion token printing or programming.

- LANGUAGES AND CURRENCY

- Standard language available on the system shall be English and the currency will be in Rand.

- ELECTRICITY PRE-PAYMENT VENDING

- Transactions

- All transactions shall be atomic to such a nature that taxes, levies, standing charges, arrears and services are all created through individual rows in the database.
- The vending terminal shall accept any amount tendered and create a token to the exact value as specified by STS. There shall be no monetary based rounding errors.

- Vending Operation

- The system shall be capable of vending STS compliant pre-payment credit and engineering tokens.
- 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 re-prints and reversals, without compromising the integrity of transactions and subject to appropriate security.
- The system shall be capable of vending free Electricity Basic Services Support Tariff (EBSST) grants, e.g. via the “static token” mechanism. It is imperative that only one valid EBSST token be issued per month.
- The system shall have the ability to calculate cash change.

- Vending Management

- The system shall allow for the definition of independent banking batches and shift batches to accommodate various levels of operators and improve security.
- Vendors must operate on an “Up-Front” or credit basis.
- Tenderers must make use of retailers around Elundini Area as vendors (Maclear, Mt Fletcher and Ugie).
- Tenderers must make use of at least 3 major banks in South Africa as vendors.
- Tenderers must show their ability to support Offline Vending. Offline vending must also be secure and not unduly expose the Municipality to any financial risk e.g. if Vending terminals are stolen. Offline vending terminals must be Credit and Tariff Management System (CTMS) compliant to ensure authorized Vendor credit updates and the prevention of unauthorized Tariff manipulation.

- Arrears

All transactions must be processed through the system for reporting and audit purposes. The credit control department makes use of a blocking function to prevent clients from buying credit until outstanding monies are paid. This then means that vending channels would need to query the management system database before completing the transaction and not process the transaction if the client is blocked.

- The system shall have the ability to collect arrears from the consumer by leveraging the pre-payment transaction according to a unique formula for each consumer. A proven track record is required and Tenderers are required to supply a list of Customers where they have successfully implemented arrears collection for period longer than 12 months.

- Tariffs

- The system shall accommodate the Electricity Basic Services Support Tariff (EBSST) as promulgated and shall be changeable at Council’s discretion.
- The system will issue one valid EBSST token in a given month.
- The system shall support the Municipality’s tariff structure and Inclining Block Tariffs (IBT) as specified by NERSA.

- Online Vending

- The system shall work online with secure messaging that is efficient in terms of reducing

communication costs

- The online transaction processing infrastructure shall have unlimited scalability with hot-swappable redundancy.
- Online vending points, at the option of the Municipality be upgraded to switch to a local offline database in case of a communication link breakdown. Full STS functionality shall be retained in the offline scenario. Depending on system configuration, data shall be either automatically or on demand be electronically replicated to the master system.
- System must be XMLVend 2.1 compliant to accommodate the provision of 3rd party vending.

▪ VENDING CHANNELS

The Online Vending System must support a variety of Vending Channels at Municipal offices and external Vendors. As a minimum it must support:

- PC based vending
- Hand Held Terminal Vending
- ATM vending
- Internet Vending
- Cell-phone Vending

Tenderers must supply detailed description of the above, highlighting technical requirements, security and methodology used.

▪ CONSUMERS

- The system shall allow for the registration and management of consumer records, meter types and tariffs.
- The ELUNDINI LOCAL Municipality has approximately ELUNDINI LOCAL pre-payment customers which are serviced by two credit dispensing units.
- The system must cater for making (Encoding and Printing) a meter swipe card from the Online Vending System.

ENGINEERING

- Meter Management

To assist with meter management, the system shall have the ability to record, in a free-form field, a meter status. All meter management processes shall be done on a real-time basis and performed via a user-friendly, iconic graphical user interface depicting a certain task. Capturing of a meter change out must be a simple and user-friendly task.

Service providers must detail their meter management process.

SYSTEM MANAGEMENT

- Communication
- The system shall be configurable to operate online and offline, with full STS functionality retained during the offline mode of operation.
- Offline data transfer shall be adjustable to any frequency, i.e. daily, hourly, etc.
- All transfer files shall have adequate data security.
- The complete database shall be automatically mirrored to a disaster recovery machine on a regular basis.

- Security

- Database security governing low- and high-level database access shall be via a proven technology.
- The system shall allow for the addition of an unlimited number of named operators.

- INTEGRATION

- If required, the system shall have a secure interface to allow third parties to access the database securely for integration purposes. Transaction based interfaces must comply to XMLVend 2.1
- The Vending System must integrate with the Municipality's financial system. The Municipality's current financial system is Venus, however, service providers must be able to update this interface at no cost to the municipality should the financial system be changed/updated.
- A list of sites where the Tenderer's Online Vending System interfaces to the Venus financial system must be provided.

- REPORTING AND INFORMATION

- The system will have the necessary reports to run a prepayment electricity site and any new reports requested by the Municipality will be available at no cost.
- A list of available reports must be included with the tender submission.

- SUPPORT AND MAINTENANCE

The service provider will be required to support and maintain the turnkey electricity prepayment online vending system on a twenty four hours a day, seven days a week and three hundred and sixty five days (24x7x365). Service providers must detail:-

- Offices & Support facilities – Local on-site support is preferred.
- Data centre specifications
- Provide a copy of the Service Level Agreement. It must include the Service provider's 24 hour support service that is designed to meet the following standards:

- Level 1 Fault - 6 Hours (General Network failure)
 - Level 2 Fault - 4 Hours Network congestion, Hardware failure)
 - Level 3 Fault - 4 Hours (System failure)
- The Service provider must be able to support the Municipality by way of a Call Center or Help-line.
 - Asset Management of equipment
 - Hardware support
 - Software support
 - Account / Project Management
 - Fault logging and support escalation procedures
 - General Support and Maintenance Practices
 - TRAINING
 - The successful supplier will be required to offer training to existing staff within the Municipality on the operation of the equipment installed. The training program must be structured to include administrators, management, supervisors and operators of the complete online vending system.
 - A training program must be included with the tender submission.
 - GENERAL REQUIREMENTS

No quotation/tenders will be considered unless accompanied by a full description and technical details of the solution offered. Any special features shall be detailed.

Tenderers must have a proven track record with supplying and supporting online systems. Tenderers must have at least 5 years of experience in online prepayment electricity vending systems and are required to supply a list of Customers who have been vending online for the past 2 Years using an Online Vending Server.

Tenderers must supply a list of references detailing (Employer, Contact Person and Telephone Number, description of work (Service), Date complete)

Service providers will be required to provide a comprehensive project plan, methodology for the implementation of service.

Service provider(s) to include the following documentation in the tender submitted:

- A detailed Disaster Recovery Management Plan, which includes all facilities, site capacity and service levels.
- An overview of the administration process and system used in administering program changes (from request to testing and implementation) and fault reporting.

- A certificate signed by the service provider(s) certifying that the service provider has no undisputed commitments for municipal services towards the municipality or other service provider in respect of which payment is overdue more than 30 days.
- Particulars of any contracts awarded to the service provider by an organ of state during the past five (5) years, including particulars of any material non-compliance concerning the execution of such contract.

OTHER SPECIAL CONDITIONS OF THIS CONTRACT

- No contract shall be assigned or any part of the same subcontracted without the written consent from the Board, but in no case shall such consent relieve the Contractor from its obligations or change the terms of the Agreement.
- The appointment of bidder shall be subject to 14 days objection of any appeals and objections from any other bidder which competed for the same bid.

EVALUATION CRITERIA

All bids will be evaluated on an 80/20 preference point system

- (b) Bids will be evaluated within the ambit of the Preference Procurement Policy Framework Act No 5 of 2000.
- (c) 90 points will be allocated for price.
- (d) A pre-qualifying percentage of 70% on functionality will apply.
- (e) Bidders who fail to meet the minimum qualifying percentage on functionality will be disqualified and will not be evaluated on price.

All bids received from service providers who comply with the requirements of the Supply Chain Management Policy of ELUNDINI LOCAL Municipality will be evaluated in the following three (3) stages:

Stage 1: Pre – evaluation

- Failure to meet any one of the minimum requirements will be considered as non-responsive and render the bid disqualified

Stage 2: Functional / Technical Criteria

- Bidders who fail to meet the minimum qualifying percentage on functionality will be.

Stage 3: Price All service provider(s) who satisfy Stage 1, will be evaluated in terms of the 80/20 principle and B-BBEE evaluation method

REQUIREMENTS	PROOF PROVIDED	
	YES	NO
STS (Standard Transfer Specification) License		
XML Vend certified or compliant.		
Service Level Agreement (SLA) proposal		
Disaster Recovery Management Plan, which includes all facilities, site capacity and service levels		
Contingency plan(s) proposal / documentation		

FUNCTIONALITY

NB: A minimum threshold value of 70% must be obtained for a bidder to proceed to the Financial Evaluation.

EVALUATION AREA / FUNCTIONAL CRITERIA	EVALUATION CRITERIA	POINTS ALLOCATION
Experience in maintaining Turnkey electricity prepayment online vending system (hardware and associated software) (Provide a reference letter or appointment letters of experience and contracts with utilities)	> 5 projects	30
	4 - 5 projects	15
	3 - 4 projects	10
	1 – 3 projects	5
Ability to provide software support and upgrades for online electricity prepayment interfaces to various ELUNDINI LOCAL Municipality's in-house and 3 rd party systems	Interface Seamlessly	10
	Interface, but additional development required	5
Project plan and methodology for the maintenance and service of a turnkey electricity prepayment online vending system (hardware and software) which includes contingency plans= (10) disaster recovery=(10) business continuity(10) administration processes=(10)		40

Capacity and infrastructure (Availability of 24/7/365 Help desk or Technician = (15) points Sub-contractor based in the Eastern Cape, etc.)=(5) points		20
TOTAL: Pre-Paid Vending		100