

SECTION 2.1: SPECIFICATIONS

APPOINTMENT OF SERVICE PROVIDER FOR THE SUPPLY, INSTALLATION AND MANAGEMENT OF A PRE-PAID VENDING TENDER FROM INCEPTION UNTIL 30 JUNE 2028

1. BACKGROUND	
1.1	The Hessequa Municipality requires a service provider for the provision of a prepaid vending system that must be compliant with the Standard Transfer Specifications (STS), Electricity Payment Systems-Part 1: Prepayment meters (SANS 1524-1) and Code of Practice for Electricity Metering (NRS 057 and SANS 474).
1.2	Tenderers are hereby invited to tender for a Prepaid Water and Electricity Vending System which can integrate into the Revenue Management System to administratively manage and control the Water and Electricity Prepayment within the Hessequa Municipal licensed area.
1.3	The Hessequa Municipality currently have approximately 15 000 electricity and water pre-paid meters installed within its municipal area.
2. CURRENT STATE	
2.1	The Hessequa Municipality has an existing contract with Ontec (Pty) Ltd for their electrical prepayment vending system. Currently the Ontec system is utilized for the following core services: <ul style="list-style-type: none"> • Prepayment vending system technology and license • On-site support and maintenance • Vendor management • Data management • Inspection of Pre-Paid meters and tamper management • Compliance relating to token identifiers (TID) on STS vending systems.
2.2.	The existing contract expires on 30 June 2026.
3. SCOPE OF WORK	
3.1	The tender specification consists of 3 sections namely: <ul style="list-style-type: none"> • Section A – Vending System • Section B – Vendor Management • Section C – Revenue Protection
3.2	Hessequa Municipality requires a single supplier that fully complies with all the listed specifications of all three sections and the supply of all the services related to all the three sections.
3.3	Only bids providing pricing for all three sections will qualify.
3.4	No tender will be accepted unless it includes a full description of the technical details of its entire vending system.
3.5	The successful tenderer must be able to facilitate and provide the above-mentioned core functions for a period as per the tender specification following the expiry of the existing tender contract on 30

June 2026.

- 3.6 The successful tenderer must supply, install and maintain a complete hosted pre-paid vending and management system using an on-line, web-based architecture to vend tokens in a secure and efficient way.
- 3.7 The complete management of contracted 3rd party vendors on behalf of the municipality.

4. APPLICABLE LEGISLATION AND POLICIES

- 4.1 Municipal Finance Management Act, 56 of 2003
- 4.2 Preferential Procurement Policy Framework Act
- 4.3 Promotion of Access to Information Act, Act 2 of 2000
- 4.4 Supply Chain Management (SCM) Regulations
- 4.5 Preferential Procurement Regulations, 2011
- 4.6 HESSEQUA Municipality Supply Chain Management Policy Incorporating Preferential Procurement

5. APPLICABLE STANDARDS AND SPECIFICATIONS

- 5.1 Standard Transfer Specifications (STS)
- 5.2 Electricity Payment Systems-Part 1: Prepayment meters (SANS 1524-1)
- 5.3 Code of Practice for Electricity Metering (NRS 057 and SANS 474). This is a mandatory specification as determined by NERSA license conditions

6. PRE-QUALIFICATION CRITERIA

- 6.1 Bidders must comply with the following conditions of tender and must submit supporting proof, failure to comply will eliminate bidders from further evaluation:
 - Tenderers must provide a list with all the minimum hardware and software requirements to operate the vending system in it's full capacity. Any special features must be detailed.
 - Tenderer must be registered with the South African Revenue Protection Association (SARPA), proof of registration must be provided.
 - Tenderers must be certified as an ISO 9001 company.
 - Tenderer must submit a detailed implementation plan.

7. GENERAL SPECIFICATIONS	
7.1. Section A: Vending System	
General	
7.1.1	Only tenderers who can offer a fully functional system, which can be demonstrated will be considered.
7.1.2	The system offered shall be windows-based system comprising a complete and fully functional prepayment vending and management system including all the operating and database modules needed to operate such a system.
7.1.3	The minimum hardware, software and communications requirements on which to run the system shall be specified for all the different components of the system.
7.1.4	The system shall provide for the following types of payment methods including Free Basic Tokens: <ul style="list-style-type: none"> 7.1.4.1 Cash 7.1.4.2 Credit Card 7.1.4.3 Debit Card 7.1.4.4 Cell phone (including USSD code method) 7.1.4.5 All Banking applications
7.1.5	Complete system must be commissioned and operational within two (2) weeks prior commencement date of the contract for core services (selling of prepaid electricity service, debt collection, revenue collection and basic reporting). The system must provide for the Electricity Base Support Services Token (EBSST)
7.1.6	The system shall vend on-line to all installed, existing and commissioned prepayment meters in the municipal area of supply.
7.1.7	The municipality shall be indemnified against patent infringement including any damages awarded, attorney costs and the cost of replacing the vending system should patent infringements be awarded against the municipality due to the successful tenderers vending system.
7.1.8	The vending system must be a real time system.
7.1.9	All system functions shall be accessible via automated interface as per mSCOA Regulations.
7.1.10	The prepayment meters shall accept all codes generated by the system to a valid meter and shall not reject the code generated.
7.1.11	The system shall have the ability to collect arrears from the consumer by leveraging the prepayment transaction according to a unique formula for each consumer including the ability to recover and record multiple debt categories.
7.1.12	The system shall be able to collect all arrear municipal debt.
7.1.13	The system must be able to have an automatic interface with the Hessequa Municipality's Financial Management System.
7.1.14	The system shall be capable of interfacing with other third-party systems. The system shall be operational on a 24 x 7 x 365 basis.
7.1.15	Integration and Interface Requirements <ul style="list-style-type: none"> <u>7.1.15.1 File Based Integration</u> The system shall be able to facilitate file-based integration via a purpose-built application. This application

shall be able to extract or import data according to dynamically defined business rules. This application shall also be able to manage and track processed data, regenerated files and enable additional file layouts as required.

7.1.15.2 Web Services Based Integration

The system shall be able to facilitate web services based integration via a purpose-built application. This application shall be able to extract or import data according to dynamically defined business rules.

OPERATIONAL REQUIREMENTS

7.1.16 Critical Performance Parameters

7.1.16.1 The software and database shall have no limitation on the number of named users and workstations it can accommodate.

7.1.16.2 The online system shall be scale able to transact minimum of 30 requests per second.

7.1.16.3 A standard vending operation shall be less than 15 seconds from request to completion token printing or programming.

7.1.17 Hosting Parameters

7.1.17.1 Ability to host system internal to Hessequa Municipality

7.1.17.2 Ability to host system external to Hessequa Municipality

7.1.17.3 To be hosted on latest Version of Windows Server

7.1.17.4 Client application must be compatible with latest version of windows and support printing sizes but not limited to.

7.1.18 Languages & Currency (Localisation)

7.1.18.1 The system shall accommodate multiple languages on the same machine.

7.1.18.2 The system shall have a tool to facilitate the translation of the software.

7.1.18.3 This tool shall be demonstrated and supplied on demand.

7.1.18.4 The system shall allow for the configuration of the South African currency, including the adjustment of multipliers and decimal points.

7.1.19 Online Customer Contract Management

7.1.19.1 The system shall have the ability to perform online customer contract management via any standard web browser.

7.1.19.2 The following functionality shall be available via the online Customer Contract Management web application:

7.1.19.2.1 Creating new Customers

7.1.19.2.2 Creating new Points of Connection

7.1.19.2.3 Updating Customer details

7.1.19.2.4 Updating Point of Connection details

7.1.19.2.5 Link Customers, Points of Connection, Meters

7.1.19.2.6 Perform Advanced Customer, Point of Connection and Meter data lookups

7.1.20 The system shall support multiple accounts (multiple POC's with a meter) to be associated with a single customer.

7.1.21 The system shall support multiple meters to be associated to a single customer account.

7.1.22 Management of Customer Contracts shall be carried out through a single online take-on web page via any standard web browser.

7.1.23 The Customer Contract Management System shall accommodate the saving of uncompleted

contracts whilst these customers will not be able to vend to that contract.

- 7.1.24 The system shall have specific fields for capturing the meter seal number and the meter location GPS coordinates.
- 7.1.25 Online Meter Engineering Operations
 7.1.25.1 The system shall have the ability to generate engineering tokens (Replacements, Clear Tamper, Clear Credit, Power Limit, Supply Group Key Change, Tariff Index Key Change) online via any standard web browser.
- 7.1.26 Online Meter Asset Management
 7.1.26.1 The system shall have the ability to receive bulk meters into a store location as well as the ability to move meters between locations online via any standard web browser.
- 7.1.27 Online Geospatial Mapping of Meter Location
 7.1.27.1 The vending system shall include a module fully integrated and displayed within the normal vending system GUI frontend that geospatially displays the meter location on a map.
 7.1.27.2 Whenever any meter or customer related administration operations are performed on the vending system within the GUI the meter location should be visible on the same administration screen.
 7.1.27.3 The customer contract details should be spatially enabled as a layer on top of Google Maps.
 7.1.27.4 The vending system should also through this module have the ability to record and display electricity network nodal diagrams and connections.
- 7.1.28 System Security
 7.1.28.1 The system shall have the ability to define online users, user roles and user specific role processes online via any standard web browser.
 7.1.28.2 Database security governing low- and high-level database access shall be via a proven technology and applied at both database and application level.
 7.1.28.3 The system shall allow for the addition of an unlimited number of named operators.
 7.1.28.4 Security shall be adjustable to allow for individualized access to any field within the database.
 7.1.28.5 All system passwords shall adhere to the Hessequa Municipality Password Policy.
 7.1.28.6 International best practice: full integration capability to active directory.
 7.1.28.7 All application code shall be obfuscated, digitally signed and assemblies strong named to prevent altering of code for fraudulent purposes.
 7.1.28.8 On application layer, all database connection details shall be encrypted.
 7.1.28.9 A detailed transaction log shall be kept of all financial transactions and actions including debt adjustments and reversals (negative transactions).
- 7.1.29 Electricity Prepayment Vending
 7.1.29.1 Transactions
 7.1.29.1.1 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.
 7.1.29.1.2 Any rounding errors of kWh beyond the first decimal shall be recorded in the database as separate transaction rows to ensure effective reconciliation.
- 7.1.29.2 System transaction reversals shall:
 7.1.29.2.1 be effected with full trace-ability of the reversal;
 7.1.29.2.2 be traceable to an operator;
 7.1.29.2.3 be limited and configurable for only certain operators as defined by Hessequa Municipality

- 7.1.29.2.4 reverse an entire transaction batch consisting of taxes, levies, auxiliaries and resource amounts on the system and
- 7.1.29.2.5 have the option of being disabled or enabled for specific vendors.

7.1.30 Vending Operation

- 7.1.30.1 The system shall be fully STS compliant and capable of vending STS prepayment credit and engineering tokens.
- 7.1.30.2 The system shall be certified by the STS association as being Vending, Engineering and Key Change Management compliant.
- 7.1.30.3 The system shall be capable of vending proprietary prepayment credit tokens.
- 7.1.30.4 Vendors shall have the ability to perform a consumer lookup through meter number, address, point-of-connection or name.
- 7.1.30.5 The system shall be capable of allowing transaction re-prints and reversals, without compromising the integrity of transactions and subject to appropriate security.
- 7.1.30.6 The vendor shall have the ability to look up the transaction history of a relevant consumer.
- 7.1.30.7 The system shall be capable of vending free electricity subsidies. (Free Basic Electricity (FBE) tokens also known as an Electricity Base Support Services Tokens (EBSST))
- 7.1.30.8 The system shall have the ability to calculate and display cash change to the vendor.

7.1.31 Vending Management

- 7.1.31.1 The system shall allow for vendor and cashier shifts to accommodate various levels of operators, thus improving security.
- 7.1.31.2 The system shall allow for the automated or manual closing of shifts.
- 7.1.31.3 Vendors shall have pre-defined credit limits limiting the exposure at certain outlets. The option shall exist to update credit limits manually.

7.1.32 Tokens and receipts

- 7.1.32.1 The system shall give users the ability to define customized token/receipt templates.
- 7.1.32.2 The system shall accommodate multiple receipts. It shall include but not be limited to auxiliaries, credit token and system reversals receipts.
- 7.1.32.3 The token format must be in compliance to the standard Hessequa Municipality token design.

7.1.33 Auxiliaries (Collecting Arrears)

- 7.1.33.1 The system shall have the ability to collect arrears from the consumer by leveraging the prepayment transactions according to a unique formula for each consumer.
- 7.1.33.2 A consumer's unique collection profile shall be automatically updated by the system based on historic payments made. This function should also be able to be performed manually.
- 7.1.33.3 The system shall have the ability to manage customer specific auxiliary accounts online via any standard web browser. This functionality shall include the creation of auxiliary account categories and the definition of the account details such as account balance and collection type.
- 7.1.33.4 There shall be a direct interface with the billing system so that arrears collected can be posted directly to the relevant account either in 'Real Time' or via automated batch entry at a user selectable delay on the Hessequa Municipality FMS.
- 7.1.33.5 The details of all arrear amounts collected and service accounts paid for the current transaction shall be individually listed on the transaction receipt handed to the customer at the point of sale.
- 7.1.33.6 Data should be imported directly/manually, to be directed by the municipality, from the Hessequa Municipality FMS into the tenderers system where data will be managed to block and unblock consumers, with the aim to perform mass blocking or unblocking.

7.1.34 Tariffs

- 7.1.34.1 Hessequa Municipality must have the ability to define tariff charges and debt calculations.
- 7.1.34.2 Hessequa Municipality shall have the ability to customize the tariff at will.
- 7.1.34.3 The tariff system shall accommodate an unlimited number of tariffs, debt and charges rules and calculations.
- 7.1.34.4 The system shall accommodate step tariffs, with an unlimited number of kWh-based steps.
- 7.1.34.5 Unique tax and fixed charges profiles shall be definable for each tariff block.
- 7.1.34.6 Tax and fixed charge blocks independent from step tariff blocks shall be definable according to monthly monetary value transacted, or kWh bought.
- 7.1.34.7 The system shall have automated activation dates for tariff changes.

7.1.35 Meter Life Cycle Tracking

- 7.1.35.1 The system shall be able to track the history/location of a meter from the time it is delivered to/between stores to when it is installed at a point of connection until it is finally scrapped
- 7.1.35.2 In order to facilitate meter life cycle tracking, the system shall accommodate at least the following location types:
 - 7.1.35.2.1 Inventory Store
 - 7.1.35.2.2 Point of Connection (PoC) Location
 - 7.1.35.2.3 Again in order to track meter life cycle, the system shall further allow for the following modes of operation:
 - 7.1.35.2.3.1 In store, inactive
 - 7.1.35.2.3.2 Installed and active
 - 7.1.35.2.3.3 Installed and inactive

7.1.36 Geographical Information System

- 7.1.36.1 It is envisaged that a Geographical Information System will be linked/incorporated into the prepayment database in the future. The proposal should describe how the solution would cater for such GIS integration.
- 7.1.36.2 Certain data elements in the prepayment metering system must be able to store GPS coordinates as attributes. These include the location of a meter as well as the point of connection of a meter.

7.1.37 Vending Gateway

- 7.1.37.1 The system should include as an additional option the capability to direct transaction requests from vending clients to different services databases.
- 7.1.37.2 The transaction switch should include a billing system where different commissions for different services as well as vendors could be calculated.
- 7.1.37.3 The transaction switch should include vendor credit limits that will only allow a vendor to sell services if a positive credit is maintained.
- 7.1.37.4 The transactions switch should either include, as an option, or be able to integrate to an electronic fund transfer (EFT) switch to facilitate credit card payments
- 7.1.37.5 The EFT option should include a secure web site for selling services.
- 7.1.37.6 The transaction switch should allow for mobile points of sale (PoS) to connect to it. This will be achieved by allowing various suppliers of mobile technology to integrate to the transaction switch.
- 7.1.37.7 The transaction switch will allow SMS (GSM) based messages to transact with the switch.
- 7.1.37.8 In addition to conventional payment methods, the system should support a voucher payment mechanism in the on-line mode of operation.
- 7.1.37.9 Where the system generates its own vouchers, customizable vouchers should be printed with unique voucher numbers.
- 7.1.37.10 The system should be able to reserve and expire vouchers as and when it is redeemed for resources.

7.1.38 Vending Channels

- 7.1.38.1 The following vending channels must be implemented as of the commencement date:
 - 7.1.38.1.1 PC PoS
 - 7.1.38.1.2 Mobile PoS
 - 7.1.38.1.3 Mobile Phone
 - 7.1.38.1.4 Vouchers
 - 7.1.38.1.5 USSD
 - 7.1.38.1.6 Consumer website
 - 7.1.38.1.7 ATM
 - 7.1.38.1.8 All Banking platforms (Including Banking Applications)
- 7.1.38.2 Provision to be made for new technology

7.1.39 Online Retail and Vending Administration

- 7.1.39.1 The system shall have the ability to manage retailer accounts online
- 7.1.39.2 This includes adding, removing and editing retailers, operators, terminals, available networks and accepted payment methods.
- 7.1.39.3 It shall also allow transferring and adjusting retailer funds and accepting retailer deposits.
- 7.1.39.4 The system shall have the ability to add, remove and edit vouchers online.
- 7.1.39.5 The system shall have an online facility for reconciling between client records, EFT records and service provider records.

7.1.40 System Software

- 7.1.40.1 The tenderer shall provide and install the necessary software needed to operate the vending system and shall maintain and upgrade the software during the contract period.
- 7.1.40.2 The tenderer shall be responsible for the migration from the current system to the new system.
- 7.1.40.3 The tenderer shall be responsible for all licensing and upgrading cost during the contract period.
- 7.1.40.4 The tenderer shall be responsible for the exporting/transferring of all data in a specified format if Hessequa Municipality should change to new software at the end of the contract period.
- 7.1.40.5 Should migration be necessary on the onset or during commissioning of the system, all cost is for the tenderer.
- 7.1.40.6 The tenderer shall provide training on all elements of the system for all the different user groups and vendors.
- 7.1.40.7 The tenderer shall provide on-site support for the initial implementation of the system and a 24 x 7 x 365 comprehensive support service and help desk for the contract period.

7.1.41 Data Ownership

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

7.1.42 Reporting

- 7.1.42.1 Provide audit reports if required.
- 7.1.42.2 Providing daily, weekly and monthly system generated reports as required by the municipality that will include the following but not limited to:
 - 7.1.42.2.1 Transactional History by date per meter or vendor.
 - 7.1.42.2.2 Summary of transactional history by date per meter or vendor.
 - 7.1.42.2.3 Blocking/Unblocking history by date per meter and user.
 - 7.1.42.2.4 Summary of blocked/unblocked history by date and user.
 - 7.1.42.2.5 Connections/Disconnections by date per meter by user.

- 7.1.42.2.6 History of replacement and free tokens issued by date per meter, and user.
- 7.1.42.2.7 Transaction history of free basic units/tokens issued by date per vendor.
- 7.1.42.2.8 Summary of free basic units/tokens by date per vendor.
- 7.1.42.2.9 List of Active/Inactive meters by date.
- 7.1.42.2.10 Summary of active/inactive meters by date.
- 7.1.42.2.11 System user summary
- 7.1.42.2.12 Auxiliary History by date per meter, user and method and balance updates.

7.1.42.3 Provide a monthly management report that includes summary data of at least the following:

- 7.1.42.3.1 Revenue Transactions
- 7.1.42.3.2 Revenue Statistics and Averages
- 7.1.42.3.3 Free Basic Transactions
- 7.1.42.3.4 Vendor Revenue Summary
- 7.1.42.3.5 Tariff Revenue Summary
- 7.1.42.3.6 Meter Statistics and Information
- 7.1.42.3.7 Meter Key Revision Summary
- 7.1.42.3.8 Total meters per tariff
- 7.1.42.3.9 Total meters per store
- 7.1.42.3.10 Meter Models
- 7.1.42.3.11 Engineering Token Summary
- 7.1.42.3.12 Engineering Token Per User and Meter
- 7.1.42.3.13 System User Summary
- 7.1.42.3.14 Role Permissions Permission Changes

7.1.43 Training

- 7.1.43.1 The tenderer shall provide system training for Hessequa Municipality operators on all Software at the tenderer's dedicated training facility.
- 7.1.43.2 The tenderer's training facility must be fully equipped to simulate realistic functional scenarios.
- 7.1.42.3 Training to Hessequa Municipality operators must be conducted and scheduled on an annual basis; additionally, as and when required due to software upgrades, etc.

7.2. Section B: Vendor Management

The service provider shall be responsible for the following:

- 7.2.1 Setting up guidelines for appointing and contracting with existing and prospective vendors and compiling of agreement/contracts. The guidelines and agreement to be approved by the municipality.
- 7.2.2 Advertising and information meetings with prospective and existing vendors.
- 7.2.3 Appointment of vendors and signing of contracts. The Municipality will determine the number of vendors per location as required.
- 7.2.4 Provide a minimum number of direct managed 3rd party POS vendors within the Hessequa Municipality area of distribution. The geographical dispersion of the vendors will be defined in the SLA.
- 7.2.5 Hessequa Municipality will only allow one tier of aggregators between the tenderer and the end-merchant servicing the end customer.
- 7.2.6 Managing the application and registration process of aggregators within the Hessequa Municipality area.
- 7.2.7 Providing all the necessary hardware, software and communications equipment needed for the vendor to operate.
- 7.2.8 Providing training as and when necessary for the vendor or his appointed operators in order to operate the equipment and relevant software.
- 7.2.9 Providing all the necessary consumables, e.g. Paper, printer carriage, etc. directly to vendor at the cost of the successful bidder.
- 7.2.10 Providing the routine and necessary maintenance, repair and servicing as is required to maintain the

equipment.

- 7.2.11 Collection of all revenue from vendors as per agreement.
- 7.2.12 Timely payment of collected revenue into Hessequa Municipality bank account – at least within 24 hours (working hours) of transaction date.
- 7.2.13 Insurance against revenue loss.
- 7.2.14 Providing the necessary security measures for collecting the revenue if required.
- 7.2.15 To reconcile the revenue received from the vendors on a daily basis and provide the necessary credit to the vendor to continue vending.
- 7.2.16 Payment of any commissions owed to vendors.
- 7.2.17 Payment of revenue received (Prepaid & Auxiliary separately) directly in the municipalities account at predetermined times together with a reconciliation of said revenue.
- 7.2.18 Providing daily, weekly and monthly reports as required by the municipality.
- 7.2.19 Provide audit reports if required.
- 7.2.20 Vendor's commission payable to the successful tenderer will be included in the monthly fee or price.
- 7.2.21 All existing handhelds terminals that are not compatible with the proposed vending and Management system must be replaced at the cost of the successful tenderer.

7.3 Section C: Data Management and Revenue Protection

- 7.3.1 The successful tenderer will assist the Municipality with Customer Data Management and provide a Revenue Protection service to eliminate the loss of revenue for electricity and water (pre-paid and conventional meters) because of meter tampering and or bypassing.
- 7.3.2 It will comprise the provision of data management and Revenue Protection for the whole Hessequa Municipality jurisdiction area that will include:
 - 7.3.2.1 Data and Revenue protection sweep audits
 - 7.3.2.2 Data and Revenue protection targeted audits
 - 7.3.2.3 Data and Revenue protection remedial actions
 - 7.3.2.4 Data analysis and interrogation
 - 7.3.2.5 Maintenance of continuous quality and accuracy updates to existing system data
 - 7.3.2.6 Provision of a detailed reference database
 - 7.3.2.7 GIS Field management console for all consumers
 - 7.3.2.8 Spatial analysis and Geographical presentations of all audits through GIS techniques
- 7.3.3 Service providers must make use of the latest techniques and technologies when performing of field audits and capturing of data, to eliminate human errors as far as possible. Handheld Devices (HHU) is preferred.
- 7.3.4 Full data clean up and mapping of all audited meters and customers in the field to the pre-payment and financial database of the municipality.
- 7.3.5 Detailed GIS Information system indicating all findings in the field, Meter types, and customers not at homes and other additional key information will be required. The GIS field information form part of the management console required for sustainable management.
- 7.3.6 Sweep Audit
 - 7.3.6.1 Visual inspection audit of a defined set of pre-paid meter installation points located within a neighbourhood or suburb including recording important information related to each endpoint (linked to a spatial GPS coordinate), capturing a photo of installation, sealing meters with colour-coded barcode seals and importing the information into a central data repository.
- 7.3.7 Targeted Audit

7.3.7.1 Full technical audit by a qualified electrician per team of specific statistically identified potential tamper / bypass prepaid meters including removing the meters and checking the installation including upstream load testing (of for example geysers under “no meter load” conditions), recording important information related to each endpoint (linked to a spatial GPS coordinate), capturing high quality photo of installation, sealing of the meters with colour-coded barcode seals and importing the information into a central repository.

7.3.8 Remedial Action

7.3.8.1 Technical remedial meter disconnections of specific statistically identified tamper / bypassed prepaid meters carried out by a suitably qualified electrician, recording important information related to each endpoint (linked to a spatial GPS coordinate), capturing photo of installation and importing the information into a central repository.

7.3.8.2 All remedial action that is taken against installations where tampered / bypassed prepaid meters are identified must be submitted to the municipality in a daily report.

7.3.8.3 The successful tenderer must have a satellite office within the Hessequa area. The tenderer must provide the office space and it must not be further than 30 km from Hessequa Main Municipal Office to manage and administer all:

- 7.3.8.3.1 sweep audits
- 7.3.8.3.2 target audits
- 7.3.8.3.3 remedial action

7.3.9 Hessequa Municipality will manage the process in the application of the approved municipal tariff policy’s charges and costs as well as all applicable legislation.

7.3.10 Hessequa Municipality will be responsible for the normalization of tampered / bypassed prepaid meters after the offender complied with the municipal pre-conditions.

7.4 Negotiable SLA Requirements (Penalties apply for non-compliance)

7.4.1 Monthly Services Meeting to be held in the first two weeks of the month following the end of a month and must include a services report for compliance, KPI, auditory evidence and performance management.

7.4.2 Minimum Reporting

- 7.4.2.1 Security incidents
- 7.4.2.2 Adherence to SLA
- 7.4.2.3 Call volume breakdown and breaches in accordance to SLA
- 7.4.2.4 Network availability of portal and applications
- 7.4.2.5 Preventative Maintenance

7.4.3 ICT Policy Compliance

- 7.4.3.1 Proactively ensuring policy compliance
- 7.4.3.2 Constantly measuring the environment against the existing Policy

7.4.4 SLA Targets

SLA Support	Hours	Target SLA	MTTR	Measurement
P1	Match Municipal working hours Monday, Tuesday & Thursday 07:45– 16:30 Wednesday 8:00 – 16:30 Friday 07:45 – 15:30	1 hour – Response to incident	3 hours – Mean time to repair	Provider supplied incident management system

P2	Monday - Tuesday 16:31– 07:44 Wednesday 16:31 – 7:59 Thursday 16:31 – 07:44 Friday – Monday 15:31 – 7:44	1 hour – Response to incident	3 hours – Mean time to repair	Provider supplied incident management system

8. PRICING REQUIREMENTS

- 8.1. Tender prices must be in ZAR Currency (Rand).
- 8.2. The unit rates must include all costs.
- 8.3. Price increases will be limited to CPI upon the annual anniversary of the contract, refer pricing schedule.
- 8.4. Contract price adjustments will be considered at no more than CPI. However, bidders may provide their own CPI projection or minimum rate, which must not exceed actual CPI for the applicable period.
- 8.5. Bid prices must be inclusive of VAT.

9. METHOD OF PAYMENT

- 9.1 The Municipality is committed to pay service providers within 30 days after the submission of an invoice and statement of actual work performed.
- 9.2. No upfront payment will be considered.

10. SERVICE LEVEL AGREEMENT

- 10.1. The SLA will be concluded with the preferred service provider and will describe how a Service Level Agreement will be applied in general and also with specific reference to:
 - 10.1.1. Turnaround Times.
 - 10.1.2. Frequency of meetings.
 - 10.1.3. Confidentiality, integrity and security of consumer data.
 - 10.1.4. Under-Performance and Non-Performance.

11. EVALUATION

- 11.1. The tender will be evaluated on functionality if pre-qualification criteria are met.
- 11.2. The evaluation criteria are contained in the document.
- 11.3. A minimum score of 80% is required in order to be evaluated for price and preference.
- 11.4. No tender will be regarded as an acceptable tender if it fails to achieve the minimum qualifying score for functionality.

12. DEFINITIONS OF TERMS

12.1. Unless indicated by the context or explicitly stated otherwise, the following expressions will have the following meanings:

12.1.1. Council/Local Authority/Municipality	HESSEQUA Municipality
12.1.2. Tender	A written offer, in a prescribed or stipulated form in response to an invitation, by the municipality, he supply, installation and management of a pre-paid vending system from inception until 30 June 2028.
12.1.3. Tenderer	Any person or persons, or any entity, incorporated or otherwise, making an offer to supply, install and manage a pre-paid vending system for the Municipality.
12.1.4. Contract Period	This contract will be valid from the day of inception until 30 June 2028.

13. ABBREVIATIONS

13.1. SCM - Supply Chain Management

13.2. BBD - HESSEQUA Municipality Bidding Document

13.3. VAT - Value-Added-Tax

Failure to provide the information as stated above, will result in your tender being declared non-responsive.

DECLARATION,

I, THE UNDERSIGNED (NAME)

CERTIFY THAT THE INFORMATION FURNISHED ABOVE IS CORRECT. I ACCEPT THAT THE MUNICIPALITY MAY ACT AGAINST ME SHOULD THIS DECLARATION PROVE TO BE FALSE.

AUTHORISED SIGNATURE:

NAME:

CAPACITY: DATE: