



## WINNIE MADIKIZELA MANDELA LOCAL MUNICIPALITY

### SECTION A

#### INVITATION TO TENDER

YOU ARE HEREBY INVITED TO TENDER FOR THE FOLLOWING REQUIREMENTS OF THE WINNIE MADIKIZELA MUNICIPALITY

#### PLEASE NOTE

THIS TENDER CLOSING AT : 12:00  
CLOSING DATE : 02 JANUARY 2024  
TENDER NO. : WMMLM 00088 PVMS  
DESCRIPTION : BID FOR: MULTI-UTILITY ONLINE PRE-PAID ELECTRICITY VENDING MANAGEMENT SYSTEM

CONTRACT PERIOD : Three (03) years. (36 months)

VALIDITY PERIOD FOR ACCEPTANCE : 90 days

NAME OF TENDERER : \_\_\_\_\_

TECHNICAL ENQUIRIES TO BE MADE TO : Mr. S. Morlock and Mr. V. Mqina  
DEPARTMENT OF : Revenue & Expenditure and Electricity Technical Services  
EMAIL : [morlocks@mbizana.gov.za](mailto:morlocks@mbizana.gov.za) ; [mqinav@mbizana.gov.za](mailto:mqinav@mbizana.gov.za)



**WINNIE MADIKIZELA MANDELA LOCAL MUNICIPALITY  
RE-ADVERT**

PROJECT NAME	CONTRACT NUMBER	CLOSING DATE
Multi-Utility Online Pre-Paid Electricity Vending Management System	WMMLM 00088 PVMS	02 January 2024

Bid proposals are hereby invited from suitably qualified and accredited service providers who are interested to submit their proposals to tender for the above-mentioned projects for Winnie Madikizela-Mandela Local Municipality.

Bid documents can be downloaded from e-tender portal website. ([www.etenders.gov.za](http://www.etenders.gov.za) )

Bids should score a minimum point of 70% in order to be considered for further evaluation.

The bids will be evaluated on the **80/20 or 90/10** preferential points system

**Failure to submit the following fully completed document(s) will render the bid null and void:**

- A copy of Entity Registration Documents, Certified ID Copy(ies) of Director(s) (not older than 3 months), proof of CSD Registration
- SARS Valid PIN Printout
- Bid documents MBD1, MBD4, MBD6.1, MBD 6.2, MBD 6.4, MBD 8 and MDB 9
- Billing Clearance Certificate or Statement of Municipal Accounts confirming that no undisputed municipal accounts are overdue by more than 30 days and a signed letter by the bidder confirming that the institution does not have outstanding accounts more than 30 Days on the day of the tender closing.
- Evaluation Criteria: 80 or 90= Price, 20 or 10= Specific Goals as per the attached MBD 6.1 respectively
- In case of a joint venture, an original valid Tax Compliance Document of both partners should be submitted as well as a signed agreement by both parties clearly indicating the lead partner
- The Minimum Threshold for Local Content for the above-mentioned projects is 100% (If Applicable)

**Advert Date: 01 November 2023**

**Closing Date: All tenders must be emailed to [tenders.scm@mbizana.gov.za](mailto:tenders.scm@mbizana.gov.za) by no later than the date and time stated above after which they will be opened. All tenders must be clearly marked the Name of the project and Reference number indicated above. Failure to do so your tender may not be considered**

No late, incomplete or facsimile bids will be accepted for consideration. The only or lowest bid received shall not necessarily be accepted. Winnie Madikizela-Mandela Local Municipality reserves the right to accept part or full bid. For technical enquiries, please contact Mr. V. Mqina on (082) 370 7248, email: [mqinav@mbizana.gov.za](mailto:mqinav@mbizana.gov.za) during working hours. For Supply Chain Management related enquiries, please contact Mr. Z. Khala at (079) 886 0942, email: [khalaz@mbizana.gov.za](mailto:khalaz@mbizana.gov.za) during working hours

.....  
**Mr. L. Mahlaka**  
**Municipal Manager**

Name and Domiciliumcitandi of organization

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The Municipal Manager

Winnie Madikizela-Mandela Local Municipality

P.O. Box 12

Bizana

4800

Sir/Madam

**Granting of authority to request information from any legal entity relevant to this Bid**

I/we acknowledge that the information herein contained shall constitute the basis on which my/our Bid is to be considered. I/we grant approval that any source regarding this Bid may be fully investigated and that all such information shall be of material value to Winnie Madikizela-Mandela Local Municipality and directly relevant to the consideration of my/our Bid.

I/we \_\_\_\_\_ grant my/our

consent to such source to provide confidential information.

I/we warrant that all the information herein contained is to the best of my/our knowledge and belief true and correct in all material respects and I/we am /are not aware of any information which, should it become known to the Winnie Madikizela-Mandela Local Municipality, would affect the consideration of my/our Bid in any way.

The Winnie Madikizela-Mandela Local Municipality wishes to inform you that all information regarding your personal matters is treated as strictly confidential.

Please tick the appropriate box.

	I/We hereby consent to the above
	I/We hereby withhold consent and fully understand the implications and ramifications of my/our decision and will not hold the Winnie Madikizela-Mandela Local Municipality responsible for not considering my/our Bid.

Signature: \_\_\_\_\_ Date: \_\_\_\_\_

Name of the Witness	Signature:	Date
_____	_____	_____



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<b>YOU ARE HEREBY INVITED TO BID FOR REQUIREMENTS OF THE (NAME OF MUNICIPALITY/ MUNICIPAL ENTITY)</b>				
BID NUMBER:		CLOSING DATE:		CLOSING TIME:
DESCRIPTION				
<b>THE SUCCESSFUL BIDDER WILL BE REQUIRED TO FILL IN AND SIGN A WRITTEN CONTRACT FORM (MBD7).</b>				
BID RESPONSE DOCUMENTS MAY BE SENT VIA EMAIL TO THE EMAIL ADDRESS PROVIDED BELOW OR AS PER TENDER REQUIREMENTS				
<a href="mailto:TENDERS.SCM@MBIZANA.GOV.ZA">TENDERS.SCM@MBIZANA.GOV.ZA</a> for tenders above R200 000 inclusive of VAT				
<b>OR</b>				
<a href="mailto:QUOTES.SCM@MBIZANA.GOV.ZA">QUOTES.SCM@MBIZANA.GOV.ZA</a> for quotations below R200 000 but above R30 000 inclusive of VAT				
<b>SUPPLIER INFORMATION</b>				
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:		<b>OR</b>	CSD No:
PEOPLE LIVING WITH DISABILITY [TICK APPLICABLE BOX]	<input type="checkbox"/> Yes  <input type="checkbox"/> No		MILITARY VETERAN	<input type="checkbox"/> Yes  <input type="checkbox"/> No
<b>[DOCUMENTARY PROOF/ SWORN AFFIDAVIT (FOR PEOPLE LIVING WITH DISABILITIES) MUST BE SUBMITTED IN ORDER TO QUALIFY FOR PREFERENCE POINTS FOR TARGETED GOALS]</b>				
<b>ARE YOU THE ACCREDITED REPRESENTATIVE IN SOUTH AFRICA FOR THE GOODS /SERVICES /WORKS OFFERED?</b>	<input type="checkbox"/> Yes <input type="checkbox"/> No  [IF YES ENCLOSE PROOF]		<b>ARE YOU A FOREIGN BASED SUPPLIER FOR THE GOODS /SERVICES /WORKS OFFERED?</b>	<input type="checkbox"/> Yes <input type="checkbox"/> No  [IF YES, ANSWER PART B:3]
<b>TOTAL NUMBER OF ITEMS OFFERED</b>			<b>TOTAL BID PRICE</b>	<b>R</b>
<b>SIGNATURE OF BIDDER</b>	.....		<b>DATE</b>	
<b>CAPACITY UNDER WHICH THIS BID IS SIGNED</b>				
<b>BIDDING PROCEDURE ENQUIRIES MAY BE DIRECTED TO:</b>			<b>TECHNICAL INFORMATION MAY BE DIRECTED TO:</b>	
DEPARTMENT			CONTACT PERSON	
CONTACT PERSON			TELEPHONE NUMBER	
TELEPHONE NUMBER			FACSIMILE NUMBER	
FACSIMILE NUMBER			E-MAIL ADDRESS	
E-MAIL ADDRESS				

## TERMS AND CONDITIONS FOR BIDDING

<b>1. BID SUBMISSION:</b>
<p>1.1. BIDS MUST BE DELIVERED BY THE STIPULATED TIME TO THE CORRECT ADDRESS. LATE BIDS WILL NOT BE ACCEPTED FOR CONSIDERATION.</p> <p>1.2. <b>ALL BIDS MUST BE SUBMITTED ON THE OFFICIAL FORMS PROVIDED–(NOT TO BE RE-TYPED) OR ONLINE</b></p> <p>1.3. THIS BID IS SUBJECT TO THE PREFERENTIAL PROCUREMENT POLICY FRAMEWORK ACT AND THE PREFERENTIAL PROCUREMENT REGULATIONS, 2017, THE GENERAL CONDITIONS OF CONTRACT (GCC) AND, IF APPLICABLE, ANY OTHER SPECIAL CONDITIONS OF CONTRACT.</p>
<b>2. TAX COMPLIANCE REQUIREMENTS</b>
<p>2.1 BIDDERS MUST ENSURE COMPLIANCE WITH THEIR TAX OBLIGATIONS.</p> <p>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.</p> <p>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.</p> <p>2.4 FOREIGN SUPPLIERS MUST COMPLETE THE PRE-AWARD QUESTIONNAIRE IN PART B:3.</p> <p>2.5 BIDDERS MAY ALSO SUBMIT A PRINTED TCS CERTIFICATE TOGETHER WITH THE BID.</p> <p>2.6 IN BIDS WHERE CONSORTIA / JOINT VENTURES / SUB-CONTRACTORS ARE INVOLVED, EACH PARTY MUST SUBMIT A SEPARATE TCS CERTIFICATE / PIN / CSD NUMBER.</p> <p>2.7 WHERE NO TCS IS AVAILABLE BUT THE BIDDER IS REGISTERED ON THE CENTRAL SUPPLIER DATABASE (CSD), A CSD NUMBER MUST BE PROVIDED.</p>
<b>3. QUESTIONNAIRE TO BIDDING FOREIGN SUPPLIERS</b>
<p>3.1. IS THE ENTITY A RESIDENT OF THE REPUBLIC OF SOUTH AFRICA (RSA)? <span style="float: right;"><input type="checkbox"/> YES <input type="checkbox"/> NO</span></p> <p>3.2. DOES THE ENTITY HAVE A BRANCH IN THE RSA? <span style="float: right;"><input type="checkbox"/> YES <input type="checkbox"/> NO</span></p> <p>3.3. DOES THE ENTITY HAVE A PERMANENT ESTABLISHMENT IN THE RSA? <span style="float: right;"><input type="checkbox"/> YES <input type="checkbox"/> NO</span></p> <p>3.4. DOES THE ENTITY HAVE ANY SOURCE OF INCOME IN THE RSA? <span style="float: right;"><input type="checkbox"/> YES <input type="checkbox"/> NO</span></p> <p>3.5. IS THE ENTITY LIABLE IN THE RSA FOR ANY FORM OF TAXATION? <span style="float: right;"><input type="checkbox"/> YES <input type="checkbox"/> NO</span></p> <p><b>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.</b></p>

**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: .....



## TENDER SPECIFICATIONS – THE MULTI-UTILITY ONLINE PRE-PAID ELECTRICITY VENDING MANAGEMENT SYSTEM

### DETAIL SPECIFICATIONS AND REQUIREMENTS FOR THE MULTI-UTILITY ONLINE PRE-PAID ELECTRICITY VENDING MANAGEMENT SYSTEM AND THIRD-PARTY VENDING

#### **1. INTRODUCTION**

The WINNIE MADIKIZELA MANDELA LOCAL MUNICIPALITY (WMLM) herewith invites proposals for a multi-utility pre-paid vending system / solution that will be fully integrated with WMLM's existing financial system and applications and function on the existing electronic infrastructure. The period of appointment will be for a period of 03 years. Bids from suitable service providers will be evaluated according to the set criteria as set out in this document.

#### **2. DESCRIPTION OF THE SERVICES REQUIRED**

##### **2.1. THE SCOPE OF THE CONTRACT AS DETAILED IN THIS SPECIFICATION IS AS FOLLOWS:**

- i) The supply, delivery, installation, training and commissioning of the most optimal vending solution for STS meters, including a cloud based back- end, billing system integration and distributed 3<sup>rd</sup> party 24-hour vending, offered by the bidder within the framework and performance specification as detailed in this document.
- ii) Stand-by and support required as detailed in this document.
- iii) Disaster recovery and business continuity as specified.
- iv) Supply and delivery of additional electricity dispensing units as and when needed based on the below municipal specification in this tender document.

##### **2.2. USE OF REASONABLE SKILL AND CARE**

In applying the scope of work, it is expected of the service provider(s) to render services that commensurate with the highest expectations of professionals in the industry and to ensure that all legislative requirements are met.

It is expected of the service provider to take ownership of the project and to facilitate a process that commensurate with the integrity of the municipality as a public institution to ensure successful completion of project within budget estimates and time frames.

It will also be required of the service provider to report back at project management team meetings and to contribute to reports on the process progress and outcomes to the relevant officials and/or committees if need be.

It will be required of the service provider to prepare a detailed phased project program for the project within 1 week of appointment. This must include system testing and user acceptance. The Service Providers are required to acknowledge the dynamics of proper planning for the practical completion of the project. The completion of the project program and project setup must be within One (01) month after allocation of the tender.

### 2.3. NORMATIVE REFERENCES

The solution offered must be compliant with SABS, the STS Specifications and SABS IEC relevant accreditations. The following standards contain provisions which through reference in the SABS constitute provisions of this specification.

SABS 1524-1:1994 or equivalent	Single-phase and Three phase electricity dispensing systems, Part 1: Electricity Dispensers.
SABS IEC 1036:1990 or equivalent	Alternating-current static Watt-hour meters.
NRS 009-4-2:1994 or equivalent	National electricity meter cards and associated numbering standards section two national electricity meter number. (Replacing MCI57).
MC 115 or equivalent	National electricity meter card specification for ED's (will be replaced by a NRS spec in future)
IEC 62055-41/51/52 or equivalent	Standard transfer specification edition 2, STS600-8-6
NRS 009-1:1994 or equivalent	Electricity Sales Systems Part 1: Glossary system overview. Preferred requirements for applications in the electricity supply industry.

Please note that the equivalent standards must comply with the above description and must fully comply with the below detailed specification.

## 3. DETAILED SPECIFICATION OF VENDING SYSTEM

### 3.1. SYSTEM CONFIGURATION

In assessing the hardware, software, network infrastructure availability and requirements at each of the current vending offices, the bidder shall keep in mind the system configuration required by the WMM and utilize the current infrastructure belonging to the WMM. It remains the responsibility of the bidder to ensure compliance to the bidder's minimum requirements.

The vending system must be TCP/IP compliant and functional over Ethernet on a LAN/WAN environment. WIFI, GPRS, ADSL and Diginet lines must also be accommodated.

The vending solution offered by the bidder must be capable of managing and vending to Electricity STS meters from a common platform and user interface. A single consumer record must have the capacity to have Electricity meters linked to it.

A hosted database configuration set is required with standby disaster recovery capability for business continuity.

A disaster recovery plan shall be provided with all necessary hardware and infrastructure utilised.

Assurance of business continuity in the event of a catastrophic systems and / or communications system breakdown in the Municipal environment must be provided. A description of associated redundancies built in to the offered solution must

also be provided

The system should have the capacity provide for a monthly update of a local database copy in the Municipality premises if and when required.

### 3.2. PHYSICAL LOCATION OF SERVERS AND WORKSTATIONS

The configuration envisaged by the municipality is one where the management and vending server(s) will be located off-site in a high availability environment with redundant power and connectivity. Full disaster recovery and business continuity will be provided for.

Vending workstations (credit dispensing units) will be required at each of the vending offices. The system must not be limited to existing workstations and locations. Offices may operate without internet connections and may use GPRS based handheld vending units. This must be accounted for in the offer.

### 3.3. SYSTEM CAPACITY

The system shall be designed to ultimately accommodate a minimum of 10 000 consumers/meters. The system shall have the capacity to retain a five (5) year transaction history (estimated 10 million transactions) in the live database and older transactions in an archive database. Any system limitations shall be indicated by the bidder.

### 3.4. PERFORMANCE SPECIFICATION

A full and detailed functionality description of the system shall be provided by the bidder.

The bidder shall provide computer hardware to the WMM Municipality in relation to the (2) proposed municipal vending station that are at the main municipal main building and any other additional hardware to ensure the successful operation of the system. For this reason, it is also imperative that bidders should be quite clear on where the WMM Municipality's hardware and/or networks lack the capability and/or capacity to function properly with the system proposed by the bidder and the bidder should indicate the cost of additional or replacement infrastructure.

A detailed graphical drawing depicting the proposed network and system layout must be drafted to clarify and indicate solution functionality. Should changes be required, full specifications and pricing must be provided.

The system proposed by the bidder should at least make sure that: Different servers are utilized for different applications such as:

- Database functions
- Management applications
- Transactions
- Encryption / Security
- Disaster recovery

The vending solution should be designed to use a relational database and run as a client server application on a LAN or a WAN. It should be able to run under the Windows Server 2003/2008 and at least Windows XP operating systems. The network for the vending solution is Ethernet. The network protocols shall be TCP/IP and be able to operate real-time over GPRS/3G/EDGE/HSDPA/GPRS/WIFI/ADSL/Diginet as available in certain areas in the on-line mode

In order to simplify the third-party integration process, the system will comply with Eskom XML end 2.1 (or later). It would be preferred that the system is native XML i.e. that there is no translation interface between the system and an XML client and that all client/server interfaces are based on the XML standard.

The system shall be a single database solution which from which both management functions and vending take place for all meter and utility types. All updates to customer data must be immediately available at vending terminals and all transactions made at all sales outlets must be immediately available for reporting on.

The vending terminal solution shall be web based or a web application which automatically updates from the host server should updates be posted.

Security and data encryption will be provided by mutually authenticated SSL between the vending terminal and the server.

The solution should have the capability to provide pre-paid vending services over the internet/intranet. Customers should be able (should the WMM Municipality wish to activate these options) to purchase prepaid services either via the Internet or a cell phone as follows:

A registered service on the web where the customer registers for the service. This includes providing the required financial information and then simply authenticating on every transaction. The WMM Municipality's vending and credit management rules must still be applicable and transactions must be made against the WMM Municipality local vending system not an offline copy.

The system should cater for integration to vending mechanisms such as automatic cash handling machines, self-service terminals and other third- party vending networks by providing an API specification to the alternate provider. The bidder shall assist with integration testing.

The solution shall be able to function on low-bandwidth requirement between remote vending points (credit dispensing units) and the central prepaid system (system master station) and optimized to run over networks (such as GPRS), with the maximum packet size being minimal and clearly indicated. GPRS/WIFI/ADSL/DIGINET connection points should be created on the WMM Municipal infrastructure to directly serve transactions on this type of networks.

The vending system shall cater for integration with the systems / applications in use. The WMM Municipality uses MUNSOFT as the financial system. The nature of the integration catered for must include periodic bulk export / import of arrears balances / collections to / from the billing system and be mSCOA compliant.

The system must cater for storage of all information to comply with financial services regulations (e.g. the storage of all sales/vending transactions).

The vending system will provide a web-based interface to allow for management functionality and reporting over the WMM Intranet and internet. Connections will be secured by mutually authenticated SSL between the management terminals and the web server. The standard Microsoft Internet Explorer will be used for this. The system must ensure that the program supports the latest version of Microsoft Internet Explorer and always keep up with updates by Microsoft.

Tamper monitoring and specific technologies to effect notifications in this regard should be catered for in the solution.

#### **4. SYSTEM / OPERATION REQUIREMENTS**

##### **4.1. GENERAL**

The administrator(s) must have the option to link directly into the server from their offices for e.g. management, reports, etc. Maintenance staff must have the option to link into the system over a 3G data connection from remote locations to perform customer maintenance functions.

All licenses required must be clearly defined and a list provided with license cost. All limitations must clearly be indicated.

All current data on the current vending systems used by the municipality must be catered for on the supposed vending system. The last 3 years data must be migrated into the supposed vending system from the current vending system.

##### **4.2. ACCESS**

It must be possible to allocate access rights into the system into users and user groups. Access rights allocations shall be transferred during the data migration process and distributed throughout the system. The vending system must allow for activation of password ageing functionality. If this function is activated, the password of the particular user shall expire after a definable amount of time. Early password expiry warnings must be available. In addition, a concurrent log-in limit for log- in attempts is also required. User IDs not used or disabled permanently must not be able to be removed from transaction history data. A full audit trail on user IDs and movement must be kept. Access rights must be configured by the WMM Municipality.

##### **4.3. ARREARS**

The vending system offered by bidder shall make it possible for the municipality to deduct arrears from moneys tendered by consumers to purchase pre-paid electricity. The vending system must be able to define within the applicable arrears scheme and/or credit control policy of the municipality different arrears recovery categories/indexes. Within each category/index, the system shall allow for various recovery alternatives. This must be included and enforced in all electricity dispensing strategies and/or systems, inclusive of third-party vending systems.

The system shall allow for at least:

- Fixed percentage of transaction recovery
- Basic charge recovery on a monthly or daily basis

- Full arrear payment recovery
- Partial or percentage-based arrear recovery and limited sales

#### 4.4. BLOCKING

The vending system offered by the bidder will allow for profiled blocking of purchases by customers based on arrears balances in specific account types. Blocking will be configurable by account type and will allow for either no sales or limited monthly sales to customers with arrears balances.

Customers with shared service accounts will all be unblocked simultaneously when any one blocked account is paid in full.

#### 4.5. mSCOA COMPLAINTS

The service provider must indicate their approach to the requirements of mSCOA with respect to data exchange between systems.

The service provider must provide proof of at least one on-line integration with a billing system where arrears balances are updated and transactions are posted to the billing system real-time.

#### 4.6. ENGINEERING

The system must make provision for the generation of all STS engineering vouchers directly from the management terminal and these vouchers can be printed, viewed (without printing) or sent via SMS.

An integrated Android smart phone-based Audit and Engineering application must be provided. The application must allow for the on-line audit of meters, issuing of engineering tokens, online TID updates and for field meter replacements with an audit trail including GPS coordinates.

The system must also provide option for power limit change tokens to avoid of changing the hardware when performing consumer capacity upgrade.

#### 4.7. FREE ISSUES / REPLACEMENT TOKENS

The vending system should allow the issuing of vouchers free of charge with the requirement to add reasons and free text notes to each issue.

#### 4.8. KEY MANAGEMENT

The vending system must support the upload of key management files (KMF) into the system database to configure and connect encryption devices, for STS encryption algorithms. This can be used to load details of new area keys into the encryption device.

STS certification is required for Key Management and Engineering tokens and must include STS Electricity certification.

Certification must be STS edition 2, and security modules in use must be the Prism STS-6 type module.

#### 4.9. UP-FRONT VENDING

The vending system should allow a limit for the amount of credit that any individual terminal or group of terminals in the system can issue without re-authorization. This amount can be defined per terminal.

The credit update of a terminal must be done by a supervisor (or another user with appropriate access rights) updating the credit limit via the management interface. All updates will be recorded; the records will include the previous credit balance and the user identity, the date and time of the update and a reference field with free text entry. The update will automatically print for audit purposes.

Electricity token limits will be set at terminal group level. These limits may be exceeded by operators with the input of a password to confirm the transaction value.

#### 4.10. MESSAGES

The vending system should allow the utility to define voucher messages that are printed at the bottom of the printed voucher. The municipality must have the option to change the messages according to requirements.

#### 4.11. REGISTRATION

The vending system must be able to track any historical connections between the meter, point of connection and the consumer.

#### 4.12. VENDING

Vending to a consumer shall only be possible when a point of connection and meter are linked to the consumer and a tariff has been selected. The customer must still be able to make payments although blocked for pre-paid sales.

Should the information on the database differs from the information on the meter card, no token must be generated.

#### 4.13. SEARCH AND FILTER

The vending system should support full search for the following items in registration:

Consumer surname, first names, ID number, postal address details, comments, blocking codes, account number, point of connection, meter serial number, Erven number (ERF) or site number or Lot number.

All of these searches can be incremental searches or full word searches. Once the search criteria are entered, the system must display the first record matching the search condition or the closest field at any one time for the search.

#### 4.14. REPORTS

The vending system should support a set of standard reports and the capability to customize and / or create new Reports. The bidder undertakes to add or alter reports according to the needs of the Municipality for at least the first six months free of charge.

Reports in the vending system must be able to be previewed before printing. Printer selection and formatting according to operating system availability must be supported. Exporting of all reports to at least Excel or PDF must be supported. The standard reports required should include:

- Standard operator reports
  - Operator actions between dates grouped by date
  - List of all users registered on the system
  - List of all the user's groups and their functions
  - List of all the groups and their respective functions
- Standard consumer reports
  - Number of consumers registered by town between dates
  - List of POC'S grouped by system area code
  - List of all STS meters registered on the system
  - List of towns registered on the system
  - List of disconnected meters by POC between dates
  - List of disconnected meters by disconnect reason between dates
  - Consumer information for POC'S
  - Total new connections in the municipality
  - Total installed meters in the municipality
  - Required meter replacements
  - Standard transaction reports
  - List of transactions grouped by date between dates
  - Sum of transactions grouped by transaction type and tariff
  - List of credit and debit card transactions between dates
  - Total electricity bought between dates by consumer
  - Free issues between dates per meter
  - Check List between dates
  - Low purchases of electricity over a specified period
  - Reversals between dates
  - Summary of all end of shifts for a user between dates
  - All transactions for a meter between custom dates



- Arrears owed by consumer
- Daily cash reconciliation report
- Low consumption report
- Indigent high purchase report
- Total sales by town
- Total sales by operator
- All transactions for one shift on one user
- Shift details for one user
- IBT customer purchase breakdown with graph
- IBT month sales analysis by Tariff Class
- Engineering Reports
  - Current power limit for a meter
  - Current power limit for all meters
  - Audit trail on Amperage changes
  - Power limit change tokens
- Statistical Reports
  - Monthly Management reports
  - Year-end roll-over reports
  - Ad-hoc reports as required by Auditor General

#### 4.15. SOFTWARE

The vending system should be able to use/support the Windows 10, or earlier software/operating systems

#### 4.16. TARIFFS

The vending system must support the use of vending based tariffs. The system must cater for pre-defined tariffs by date to be created in advance. Tariff structure of current vending systems must be accommodated. Meter Tariff Index and Customer Tariff Class must not be linked in the system in order to avoid key changes when tariffs are changed, for instance from an Indigent to Domestic tariff.

#### 4.17. BLOCK TARIFFS

A block tariff module or stepped tariffs must be able to be defined.

#### 4.18. VAT

The vending system shall support the use of vending based VAT where the VAT is calculated at the time of vending.

#### 4.19. SECURITY

The vending system interconnections shall be secured with mutually authenticated SSL certificates. The bidder must describe the process of issue and management of these certificates.

Passwords must meet the Auditor General's requirements in terms of complexity and expiry. An optional One Time Pin for system administrators must be provided for.

#### 4.20. ACCOUNT PAYMENTS

In vending, it should be possible to pay off arrears amounts or portions thereof separately from the purchase of actual electricity.

The solution shall also allow for debtor payments and sundry payments if and when required by the WMM Municipality. This functionality will allow and provide WMM Municipality the capability of collecting account payments, arrear amounts as well as sell pre-paid services.

The business rules of the municipality will apply at all times. Current account amounts, arrear amounts, linked account amounts and blocking codes will be transferred from the financial system to the vending system. The system must make provision for capturing of debit– and credit cards payments and cancellation of payments (not tokens). Cancellation options must be linked to access rights.

*NOTE:* The debit card and credit card options must be configurable for each workstation.

The system must work in such a manner that the pre-paid electricity sales as well as the account payment amount be deducted from the credit amount on the dispensing unit.

The system must make provision for account payments on conventional meter accounts and rates accounts.

The cashier must be warned before a transaction is finally accepted.

The system must allow the cashier different search options but at least the following:

- Swipe meter card
- Manually key in meter number
- Manually key in billing account number

#### 4.21. VENDING AMOUNTS

For each workstation in a vending system, a list of predefined typical purchase amounts must be able to be setup individually.

#### 4.22. THIRD PARTY VENDING

The service provider must be integrated with third party vending providers in order to provision the Municipality with a

broad-based third- party footprint to sell prepaid utilities locally and nationally.

The footprint must include retail chain stores, banks, petrol stations web-based sales using credit card and/or EFT, and non-retail vendors. The service provider must indicate the process and cost, if any, of deploying additional footprint with non-retail (informal) vendors to areas where there is deemed to be insufficient coverage. The service provider should indicate the process that they use to deal with non-retail (informal) vendors that are over-charging customers. The service provider must describe in detail their remittance process where monies collected are paid across to the municipality. This must include payment schedules and administration requirements.

#### 4.23. CUSTOMER DATA MANAGEMENT, REVENUE PROTECTION SERVICES AND ACTIVE TID ROLLOVER

The successful bidder must assist the municipality with Data Management and Revenue protection for the whole municipal area

- This must include the following:
- Data and Revenue protection sweep audits
- Data and Revenue protection targeted audits
- Data and Revenue protection remedial actions
- Data analysis and interrogation
- Maintenance of continuous quality and accuracy updates to existing system data including GIS coordinates of meters audited.
- Provision of detailed reference database
- Spatial analysis and Geographical presentations of all audits through GIS techniques

Service provider 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. Hand-Held Devices (HHU) are preferred.

#### 4.24. IMPLEMENTATION AND COMMISSIONING

The bidder shall be responsible for the conversion of current WMM Municipal system data, static as well as historical transaction as well as all meter related data to the new system of which the cost must be included in the proposal.

#### 4.25. SYSTEM CHANGES AND ENHANCEMENTS

The bidder shall indicate corporate policy requirements on system enhancements and changes, including mSCOA compliance and the upcoming key rollover.

#### 4.26. SYSTEM SITE VISIT/DEMONSTRATION

The WMM retains the right to request a full system demonstration and/or site visit. The bidder undertakes to arrange as such. A full list of current system users with contact details should be supplied by the bidder. The municipality reserves

the right to contact any of these users and the bidder undertakes to arrange a site visit to any user(s) as indicated by the Municipality within a specified timeframe as agreed on.

#### 4.27. SUPPORT SERVICES

Bidders are requested to provide support services and related costing for a period of three (3) years.

The support services must include:

- Second Line user and system support.
- Support service model and rate card for additional support services.
- Bidders must provide a draft Service Level Agreement that reflects the above support services.
- Bidders must provide pricing in accordance with the below breakdown:
- System and Solution Pricing
- Implementation and other Related Services
- SLA for 3 Years (including continuous improvements)

#### 4.28. CUSTOMER REFERENCES

The bidder must supply at least three reference letters from other Municipalities confirming that the bidder provides them with an online-electricity vending service. The letter should provide the following details pertaining to each implementation:

- Brief summary of the initiative
- Delivery timeframe
- Contactable references

## 5. COMPLIANCE SCHEDULE

No.	Question	Yes / No	Comments
	<ul style="list-style-type: none"> <li>Does the system comply with all the STS specifications as listed in the tender? STS certificate to be supplied.</li> <li>Is the STS certificate in the name of the bidding company?</li> <li>Does the system allow for configuration by the municipality for various system requirements?</li> <li>Is a list of system limitations attached?</li> </ul>		
	<ul style="list-style-type: none"> <li>Is a full, detailed functionality description of the system attached?</li> </ul>		
	<ul style="list-style-type: none"> <li>Is there a detailed strategy for the upcoming TID rollover included with an indication of cost to the Municipality?</li> <li>Is a detailed graphical drawing of the proposed network and system attached?</li> <li>Is a detailed disaster recovery plan attached?</li> </ul>		
	<ul style="list-style-type: none"> <li>Is a comprehensive 3rd Party payment remittance process attached?</li> </ul>		
	<ul style="list-style-type: none"> <li>Are different servers utilized for the different applications e.g. transaction server, management server, etc.?</li> <li>Is this a single database solution with no data transfer or replication required?</li> <li>Does the system have the capability to provide pre-paid services to Electricity customers using a single interface? Does a single Customer record have the ability to link to multiple meter account types?</li> <li>Does the system integrate to other vending mechanics such as automatic cash handling machines, self-service terminals and other third party options using Eskom XMLV end as an interface language?</li> </ul>		
	<ul style="list-style-type: none"> <li>Is the system native XML or does it require a translation interface for XML based vending?</li> <li>Does the system allow for convenience charges to be charged at specific vending outlets over specific periods</li> <li>Does the system provide for integration to the other systems in use at the municipality through the following options: periodic bulk</li> </ul>		

export/import/registration of data/meter to and from other business systems, on-line real-time per transaction synchronization of data? Have the requirements of mSCOA been addressed in the offer?		
<ul style="list-style-type: none"> <li>• Does the system comply with financial services regulations regarding storage of data?</li> <li>• Does the system provide WEB integration for management functionality and reporting? Specify what standard will be used.</li> </ul>		
<ul style="list-style-type: none"> <li>• Can the administrators log into the servers directly from their offices? Can admins log in remotely over the internet?</li> <li>• Is a list of license requirements with limitations attached?</li> <li>• Does the system provide for smart metering?</li> </ul>		
<ul style="list-style-type: none"> <li>• Does the system provide for access rights into the system for uses and groups?</li> </ul>		
<ul style="list-style-type: none"> <li>• Does the system provide for user ID disabled or removed to remain in history transaction data?</li> </ul>		
<ul style="list-style-type: none"> <li>• Does the system provide for arrear recovery in line with the credit control policy of the municipality?</li> <li>• Does the system provide for at least the following arrear recovery alternatives: fixed percentage of transaction recovery; service-based recovery; full arrear payment recovery; partial arrear payment recovery with limited electricity sales?</li> <li>• Does the system provide for “free issues” (EBSST token) to specific customers like indigents?</li> <li>• Does the system allow a “free issue” (EBSST token) to indigents without having to purchase electricity or pay arrear amounts even if system is set to full arrear recovery?</li> </ul>		
<ul style="list-style-type: none"> <li>• Does the system print “duplicate invoice” or “copy invoice” on a receipt if the “free issues” (EBSST token) is requested more than once in a calendar month?</li> </ul>		
<ul style="list-style-type: none"> <li>• Does the system allow the generation of all engineering tokens directly from the system master station?</li> </ul>		
<ul style="list-style-type: none"> <li>• Does the system allow all engineering tokens to be either printed, viewed without printing or sent through SMS?</li> <li>• Does the system support all the different types of engineering vouchers as specified in the tender?</li> <li>• Does the system provide for up-front vending?</li> <li>• Can the abovementioned amount be defined per client connection?</li> </ul>		
<ul style="list-style-type: none"> <li>• Does the system provide for messages at the bottom of the token voucher which can be changed by the municipality according to the municipality’s requirements?</li> </ul>		

<ul style="list-style-type: none"> <li>• Does the system keep all historical connections between the meter, point of connection and the customer?</li> <li>• Does the system allow vending when a point of connection, meter or tariff is not linked to a customer?</li> <li>• Does the system allow payment of accounts although a blocking code is active that does not allow the customer to purchase pre-paid electricity tokens?</li> </ul>		
<ul style="list-style-type: none"> <li>• Does the system provide for at least the standard reports as stipulated in the tender?</li> <li>• Does the system allow for preview of reports before printing?</li> <li>• Does the system support the use of vending based tariffs?</li> </ul>		
<ul style="list-style-type: none"> <li>• Does the system provide for pre-defined tariffs by date to be created in advance?</li> </ul>		
<ul style="list-style-type: none"> <li>• Does the system accommodate the current vending structures of the municipality?</li> </ul>		
<ul style="list-style-type: none"> <li>• Does the system support IBT (stepped tariffs)?</li> <li>• Does the system support vending based VAT that is calculated at time of vending?</li> </ul>		
<ul style="list-style-type: none"> <li>• Does the system provide for batch numbers to follow sequentially and print a breakdown of all money received separately?</li> <li>• Does the system provide for the payment of arrear amounts, current amounts or linked account separately from purchasing pre-paid electricity tokens?</li> </ul>		
<ul style="list-style-type: none"> <li>• Does the system provide for the cashier to enter the full amount from which the arrear amount will automatically be deducted and the remainder of the money will then automatically be allocated towards pre-paid electricity sales?</li> </ul>		
<ul style="list-style-type: none"> <li>• Does the system make provision to warn the cashier before finalizing any transaction?</li> </ul>		
<ul style="list-style-type: none"> <li>• Does the system provide for integration of historical data?</li> </ul>		
<ul style="list-style-type: none"> <li>• Is a list of current system users with full contact details supplied?</li> <li>• Was an assessment of current infrastructure done and an optimum solution recommendation attached?</li> </ul>		
<ul style="list-style-type: none"> <li>• Is the system TCP/IP compliant and be able to operate real-time over Ethernet on a LAN/WAN/WIFI/GPRS/3G/EDGE/HSDPA/ADSL/DIGINET environment as available in certain areas?</li> </ul>		
<ul style="list-style-type: none"> <li>• Does the system support vending stations run on at least Windows XP?</li> </ul>		
<ul style="list-style-type: none"> <li>• Are all communications between client and server secured by mutually authenticated SSL certificates?</li> </ul>		

• Is provision made for periodic data synchronization with an off-line database in the municipal environment?		
• Does the system support the latest version of the standard Microsoft Internet Explorer and always keep up with updates by Microsoft? • Does the system function under low-bandwidth requirements with minimum packet size? Please specify the band-width.		
• Is there an aggregator support letter attached?		
• Is there confirmation of on-line billing system integration attached?		

## 6. FUNCTIONALITY

Bidders must score a minimum of 70 % of points.

Item	Description	Value		Score
1	<b>METHODOLOGY</b> Single interface, integrated multi-utility system, vending Electricity from a single interface. A demonstration of this may be requested.	15	Full description and detailed interface process flow methodology outlaying the interface of the Multi utility vending system. Step by step system screen shots demonstrating POS, Reports and interfacing with municipal financial system.	15
			No and/or limited description	0
2	<b>WORK EXPERIENCE</b> Broad based third-party vending footprint provided to municipalities including retail, banks, informal (full detailed list must be provided) sector and web vendors	10	3 years or more	10
			2 years or less	5
			No experience	0
3	Hosted on-line vending provided to municipalities (Provide appointment letter from municipalities with contactable references letter) a minimum 2 letters	20	3 letters or more	20
			2 letters	10
			No experience	0
4	Disaster recovery and business continuity plan	10	Plan included	10
			No plan	0
5	Provision for an off-line hosted database (snapshot as proof )	5	Provision	5
			No provision	0
	Bidders are required to produce proof that it has a partner bank or	10	Bidder must supply authorization letter from the bank or national payment	10





			5 years and more relevant experience (4 points) 2-4 years relevant experience (2 points) <u>Team leader</u> Team Leader with experience in software or system development projects. .(ATTACH CERTIFIED COPY OF DEGREE/DIPLOMA IN IT) 3 years' and more relevant experience (2 points) 2 years' relevant experience (0 points)	2	
	<b>TOTAL</b>	<b>100</b>			

## 7. PRICING SCHEDULE

- The total price calculated below must be disclosed on your MBD 1 as a total bid price and also on the Form of Offer.
- The total price calculated below is done on the basis for bid evaluation purpose only.
- The appointment amount and the contract value will be based on the rates or unit price and percentage offered based on this pricing schedule for the duration of three (03) years as per this contract.
- Failure to provide a full detailed or complete pricing on this pricing schedule below will be eliminated on this bid.

ITEM	DESCRIPTION (a separate schedule maybe attached by bidder for further details to an item)	BASIS	QTY	UNIT PRICE (EXCL VAT)	TOTAL PRICE (EXCL VAT)
1	Project Management	Once off		R	R
2	Third party vending and vendor management (Assume R500 000.00 value of sales per month)	Monthly	R500 000.00	%%	R
3	Hosting services	Monthly	1	R	R
4	GPRS (connection services)	Monthly	1	R	R

5	Transaction fee (Assume 1 000 number of sales per month)	Monthly	1 000	R	R
6	SLA and Support	Monthly	1	R	R
7	Supply and delivery of electricity dispensing unit (price per unit)	Ad hoc	1	R	
8	STS TID key meter rollover (price per unit)	Ad hoc	1	R	
<b>TOTAL EXCL VAT</b>					<b>R</b>
<b>VAT (15%)</b>					<b>R</b>
<b>TOTAL PRICE INCL VAT</b>					<b>R</b>

Signature\_\_\_\_\_

Full Names & Surname\_\_\_\_\_

Capacity\_\_\_\_\_

Tenderer\_\_\_\_\_

(Name of the organisation)

## 8. FORM OF OFFER AND ACCEPTANCE

### OFFER

The Employer, identified in the Acceptance signature block, has solicited offers to enter into a contract in respect of the following works:

**Project Name: THE MULTI-UTILITY ONLINE PRE-PAID ELECTRICITY VENDING MANAGEMENT SYSTEM**

**Bid Number: WMMLM 00088 PVMS** \_\_\_\_\_

The Tenderer, identified in the Offer signature block below, has examined the documents listed in the Tender Data and addenda thereto as listed in the Tender Schedules, and by submitting this Offer has accepted the Conditions of Tender.

By the representative of the Tenderer, deemed to be duly authorised, signing this part of this Form of Offer and Acceptance, the Tenderer offers to perform all of the obligations and liabilities of the Contractor under the Contract including compliance with all its terms and conditions according to their true intent and meaning for an amount to be determined in accordance with the Conditions of Contract identified in the Contract Data.

**THE OFFERED TOTAL OF THE PRICES INCLUSIVE OF VALUE ADDED TAX IS**

.....

.....

.....

..... Rand (in words); R ..... (in figures).

This Offer may be accepted by the Employer by signing the Acceptance part of this Form of Offer and Acceptance and returning one copy of this document to the Tenderer before the end of the period of validity stated in the Tender Data, whereupon the Tenderer becomes the party named as the Contractor in the Conditions of Contract identified in the Contract Data.

Signature(s) \_\_\_\_\_

Name(s) \_\_\_\_\_

Capacity \_\_\_\_\_

For the tenderer \_\_\_\_\_

(Name and address of organisation)

Name & Signature

Of Witness \_\_\_\_\_

Name

Date

## ACCEPTANCE

By signing this part of this Form of Offer and Acceptance, the Employer identified below accepts the Tenderer's Offer. In consideration thereof, the Employer shall pay the Contractor the amount due in accordance with the Conditions of Contract identified in the Contract Data. Acceptance of the Tenderer's Offer shall form an agreement between the Employer and the Tenderer upon the terms and conditions contained in this Agreement and in the Contract that is the subject of this Agreement.

The terms of the contract are contained in:

Part 1 Agreements and Contract Data (which includes this Agreement)

Part 2 Pricing Data

Part 3 Scope of Work

Part 4 Site information

Part 5 Additional Relevant Documentation

Part 6 SLA

and documents or parts thereof, which may be incorporated by reference into Parts 1 to 6 above.

Deviations from and amendments to the documents listed in the Tender Data, including the proposed key personnel and any addenda thereto listed in the Tender Schedules as well as any changes to the terms of the Offer agreed by the Tenderer and the Employer during this process of offer and acceptance, are contained in the Schedule of Deviations attached to and forming part of this Agreement. No amendments to or deviations from said documents are valid unless contained in this Schedule, which must be duly signed by the authorised representative(s) of both parties.

The Tenderer shall within two weeks after receiving a completed copy of this Agreement, including the Schedule of Deviations (if any), contact the Employer's agent (whose details are given in the Contract Data) to arrange the delivery of any bonds, guarantees, proof of insurance and any other documentation to be provided in terms of the Conditions of Contract identified in the Contract Data at or just after the date this Agreement comes into effect. Failure to fulfil any of these obligations in accordance with those terms shall constitute a repudiation of this Agreement.

Notwithstanding anything contained herein, this Agreement comes into effect on the date when the Tenderer receives one fully completed original copy of this document, including the Schedule of Deviations (if any). Unless the Tenderer (now Contractor) within five days of the date of such receipt notifies the Employer in writing of any reason why he cannot accept the contents of this Agreement, this Agreement shall constitute a binding contract between the parties.

Signature(s) \_\_\_\_\_

Name(s) \_\_\_\_\_

Capacity \_\_\_\_\_

For the tenderer \_\_\_\_\_

(Name and address of organisation)

Name & Signature

Of Witness \_\_\_\_\_

Name

Date

## MBD 4

### 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.

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: .....

3.7 The names of all directors / trustees / shareholders members, their individual identity numbers and state employee numbers must be indicated in paragraph 4 below.

3.8 Are you presently in the service of the state?

**YES / NO** 3.8.1 If yes, furnish particulars.

.....

<sup>1</sup> MSCM Regulations: "in the service of the state" means to be –

(a) a member of –

- (i) any municipal council;
- (ii) any provincial legislature; or
- (iii) the national Assembly or the national Council of provinces;

(b) a member of the board of directors of any municipal entity;

(c) an official of any municipality or municipal entity;

(d) an employee of any national or provincial department, national or provincial public entity or constitutional institution within the meaning of the Public Finance Management Act, 1999 (Act No.1 of 1999);

(e) a member of the accounting authority of any national or provincial public entity; or

(f) an employee of Parliament or a provincial legislature.

<sup>2</sup> Shareholder" means a person who owns shares in the company and is actively involved in the management of the company or business and exercises control over the company.

- 3.9 Have you been in the service of the state for the past twelve months? .....**YES / NO**
- 3.9.1 If yes, furnish particulars.....
- 3.10 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**
- 3.10.1 If yes, furnish particulars.....
- 3.11 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**
- 3.11.1 If yes, furnish particulars
- 3.12 Are any of the company's directors, trustees, managers, principle shareholders or stakeholders in service of the state? **YES / NO**
- 3.12.1 If yes, furnish particulars.....
- 3.13 Are any spouse, child or parent of the company's directors trustees, managers, principle shareholders or stakeholders in service of the state? **YES / NO**
- 3.13.1 If yes, furnish particulars.....
- 3.14 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 business whether or not they are bidding for this contract **YES / NO**



4. Full details of directors / trustees / members / shareholders.

Full Name	Identity Number	State Employee Number

CERTIFICATION

I, THE UNDERSIGNED (FULL NAMES)

.....

CERTIFY THAT THE INFORMATION FURNISHED ON THIS DECLARATION FORM IS CORRECT.

I ACCEPT THAT THE MUNICIPALITY MAY ACT AGAINST ME SHOULD THIS DECLARATION PROVE TO BE FALSE.

.....

Signature

.....

Date

.....

Capacity of Bidder

.....

Name of Bidder

## MBD 6.1

### 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	
SPECIFIC GOALS	
Total points for Price and SPECIFIC GOALS	100

- 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:

**80/20**

**or**

**90/10**

$$Ps = 80 \left( 1 - \frac{Pt - P_{min}}{P_{min}} \right) \text{ or } Ps = 90 \left( 1 - \frac{Pt - P_{min}}{P_{min}} \right)$$

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:

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

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 (90/10 system) (To be completed by the organ of state)	Number of points allocated (80/20 system) (To be completed by the organ of state)	Number of points claimed (90/10 system) (To be completed by the tenderer)	Number of points claimed (80/20 system) (To be completed by the tenderer)
South African	1.5	3		
Black	1.5	3		
Women	1.75	3.5		
Youth	1.75	3.5		
Leaving with disability	1.75	3.5		
Military Veterans	1.75	3.5		
<b>Total Points Allocated</b>	<b>10</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 BIDDER'S 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:
  - a. abused the municipality's / municipal entity's supply chain management system or committed any improper conduct in relation to such system;
  - b. been convicted for fraud or corruption during the past five years;
  - c. willfully neglected, reneged on or failed to comply with any government, municipal or other public sector contract during the past five years; or
  - d. 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	<p>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?</p> <p>(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).</p> <p><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></p>	<p>Yes</p> <p><input type="checkbox"/></p>	<p>No</p> <p><input type="checkbox"/></p>
4.1.1	If so, furnish particulars:		

4.2	<p>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)?</p> <p><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></p>	<p>Yes</p> <p><input type="checkbox"/></p>	<p>No</p> <p><input type="checkbox"/></p>
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 <input type="checkbox"/>	No <input type="checkbox"/>
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4.3.1	If so, furnish particulars:		
<b>Item</b>	<b>Question</b>	<b>Yes</b>	<b>No</b>
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 <input type="checkbox"/>	No <input type="checkbox"/>
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 <input type="checkbox"/>	No <input type="checkbox"/>
4.7.1	If so, furnish particulars:		

### CERTIFICATION

**I, THE UNDERSIGNED (FULL NAMES) .....**  
**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.**

.....  
**Signature**

.....  
**Date**

.....  
**Position**

.....  
**Name of Bidder**



## **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:
  - a. take all reasonable steps to prevent such abuse;
  - b. 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
  - c. 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:

---

(Bid Number and Description)

in response to the invitation for the bid made by:

---

(Name of Municipality / Municipal Entity)

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

I certify, on behalf of: \_\_\_\_\_ that:

(Name of Bidder)

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

## **MBD 9**

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:
  - (a) prices;
  - (b) geographical area where product or service will be rendered (market allocation)
  - (c) methods, factors or formulas used to calculate prices;
  - (d) the intention or decision to submit or not to submit, a bid;
  - (e) the submission of a bid which does not meet the specifications and conditions of the bid; or
  - (f) 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.

.....  
Signature

.....  
Date

.....  
Position

.....  
Name of Bidder