

## LETSEMENG LOCAL MUNICIPALITY



### **Request for proposal for revenue enhancement strategy (FS161: RES)**

#### **1. Introduction and problem statement**

Letsemeng Local Municipality comprise of the towns of Koffiefontein, Petrusburg, Jacobsdal, Luckhoff and Oppermansgronde with its head office in Koffiefontein. It has been identified that there may be abuses and possible theft of water and electricity by consumers.

#### **2. SCOPE OF WORK / TERMS OF REFERENCE**

The Municipality is looking of a comprehensive revenue enhancement proposal from suitably qualified Prospective Service Providers (PSP). The PSP will be required to perform the following:

1. Assess the current situation pertaining to revenue management at the municipality.
2. Assess potential future income for the municipality and advice the municipality on the best practices or approaches to revenue enhancement.
3. Review and report on the loss of current income by looking into the following: rental agreements / leases; unused municipal buildings, unbilled consumers; etc.
4. Conducting meter audit (i.e. correlating consumer and relevant meter detail) for both electricity and water to determine their functionality.
5. Perform a comprehensive data cleansing of the entire debtor's book / database of the municipality (including data cleansing of all farm properties) to ensure billing integrity.
6. Ensure debtor information and debtor classification is correctly classified.
7. Improve billing accuracy (through meter-reading and debt cleansing)
8. Investigate all debtors by type and reclassify debtors that are incorrectly identified on the billing system.

9. Verify account status (active/inactive) and include as reporting indicator
10. Obtain title deed information per property.
11. Reflect arrears per account according to ageing and by service.
12. Investigate all account which appear to have incorrect billing, e.g. tenant accounts with assessment rates.
13. Correctly classify each account according to the correct and responsible debtor
14. Produce account reconciliations for each account.
15. Consolidation of duplicated customer profile/accounts (upgrade of customer information with ease).
16. Adding of new customers to the system with a record of their deposits and other registration requirements.
17. Changing and alternating customer status between regular and indigent, thus instituting credit control measures promptly (verification process is necessary).
18. Managing the revenue environment through regular reports and updates on income received per area and service for the monitoring of revenue.
19. Produce a procedure manual for meter reading; meter capturing, credit control, debt collection and indigent management.
20. Review the Indigent Management Policy and Credit Control & Debt Collection Policy of the municipality to be in line with the revenue enhancement strategy and procedure manual. This must be done prior to 28 February 2013.
21. Capacity building of the Finance Department / Debtors and Credit Control Sections throughout the implementation of the project and facilitate the workshop session on major deliverables (i.e. reviewed policies, procedure manual, etc.)
22. Propose and implement possible /alternative payment channels / options (i.e. swapping machine / speed point machine, etc).

### **3. Expected outputs**

The service provider will be expected to submit a revenue enhancement strategy document as follows:

- Electronic copies in Ms Word and Acrobat PDF Files
- Two hardcopies (printed in colour).

NB. All documents produced remains property of Letsemeng Local Municipality and

the municipality reserves the copy right. The documents can further be enhanced by the Municipality to suit the changing circumstances.

#### **4. Expertise / Experience Required**

The successful provider must demonstrate the following (which will also be the basis upon which responsiveness in terms of functionality will be assessed):

1. Experience in facilitating strategic planning workshop sessions.
2. Experience in facilitating revenue enhancement strategy workshop sessions
3. Experience in compiling a revenue enhancement strategy
4. Experience in data cleansing and meter audit
5. Prospective Service Providers should provide at least the following information:
  - a. Details of contacts to carry out similar work; and
  - b. Contact details of organisations for which work was done.
6. Ability to work with other companies (i.e. working together with a PSP to provide meters)

#### **5. Reporting**

The Project Manager will be the Finance Officer: Revenue and reporting will be done through this office. The PSP will expected to liaise with the Chief Financial Officer to ensure the delivery of the strategy and all other deliverables.

PSP must submit a Gantt Chart indicating how the project is going to unfold as well as the time frames thereon.

#### **6. Evaluation of Proposals**

Proposals will be evaluated in two phases. Firstly on functionality as per the criteria outlined below and secondly for price and BBBEE.

**6.1. Experience in facilitating strategic planning session:** PSP's are required to demonstrate experience in facilitating municipal strategic planning sessions. Minimum of one year experience is required. In their proposals bidders must indicate which strategic planning sessions they have facilitated in a Municipality. Experience required maybe for a company or the facilitator in a company.

#### **6.2. Experience in compiling municipal revenue enhancement strategy:**

PSP's are required to demonstrate experience in compiling revenue enhancement strategy for a municipality. PSP's must have compiled at least two revenue enhancement strategies. Bidders are required to provide a list of municipalities which they have compile the revenue enhancement strategy for. Contacts provided must be reachable. Bidders must provide a list of at

least two organs of state (not restricted to municipalities) whom they have provided a similar services to.

**6.3. Time frame for completion:** PSP's will also be evaluated on the time framework in terms of how long they will undertake the project.

**6.4. Training strategy:** PSP's will also be evaluated in terms of their approach towards skills transfer.

**6.5. Other aspect:** the municipality may decide to introduce any other evaluation criteria deemed necessary during the evaluation and adjudication process which still falls within the scope of the project (i.e. understanding of the scope of work for the project).

Bidders must score a minimum of 50% on the criteria above to be considered for further evaluation.

The last stage will be where PSPs are evaluated on their price and BBBEE Status. Then points will be combined with those of functionality to determine the final score.

## LETSEMENG LOCAL MUNICIPALITY



### **Request for information: water and electricity meters (FS161: PWE)**

#### **Introduction**

The purpose of the RFI is to identify qualified firms that can provide automated water meter solutions that will cost effectively maximise the read success rate, billing, accuracy, optimise water-usage efficiency and improve communication and responsiveness to rate payers / customers.

Furthermore, the municipality is also looking at recent technology available in the market in the form of pre-paid water meters and electricity meters (both pre-paid and conventional meters).

#### **Terms of reference**

The successful service provider will provide the municipality with meters for both electricity and water on a need-basis.

The service provider must provide the detailed specifications of the type of meters to be provided in order for the municipality to assess as to whether such meters will meet the needs of the municipality.

The cost of the meters must also be provided for the purpose of determining affordability by the municipality versus the benefits to be derived from such meters. Prices must be provided at the current market prices till 30 June 2013 and escalation in prices must be provided for from 01 July 2013 till 30 June 2014.

#### **Evaluation and adjudication criteria**

After receiving the RFIs documents the municipality will perform a shortlisting (depending on the number of documents received all service providers may be requested to make a presentation to the municipality).

After shortlisting PSPs will be invited to make a presentation to the municipality. PSP may be requested to demonstrate the functionality of their product at this stage.

After the presentations have been made and the Municipality has decided on the specifications of the meters, a targeted procurement will be done where all PSP's that have submitted their proposals will be requested to submit written proposal with costing on the same product / meters.

The normal procurement process in terms of evaluation and adjudication will follow as per the approved supply chain management policy of the municipality.

## LETSEMENG LOCAL MUNICIPALITY



### **Request for information pertaining to Fleet Management Solution (FS161: FMS)**

#### **Introduction**

Letsemeng Local Municipality is investigating the merits of engaging a company that offers a comprehensive fleet management service. This essentially includes vehicle purchasing, maintenance and licencing. In order to understand what types of services are available in the marketplace, the Municipality is releasing this request for information, which requests parties are asked to suggest solutions to the requirements.

#### **BASIC REQUIREMENTS**

Matters that require addressing are as listed below:

Take over management of the existing municipal fleet including:

- Provide vehicle monitoring with internet-based live vehicle monitoring
- Provide a solution for driver tags, linked to the tracking system,
- Provide vehicle breakdown roadside assistance
- Provide effective accident and collision management
- Advise the municipality in terms of buying or leasing certain types of vehicles
- Negotiate bulk buying discounts (of leases) where necessary
- Track and monitor the economic life cycle of vehicles
- Offer an effective fuel / repair & maintenance management solution
- Curb fuel and other vehicle consumables theft
- Manage maintenance spend, maintenance and associated schedules and report on exceptions
- Provide effective service and warranty management
- Demonstrate a willingness to engage in the management of the municipal owned vehicles, as well as leased vehicles
- Provide a solution for the disposal of old vehicles and facilitate the disposal process
- Manage annual licencing of vehicles, and roadworthy tests

- Development of a fleet management policy
- Branding of municipal vehicles
- Assist with temporary replacement of vehicles (i.e. during accidents, service, etc)

In light of the fact that this is a Request For Information, the above are just the minimum requirements which the Municipality would like to address. It is still upon the PSP to provide a full list of services.

## LETSEMENG LOCAL MUNICIPALITY



### **Request for information pertaining to inventory / stores management and logistics management (FS161: IMS)**

#### **Introduction**

Letsemeng Local Municipality is investigating the merits of engaging a company that offer a comprehensive stores / inventory management. This essentially includes provision of an electronic stores / inventory management and logistics management. Therefore, the Municipality is releasing this request for information, which requests parties are asked to suggest solutions to the requirements.

#### **BASIC REQUIREMENTS**

The objective is to have a comprehensive stores / inventory management system and logistics to assist the municipality in managing all of its stores items. The system should at minimum be able to indicate the number of items currently on stock; indicate when there is a need for ordering any stores items (minimum ordering system) arises; indicate the available stores items. The system should at minimum be compatible with Sebata FMS inventory module.

The following are also important aspect that must be considered:

1. Development of procedure manual for inventory / stores management;
2. Development of procedure manual in terms of replacement / ordering of stores items;
3. Training of staff within the technical department dealing with stores items;
4. Training of staff with regard to stock taking procedures.

#### **Procedure for submission of RFI**

Refer to the advert in terms of how to submit the RFI.



# LETSEMENG LOCAL MUNICIPALITY



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## **Request for proposal pertaining to energy/electrical losses and audit (FS 161: DLE)**

### **1. Introduction and problem statement**

Letsemeng Local Municipality comprise of the towns of Koffiefontein, Petrusburg, Jacobsdal, Luckhoff and Oppermansgronde with its head office in Koffiefontein. According to the 2011/12 Annual Financial Statements the municipality suffered distribution losses.

### **2. Terms of reference**

The Municipality is looking for a comprehensive energy/electrical audit proposal from suitably qualified Prospective Service Providers (PSP). The PSP will be required to perform the following:

1. Assess the current situation pertaining to the energy/electrical management at the municipality.
2. Determine the cause of the distribution loss that the municipality is currently facing.
3. Recommend and provide a strategy to curb such losses in future.

The service provider must indicate the proposed time for completion and these services will be provided as and when required by the municipality.

In light of the fact that this is a Request for Information, the above are just the minimum requirements which the Municipality would like to address. It is still upon the PSP to provide a full list of services and/or recommendations.

# LETSEMENG LOCAL MUNICIPALITY



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## **Request for proposal pertaining to water losses and audit.**

**(Fs161: DLW)**

### **1. Introduction and problem statement**

Letsemeng Local Municipality comprise of five towns, namely Koffiefontein, Petrusburg, Jacobsdal, Luckhoff and Oppermansgronde with its head office in Koffiefontein. Letsemeng Local Municipality provides a variety of services such as water, refuse removal, sewerage maintenance, electricity etc.

### **2. SCOPE OF WORK / TERMS OF REFERENCE**

The Municipality is looking for a comprehensive proposal pertaining to water audit from suitably qualified Prospective and Service Providers (PSP). The PSP will be required to perform the following:

1. Assess the current situation pertaining to water loss at the municipality.
2. Assess potential future losses for the municipality and advise the municipality on the best practices or approaches to develop a successful water efficiency program that can result in significant savings to the municipality.
3. Review and report on the loss of water by looking into the various causes of water loss within the municipality.
4. Conducting meter audit (i.e. correlating consumer and relevant meter detail) for water to determine their functionality etc.

In light of the fact that this is a Request For Information, the above are just the minimum requirements which the Municipality would like to address. It is still

upon the PSP to provide a full list of services. The service provider must indicate the proposed time for completion and these services will provided as and when required by the municipality.

# LETSEMENG LOCAL MUNICIPALITY



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## **Request for proposal for maintenance of electrical pumps for sewerage and electricity network**

**(FS161: RMP)**

### **1. Introduction and problem statement**

Letsemeng Local Municipality consist of five towns namely Koffiefontein, Petrusburg, Jacobsdal, Luckhoff and Oppermansgronde with its head office in Koffiefontein. The following services are provided to the consumers by the municipality:

- **ELECTRICITY**
- **SEWERAGE**

It has come to the municipality's attention that from time to time these networks need to be maintained thus requesting for this proposal.

### **2. SCOPE OF WORK / TERMS OF REFERENCE**

The successful service provider will provide the municipality with the maintenance for both Electricity networks and electrical sewerage pumps on a need-basis.

The Prospective Service Providers (PSP) must be able to provide the municipality with the maintenance of the above mentioned services as and when required by the municipality.

The service provider must provide a maintenance plan as to how and when maintenance will be done.

The cost of the maintenance must also be provided for the determination of affordability by the municipality against the benefits to be derived from such

**3Time frame for completion:** the service provider must indicate proposed time in terms of how long they will undertake the project

The above are just the minimum requirements which the Municipality would like to address.