



## **ENERGY OFFICE**

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24/05/2016

### **RE- ISSUE - Request for Quotation: Electricity Baseline Assessment: Mangosuthu University of Technology (MUT- 01)**

#### **1. Introduction**

The eThekweni Municipality intends to procure the services of a suitably qualified service provider to undertake a baseline assessment for MUT and develop a baseline assessment report that will contain recommendations on interventions that will decrease the amount of electricity consumed in identified MUT facilities.

#### **2. Background**

Following the Presidential decision to not increase the fees of tertiary education institutions in 2016 the institutions are currently experiencing a funding shortfall, despite an allocation of additional funds by the National Government. On this pretext, the Mangosuthu University of Technology (MUT) has asked the eThekweni Municipality to assist the University with decreasing their utility costs.

Electricity, water and sewer costs are the highest of the municipal charges and it is expedient to target these costs. The eThekweni Municipality Energy Office is responsible for energy efficiency and has been tasked to assist the MUT and other tertiary institutions with measures to lower their energy and water consumption and costs.

The MUT has an Energy Centre that is partially funded by the TIA. The Centre has conducted a baseline assessment of the main MUT campus and some energy efficiency measures have already been undertaken.

The service provider needs to collaborate with the Energy Centre and must consider the previous efforts as the basis of new activities.

### 3. Objectives of the Project

The principle aim of this RfQ is to develop a baseline assessment report including business plans for energy efficiency interventions that will be utilised to identify capital funding for the implementation of recommended interventions.

Specific objectives are:

- Establish electricity and water consumption baselines for identified DUT facilities;
- Identify appropriate energy and water efficiency interventions that will result in a pay-back period (Return on Investment (RoI)) of five years or less; and
- Develop a business plan (comprehensive baseline assessment report) that will include the details of the assessment, detailed appropriate interventions and expected savings and pay-back periods.

### 4. Scope of Works

The successful service provider will be required to undertake the following scope of work:

#### 4.1 Undertake baseline assessment and audits

1. DUT will provide a list of all facilities that are owned or rented/contracted to the University. The Service provider should first develop a 'short-list' of facilities that can be assessed through this RfQ. This step should be undertaken in close collaboration with the Energy Office and DUT. During this step the service provider should familiarise themselves with all existing energy efficiency assessments and interventions previously undertaken on facilities.
2. Undertake, on the identified facilities, baseline assessments and audits.

**Outcome/Deliverable:** The outcome from this particular scope of work in the completion of baseline assessments and audits in the identified facilities.

#### 4.2 Identification of efficiency interventions and Business Plans

1. Based on the outcome from the baseline assessment, the service provider should recommend appropriate efficiency interventions. This should be developed in close collaboration with the Energy Office and DUT. Interventions should be prioritised according to payback period (Return on Investment). A benchmark of 5 years should be utilised.
2. Develop Business Plans for the prioritised interventions indicating required investment, expected savings and payback period (Return on investment).

**Outcome/Deliverable:** A basket of efficiency interventions with Business Plans indicating that they are appropriate and feasible for assessed facilities.

#### 4.3 Development of the Baseline assessment and audit report

1. The methodology utilised for the baseline assessment and audit, findings from the assessment and efficiency interventions should be formally written in a final report.
2. Once the report is completed a presentation on the entire process should be presented to the Energy Office and DUT.

**Outcome/Deliverable:** The completion, submission and presentation, to the Energy Office and DUT, of the report.

## 5. Reporting

The assignment must be carried out in close collaboration between the service provider, the DUT and the Energy Office.

- The service provider must report to the relevant individuals and departments of at DUT as the immediate beneficiaries of this work.
- The service provider must report to the Energy Office as the owner of this contract. The Energy Office will ultimately be responsible for all approval of work and payments.

The service provider must submit monthly progress reports to DUT and the Energy Office. Monthly invoices may be submitted on the basis of the progress reports to the Energy Office.

**It should also be noted that the KZN Eskom IDM Team will also have a technical representative to assist with relevant technical aspects.**

## 6. Budget

The service provider must submit a budget breakdown indicating:

- Fees per hour x 250 hours;
- Monitoring equipment;
- Disbursements; and
- VAT.

## 7. Proposal Submissions

The service provider should be registered on the municipal supplier database.

The Service Provider is required to submit a proposal with the following chapters:

1. Chapter One: A chapter outlining the approach and methodology to achieve the objectives of this contract. This should include e.g. the steps to be followed, consideration of technologies.
2. Chapter Two: An overview of the experience and expertise of the proposed company's experience with energy efficiency baseline studies including evidence such as reference projects.
3. Chapter Three: An overview of the experience and expertise of the proposed individual team member/s with energy efficiency measures in offices, institutions, workshops and/or residences including evidence of experience such as reference projects.
4. Chapter Four: An overview of the experience and expertise of the proposed company's experience with drafting business plans for energy efficiency measures including evidence such as reference projects.

5. Chapter Five: A budget breakdown indicating the hourly rate/s of the proposed team member/s and the hours that they are expected to contribute to the project. The quote must be for 250 hours overall. The budget breakdown must also include disbursements and VAT.

The proposal must be accompanied by the following supporting documents:

- 1) Valid Tax clearance certificate,
- 2) Annexure: Supporting Documents (MBD 9 Forms):
  - a. Original Declaration of Interest
  - b. Original Declaration of Municipal Fees
  - c. Original Certificate of Independent Bid Determination
  - d. Certified copy of BBBEE certification

These terms of reference are subject to changes which may stem from a negotiation of the final terms with the service provider.

## **8. Service Provider Skills and Experience**

The Service Provider must be based in the eThekweni Municipality and must demonstrate the following:

1. Clear approach and sound methodology to achieve the objectives;
2. Substantial expertise and experience in energy efficiency baseline studies;
3. Substantial expertise and experience in energy efficiency measures; and
4. Substantial expertise and experience in drafting business plans for energy efficiency measures.

## **9. Adjudication**

This contract will be adjudicated in terms of the eThekweni Municipality Supply Chain Management rules and policies and will follow the 80:20 rule. The procurement will be done in terms of the Section 18 of approved Supply Chain Management Policy, "Procedures for procuring goods or services through written or verbal quotations and formal written price quotations<sup>1</sup>" (i.e. formal written price quotations for procurements of a transaction value over R30 000 up to R200 000 (VAT included)).

### **9.1 Adjudication Criteria**

The adjudication of proposals will be conducted in two phases in terms of the following Scoring System:

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<sup>1</sup><http://www.durban.gov.za/durban/government/scm/strategy/Approved%20SCM%20Policy.pdf>

### 9.1.1 Phase 1: Functionality (100 points)

| CRITERION  | Maximum Score |
|--|---------------|
| <b>Functionality</b>   | <b>100</b>    |
| 1. Service provider’s competency (i.e. approach and methodology) in achieving energy efficiency measures in large and varied complexes such as a university campus and students’ residences. | 30            |
| 2. The service provider’s (company) experience and expertise of in energy efficiency baseline studies (please provide examples of previous work)   | 25            |
| 3. The service provider’s (individuals not company) experience and expertise in undertaking energy efficiency measures (please provide example of previous work)                             | 25            |
| 4. The service provider ’s (company) experience and expertise in drafting business plans for energy efficiency solutions (please provide example of previous work)                           | 20            |

|   | 0%       | 40% (poor) | 70% (satisfactory) | 90% (good)  | 100% excellent) |
|---|----------|------------|--------------------|-------------|-----------------|
| 1 | 0 points | 12 points  | 21 points          | 27 points   | 30 points       |
| 2 | 0 points | 10 points  | 17.5 points        | 22.5 points | 25 points       |
| 3 | 0 points | 10 points  | 17.5 points        | 22.5 points | 25 points       |
| 4 | 0 points | 8 points   | 14 points          | 18 points   | 20 points       |

Bidders must score a minimum of 70 points in total for functionality in order to be evaluated for “Phase 2: Price and Preferential Procurement”. The functionality criteria will be scored according to the following requirements.

| Criteria   | Description  | 0%                                    | 40%<br>(poor)  | 70% (satisfactory)  | 90% (good)   | 100% (excellent)   |
|--|--|---------------------------------------|--|---|--|--|
| 1. Service provider's competency (i.e. approach and methodology) in achieving energy efficiency measures in large and varied complexes such as a university campus and students' residences. | Demonstrate clear approach and methodology in response to the scope of work  | No response or irrelevant information | Information provided is unlikely to deliver on scope of work | demonstrate basic understanding and standard proposed methodology will likely deliver scope of work | Demonstrate clear understanding and outline detailed proposed methodology will most likely deliver scope of work | Demonstrate a clear understanding, and outline detailed and innovative proposed methodology will most likely deliver scope of work |
| 2. The service provider's (company) experience and expertise of in energy efficiency baseline studies (please provide examples of previous work)   | How many projects involving energy efficiency baseline studies has the team member completed? Attach project examples.   | No response or no experience          | Done and completed less than 2 baseline studies              | Done and completed between 3 and 6 baseline studies   | Done and completed between 7 and 9 baseline studies  | Done and completed 10 or more baseline studies   |
| 3. The service provider's (individuals not company) experience and expertise in undertaking energy efficiency measures (please provide example of previous work)                             | How many projects involving different selection of energy efficiency measures that the service provider has completed? Provide relevant projects and describe involvement. Attach project examples | No response or no experience          | Done and completed less than 2 EE projects                   | Done and completed between 3 and 6 EE projects  | Done and completed between 7 and 9 EE projects   | Done 10 or more EE projects  |
| 4. The service provider's (company) experience and expertise in drafting business plans for energy efficiency solutions (please provide example of previous work)                            | How many projects requiring business plans for energy efficiency measures has the company completed? Provide list of relevant project reports..  | No response or no experience          | Done and completed 2 EE audit reports                        | Done and completed between 3 and 6 EE audit reports   | Done and completed between 7 and 9 EE audit reports  | Done 10 or more EE audit reports   |

### 9.1.2 Phase 2: Price and Preferential Procurement (100 points)

- 1) Price (80 points)
- 2) Preferential Procurement (20 Points)

Broad Based Black Economic Empowerment Points will be awarded to bidders in accordance with the table below:

| B-BBEE Status Level of Contributor | 80/20 Point System |
|------------------------------------|--------------------|
| 1                                  | 20                 |
| 2                                  | 18                 |
| 3                                  | 16                 |
| 4                                  | 12                 |
| 5                                  | 8                  |
| 6                                  | 6                  |
| 7                                  | 4                  |
| 8                                  | 2                  |
| Non-compliant contributor          | 0                  |

## 9.2 Total Scores

The total adjudication score will be recorded as follows

| Criteria   | Max. Points Scoring |
|--|---------------------|
| <b>Phase1: Functionality</b>   | <b>100 Points</b>   |
| 1. Service provider's competency (i.e. approach and methodology) in achieving energy efficiency measures in large and varied complexes such as a university campus and students' residences. | 30                  |
| 2. The service provider's (company) experience and expertise of in energy efficiency baseline studies (please provide examples of previous work)   | 25                  |
| 3. The service provider's (individuals not company) experience and expertise in undertaking energy efficiency measures (please provide example of previous work)                             | 25                  |
| 4. The service provider's (company) experience and expertise in drafting business plans for energy efficiency solutions (please provide example of previous work)                            | 20                  |
| <b>TOTAL Phase 1:</b>  | <b>100</b>          |
| <b>Phase 2: Price and Preferential Procurement</b>   | <b>100 Points</b>   |
| Price  | 80                  |
| Preferential Procurement   | 20                  |
| <b>TOTAL Phase 2:</b>  | <b>100</b>          |

**9.3.** Enquiries: UKZN-01, DUT-01 and MUT-01 are of the same nature and will be evaluated and awarded simultaneously. It is the intention of the department to, where practical limit the number of enquiries that may be awarded to any one tenderer, to one contract per tenderer in line with council empowerment and economic growth objectives.

## **10. Time Frames**

It is planned that the contract will be for a period of two months from June 2016 to July 2016.

**THE CLOSING DATE FOR SUBMISSIONS OF QUOTATIONS IS 11H00 ON THE 03/06/2016.**

Each service provider must submit a quotation clearly marked **“Electricity and Water baseline Assessment: Durban University of Technology (DUT-01)”**.

” Quotations/proposals need to be submitted, electronically and hardcopy, to:

Nondumiso Mthembu

[Nondumiso.Mthembu@durban.gov.za](mailto:Nondumiso.Mthembu@durban.gov.za)

3<sup>rd</sup> Floor, SmartXchange, 5 Walnut Road, Durban 4001

Tel: 031 322 2635

For Technical Queries contact

Adelard Karuhariwe

[Adelard.Karuharlwe@durban.gov.za](mailto:Adelard.Karuharlwe@durban.gov.za)

Tel: 031 311 4324

**NOTE: if you are submitting a softcopy, it has to be accompanied by a hard-copy.**

Please ensure that you receive a confirmation of receipt if submitted by email and that emails do not exceed 5 MB in size. The eThekweni Municipality does not bind itself to accept the lowest or any quotation, and reserves the right to accept a portion of any quotation, unless the supplier expressly stipulates otherwise in their quotation. The eThekweni Energy Office does not undertake to consider quotations received after the due date and time.

This request for quotations is subject to any changes which may stem from a negotiation of the final terms with the service provider, as well as any additional budget which may be allocated to the project. Final payment will be paid on full completion of the project and the receipt of the final set of deliverables.



## Annexure: Supporting Documents

### A. DECLARATION OF INTEREST

1. No bid will be accepted from persons in the service of the state<sup>2</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, shareholder<sup>3</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**

If yes, furnish particulars.....

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<sup>2</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>3</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**

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**

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**

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**

If yes, furnish particulars.

.....

.....

3.13. Is any spouse, child or parent of the company's directors, trustees, managers, principle shareholders or stakeholders in service of the state? **YES / NO**

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**

3.14.1 If yes, furnish particulars:

.....

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

| <b>Full Name</b> | <b>Identity Number</b> | <b>State Employee Number</b> |
|------------------|------------------------|------------------------------|
|                  |                        |                              |
|                  |                        |                              |
|                  |                        |                              |
|                  |                        |                              |
|                  |                        |                              |

.....  
**Signature**

.....  
**Date**

.....  
**Capacity**

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

**B. DECLARATION OF MUNICIPAL FEES**

I/We do hereby declare that the Municipal fees of \_\_\_\_\_ (company name), are, as at the date of the tender closing, fully paid up, or arrangements have been concluded with the Municipality to pay the said fees :

| <b>ACCOUNT</b> | <b>ACCOUNT NUMBER</b> |
|----------------|-----------------------|
| ELECTRICITY    | _____                 |
| WATER          | _____                 |
| RATES          | _____                 |
| JSB LEVIES     | _____                 |
| OTHER          | _____                 |

I acknowledge that should it be found that the Municipal fees are not up to date, the Council may take such remedial action as is required, including termination of contract, and any income due to the Contractor shall be utilised to offset any monies due to the Council.

\_\_\_\_\_  
Name

\_\_\_\_\_  
Signature

\_\_\_\_\_  
Designation

\_\_\_\_\_  
Date

### **C. 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.

## MBD 9 CERTIFICATE OF INDEPENDENT BID DETERMINATION

I, the undersigned, in submitting the accompanying bid:

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(Bid Number and Description)

in response to the invitation for the bid made by:

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(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;
6. For the purposes of this Certificate and the accompanying bid, I understand that the word "competitor" shall include any individual or organization, other than the bidder, whether or not affiliated with the bidder, who:
  - a) has been requested to submit a bid in response to this bid invitation;
  - b) could potentially submit a bid in response to this bid invitation, based on their qualifications, abilities or experience; and
  - c) provides the same goods and services as the bidder and/or is in the same line of business as the bidder
6. The bidder has arrived at the accompanying bid independently from, and without consultation, communication, agreement or arrangement with any competitor. However, communication between partners in a joint venture or consortium<sup>3</sup> will not be construed as collusive bidding.
7. In particular, without limiting the generality of paragraphs 6 above, there has been no consultation, communication, agreement or arrangement with any competitor regarding:
  - 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.

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

.....

Date

<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.