

PRE BID CLARIFICATION TO THE RFP DOCUMENT
DATED ON 22ND MAY, 2015

Project Title: Implementation of Public Bicycle Sharing System in Mysuru, Karnataka

Bid Reference No: DMA/ 2015-16/IND 3642

Prebid Date: 05.06.2015

S.N.	Particulars (As per RFP Document) QUERIES	Clarification
1.	Request for accommodating 2 quarters worth of operation cost to be paid to the operator as advance to help override any delay in receiving quarterly payments towards the operation fees, this would enable smooth operations which would otherwise be hampered by delay in payment	Please refer S.No.1 of Amendment 1 of the RFP document dated on 22.05.2015.
2	Request the Mysuru Municipal Corporation to state the list of liabilities that the operator would be responsible for and the list of scenarios that are beyond the control of the operator that can be accommodated under force majeure.	Please refer to GCC section 32.2 of the RFP document regarding the conditions of Force Majeure. Security of all installations including docking stations, bicycles and other items is the responsibility of the operator and the operator is expected to put mechanisms and systems in place to minimize theft and damage. In the event there is a theft of any of the PBS components, it is the responsibility of the operator to file the complaint with the local police.
3	Request Mysuru Municipal Corporation to accommodate measures to mandate presentation of POC (Proof of Concept) or a working prototype as part of the evaluation mechanism before declaring L1 to prevent bidders with no experience in PBS to bid for the tender for the sole purpose of winning it and then pushing the project in abeyance or legal	As per World Bank norms, presentation of POC is not permissible.

	litigation later due to non-expertise in the technology or not being able to meet the financial targets proposed in the bid while applying. Request the MMC to take cognisance of the PBS tender called by Pune Municipal Corporation and the L1's history as a case study.	
4	Refer Page #73: Manpower requirement, there is a difference in the total that is calculated, kindly clarify	Please refer S.No.4 of Amendment 1 of the RFP document dated on 22.05.2015 for the updated Human resource plan.
5	Clarify if the Mysuru Municipal Corporation would provide the utilities vizaviz, the electricity cable laying to the dockingstation location or it would be the operator's responsibility.	The laying of electricity cable and other necessary utilities is the responsibility of the operator. MCC will facilitate the necessary coordination.
6	Clarify if the MCC would provide tax free collection of usage fees as the revenue is to be directly transferred to the MMC's account by the operator	No service tax is applicable on the usage fees as the service is provided by MCC. However, the operator has to pay the prevailing service tax for the service rendered by him to MCC. The rate for operation & maintenance shall be quoted exclusive of all taxes.
7	Keeping in mind various factors for successful implementation of this project, the main issue is the return on investment.We have to keep the rentals low to promote this mode oftransport.This project cannot work only on revenue from cycle rentals. We have advertisement right of 160 sqft on the cycle shelters to generate revenue in Delhi.Also it is early to provide the docking station and GPRS. Maybe after 1- 2 years this may be implemented once commuters are conversant with the system.	Capital cost and operations and maintenance cost will be reimbursed to the operator. Revenue from operations and advertisements will go to Mysore City Corporation. Hence there is no risk for the PBS operator and the returns on investment should not be a concern for the operator. All rights to advertising, sponsorship, naming, and branding rights associated with the system will remain with the Mysuru City Corporation.

8	<p>Certain conditions are not viable to find the suitable operator for your project. Few of them are:</p> <p>You are asking for experience of 2 years with 500 cycles, we did not find anyone in our experience of 7 years.</p> <p>You are asking for 6 Cr Net worth and average turnover of Rs. 3Cr but whoever operators are really interested to do it will not fulfil this criteria.</p> <p>Thus we request that as it is a new concept, please make some suitable conditions so that serious operators can participate.</p>	Please refer S.No.2 of Amendment 1 of the RFP document dated on 22.05.2015.																					
9	<p>Bidder request that the implementation period be extended to 10 months and the timelines be modified as under:</p> <table border="1" data-bbox="304 831 938 2027"> <thead> <tr> <th data-bbox="304 831 376 1384">Sr No.</th> <th data-bbox="376 831 762 1384">Task</th> <th data-bbox="762 831 938 1384">Task to be completed before the end of the indicated month, measured from the date of issue of work order (T), month</th> </tr> </thead> <tbody> <tr> <td data-bbox="304 1384 376 1473">1.</td> <td data-bbox="376 1384 762 1473">Submit station siting plan in detail for review.</td> <td data-bbox="762 1384 938 1473">T+1</td> </tr> <tr> <td data-bbox="304 1473 376 1615">2.</td> <td data-bbox="376 1473 762 1615">Submit Marketing Plan and Branding Strategy Plan for review.</td> <td data-bbox="762 1473 938 1615">T+1</td> </tr> <tr> <td data-bbox="304 1615 376 1704">3.</td> <td data-bbox="376 1615 762 1704">Demonstrate initial prototype of modular stations and cycles.</td> <td data-bbox="762 1615 938 1704">T+1</td> </tr> <tr> <td data-bbox="304 1704 376 1794">4.</td> <td data-bbox="376 1704 762 1794">Approval of Final Station siting plan</td> <td data-bbox="762 1704 938 1794">T+2</td> </tr> <tr> <td data-bbox="304 1794 376 1935">5.</td> <td data-bbox="376 1794 762 1935">Demonstration of preliminary Website layout and design for PBS Mysuru.</td> <td data-bbox="762 1794 938 1935">T+2</td> </tr> <tr> <td data-bbox="304 1935 376 2027">6.</td> <td data-bbox="376 1935 762 2027">Demonstration of software and hardware prototype including</td> <td data-bbox="762 1935 938 2027">T+2</td> </tr> </tbody> </table>	Sr No.	Task	Task to be completed before the end of the indicated month, measured from the date of issue of work order (T), month	1.	Submit station siting plan in detail for review.	T+1	2.	Submit Marketing Plan and Branding Strategy Plan for review.	T+1	3.	Demonstrate initial prototype of modular stations and cycles.	T+1	4.	Approval of Final Station siting plan	T+2	5.	Demonstration of preliminary Website layout and design for PBS Mysuru.	T+2	6.	Demonstration of software and hardware prototype including	T+2	Please refer S.No.3 of Amendment 1 of the RFP document dated on 22.05.2015.
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	payment processing through various means like Smart Card/ Debit/ Credit Card	
7.	Approval of final prototype of stations and cycles.	T+2
8.	Approval of Final Marketing Plan	T+2
9.	Submit details for a control centre for back office operation	T+2
10.	Submit details for maintenance centre/ Workshops	T+2
11.	Submit redistribution plans for review.	T+2
12.	Approval of website design for Mysuru PBS	T+3
13.	Approval of Control Centre for Back office operation	T+3
14.	Approval of maintenance centre/ Workshops	T+3
15.	Approval of redistribution plans	T+3
16.	Approval of software and hardware for processing the customer payment	T+3
17.	Identification of 6 locations for registration and cash payment	T+3
18.	Submission of Human Resource (HR) Plan for review	T+3
19.	Installation of Maintenance Centre and control centre as per the approval given	T+4
20.	Marketing activities should be initiated as per the approved marketing plan	T+4
21.	Approval of 6 locations for registration and cash payment	T+4
22.	Approval of Human Resource (HR) Plan	T+4
23.	Installation of 52 docking station with 672 port, 550 cycles and 52 cameras.	T+5
24.	Procurement of Shifting	T+5

	Vehicles		
	25. Install software and hardware for customer payment processing	T+5	
	26. Website information and payment processing system is operational	T+5	
	27. Installation of Registration Centre as per the approval given	T+5	
	28. Recruitment of staff, customer service procedures, In-house capacity building work as per the approved HR Plan	T+5	
	29. Trial run and testing of all system begins (72 docks and 38 cycles)	T+5	
	30. Debug problem encountered during testing, if any	T+6	
	31. Public Bicycle System operational for public use	T+6	
10	<p>ITB 36.3 (d):</p> <p>a. Organization Strength (2): We request that the client allows Credit worthiness statement of more than <u>6 crores from any Bank</u>.</p> <p>b. Prior Experience (3): This is a very new area in India and also for successful implementation a very good experience in the ITS technologies is highly required. Therefore we request the client to allow the following also as an option for eligibility criteria :</p> <p>“Implementation experience of revenue related ITS systems with technological interventions such as RFID, vehicle counting, payments through multiple mechanisms, monitoring and control systems for 24X7 operations, etc. The system should be in operations for two years and catering to over 10,000 transactions per day”.</p>		Please refer to S.No.2 of Amendment 1 of the RFP document dated on 22.05.2015.
11	Section 3.21 Marketing and Outreach: Promotional event by Brand Ambassador. It is not clear who bears the cost of the brand Ambassador. As per RFP		Please refer to S.No.5 of Amendment 1 of the RFP document dated on 22.05.2015.

	<p>it says that a popular star/sports person shall be a Brand Ambassador. Within these two categories itself there is a huge price variation and depending on who is chosen this can cost up to couple of crores. We can work with the Brand Ambassador chosen by Purchaser for the events, but the contract and the payments to Brand Ambassador should be made by the client. Kindly confirm/modify.</p>	
12	<p>GCC 16.1: The payment terms are very stringent and are prohibitive. We suggest the following modification in the payment terms:</p> <ol style="list-style-type: none"> a. Advance: 10% b. Milestone 1 Preliminary Task: 10% <ol style="list-style-type: none"> i. Submission of Station Sitting Plan ii. Submission of Marketing & Branding Strategy Plan iii. Demonstration of preliminary Website layout & design c. Milestone 2: Prototype Demonstration: 15% <ol style="list-style-type: none"> i. Demonstration of initial prototype of modular stations & cycles ii. Demonstration of software & hardware prototype including payment processing through various means like smart card/debit/credit cards d. Milestone 3: 15% <ol style="list-style-type: none"> i. Approval of final prototype of stations & cycles ii. Approval of Final Station sitting plan iii. Approval of Final Marketing Plan iv. Submission of detail of Control center for back office v. Submission of detail of maintenance center/workshops vi. Submission of redistribution plan vii. Submission of Human Resource Plan viii. Approval of website design for Mysuru PBS ix. Approval of Control Centre for Back office operational. 	<p>Please refer to S.No.6 of Amendment 1 of the RFP document dated on 22.05.2015.</p>

	<ul style="list-style-type: none"> x. Approval of maintenance centre/ Workshops xi. Approval of redistribution plans xii. Approval of software and hardware for processing the customer payment xiii. Identification of 6 locations for registration and cash payment e. Milestone 4 – Supply: 30% (10% advance shall be set-off against the supply) <ul style="list-style-type: none"> i. Supply to site as per BOQ (paid on pro-rata basis as per material supplied) f. Milestone 5 – after completing the following Installation task : 10% <ul style="list-style-type: none"> i. Setting up a control centre and maintenance centre for back office systems operational. ii. Performing marketing activities as per the Final Marketing Plan. iii. Approval of 6 locations for registration and cash payment iv. Approval of Human Resource (HR) Plan v. Installation of 52 docking station with 672 port, 550 cycles and 52 cameras. vi. Procurement of Shifting Vehicles vii. Install software and hardware for customer payment processing as per the approved HR Plan g. Milestone 6 – after completing the following operational task : 10% <ul style="list-style-type: none"> i. Website information and payment processing system is operational. ii. Installation of Registration Centre (6 in no.) as per approval given. iii. Recruitment of staff, customer service procedures, In-house capacity building work as per the final HR plan. iv. Trial run and testing of all system begins (72 docks and 38 cycles) v. Debug problem encountered during testing, if any 	
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	<p>vi. Public Bicycle System operational for public use</p> <p>h. Milestone 7: 5 % after running the Public Bicycle Sharing System operational for first 3 months.</p> <p>5% of the Capital Cost will be paid as an yearly annuity basis over a period of next 5 years beginning from the 2nd year.</p>	
13	<p>i. What is the time availability once the bid is finalized?</p> <p>ii. Typically for getting 500 cycles it will cost 5 months.</p> <p>iii. Setting up the web site - it will cost 3 months.</p> <p>iv. Setting up the POS and the hardware will take 5 months.</p> <p>v. So it will be 6 months before any sign of the system will be installed.</p>	Please refer to the S.No.3 of Amendment 1 of the RFP document dated on 22.05.2015.
14	<p>Who will pay for the electricity being consumed. And will the MCC make sure that the electric points will be available at the site with the required power supply.</p>	It is the responsibility of the operator to pay for the electricity etc. consumed for the PBS operations. It is also the responsibility of the operator to secure the required utilities (electricity, communications etc). Please refer to S.N5 of this response sheet for further clarifications.
15	<p>If there is a power failure the system will not function. So battery has to be placed.</p> <p>We need to specify that in the event of a power failure the docking station should work for X hrs.</p>	Please refer to the S.No.7 & 9 of Amendment 1 of the RFP document dated on 22.05.2015.
16	<p>Can we integrate with a system that is semi-automatic.</p>	This is a unique system with a specific brand image. Hence integrating it with any other system is not acceptable.

17	<p>We would also want to know whether we can have partners who will</p> <ul style="list-style-type: none"> • come from • - Hospitality • - Advertisement. • - Cycling. • Idea is to make it more sustainable. 	<p>Please refer to ITB-clause no 4.1 in the RFP document dated on 22.05.2015.</p>
18	<p>What if the user has not returned the cycle.What is the penalty on him? Will he be dealt under IPC Section 379 (theft)</p>	<p>Please refer to s.n 2 of this document.</p>
19	<p>For delay in payment, interest rate of 2% per annum is less in Indian context. This should be viewed in line with the borrowing rates for companies in India.</p>	<p>Please refer to S.No.11 of Amendment 1 of the RFP document dated on 22.05.2015.</p>
20	<p>On page 60 of RFP – Security deposit it is mentioned “The Security Deposit should be linked to the <u>insurance amount</u> of cycles and should not exceed an amount of Rs.250 (5% of the cycle cost). “ Does this mean the cycle cost envisaged is Rs. 5000, which in our view is very less given the specifications (tracking, GPS equipments and other accessories).</p>	<p>The cap on the security deposit has been fixed at Rs 250 to encourage more people to use the PBS system. Please refer to S.No.7 of Amendment 1 of the RFP document dated on 22.05.2015.</p>
21	<p>The numbers of docks seem very less for 550 cycles. Please reconsider this as it will require lot of frequent re-distribution and will cause inconvenience to the users.</p>	<p>The Supplier is responsible to procure 450 cycles (430 normal and 20 geared) for Mysuru Public Bicycle Sharing System to begin with. However, the goal is to extend the fleet to 550 cycles based on demand. The Supplier shall quote only the cost of procurement of 450 cycles. However, his attention is invited to Section-II Bidding Data Sheet, ITB Clause no 41.1 of the RFP Document in this regard.</p>

22	Page 83 - Four keys are suggested to be provided for locks – one for the user, one for company and two duplicates. We are not sure of purpose of this. The stations are unmanned, so how would the user be provided with the key?	Please refer to S.No.8 of Amendment 1 of the RFP document dated on 22.05.2015.
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