



Government of Nepal
Ministry of Local Development
Office of District Development Committee
Rural Access Improvement and Decentralization Project
Banke, Nepalgunj

Invitation for Bids

First date of Publication: [\(March 31, 2010\)](#)

Contract Identification Number: **01/RAIDP/Banke/PCK-A/SL-1/2066-67**

IDA World Bank Grant Number: **H 525 - NEP**

IDA World Bank Credit Number: **4664**

IDA World Bank Grant Name: **RAIDP**

1. The Government of Nepal has received a grant from **IDA World Bank** towards the cost of **Rural Access Improvement and Decentralization Project** and intends to apply part of the funds to cover eligible payments under the Contract for **the Construction and Improvement of Road Works as mentioned below**. Bidding is open to all bidders from eligible source countries. [As defined in the Guidelines: Procurement under IBRD Loans and IDA Credits; revised October 2006]
2. The **Ministry of Local Development, Office of District Development Committee, Banke** acting on behalf of the Government of Nepal, invites sealed bids from eligible bidders for the construction and improvement of the road Works listed below.
3. Bidding documents may be **purchased at the Office of District Development Committee, Banke, Nepalgunj**, Nepal on or before 12:00 hours **till 30th day from first publication date (i.e. April 29, 2010)** for a non-refundable fee of NRs.3,000 (In words: Nepalese Rupees Three Thousand only) for each contract set. Interested bidders may inspect the Bidding Documents and obtain further information at the same address.
4. Bids shall be valid for a period of 90 days after bid opening and must be accompanied by a Bid Security Amount for each Contract as mentioned below valid for 118 days period after the bid opening and shall be delivered to the **Office of District Development Committee, Banke, Nepalgunj**, Nepal **on or before 12 Hrs. on 31st day from first publication date (i.e. April 30, 2010)**. Bids will be opened immediately after the deadline for submission of Bids in the presence of the bidders who wish to attend. Bidders are required to submit bid security clearly specifying the name of the Contract for which they wish to submit bids.
5. The bidder may bid for any or all of the Contracts invited in the IFB. Bidders bidding for more than one contract under this bid invitation will so indicate in their bid, together with a statement regarding any discount / cross discounts offered, but the Employer may approve the bid for one or any least cost combination of contracts subject to bidders meeting the qualification. The bidder should meet the qualification criteria separately for each Bid and in aggregate as stated in Instruction to Bidders.
6. The **pre-bid meeting** will be held in the office of Project Coordinator, District Development Committee, **Banke, Nepalgunj**, Nepal at **14.00 hours on 25th day from first publication date (i.e. April 24, 2010)**.

Details of Works

Name of Road/ Sector	Package	Chainage Km	Contract No.	Description of Works	Estimated Amount (NRs) excluding , VAT & Overhead	Bid Security Amount (NRs) (Not less than)
Chyama-Samjhanachowk-Khajura-Radhapur Rural Road (Slice-1)	A	0+000 to 12+000 (12.0km)	01/ RAIDP/ Banke/ PCK-A / SL-1/2066-67	Road Improvement works such as; earthworks, retaining and cross drainage structures, plus environmental mitigation works etc.	17,579,596.17	571,500

G. Bidding Data

Name of Road : Chyama - Samjhanachowk – Khajura-Radhapur Rural Road

Chainage : From CH 0+000 to CH 12+000

Contract No : 01/RAIDP/Banke/Pck-A/SL-1/2066/067

Related Clause in Instructions to Bidders	Descriptions in such Clause
2.1	The Borrower is the Government of Nepal.
2.1	The IDA World Bank means International Development Association and grant refers to an IDA Grant, which, as of the date of issue of the bidding documents has been approved by the IDA .
2.1	The Project is: Rural Access Improvement and Decentralization Project . The Grant ID number is: [H525-. NEP and credit No. 4664] .
3.1	All eligible contractors.
3.2	The Employer is District Development Committee, Banke
4.3	<u>The information required from the bidders in Sub-Clause 4.3 is modified as follows:</u> "none"
4.4	<u>The qualification data required from the bidders in Sub-clause 4.4 are modified as follows:</u> "none"
4.5 (a)	The minimum required average annual volume of construction work for the bidder to be qualified for the Contract shall be as specified in the attached table captioned as Minimum Qualification Requirements.
4.5(b)	Successful experience as prime contractor in the construction of at least two road works of similar nature and the complexity equivalent to the works in the last five years as specified in the attached table captioned as Minimum Qualification Requirements. 70% completion condition as stated in ITB 4.5 (b) shall apply for ongoing contracts only.
4.5 (c)	The essential equipment to be made available for the contract by the Bidder shall be mentioned in Section 2, Sub-Clause 1.4. The list of minimum equipment required for execution of this contract is as specified in the attached table captioned as Minimum Qualification Requirements .
4.5 (d)	The personnel to be made available for the contract by the Bidder shall be as specified in the attached table captioned as Minimum Qualification Requirements.
4.5 (e)	The minimum amount of liquid assets and/or credit facilities net of other contractual commitments of the successful Bidder in order to be qualified for the Contract shall be as specified in the attached table captioned as Minimum Qualification Requirements.

4.6	Max number of joint venture partner are two i.e. one lead partner and other one.
8.2	The number of copies of the Bid to be completed and returned shall be two.
9.1	The address of the Employer is Office of the District Development Committee, Banke District.
13.4	The Contract is subject to price adjustment only for construction materials in accordance with Contract Data of Conditions of Contract Clause 47.3
14.1	The Currency of the Employer's Country is Nepalese Rupees.
15.1	The period of the Bid validity shall be 90 days after the deadline for Bid submission specified in the Invitation for Bids.
15.3	The adjustment of Bid Price in accordance with Clause 15.3 shall be calculated on the basis of an annual increase for local costs of 10 Percent.
16.1	Bid Security Amount shall be as specified in the Details of Work Table included in or attached to Invitation for Bids.
17.1	<u>Alternative proposals "will not" be permitted.</u>
19.2 (a)	The Employer's address for the purpose of Bid submission is: Project Co-ordinator Rural Access Improvement and Decentralization Project Office of District Development Committee, Banke, Nepal.
19.2 (b)	Contract No:- 01/RAIDP/Banke/PCK-A/SL-1/2066-067, Chyama - Samjhanachowk –Khajura-Radhapur Rural Road, Chainage: From CH 0+000 to Ch 12+000 Km.
19.2 (c)	12:00 Hrs. on April 30 ,2010
20.1	Bidder should submit the bidding document on or before 12 hours, of April 30 , 2010.
22.4	Valid for 120 days period after bid opening.
23.1	Immediately after the deadline for Bid submission time at the office of District Development Committee, Banke,Nepalgunj.
34	The Standard Form of Performance Security acceptable to the Employer shall be: [a Bank Guarantee, using the Form provided as Annex B.]
35	The Advance Payment pursuant to Clause 51 of the Conditions of Contract shall be limited to 10 percent of the Contract Price.
36.1	The adjudicator proposed by the Employer is as agreed by the parties or appointed by NEPCA by reference by either party. The hourly fee for this proposed Adjudicator shall be: NRs. 1, 500 [One Thousand five hundred Nepalese Rupees only].

Minimum Qualification Requirements

Name of Road : Chyama - Samjhanachowk – Khajura-Radhapur Rural Road

Chainage : From CH 0+000 to CH 12+000

Contract Number : 01 / RAIDP / Banke / PCK-A / SL-1/2066 -67

Clause No	Description	Qualification Requirements for Chyama - Samjhanachowk – Khajura-Radhapur Rural Road (Contract No. 01 / RAIDP / Banke / PCK-A /SL-1/ 2066 -67)
4.5 (a)	Average Annual Turnover of best three years over the last five years. $1.5 * \text{estimated cost} * 12 \text{ months} / \text{proposed completion months}$ and round to upper side	NRs. 27,500,000.00 (including VAT)
4.5 (b)	Experience as Prime Contractor in the projects of similar nature of Works in last five years. * Experience of any Contract completed with liquidated damage shall not be considered - Bidder shall submit the experience certificates with the statement that whether the contract was completed with or without liquidated damages from the authorized project. - Completed works to be expressed the nature of works in cubic meter.	Construction of two earthen roads of more than 58,000.00 cum E/W quantity each. Or Construction of one earthen road of more than 116,000.00 cum E/W quantity.
4.5 (c)	Equipment Capabilities: 1. Vibrating Roller (above 12 ton) 2. Excavator 3. Loader or Front Backhoe Loader 4. Tippers/Trucks 5. Water Tanker/ Browser 6. Grader 7. Tractor 8. Plate Compactor/Monkey Jumper 9. Leveling Set with accessories 10. Theodolite with accessories	1 No. 1 No. 1 No. 4 Nos. 1 No. 1 No. 2 No. 1 No. 1 Set 1 Set
4.5 (d)	Requirement and Qualifications of Personnel: 1. Project Manager-Civil Engineer - Five years experience 2. Civil Overseer – Three years experience 3. Supervisors – Two years experience 4. Lab Technician – Two years experience	1 No. 1 No. 2 Nos. 1 No.
4.5 (e)	The minimum amount of liquid assets and/or credit facilities net of other contractual commitments (35% of Contract Price to upper side).	NRs. 8,000,000
4.5 (f)	Litigation History	Over the last 5 years
	Audited Balance Sheets	For the last five years

***Note: Bidder shall submit the experience certificates with the statement that whether the contract was completed with or without liquidated damages from the authorized project**

Section 4. Contract Data

Name of Road : Chyama - Samjhanachowk – Khajura-Radhapur Rural Road
 Chainage : From CH 0+000 to CH 12+000
 Contract Number : [01/RAIDP/Banke/Pck-A/SL-1/2066-67](#)

The following documents are also part of the Contract:

Reference	Contract Clause
• Schedule of Other Contractors	8
• The Schedule of Key Personnel	9
The Borrower is the Government of Nepal .	1.1
The "IDA World Bank " means [International Development Association] and <u>Grant refers to IDA grant H525-NEP and credit No. 4664.</u>	1.1
The Employer is: Office of District Development Committee, Banke, Nepal. Name of Authorized Representative: Local Development Officer,Banke District.	1.1
The Project Manager is : DTO Chief District Technical Office, Banke, Nepal. Authorized Representative: Planning and Design Engineer (PDE) , Banke for the purpose of daily supervision, quality control and certification of works and monitoring of the Contract.	1.1
The name and identification number of the Contract is: 01/RAIDP/Banke/PCK-A/SL-1/2066/067	1.1
The Works consist of: Construction of earthwork, retaining structures, cross drainage structures, pipe culverts, works including environmental mitigation & bioengineering works etc.	1.1
The Start Date shall be 15 days after the date of signing of the contract.	1.1
The contractor shall construct and install the works in accordance with the specifications and Drawings. For this purpose the contractor shall carryout the construction survey jointly with the Technician of the office within 21 days from the date of signing the contract.	16.1
The Intended Completion Date for the Whole of the Works shall be 15 (Fifteen) months from the date of signing Contract, <u>with following milestones:</u> Milestone 1: 15% of the Works completed within one third of Contract duration. Milestone 2: 50% of the Works completed within two third of Contract duration. Milestone 3: Intended Completion Date	17,28
The following documents also form part of the Contract: • None	2.3
The Contractor shall submit a revised Program for the Works within [30] days of the delivery of the Letter of Acceptance (LoA).	27
The Site Possession Date shall be 15 days after the contract agreement Date and earlier than the start date.	21
The Site starts from Chyama, Naubasta VDC-1 at Ch. 0 + 000 and finished at Samjhanachowk, Bankatuwa VDC link with MRM Highway at Ch. 12 + 000 of Banke District (Slice-1) Contract No:- 01/RAIDP/Banke/PCK-A/SL-1/2066/067	1

and drawings Nos. [.....]													
The Contractor shall, at his own cost, provide laboratory facilities at work site to conduct the tests viz. Maximum Dry Density, Atterberg Limits, Moisture Content, and Plasticity Index , at the interval and frequency as specified in the Specifications and the Technical Guidelines for Planning, Design & Construction of Rural Road, for assurance of the quality of the works.	34												
The Defects Liability Period is: 365 days	35												
<p>The minimum insurance covers shall be:</p> <ul style="list-style-type: none"> •The maximum deductible for insurance of Works is <u>1% of the contract value subject to max NRs. 100,000</u> •The minimum cover for insurance of the Works is: <u>100 % of the value of the works as per the Contract Price</u> •The minimum for insurance of other property is <u>NRs. 300, 000</u> •The minimum cover for personal injury or death insurance: <ul style="list-style-type: none"> (a) for the Contractor's employees is: <u>NRs. 200,000</u> and (b) for other people is: <u>NRs. 200,000</u> 	13												
The following events shall also be Compensation Events: None	44												
The period between Program update is [30] days.	27												
The amount to be withheld for late submission of an updated Program is: <u>NRs. 100, 000</u>	27												
The language of the Contract document is: <u>English.</u>	3												
The law that applies to the Contract is the law of <u>Nepal.</u>	3												
Institution whose arbitration procedures shall be used: <u>NEPCA.</u>	25												
Fees and types of reimbursable expenses to be paid to the Adjudicator: NRs 1, 500 per hour and the reimbursable expenses travel, MTV etc. will be paid as per actual upon submission of receipts.	25												
Appointing Authority for the Adjudicator : NEPCA	25												
Arbitration will take place in accordance with the <u>Nepal Arbitration Act 2056.</u>	25												
Prior to submission of the Monthly Statements, the Contractor shall submit to the Project Manager, a Request For Inspection (RFI) for the inspection of the completed Works by an Independent Technical Inspector appointed by the Project Coordination Unit (PCU).	42												
Monthly Statements shall be accompanied with the Certificate of Inspection issued by the Independent Technical Inspector of the completed Works													
All taxes shall be included in the price excluding VAT. VAT shall be billed separately.	45												
The currency of the Employer's country is the <u>Nepalese Rupees (NRs.).</u>	46												
<p>The Contract is subject to price adjustment only for construction materials in accordance with Contract Data and Conditions of Contract clause 47.3 (Add sub-clause 47.3 as follows):</p> <p>After the signing of the Contract Agreement, if there happens to be a price fluctuation in excess of 10 (ten) percent in the price of the construction materials mentioned in the schedule below, then an adjustment for the price shall be made in accordance with the Procurement Regulations of Nepal 2007.</p> <p>No price adjustments shall be made up to a variation of 10% from the base price of the construction material in the schedule below. If the price variation is more than 10% from that of the base price then price adjustments shall be made for the additional percent beyond 10% in accordance with the Procurement Regulations of Nepal 2007. To apply this of price fluctuation the Bidder/Contractor shall provide the following information in the bid (Section 9):</p> <table border="1"> <thead> <tr> <th>Construction Material</th> <th>Base Price (Ex-factory)</th> <th>Source (Factory)</th> </tr> </thead> <tbody> <tr> <td>Cement</td> <td>NRs...../Metric Tonne</td> <td></td> </tr> <tr> <td>Gabion wire (10 SWG)</td> <td>NRs...../Metric Tonne</td> <td></td> </tr> <tr> <td>Steel Reinforcement</td> <td>NRs...../Metric Tonne</td> <td></td> </tr> </tbody> </table>	Construction Material	Base Price (Ex-factory)	Source (Factory)	Cement	NRs...../Metric Tonne		Gabion wire (10 SWG)	NRs...../Metric Tonne		Steel Reinforcement	NRs...../Metric Tonne		47
Construction Material	Base Price (Ex-factory)	Source (Factory)											
Cement	NRs...../Metric Tonne												
Gabion wire (10 SWG)	NRs...../Metric Tonne												
Steel Reinforcement	NRs...../Metric Tonne												

<p>Timber NRs...../Cum</p> <p>Others</p> <p>The base prices of the construction materials shall be taken as 30 days before the deadline for submission of the Bid. For the purpose of price variation, the Ex-factory price of the same source shall be taken into consideration.</p> <p>The bidder shall substantiate the Base price of materials from the manufactures. Based on these documents and verification (as necessary) it shall be included in the contract agreement.</p> <p>Following formula/coefficients shall be apply:</p> <p>For unexpected increase in price $P = [R1 - (R0 \times 1.10)] \times Q$</p> <p>For unexpected decrease in price $P = [R1 - (R0 \times 0.90)] \times Q$</p> <p>Where " P " is price adjustment amount " R1 " is the present price; " R0 " is the base price and " Q " is quantity consumed in construction during the period.</p>	
The proportion of payments retained is Five percent .	48
<p>The liquidated damages for the whole of the Works are 0.05 percent of final Contract Price per day and that for the Milestones are as under;</p> <p>Milestone 1: 0.005% of Contract price per day Milestone 2: 0.025% of Contract price per day Milestone 3: 0.05% of Contract price per day</p> <p>Liquidated damage for Milestone 1 will be levied within Milestone 2, then liquidated damage of Milestone 2 will be levied within Milestone 3, so on and so forth. No two liquidated damage will be applicable at one time and liquidated damage shall be applicable until works in the preceding Milestones is completed.</p>	49
The maximum amount of liquidated damages for the whole of the Works is 10 percent of the final Contract Price.	49
<p>The Bonus for the whole of Works is 0 percent of final Contract price per day.</p> <p>The maximum amount of bonus for the whole of the Works is 0 percent of the final Contract Price.</p>	50
The Advance Payment shall not be more than 10 % of the Contract Price . 50% of the advance will be paid after signing of the contract and remaining 50 % of the advance will be paid after full mobilization of the contractor, including purchase of insurance and establishment of material test laboratory as specified in the Contract Data, satisfactory to the Project Manager. These advance payments shall be paid to the contractor within 30 days after submission of a bank guarantee in the currency specified in the contractor's bid.	51
<p>The Advance Payment will be repaid as follows:</p> <p>Deductions from Payment Certificates will commence in the first certificate in which the value of works executed exceeds 30% of the Contract Price.</p> <p>Deduction will be at the rate of 20% of the respective monthly Interim Payment Certificate. Advance Payment shall be fully recovered before 90% lapse of the contract period.</p>	51
<p>The Performance Security shall be for the following minimum amounts equivalent, as a percentage of the Contract Price :</p> <p>(a) Bank Guarantee 5 percent</p>	52
The standard form(s) of Performance Security acceptable to the Employer shall be of the type presented in Section 8 of the Bidding Documents.	52
The amount to be withheld for failing to produce "as built" drawings (only for structures) by the date required is NRs. 100,000.00(One Lakh)	58
The percentage to apply to the value of the Works not completed, representing the Employer's additional cost for completing the Works, is 25 % [Twenty Five percent]	60