

Invitation to Bid (ITB) on Flood Defense Structures Pre-Bid Conference Meeting Minutes

Project “Developing Climate Resilient Flood and Flash Flood Management Practices to Protect Vulnerable Communities of Georgia” #00076540

Date: 10 August 2015

Pre-bid conference meeting on ITB on Flood Defense Structure was held on 10 August 2015, in UN House, Conference Room.

Meeting was held by:

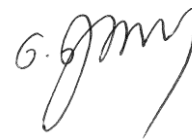
Ivane Tsiklauri – Project Manager



Natia Lipartiani – Project Admin Finance Assistant



Nino Nebieridze – Procurement/Logistics Assistant, UNDP Procurement Unit



Following company representatives attended the meeting:

1. Ltd “Kristali”, represented by Svanidze Gia and Oniani Zaqro;
2. Ltd “Avtogzalentekhi99”, represented by Arjevanidze Ioseb;
3. Ltd “IDC”, represented by Tomaradze David and Razmadze Vakhtang;
4. Ltd “Gorkemi”, represented by Chabukiani Zaza;
5. JSC “Sakenergoremonti”, represented by Jojua Nodar and Nikolaishvili Temur;
6. JSC “Spechidromsheni”, represented by Avaliani Kakhaber;
7. Ltd “Giko” represented by Potskhverashvili Paata.

At the beginning of the meeting the content of ITB, including all respective sections, was presented and potential bidders were guided how to submit the bid in an accurate manner and in accordance to ITB requirements. In addition, bidders were informed to pay attention to the correction to ITB, namely pg.20 article 32, under list of machinery and employees per LOT, which was posted to the already announced web-page links: http://procurement-notices.undp.org/view_notice.cfm?notice_id=24028; <https://www.ungm.org/Public/Notice/36447> and <http://jobs.ge/eng/97268/>.

During the meeting, several important issues were highlighted, as well as questions raised from the side of potential bidders were responded:

- **Warranty issue** – any defects identified during the warranty period, which starts after completion of works and continues for 2 years (according to ITB), will be assessed by expertize services and respectively identified responsible party shall be responsible for the loss; it should also be considered that current BoQ is foreseen for the risk of floods with 100 year return period;
- **Contract Payment and Quality Management** – UNDP project engineer will periodically visit the site for quality assessments and also will certify each deliverable/phase in accordance with ITB requirements and submitted work schedule/Gantt chart. Payment to the contractor will be conducted after certification of UNDP project engineer on completion of each phase of works. For local companies all contractual payments will be made in GEL according to UN Official Rate of Exchange (UNORE) at the date of payment. UNORE can be seen on the following link: <http://treasury.un.org/operationalrates/OperationalRates.aspx>.
- **Currency and exchange rate Issue** – preferred currency of the bid is USD (per ITB), though for bids submitted in other currencies than UNDP preferred currency, conversion will be done based on UNORE, on the date of the Bid Opening. Bidders must indicate the currency in the

submitted proposals. Bid and/or contract amount will not be affected by any USD/GEL exchange rate variation.

- **Site visit and Bid Opening** – companies are strongly encouraged to visit the sites on their own expenses. Bidders interested in Bid Opening can attend the meeting on 25 August 2015, 17:30 local time GMT+4, in UN House, Conference Room, where participating companies as well as per LOT amounts will be announced.
- **Bid Security** – only bank guarantee letters are acceptable for bid security. Proposed alternative form of letter from insurance company will not be accepted;
- **External risks (flooding and unfavorable weather conditions)** – in case the company fails to complete works within contract date, liquidated damages shall be imposed (according to ITB paragraph 13 liquidated damages). However, if the reason of delay will be unfavorable weather conditions (flooding, heavy snow and heavy rain followed by river level rise), which may/can require short-term suspension of the construction work, in agreement of both parties, works can be postponed based on proper written justification and confirmation from the contractors supervising engineer and UNDP civil engineer, together with submission of the letter from meteorological station. However, the total number of days for completion of the works (120 days for each LOT per ITB) will not be changed by this.
- **License for stones/boulders** – respective license on stones for LOT 1 should be submitted within the ITB deadline. As for the license within LOT 2 on obtaining stones, which includes manual collection of stones locally on site, the bidder is allowed not to submit the license within ITB deadline, as UNDP in partnership with National Environmental Agency (NEA) and Ministry of Environment and Natural Resources Protection of Georgia (MOE) will release the winning company from obtaining license on collection of needed amount of stones indicated within the BoQ.
- **Penalty issues during conducting some construction works on the site** – as the construction works project is elaborated by NEA representatives and is agreed with the Ministry of Regional Development and Infrastructure of Georgia (MRDI), no fines will be imposed on works indicated within BoQ;
- **Tender Evaluation and contract award criteria** – technical responsiveness of the bidder per ITB requirements and lowest price offered per LOT.
- **Working area arrangement details on site** – UNDP and/or NEA are not responsible for arranging working area on site. All respective actions should be performed by the contractor. Cost related to (if any), can be indicated under “Other Cost” position of the BoQ and should be specified accordingly.
- **Distributing Excel format of BoQ and Georgian versions (translations) of Technical Specifications of works and BoQs** – in response to the request raised from attendee companies, English versions of BoQs (section 7), in excel format, as well as the respective Georgian translation of BoQs and Technical Specifications of works (included in section 3a of ITB) for LOTs will be distributed to the companies who attended the pre-bid conference meeting, as well as will be uploaded online on web-pages where ITB is already posted (see links above). However, proposals shall only be submitted in English. Documents in Georgian language should be submitted together with unofficial English translation. Only documents, issued by government entities can be accepted in Georgian.
- **LOT 2's position 2 issue** – following comment raised from one of attendees in regard to the LOT2's position 2 (*Compacting ground excavated from the cave. Ground should be compacted in layers of 0.30m*), there was identified that instead of 1000m³ unit of measurement, there should be indicated **100m³**. Respective modification is done and “correction to ITB pg.34” pdf file, as well as, “Section_7_Price Schedule Form_Modified” word format, are attached hereto, as well as will be uploaded online on web-pages where ITB is already posted (see links above). It should be noted here, that BoQs in excel format, which as mentioned above will be distributed and uploaded include here mentioned modification to position 2 of LOT2's BoQ.