

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: 7 March 2016

Pre-bid conference meeting on ITB on Flood Defense Structure was held on 7 March 2016, 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 “Racha 2005” represented by Nicka Chelidze;
2. Ltd “IDC” represented by Levan Kemashvili;
3. Ltd “Galakhtika” represented by Gocha Sordia;
4. JSC “Spetshydromsheni” represented by Kakhaber Avaliani;

During 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. It was noted that Language of submitted Bid, including all required documentations, excluding the ones that are issues by government entities should be English.

Together with the guidance how to submit the bid, several important issues were highlighted:

- **Bid Validity** – 90 days from the last day of bid submission (starting from 25 March 2016) is set for Bid Validity period (per ITB);
- **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 end 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 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 per ITB) will not be changed by this;
- **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;
- **Advance Payment** – allowed (per ITB) up to a maximum of 20% of the contract price and Advanced Payment Guarantee (from the bank) in the same amount as the advanced payment, using the form and contents of the document in Section 10 should be submitted;

- **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 and/or inflation;
- **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. UN Official Rate of Exchange (UNORE) can be seen on the following link: <https://treasury.un.org/operationalrates/OperationalRates.php#G>.
- **License/certificate for stones/boulders** – respective license/certificate on stones/boulders (*from the manufacturer if company does not itself have certificate*) should be submitted within the ITB deadline;
- **Tender Evaluation and contract award criteria** – technical responsiveness of the bidder per ITB requirements and lowest price offered per LOT.

Pre-bid conference meeting minutes will be shared with the companies who attended the pre-bid conference meeting, as well as will be uploaded online on web-pages where ITB is already posted. Following see respective links: <http://jobs.ge/109300/>; http://procurement-notices.undp.org/view_notice.cfm?notice_id=28310 and <https://www.ungm.org/Public/Notice/43230>