

Ukraine Energy-efficient Rakivka Invitation for Tenders

Supply, installation and commission of two Boiler houses and SCADA system (Lot-1)

and

Supply, installation and commission of biofuel boiler house (Lot-2)

This Invitation for Tenders follows the General Procurement Notice for this project which was published on the NEFCO website, Procurement Notices section (<https://www.nefco.int/procurements/general-procurement-notice-energy-efficient-rakivka-construction-of-heat-generation-capacities-and-modernisation-of-the-dh-system-in-kremenchuk-city/>) on June 23, 2021.

Procurement will be carried out in accordance the NEFCO Procurement Policy and Procedures, which are published on the NEFCO's website.

Utility company «Teploenergo» of Kremenchuk city council of Kremenchuk district of Poltava region hereinafter referred to as "the Employer" intends using the proceeds of loan from the Nordic Environment Finance Corporation (hereinafter referred to as "the Bank") and a grant from Danida Sustainable Infrastructure Finance (DSIF) towards the cost of Energy-efficient Rakivka Project, hereinafter referred to as "the Project".

The Employer now invites tenders from Contractors for the following contracts to be funded from part of the proceeds of the loan and grant:

Lot 1 - Supply, installation and commission of two Boiler houses and SCADA system (KREM-1), including design, supply, installation, inspection, testing, pre-commissioning and commissioning of two new boiler houses and the auxiliary equipment, as well as perform all required civil works, and training of the boiler house personnel. The boiler houses envisage installation of four hot water boilers with the capacity of 10 MW each (two for each boiler houses) SCADA system for the whole complex of the heating system equipment, and auxiliary equipment, fittings and piping with a burner, a gas regulator, safety automation and regulation of combustion and other auxiliary equipment.

Civil works for the Contract include:

Boiler houses:

- Planning of construction zone, preparation of access roads;
- Preparation of installation zones;
- Construction of the foundations for buildings, structures, equipment in the scope of delivery, including the foundation of the heat accumulator and smoke stacks;
- Construction of the boiler house buildings and auxiliary structures;
- Construction of foundations and supports for the external and internal pipelines to be installed within the Project;
- Improvement of the boiler-house territory in the scope agreed with the Employer.

SCADA system:

- Arrangement of the premises of the central control point;
- Construction works that is associated with the laying of cable lines, installation of control cabinets and equipment.

Lot 2 - Supply, installation and commission of biofuel boiler house (KREM-2), including design, supply, installation, inspection, testing, pre-commissioning and commissioning of the biofuel boiler house and the auxiliary equipment, as well as perform all required civil works, and training of the boiler house personnel. The boiler house envisage installation one new hot water biofuel boiler with capacity 4MW, fuel supply system, equipment and constructions of the fuel storage, heat exchangers and pump equipment for boiler circuit and heat supply circuit, frequency converters, flue gas cleaning, smoke exhaust system with smoke stack, shut-off and control valves, pipes for heat, water and gas supply, test and measuring equipment and instruments, electrical equipment and safety system, dispatch and control systems.

Civil works for the Contract include:

- Planning of construction zone, preparation of access roads;
- Preparation of installation zones;
- Construction of the foundations for buildings, structures, equipment in the scope of supply, including the foundation of the smoke stack;
- Construction of the boiler house buildings and auxiliary structures;
- Construction of supports and foundations for supports for the external and internal pipelines to be installed within the project;
- Improvement of the boiler-house territory in the scope agreed with the Employer;
- External/internal plastering, painting and/or other works focused on attractive appearance of buildings where biofuel plants/fuel storages to be located;
- Restoring of improvement, the boiler house building structure and surrounding area to their previous condition for the approval of the Employer.

Participants have the option to bid for any one or more lots. Tenders will be evaluated lot-wise, taking into account discounts offered, if any, for combined lots. The contract(s) will be awarded to the Participant or Participants offering the lowest evaluated cost to the Employer for combined lots, subject to the selected Participant(s) meeting the required qualification criteria for lot or combination of lots as the case may be.

Tendering for contracts to be financed with the above proceeds is open to firms and individuals from any country.

The Participant will be required to meet the following minimum criteria, as specified in Tender documents:

- a) The Participant shall have successful experience over an 8 (eight) years period ending on the deadline for tender submission:

Lot 1:

- as a contractor in the execution of at least 2 (two) contracts, each with a value of works, implemented by the Participant, at least EUR 6,000,000 substantially completed and that are similar to the proposed contract or related to boiler house construction or rehabilitation, or rehabilitation or construction of power plant.
- as a main contractor (the lead partner in JVCA) in the execution at least 1 (one contract), each with a value of at least EUR 5,000,000 that have been successfully and substantially completed.
- supply, installation and commissioning of at least 2 boilers with capacity of at least 6 MW installed in one site.
- supply, installation and commissioning of pre-insulated networks of at least DN 300 with length at least of 400 meters.

Lot 2:

- as contractor in the execution of at least 2 (two) contracts, each with a value of works, implemented by the Participant, at least EUR 3,000,000 substantially completed and that are similar to the proposed contract or related to boiler house construction or rehabilitation, or rehabilitation or construction of power plant.
- as a main contractor (the lead partner in JVCA) in the execution at least 1 (one contract), each with a value of at least EUR 2,200,000 that have been successfully and substantially completed.
- for at least one boiler house rehabilitation or construction works of a nature and complexity comparable to the proposed contract with installation of the Biofuel Boiler with any type of biofuel.
- in addition, or as part of the above contracts the Tenderer or the proposed biofuel boiler manufacturer shall have successful experience as prime contractor or subcontractor of supply or supply and installation of at least one (1) biofuel boiler with similar to proposed capacity and similar type of fuel in countries with similar climatic conditions over a ten years period ending on the deadline for tender submission, having been in successful operation at least for 1 (one) year prior to submission of the tender

Relevant references as well as Completion or Taking-Over Certificates shall be provided.

- b) The average annual turnover over the last three years is not less than:
Lot-1 EUR 9,500,000 (nine million five hundred thousand) or equivalent
Lot-2 EUR 4,000,000 (four million) or equivalent.

- c) The Participant must demonstrate access to, or availability of financial resources such as liquid assets, unencumbered real assets, lines of credit, and other financial means, other than any contractual advance payments to meet:
- the overall cash flow requirements for this contract taking into account its current commitments and pending awards for the entire duration of the contract; and
 - the estimated cash-flow requirements for 2 (two) months:
Lot 1 - EUR 800,000 (eight hundred thousand) or equivalent
Lot 2 - EUR 350,000 (three hundred fifty thousand) or equivalent.
- d) The Participant has a Litigation History without major claims. A consistent history of awards against the Tenderer or any partner of a joint venture may result in failure of the application. The Tenderer shall provide accurate information on any current or past litigation or arbitration resulting from contracts completed or under his execution over the last four years.
- e) The Participant possesses suitably qualified personnel and shall provide CVs and ensure their availability to fill the following key positions:
- Project Manager (at least 10 years of total experience, 5 years of experience in similar works),
 - Boiler Houses Construction Manager (at least 10 years of total experience, 5 years of experience in similar works),
 - District Heating Networks Construction Manager (at least 10 years of total experience, 5 years of experience in similar works),
 - Boiler Houses Construction Designer (at least 10 years of total experience, 5 years of experience in similar works),
 - District Heating Network Construction Designer (For Lot 1 only) (at least 10 years of total experience, 5 years of experience in similar works), and
 - Automation Controls Engineer (at least 10 years of total experience, 5 years of experience in similar works).
- f) The Tenderer shall demonstrate it is able to meet licensing requirements as per Ukrainian legislation. These may include construction license, design license or availability of certified designers, permission of the State Department of Ukraine for geological supervision and industry safety (Derzhgirpromnaglyad/Derzhpratsya). If such licenses and permissions are available at the time of the tender submission, copies shall be provided. Otherwise, the Tenderer shall provide such copies with the second stage proposal.
- g) The goods, materials, works and equipment under this Tender Document shall be designed, manufactured and supplied in accordance with the appropriate Ukrainian laws, codes and regulations and they shall conform to the respective European and international standards, and quality certificate ISO 9001 or equivalent. The tenderer is required to provide a copy of ISO 9001 certificate with its proposal. In case of discrepancies between the state and international standards, the preference shall be given to the standards with more strict requirements.
- h) Participation of joint ventures and consortia is permitted. Joint ventures and consortia must satisfy the following minimum qualification requirements:
- i) The lead partner shall meet not less than 60 percent of all the qualifying criteria for turnover and financial position specified above;
 - ii) The other partners shall meet not less than 15 percent of all the qualifying criteria for turnover and financial position specified above;
 - iii) The joint venture must satisfy collectively the criteria (a) – (h) stated above.

The qualification requirements are further detailed in the Tender Documents.

The Contracts for both Lots are planned to be completed within 16 months after the effective date according to the Time Schedule.

The Tender Document, upon request, will be dispatched electronically free of charge.

A two-stage tender procedure will be adopted and will proceed as follows:

- (a) the First Stage tender will consist of a technical proposal only, without any reference to prices, and a list of any deviations to the technical and commercial conditions set forth in the tender documents or any alternative technical solutions a tenderer wishes to offer, and a justification therefor, provided always that such deviations or alternative solutions do not change the basic objectives of the project. Following evaluation by the Employer of the First Stage tenders, the Employer will invite each tenderer who meets the qualification criteria and who

has submitted a technically responsive tender to a clarification meeting. The proposals of all such tenderers will be reviewed at the meeting and all required amendments, additions, deletions and other adjustments will be noted and recorded in a Memorandum. Only qualified tenderers submitting a technically responsive and acceptable First Stage tender will be invited to submit a Second Stage tender.

- (b) the Second Stage tender will consist of an updated technical tender incorporating all changes required by the Employer as recorded in the Memorandum to the clarification meeting or as necessary to reflect any amendments to the tender documents issued subsequent to submission of the First Stage tender; and the commercial tender.

A pre-tender clarification meeting / site visit will be held **on July 28, 2021**, starting at **11:00** a.m. at the address: 68 Sofiyivska Street, Kremenchuk city, Ukraine.

Also, pre-tender clarification meeting will take place in an online video conference format in this time. The link to connect to the video meeting in Skype, Zoom or similar platform, will be provided 7 (seven) days prior to the meeting via e-mail.

All requests for clarification must be received by the Employer **till July 30, 2021, 10:00 a.m.**

Please, note that all the requests for clarification received after the deadline will not be addressed.

First Stage tenders must be duly completed and submitted to the address below on or before **August 31, 2021, 11:00 a.m.** at which time they will be opened in the presence of the tenderers' representatives who wish to attend.

All Second Stage tenders must be accompanied by a Tender Security of:

Lot 1 - EUR 95,000 (ninety-five thousand Euros) or equivalent amount in Ukrainian Hryvnia at the rate of the National Bank of Ukraine on the day of its issue.

Lot 2 - EUR 54,000 (fifty-four thousand Euros) or equivalent amount in Ukrainian Hryvnia at the rate of the National Bank of Ukraine on the day of its issue,

Prospective tenderers may obtain further information from, and also inspect and acquire the tender documents at the following office.

Contact person:	Victor Vorozhbitov
Purchasing Entity	Utility company «Teploenergo» of Kremenchuk city council of Kremenchuk district of Poltava region
Address	Room No.2, 1st floor, 68 Sofiyivska Street, Kremenchuk City, 39600, Ukraine
Tel:	+38 (097) 557 43 90
E-mail:	office@kremenchuk-teplo.org.ua

Date: July 16, 2021