Ukraine Energy-efficient Rakivka Invitation for Tenders

Supply, installation and commissioning of Individual Heat Substations (Lot-3)

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-kremenchukcity/) on June 23, 2021.

Procurement will be carried out in accordance to 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") towards the cost of Energy-efficient Rakivka Project, hereinafter referred to as "the Project".

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

Supply, installation and commissioning of Individual Heat Substations (KREM-3), including design, supply, installation, inspection, testing, pre-commissioning and commissioning of 117 IHSs that are located in the Rakivka micro district.

Civil works for the Contract include:

- Dismounting works and preparation of the construction site;
- Construction works for preparation of rooms for IHSs.

The contract will be awarded to the Participant who offering the lowest evaluated cost to the Employer, subject to the selected Participant meeting the required qualification criteria for the lot 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 a 6 (six) years period ending on the deadline for tender submission:
 - 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 1,000,000 or 1 (one) contract with a value of works, implemented by the Participant, at least EUR 2,000,000 substantially completed and that are similar to the proposed contract or related to central heating substation rehabilitation or construction 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 1,500,000 that have been successfully and substantially completed.
 - IHS supply with average annual aggregated value at least eighty (80) IHSs during the last 4 years having been in successful operation at least for 1 (one) year prior to submission of the tender.
 - installation of IHS and/or rehabilitation of space heating systems with an aggregated value of at least EUR 100,000 that have been successfully and substantially completed during the last 3 years.

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 EUR 2,500,000 (two million five hundred thousand) 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: EUR 200,000 (two hundred 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:
 - o Project Manager (at least 15 years of total experience, 5 years of experience in similar works),
 - o Construction Manager (at least 10 years of total experience, 5 years of experience in similar works),
 - Chief Designer (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 Contract is planned to be completed within 15 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 September 14, 2021**, starting at **11:00** a.m. at the address: Great Hall, Peremogy Square, 2, 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 September 16, 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 on or before *October 19, 2021, 11:00 a.m.* at the address: office No.304, Peremogy Square, 2, Kremenchuk, Ukraine which 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: EUR 25,000 (twenty-five 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

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Date: September 3, 2021