

# Special Procurement Notice (SPN)

Country: Republic of Armenia

Project Name: Irrigation Systems Enhancement Project (ISEP)

IBRD Loan No.: 8267AM

Contract Title: "Construction of Geghardalich Irrigation Scheme" (comprising of 3 lots)

Reference No.: ISEP/ICB/CW-14/002

## Invitation for Bids (IFB)

1. The Republic of Armenia has received financing from the World Bank toward the cost of the **Irrigation Systems Enhancement Project (ISEP)**, and intends to apply part of the proceeds toward payments under the contracts for "**Reconstruction of Geghardalich Dam**", ISEP/ICB/CW-14/002-1 (Lot 1); "**Construction of Main Pipeline DM0+00÷DM133+00**", ISEP/ICB/CW-14/002-2 (Lot 2) and "**Construction of Main Pipeline DM133+00÷DM258+64 and "Geghadir-Hatsavan" pipeline**", ISEP/ICB/CW-14/002-3 (Lot 3). These contracts will be jointly financed by the WB and Government of the Republic of Armenia. Bidding process will be governed by the World Bank's rules and procedures.

2. The "**Water Sector Projects Implementation Unit**" SA (WSPIU SA) now invites sealed bids from eligible bidders for the following works: *earth works; concrete works; Pipes and pipe reinforcement steel structures; insulation works; monitoring equipment etc. (as per BOQ)*

The Sites are located at:

**Lot#1: at the distance of 65 km from Yerevan and 10 km from the settlement Goght (Kotayk Marz)**

**Lot#2: at the distance of 65-78 km from Yerevan and 23 km from the settlement Goght (Kotayk Marz)**

**Lot#3: at the distance of 12 km from Geghadir, Hatsavan and Voghjaberd settlements (Kotayk Marz)**

The Intended Completion Date for the whole of the Works shall be:

- Lot 1: 24 (twenty four) months including vegetation period;

- Lot 2: 12 (twelve) months; and

- Lot 3: 14 (fourteen) months.

**Note:**

- Lot 1 (Reconstruction of Geghardalich dam, rehabilitation of diversion canal of the spillway, irrigation outlet, diversion canal; subsidiary canal) is for reconstruction of the dam and rehabilitation of appurtenant structures. Reconstruction shall be so organized not to hinder irrigation of the lands supplied from the reservoir. The duration is 24 calendar months. During that period the Contractor will be entitled for technological break during filling of the reservoir and irrigation season, severe weather conditions at the site. Considering the irrigation season, the works under Lot 1 may be actually carried out from September 15 to March inclusive. However, as the reservoir is located at the elevation of 2710m, the access to the site and civil works are practically impossible from December to March. So actually, the Contractor will have under its possession only the period

*from September to November. The civil works beyond that period will be possible only at diversion canal and spillway chute. In case of good organization of civil works, construction of the concrete parapet will be possible when the water level in the reservoir draws down below parapet foundation level.*

- *Under Lot 2 (Construction of 13.355 km section of the main pipeline (l=9840 m, d=500mm steel pipes and l= 3510 m, d= 500mm GRP pipes)) the main pipeline from DM0+00 to DM133+00 will be constructed. The duration is 12 calendar months. During that period the Contractor will be entitled to a technological break due to heavy winter conditions as that site is located at the elevation of 2700-2000m.*
- *Under Lot 3 (Construction of 12.711 km section of the main pipeline (l=8390 m, d=500mm and l=2421 m, d= 400mm steel pipes and l=1900 m, d= 400mm GRP pipes)) the main pipeline from DM130+00 to DM258+64 and Geghadir-Hatsavan branch will be constructed (Construction of 3,637 km long Geghadir-Hatsavan pipeline (l=2411 m, d= 219 mm and l=1226 m, d=250 mm steel pipes). The duration is 14 calendar months. The sites are located at the elevation of 1420-2150m, therefore technological break in winter period is possible for some sections of the main pipeline.*

#### **Qualifications requirements include:**

- **Minimum average annual construction turnover, calculated as total certified payments received for contracts in progress and/or completed within the last 5 (five) years, divided by 5 (five):**
  - Lot-1: AMD 717,000,000 (or US\$1,490,000 equivalent);
  - Lot-2: AMD 1,900,000,000 (or US\$3,950,000 equivalent); and
  - Lot 3: AMD 1,500,000,000 (or US\$3,119,000 equivalent).
- **The Bidder shall demonstrate that it has access to, or has available, liquid assets, unencumbered real assets, lines of credit, and other financial means (independent of any contractual advance payment) sufficient to meet the construction cash flow requirements estimated as:**
  - Lot-1: AMD 159,300,000 (or US\$331,000 equivalent) net of the Bidders other commitments;
  - Lot-2: AMD 422,200,000 (or US\$878,000 equivalent) net of the Bidders other commitments; and
  - Lot 3: AMD 333,350,000 (or US\$693,000 equivalent) net of the Bidders other commitments.
- **Participation in at least 1 (one) contract for each lot as a prime contractor, joint venture member, management contractor or sub-contractor between 1<sup>st</sup> January 2010 and application submission deadline, that have been satisfactorily and substantially completed in hydraulic facilities (for Lot 1: construction of dam and hydro engineering objects (such as water intake, main and secondary canals, pipeline projects); for Lot 2 & Lot 3: hydro engineering objects (such as water intake, main and secondary canals, pipeline projects):**
  - Lot 1: with a value of at least AMD 764,800,000 (or US\$1,590,000 equivalent);
  - Lot 2: with a value of at least AMD 1,013,000,000 (or US\$2,100,000 equivalent); and
  - Lot 3: with a value of at least AMD 933,400,000 (or US\$1,940,000 equivalent).
- **Participation in the above and in any other contracts completed and under implementation as prime contractor, joint venture member, management contractor**

or sub-contractor during the period stipulated between 1<sup>st</sup> January 2010 and application submission deadline, with a minimum construction experience in the following key activity successfully completed:

*Lot 1:*

- Earthworks 56,000m<sup>3</sup> (in any year within the period stated above);
- Hydrotechnical concrete -2,920m<sup>3</sup> (in any year within the period stated above).

*Lot 2:*

- Pipeline - 10,792m (in any year within the period stated above);
- Earthworks 46,400m<sup>3</sup> (in any year within the period stated above);
- Hydrotechnical concrete -136m<sup>3</sup> (in any year within the period stated above).

*Lot 3:*

- Pipeline - 16,160m (in any year within the period stated above);
- Earthworks 53,600m<sup>3</sup> (in any year within the period stated above);
- Hydrotechnical concrete -368m<sup>3</sup> (in any year within the period stated above).

The required key activity may be demonstrated in one or more contracts (no more than three) combined if executed during same time period.

➤ **Personnel and Equipment**

*To be qualified for two or three lots (contracts) the Bidder must meet the sum of requisites of two or three lots (contracts) correspondingly (the details of the required personnel and equipment are presented in the Bidding Document).*

A margin of preference for eligible national contractors/joint ventures **shall not** apply.

**Bidders may bid for one or three lots (contracts), as further defined in the bidding document. Bidders wishing to offer discounts in case they are awarded more than one contract will be allowed to do so, provided those discounts are included in the Letter of Bid.**

3. Bidding will be conducted through the **International Competitive Bidding (ICB)** procedures as specified in the World Bank's Guidelines: Procurement of Goods, Works and Non-Consulting Services under IBRD Loans and IDA Credits & Grants by World Bank Borrowers [January 2011, revised July 2014] ("Procurement Guidelines"), and is open to all eligible bidders as defined in the Procurement Guidelines. In addition, please refer to paragraphs 1.6 and 1.7 setting forth the World Bank's policy on conflict of interest.

4. Interested eligible bidders may obtain further information from **WSPIU SA office (Mr.Samvel Karapetyan – Planning and Design Engineer. Tel:(+37441) 111-402; email: skarapetyan@wsdp.am)** and inspect the bidding documents during office hours **10:00 to 17:00** at the address given below.

5. A complete set of bidding documents in **English** may be purchased by interested eligible bidders upon the submission of a written application to the address below and upon payment of a nonrefundable fee of **150\$US or 70,000AMD**. The method of payment will be banking transfer to the following account:

**Beneficiary: Ministry of Finance of the Republic of Armenia/Central Treasury**  
**Account Numbers: 900000906074 (USD) or 900000906082 (AMD)**

**The bidding documents will be sent by airmail (for overseas delivery) or handed over to the Bidder's representative. In the case of airmail delivery an additional fee of 150\$US or 70,000 AMD will be charged for shipping. In addition, bidding documents will be also provided to Bidders in electronic format. If there are discrepancies between the hard copy and electronic version, the hard copy shall prevail.**

6. Bids must be delivered to the address below on or before **September 18, 2015; 16:00 (Yerevan time)**. Electronic bidding **will not** be permitted. Late bids will be rejected. Bids will be publicly opened in the presence of the bidders' designated representatives and anyone who choose to attend at the address below on **September 18, 2015; 16:00 (Yerevan time)**.

7. All bids must be accompanied by a **Bid Security (Bank Guarantee)** in amount of:

- *Lot 1: AMD 19,120,000.00 or its equivalent in freely convertible currency at the exchange rate of the Central Bank of RA as of Bid Security issuance date.*
- *Lot 2: AMD 25,332,000.00 or its equivalent in freely convertible currency at the exchange rate of the Central Bank of RA as of Bid Security issuance date.*
- *Lot 3: AMD 23,335,000.00 or its equivalent in freely convertible currency at the exchange rate of the Central Bank of RA as of Bid Security issuance date.*

8. The address referred to above is:

**“Water Sector Projects Implementation Unit” State Agency**

**Attn.: Mr.Feliks Melikyan – Director**

**Mr.Samvel Karapetyan – Planning and Design Engineer**

**Mr. Martin Charyan - Procurement Specialist**

**75/44 Baghramyan Ave., Yerevan 0033, Republic of Armenia**

**Tel: (+37410) 277-943 (reception); 266-058 (procurement department)**

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