

Special Procurement Notice (SPN)

Country: **Republic of Armenia**

Project Name: **Irrigation Systems Enhancement Project (ISEP)**

IBRD Loan No.: **8267AM**

Contract Title: **“Construction of Kaghtsrashen Irrigation Scheme” (comprising of 3 lots)**

Reference No.: **ISEP/ICB/CW-14/001**

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: **“Construction of Main Pipeline DM0+00-DM90+16.32”, ISEP/ICB/CW-14/001-1 (Lot 1); “Construction of Main pipeline DM90+16.32-DM196+60”, ISEP/ICB/CW-14/001-2 (Lot 2) and “Construction of Main pipeline DM196+60-DM275+79.89”, ISEP/ICB/CW-14/001-3 (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; monolith reinforced concrete; pipes and pipeline equipment; metallic constructions; insulation works (as per BOQ)*

The Sites are located at:

Lot#1: at the distance of 45 km from Yerevan situated in the Kotayk Marz

Lot#2: at the distance of 50-55 km from Yerevan situated in the Ararat Marz

Lot#3: at the distance of 60-65 km from Yerevan situated in the Ararat Marz

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

- Lot 1: 18 (eighteen) months;

- Lot 2: 16 (sixteen) months; and

- Lot 3: 16 (sixteen) months.

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 2,012,851,900 (or US\$4,200,000 equivalent);

-Lot-2: AMD 2,116,786,000 (or US\$4,416,870 equivalent); and

-Lot 3: AMD 1,267,336,000 (or US\$2,644,415 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 447,300,000 (or US\$933,334 equivalent) net of the Bidders other commitments;
-Lot-2: AMD 470,400,000 (or US\$981,534 equivalent) net of the Bidders other commitments;
and
-Lot 3: AMD 281,630,000 (or US\$587,647 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 1st January 2010 and application submission deadline, that have been satisfactorily and substantially completed in hydraulic facilities (for Lot 1,2,3: construction of hydro engineering objects (such as water intake, main and secondary canals, pipeline projects):**

*-Lot 1: with a value of at least AMD 1,610,280,000 (or US\$3,360,000 equivalent);
-Lot 2: with a value of at least AMD 1,505,207,000 (or US\$3,140,755 equivalent); and
-Lot 3: with a value of at least AMD 901,216,000 (or US\$1,880,470 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 1st January 2010 and application submission deadline, with a minimum construction experience in the following key activity successfully completed:**

Lot 1:

*- EARTH WORKS – 50,400m³ (in any year within the period stated above);
- HYDRO TECHNICAL CONCRETE – 1,845m³ (in any year within the period stated above);
- PIPES and PIPELINE - Steel pipes 7,360m (in any year within the period stated above);
INSULATION WORKS –7,263 m (in any year within the period stated above);*

Lot 2:

*-EARTH WORKS – 56,800m³ (in any year within the period stated above);
- HYDRO TECHNICAL CONCRETE – 815m³ (in any year within the period stated above);
- PIPES and PIPELINE - Steel pipes 710m, fiber glass pipes 8,151m. (in any year within the period stated above);*

Lot 3:

*-EARTH WORKS – 40,000m³ (in any year within the period stated above);
- HYDRO TECHNICAL CONCRETE – 389m³ (in any year within the period stated above);
- PIPES and PIPELINE - Steel pipes 240m, fiber glass pipes 6,353m. (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. Hamlet Harutyunyan – Planning and Design Engineer. Tel: (+37441) 111-403; email: hharutyunyan@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 29, 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 29, 2015; 16:00 (Yerevan time)**.

7. All bids must be accompanied by a **Bid Security (Bank Guarantee)** in amount of:
- *Lot 1: AMD 40,257,000.00 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 37,632,000.00 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 22,530,000.00 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.Hamlet Harutyunyan – 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)

E-mail: fmelikyan@wsdp.am; hharutyunyan@wsdp.am; mcharyan@wsdp.am;