

Invitation for Bids

Loan №: 8388-AM (Electricity Supply Reliability Project: Additional Financing)

Loan №: 8495-AM (Electricity Transmission Network Improvement Project)

IFB №: HV-W-ESRAF-1/2015

1. The Republic of Armenia has received a loan from the International Bank for Reconstruction and Development (IBRD) toward the cost of the “**Electricity Supply Reliability Project: Additional Financing**” and “**Electricity Transmission Network Improvement Project**”. It is intended that part of the proceeds of this loan will be applied to eligible payments under the following contracts (Lots) or any combination of them

Lot 1: Rehabilitation of Haghtanak 220 kV Substation

Lot 2: Rehabilitation of Charentsavan-3 110 kV Substation

Lot 3: Rehabilitation of Vanadzor-1 110 kV Substation

Lot 4: Rehabilitation of Ashnak 220/110/10 kV Substation

2. The High Voltage Electric Networks CJSC now invites sealed bids from eligible bidders for the construction and completion of

Lot 1: Rehabilitation of Haghtanak 220 kV Substation

Lot 2: Rehabilitation of Charentsavan-3 110 kV Substation

Lot 3: Rehabilitation of Vanadzor-1 110 kV Substation

Lot 4: Rehabilitation of Ashnak 220/110/10 kV Substation

3. Interested eligible bidders may obtain further information from High Voltage Electric Networks CJSC and inspect the bidding documents on working days at the address given below from 9:00 till 17:30 local time.

High Voltage Electric Networks CJSC

1 Zorovar Andranik Street, Yerevan 0084, Republic of Armenia

Tel. +374 10 72 00 10

4. **The Bidder shall fulfill the following minimum criteria for each Lot as follows:**

Lot 1 Rehabilitation of Haghtanak 220 kV Substation

- **General Experience**

Experience under the substation rehabilitation/construction/ reconstruction contracts in the role of contractor, subcontractor or management contractor for at least the last five [5] years prior to the applications submission deadline, and with activity in at least nine (9) months in each year.

- **Specific Experience**

Participation as contractor, subcontractor, or management contractor in at least two (2) contracts within the last eight [8] years in substation construction contracts each with total value of at least 12.0 million USD, that have been successfully and substantially completed and that are similar (with 220 kV voltage or higher and substation with minimum 3 bays including one transformer bay) to the proposed Contract. Particularly Contractor should have experience in

- Design, Construction, Installation& Commissioning of 220 kV substation

- Design, Construction, Installation& Commissioning of 110 kV substation
- Design, Construction, Installation& Commissioning of MV substation

- **Historical Financial Performance**

Audited balance sheets or if not required by the law of the bidder's country, other financial statements acceptable to the Employer, for the last five [5] years to demonstrate the current soundness of the bidders financial position and its prospective long term profitability must be enclosed to the bid offer.

- **Average Annual Turnover**

Minimum average annual turnover of USD 22.0 Million, calculated as total certified payments received for substation rehabilitation/construction contracts substantially completed (more than 80% value of the contract executed before bid opening), within the last five (5) years

- **Financial Resources**

The Bidder 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 following cash flow requirement:

- (i) **USD 3.75 million** as the cash flow requirement, and
- (ii) the overall cash flow requirements for this contract and its current commitments.

Lot 2: Rehabilitation of Charentsavan-3 110 kV Substation

- **General Experience**

Experience under the substation rehabilitation/construction/ reconstruction contracts in the role of contractor, subcontractor or management contractor for at least the last five [5] years prior to the applications submission deadline, and with activity in at least nine (9) months in each year.

- **Specific Experience**

Participation as contractor, subcontractor, or management contractor in at least two (2) contracts within the last eight [8] years in substation construction contracts each with total value of at least 9.0 million USD, that have been successfully and substantially completed and that are similar (with 110 kV voltage or higher and substation with minimum 3 bays including one transformer bay) to the proposed Contract. Particularly Contractor should have experience in

- Design, Construction, Installation& Commissioning of 110 kV substation
- Design, Construction, Installation& Commissioning of MV substation

- **Historical Financial Performance**

Audited balance sheets or if not required by the law of the bidder's country, other financial statements acceptable to the Employer, for the last five [5] years to demonstrate the current soundness of the bidders financial position and its prospective long term profitability must be enclosed in the bid offer.

- **Average Annual Turnover**

Minimum average annual turnover of USD 15.0 Million, calculated as total certified payments received for substation rehabilitation/construction contracts substantially completed (more than 80% value of the contract executed before bid opening), within the last five (5) years

- **Financial Resources**

The Bidder 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 following cash flow requirement:

- (i) **USD 2.5 million** as the cash flow requirement, and
- (ii) the overall cash flow requirements for this contract and its current commitments.

Lot 3: Rehabilitation Vanadzor-1 110 kV Substation

- **General Experience**

Experience under the substation rehabilitation/construction/ reconstruction contracts in the role of contractor, subcontractor or management contractor for at least the last five [5] years prior to the applications submission deadline, and with activity in at least nine (9) months in each year.

- **Specific Experience**

Participation as contractor, subcontractor, or management at least two (2) contracts within the last eight [8] years in substation construction contracts each with total value of at least 7.0 million USD, that have been successfully and substantially completed and that are similar (with 110 kV voltage or higher and substation with minimum 3 bays including one transformer bay) to the proposed Contract. Particularly Contractor should have experience in

- Design, Construction, Installation& Commissioning of 110 kV substation
- Design, Construction, Installation& Commissioning of MV substation

- **Historical Financial Performance**

Audited balance sheets or if not required by the law of the bidder's country, other financial statements acceptable to the Employer, for the last five [5] years to demonstrate the current soundness of the bidders financial position and its prospective long term profitability must be enclosed in the bid offer.

- **Average Annual Turnover**

Minimum average annual turnover of USD 12.0 Million, calculated as total certified payments received for substation rehabilitation/construction contracts substantially completed (more than 80% value of the contract executed before bid opening), within the last five (5) years

- **Financial Resources**

The Bidder 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 following cash flow requirement:

- (i) **USD 2.0 million** as the cash flow requirement, and
- (ii) the overall cash flow requirements for this contract and its current commitments

Lot 4: Rehabilitation of Ashnak 220/110/10 kV Substation

- **General Experience**

Experience under the substation rehabilitation/construction/ reconstruction contracts in the role of contractor, subcontractor or management contractor for at least the last five [5] years prior to the applications submission deadline, and with activity in at least nine (9) months in each year.

- **Specific Experience**

Participation as contractor, subcontractor, or management contractor in at least two (2) contracts within the last eight [8] years in substation construction contracts each with total value of at least 11.0 million USD, that have been successfully and substantially completed and that are similar (with 220 kV voltage or higher and substation with minimum 3 bays including one transformer bay) to the proposed Contract. Particularly Contractor should have experience in

- Design, Construction, Installation& Commissioning of 220 kV substation
- Design, Construction, Installation& Commissioning of 110 kV substation
- Design, Construction, Installation& Commissioning of MV substation

- **Historical Financial Performance**

Audited balance sheets or if not required by the law of the bidder's country, other financial statements acceptable to the Employer, for the last five [5] years to demonstrate the current soundness of the bidders financial position and its prospective long term profitability must be enclosed in the bid offer.

- **Average Annual Turnover**

Minimum average annual turnover of USD 20.0 Million, calculated as total certified payments received for substation rehabilitation/construction contracts substantially completed (more than 80% value of the contract executed before bid opening), within the last five (5) years.

- **Financial Resources**

The Bidder 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 following cash flow requirement:

- (i) **USD 3.5 million** as the cash flow requirement, and
- (ii) the overall cash flow requirements for this contract and its current commitments.

5. In case of the award of more than one lot:

- the required specific experience shall be the aggregate of the specific experience required for the individual lots.
- the required cash flow shall be the aggregate of the cash flow required for the individual lots;
- the required annual turnover shall be the aggregate of the turn over required for the individual lots.

6. The Bidder must attach an affidavit that there is no set up or claimed event of bankruptcy or settlement proceeding against the assets of his company and that no liquidation of the company is ongoing.

The Bidder must have certification according to ISO 9001 and ISO 14000 or equivalent, and description of quality assurance system and environment assurance.

Prices shall be filled in indelible ink, and any alterations necessary due to errors, etc., shall be initialed by the Bidder.

7. A complete set of bidding documents may be purchased by interested bidders on the submission of a written application on the name of High Voltage Electric Networks CJSC requesting to the above and upon payment of a non-refundable fee in amount of 900 USD only (USD nine hundred) on account specified below. The document will be sent by express air mail or handed over to the authorized representative of the bidders immediately upon receipt of bank documents evidencing payment of non-refundable fee.

Accounts for payment

For non-residents of Armenia (payment in USD):

Beneficiary: High Voltage Electric Networks CJSC
Beneficiary's Bank: ARMBUSINESSBANK,
SWIFT CODE: ARMNAM22
Acc. No 1150001172630101

Correspondent bank: DEUTSCHE BANK TRUST COMPANY AMERICAS NEW YORK, USA
Correspondent account: 04454448 Swift: BKTRUS33

For residents of Armenia: (payment in AMD):

Beneficiary: High Voltage Electric Networks CJSC
Acc. No 2470139122970010
Beneficiary's Bank:
Ardshininvestbank, Yerevan, Republic of Armenia,
SWIFT CODE: ASHBAM 22

8. The provisions in the Instructions to Bidders and in the General Conditions of Contract are the provisions of the World Bank Standard Bidding Document: Procurement of Plant Design, Supply and Installation (published in April 2008, revised in April 2015). International competitive bidding will be conducted in accordance with the World Bank's Single-Stage Bidding Procedure.
9. A Pre-Bid meeting will be held at the office of High Voltage Electric Networks at 11⁰⁰ local time on October 27, 2015.
10. Bids must be delivered to the address below before 11⁰⁰ local time by November 17, 2015 and must be accompanied by a bid security as follows:

Lot 1: Rehabilitation of Haghtanak 220 kV Substation

Amount of Bid Security for Lot 1 shall be USD Four Hundred Fifty Thousand (450,000.00 USD).

Lot 2: Rehabilitation of Charentsavan-3 110 kV Substation

Amount of Bid Security for Lot 2 shall be USD Two Hundred Fifty Thousand (250,000.00 USD).

Lot 3: Rehabilitation Vanadzor-1 110 kV Substation

Amount of Bid Security for Lot 3 shall be USD Two Hundred Thousand (200,000.00 USD).

Lot 4: Rehabilitation of Ashnak 220 kV Substation

Amount of Bid Security for Lot 4 shall be USD Four Hundred Thousand (400,000.00 USD).

Late bids will be rejected.

11. Bids will be opened in the presence of bidder's representatives who choose to attend at 11¹⁵ local time on November 17, 2015 at the above mentioned office.

12. All correspondence with regard to the above shall be to the following address:

High Voltage Electric Networks CJSC
General Director Mr. Aram Ananyan,
1 Zorovar Andranik Street,
0084 Yerevan
Republic of Armenia
Tel.: +37410 72-00-10
Fax: +37410 72-01-21
Electronic mail address: hvenprojects@gmail.com

13. This Invitation for Bids will also be published at the Armenian Procurement Portal at the following address: www.procurement.am

14. In order to facilitate the Bid preparation process the Bidders who purchased the Bidding Documents will be provided with its electronic version in PDF format and Technical Schedules (to be filled by the Bidder) in MS Word format.