

## INVITATION FOR TENDERS

### State of Montenegro

#### Danilovgrad Municipal Infrastructure - Water Supply

This Invitation for Tenders follows the General Procurement Notice for this project which was published in *Procurement Opportunities* on the EBRD website on 30<sup>th</sup> March 2012.

**JP ViK Danilovgrad (JKZP Danilovgrad)**, hereinafter referred to as “the Employer”, intends using part of the proceeds of a loan from the European Bank for Reconstruction and Development (the Bank) towards the cost of **Danilovgrad Municipal Infrastructure**.

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

Danilovgrad Municipal Infrastructure project

General description: The project concerns water investments and has one basic component:

- construction of new or replacement of water supply pipelines and an improved water management system; this component has four sub-projects:
  - (i) Filenda - Bralenovica - Velja Paprat pipeline
  - (ii) Reconstruction of Oraska Jama Pumping Station and Replacement Pipeline to Filendar
  - (iii) Oraska Jama to Zagarac water supply pipeline, Transformer station

Tendering for contracts to be financed with the proceeds of a loan from the Bank is open to firms from any country. The proceeds of the Bank's loan will not be used for the purpose of any payment to persons or entities, or for any import of goods, if such payment or import is prohibited by a decision of the United Nations Security Council taken under Chapter VII of the Charter of the United Nations.

To be qualified for the award of a contract, tenderers must satisfy the following requirements:

- a) Eligibility Criteria
  - A Tenderer shall not have a conflict of interest. All Tenderers found to have a conflict of interest shall be disqualified.
  - A Tenderer shall be disqualified if the Tenderer, an affiliate of the Tenderer, a party constituting the Tenderer or an affiliate of a party constituting the Tenderer, is under a declaration of ineligibility by the Bank, at the date of the deadline for Tender submission or thereafter.
  - No affiliate of the Employer shall be eligible to tender or participate in a tender in any capacity whatsoever unless it can be demonstrated that there is not a significant degree of common ownership, influence or control amongst the affiliate and the Employer.
  - Not having been excluded as a result of the Borrower's country laws or official country regulations, or by an act of compliance with UN Security Council resolution.
- b) Historical Non-performance. A consistent history of historical non-performance and/or litigation awards against the Tenderer or any partner of a joint venture may result in rejection of the tender.
- c) Financial resources. The Tenderer shall demonstrate that it has access to, or has available, liquid assets, unencumbered real assets, lines of credit, and other financial means sufficient to meet the construction cash flow for the contract for a period of 4 (four) months, estimated as not less than 600,000.00 (six hundred thousand) EURO equivalent, taking into account the applicant's commitments for other contracts.

- d) Financial situation. The annual operating profit of the Tenderer (in case of a JVCA of the Leading Partner) must be positive (including all administrative and financial expenditure as well as depreciation according to plan, but excluding extraordinary expenditure and income as well as taxes) must be positive for at least 2 (two) of the previous 3 (three) financial years.

The audited balance sheets for the last 3 (three) financial years shall be submitted and must demonstrate the soundness of the Tenderer's financial position, showing long-term profitability

- e) Average annual turnover: The Tenderer shall have an average annual construction turnover (defined as billing for works in progress and completed) over the last 3 (three) financial years of not less than 3,000,000.00 (three million) EURO equivalent. The Leading Partner of a JVCA shall have an average annual construction turnover (defined as billing for works in progress and completed) over the last 3 (three) financial years of not less than 3,000,000.00 (three million) EURO equivalent.
- f) Specific experience. The Tenderer shall demonstrate that it has successful experience as prime contractor in the execution of at least 3 (three) projects of water supply networks of a nature and complexity comparable to the proposed contract that have been successfully and substantially completed within the last 5 (five) years prior to the tender submission deadline, each with a value of at least 1,200,000.00 EURO (excluding VAT). The Tenderer must demonstrate that works and supplies have been done directly by him in position of prime contractor or leading company of JV.
- g) The Tenderer shall provide suitably qualified personnel for the proposed contract.
- h) The Tenderer shall provide suitable equipment for the proposed contract.

Tender documents may be obtained from the office at the address below upon payment of a non-refundable fee of **150 EURO**.

**Please make a payment to the following bank account number: ME25550035030000038053, JP "VODOVOD I KANALIZACIJA" with Societe General Banka Montenegro PDBMEPG.**

Upon receipt of appropriate evidence of payment of the non-refundable fee, the documents will promptly be dispatched; however, no liability can be accepted for their loss or late delivery.

All tenders must be accompanied by a tender security of **60,000.00 EURO**.

Tenders must be delivered to the office at the address below on or before **1 pm on 29<sup>th</sup> March 2013** at which time they will be opened in the presence of those tenderers' representatives who choose to attend.

A register of potential tenderers who have purchased the tender documents may be inspected at the address below.

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

**Contact name:** Mr. Andjelko Topalovic  
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