



LEPL Technical University of Georgia

Bidding Document

**Procurement of construction works for the building located nearby #17 Guramishvili avenue., Tbilisi
with the funds of the state budget of 2014-2015
(Single-stage e-tender)**

Tbilisi

2014

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Note: Detained description of works (projected volume and defective act) see in uploaded e-materials.

1. Instructions to Bidders

1.1 In Unified Electronic System of State Procurement (hereinafter - the System) procurement procedures are carried out under the Law "On State Procurement" and Order # 9 of April 7, 2011 by the Chairman of the Procurement Agency on "Approval of rule for ease procurement, simplified electronic tender and electronic tender procedure".

1.2 Electronic tender related documents and / or information must be submitted in their original form (in case of a copy, a notarized copy) in Georgian language. Documents and/or information submitted in a foreign language must be accompanied by notarized Georgian translations.

1.3 In cases of dispute between the foreign language document and its translation, assigning priority to be decided by the tender committee.

1.4 In Unified Electronic System of State Procurement (hereinafter - the System) all uploaded documents and/or information signed and/or sealed (if any) must be by authorized person (if required power of attorney or deed to be uploaded).

1.5 Form of the contract and conditions are included in the bidding documents, which will be specified at the time of execution of the contract pursuant to the tender offer.

1.6 A bidder has not the right to submit an alternative proposal.

2. Qualification requirements:

In accordance with the qualification requirements, bidder shall submit the following documents:

2.1. Both for legal entities and individuals:

a) Incumbency Certificate against the property of the participant bidder.

b) Court Certificate (for the suppliers registered in east Georgia – from Tbilisi City Court and for the suppliers registered in the west Georgia – from Kutaisi City Court), stating that against the participant bidder there is not proceeding any insolvency or bankruptcy process.

c) Statement from the Public Registry;

2.2. Submittals of Bidder's qualification should be issued: after commence of the stage, prescribed by the Article 2, paragraph "k" of the "Rule for carrying out simplified procurement, simplified e-tender and e-tender" approved by the Order #9 of April 7, 2011 by the Chairman of State Procurement Agency, and in case of not resident bidder – qualification documents to be issued not later than thirty days before commence of the stage prescribed under this Rule, Article 2, paragraph "k".

2.3. Submittals issued by the administrative bodies, prescribed under the sub-paragraph 2.1.1 of this Article, to be submitted in original or copies, certified by notary. Submittals by non residents shall be attached by Georgian translation, certified by notary.

3. Technical Documentation

3.1 Bid Price;

3.2 The total price of the tender offer and the unit price must be provided including all taxes prescribed by the Georgian legislation and related to the supply subject, including service fee of LEPL Levan Samkharauli Forensics National Bureau.

3.3. Type of materials and equipment, applied in the process of implementation of works and their visual and technical specification (quality, material, color and other) to be agreed with the Customer. In case if the material or equipment offered by the Supplier is not in compliance with the recognized standards and not satisfies requirements of Customer organization, the Supplier is obliged to correct at own expenses, offer other material and equipment, acceptable for the Customer or/and perform the work in other way.

3.4. Overall bidding offer and unit price shall be permitted only in Lari.

3.5. In case of more than 20% of the difference between the final cost of the supplier and estimate cost, if quality, cost of materials and equipment is significantly differed from the market value, the supplier has to prove adequacy of pricing and delivery capability at this price and is obliged to order examination by Levan Samkharauli Forensics National Bureau and submit relevant report. Failure to submit listed documents or/and examination report, shall result in disqualification of Supplier.

3.6. Technical documents shall include bill of quantities for works; schedule and term of works.

3.7. Information about guarantee term for lifetime of the works:

- a) Roof – minimum 15 years;
- b) Doors and windows – minimum 10 years;
- c) Indoor works – minimum 5 years;
- d) Electricity lines work – minimum 5 years;
- e) Heating system works – minimum 3 years.

3.8. Information about provision of analogue works (construction, repair and reconstruction). The bidder must have performed analogue works costing of 2 500 000 Lari within the years of 2011, 2012, 2013, 2014, including analogue works costing of 700 000 Lari within one agreement at least for one facility. Evidence documents and acceptance-delivery act shall be uploaded in e-system by the bidder.

3.9. Information issued by the bank for the amount deposited on the current account, to be minimum of 10% of total cost of the agreement.

4. Terms of payment:

4.1. Payment shall be made by bank transfer.

4.2. At Supplier's request, down payment shall be made in the amount of **not more than 10%** of the contract cost, and guarantee to be submitted for the relevant amount, which must be issued only by a banking institution. The validity period may not be longer than 60 days after termination of validity of the contract.

4.3. Final payment against the performed work shall be made within not later than 30 calendar days after signing act of acceptance, considering the paragraphs 4.2. and 4.5. of this bidding document.

4.4. Intermediate payment shall be made after full deduction of down payment, once per month.

4.5. Final payment shall be made based on the document evidencing the volume of actually performed works and the quality, issued by **LEPL Levan Samkharauli National Forensics Bureau** and Customer has a right to retain final payment in the amount of 10% of agreement total cost before submission of expert's report.

4.6. Bank guarantee **of 5%** of the total value of the contract, to secure the agreement will be applied in the bidding, issued only by banking institutions.

4.7. If the final price stated by the successful bidder in the electronic trading system is 20% lower than the estimate cost of the bidding subject procurement, Customer organization is entitled to demand from the bidder the performance bond in the amount from 10%, issued only by banking institutions

4.8. Validity of performance bond to be exceeded 30 calendar days of the validity of this agreement.

4.9. Overall cost of the procurement subject is of **4 470 160 Lari**.

➤ **Amount to be distributed for the year of 2014 is of 1 343 160**

➤ **Amount to be distributed for the year of 2015 is of 2 127 000**

5. Additional information:

Additional information for interested persons is available at the following address: II floor, №77 Kostava Str. Tbilisi, Administration of Tender Commission, contact persons:

- For construction-design issues – I. Komakhidze, Telephone: 591191707
- For bidding procedures – E. Ivanishvili, Telephone 2364368

6. Technical parameters of procurement, description and listing see in attached materials (project datum and defective act):

Note: percentage defined for overhead expenses stated in the defective acts may not be changed.

Consider that no changes may be made in the names, measurements and quantities stated in the bill submitted by the bidder.

7. Supply conditions and terms:

a) Successful bidder shall provide supply of procurement subject within **245 calendar days** after signing the agreement;

8. Documents and information to be uploaded by the Bidder in the unified electronic system:

- a) Details in accordance with Annex N1.
- b) Bill of Quantities in accordance with defective act.
- c) Information about down payment conditions;
- d) Information about validity of performance bond against roof installation works – less than 15 years; against installation of doors and windows – less than 10 years; **against window gap and façade works – less than 5 years; against electricity lines – less than 5 years; against heating system works – less than 5 years; against painting works – less than 3 years. Supplier is obliged to provide elimination of revealed defect/shortcoming, repair or replace.**
- e) Information about provision of analogue works (construction, repair and reconstruction). The bidder must have performed analogue works costing of 2 500 000 Lari within the years of 2011, 2012, 2013, 2014, including analogue works costing of 700 000 Lari within one agreement at least for one facility. Evidence documents and acceptance-delivery act shall be uploaded in e-system by the bidder.
- f) Calendar plan-schedule for performance.
- g) Information issued by the bank for the amount deposited on the current account, to be minimum of 10% of total cost of the agreement.

Draft Agreement
(Specific conditions to be specified considering Context
of the Bidding offer)

Agreement on State Procurement №

This contract was signed on ----- 2014

On the one hand ----- ID code -----; State Treasury, a/a -----, Code: ---
----- (The "Purchaser")

And on the other hand ----- Address: -----, N -----, ID code -----
JSC „ ----- Bank ", bank code: -----, a / a --- ----- (hereinafter called "the
Supplier")

Guided by the terms of the Bidding N ----- of 2014 (Vocabulary (CPV) Code: -----
----- received a proposal from the supplier and the of the overall cost of goods of procurement and
delivery is of ----- (-----):

This Agreement shall prove the following

1. Terms used in this Agreement are of the same values that they have been awarded in the contract conditions.
2. The following documents form an integral part of this Agreement and, in particular:
 - a) This agreement;
 - b) Bid offered by the Supplier, methods of works and bill of quantities;
 - c) Terms of performance;
 - d) Drawings and specifications;
- 1.3. Supplier undertakes to supply the Customer of the above works in accordance with the terms of the contract.
- 1.4. Customer undertakes to reimburse the Supplier with the contract price within the terms and in the form outlined in the agreement conditions.
- 1.5. To prove the above stated, the Parties signed this Agreement in accordance with the laws of Georgia, on the date referred above.
- 1.6. Term of performance under this agreement starts at:

2. Definitions of Terms Used

The terms in this Agreement have the following meanings:

- 2.1. "Agreement on State Procurement" (hereinafter - "Agreement") – Agreement between the Customer organization and the successful bidder signed by the parties, with all enclosed documents and amendments, as well as all the documentation, which are referred in this agreement.
- 2.2. "Agreement Cost" means the total amount which the Customer Organization must pay to the Supplier for fully and properly fulfillment of contractual obligations;
- 2.3. "Customer Organization" (hereinafter "Customer") means the organization (institution), which carries out the procurement;
- 2.4. "Supplier" means a person/entity who/which is successful bidder and provides performance within the scope of this procurement agreement;
- 2.5. "Day", "week", "month" means a calendar day, week, month.

3. Amendment of the Agreement

3.1 No deviation or change in the terms of the agreement is valid except by written amendment signed by both parties.

3.2 If for some unforeseeable reasons there is necessity to change the terms of the contract, the initiated party must notify the other party the relevant information about the changes.

3.3 Any changes that would cause an increase in the contract price or will worsen Customer's conditions, shall not be allowed except in cases stipulated by Article 398 of the Civil Code, Law of Georgia on "State Procurement ", considering requirements of the Order #9 of April 7, 2011 by the Chairman of the Procurement Agency on "Approval of rule for ease procurement, simplified electronic tender and electronic tender procedure". Any changes in the terms of the contract shall be made in the form of an Annex to the Agreement, which shall be deemed an integral part of the agreement.

4. Performance Control

4.1. Customer provides inspection of supply of goods through the inspection group. Inspection group members are responsible persons for provision of performance control:

4.2. The Group regularly carries out inspections to control the fulfillment of the contract, at the Customer's sole discretion.

4.3. Supplier shall provide required personnel and equipment for provision of inspection.

4.4. The supplier shall at its own expense to ensure the elimination of all defects or faults revealed as a result of the inspection.

4.5. Customer, together with the Supplier shall provide performance control, in accordance with all construction standards and regulations effective in Georgia, in case of breach of which Customer has a right to suspend works and charge sanctions as prescribed by the law of Georgia.

4.6. Supplier is obliged to use the materials in performance of works, quality of which is in compliance with the standards and regulation effective in Georgia, in other case Customer has a right to apply means of responsibility against the Supplier.

5. Conditions of performance

5.1. Supplier is obliged to perform works in Georgia, within the terms of the agreement, in compliance with all regulations, standards and rules effective in Georgia.

5.2. Parties shall time to time review the issues of schedule performance and in case of justified reason may make relevant changes in the schedule.

5.3. If the Supplier fails to perform the works, for not justified reason, (in spite of Customer's notification), Customer has a right to cancel this agreement and in such case Supplier shall be charged penalty in the amount of 10% of agreement total cost.

5.4. Customer is obliged to reimburse the cost of performed work within the term and conditions under this agreement.

6. Related services

6.1. Supplier is obliged to remove working site from construction machinery and construction waste.

6.2. Within the working process Supplier is obliged to minimize impact of noise, vibration and dust.

7. Terms of Delivery

7.1. Procurement subject is deemed to be accepted only after signing acceptance act.

7.2. Acceptance and inspection of the procurement subject is made on the construction site.

7.3. Before final performance, "Supplier" is obliged to submit the Provider Performance Certificate (Form N2 and Form N 3) in certain intervals and relevant bill, needed for payment.

7.4. Customer's legal representative – Technical Supervisor - is authorized to sign Performance Certificate (Form N2 and Form N 3);

7.5. Customer is obliged to notify the Customer in timely manner and in written about the final results of inspection, stating defective stage and reason of defect.

7.6. Elimination of defects revealed as a result of acceptance of the procurement subject (or its part) and/or final inspection is responsibility of the Supplier at own expenses.

8. Warranty

8.1 In case if exploitation regulations are in compliance, Supplier shall give warranty for the quality of performance, stated in the Annex of this agreement.

8.2. Within the warranty period Supplier is obliged to eliminate defects occurred in the process of exploitation. Warranty shall not cover mechanical damages.

9. Payment

9.1. Supplier, at payment moment, is obliged to submit total cost of actually performed works (including value added tax).

9.2. Supplier is obliged to state Agreement Number in the bill. In failure to do this, Customer has a right to reject the bill.

9.3. Customer shall make final payment within 30 calendar days after submission of acceptance act (Form N2 and Form N3) and VAT bill.

9.4. Customer has a right to suspend final payment against performed works in the amount of 10% of total cost of agreement before issue of expert's report.

9.5. Customer shall make payment in installments, within 30 calendar days after submission of Form #2, Form #3 and VAT bill.

9.6. Intermediate payment shall be made in installments, after full deduction of amount of down payment.

9.7. Final payment shall be made based on the report justifying volume of actually performed works and the quality, issued by LEPL Levan Samkharauli Forensics National Bureau. Report shall be submitted by the Supplier;

9.8. In case of request of the Supplier, down payment shall be made in the amount of not more than 10% of total cost of the agreement, and for this purpose bank guarantee is required, issued only by banking institution. Validity of guarantee shall not exceed for 60 days of the validity of the agreement.

9.9. If the cost of the works performed by the Supplier, shall no sum the cost under the signed agreement, in such case Customer shall pay the Supplier the sum equal to the performed works. On this background, Supplier shall be deprived the right to demand payment for the volume of works, have not been performed.

10. Price

10.1 Contract price may be reduced if: the work stated in the service provision plan and schedule is not performed in full volume.

10.2. The price may be increased as provided in Article 398 of the Civil Code. Increase of the total value of the contract price shall be no more than 10% of the agreement value.

11. Performance Bond

11.1. In order to ensure the fulfillment of the agreement, the supplier shall submit to the Customer an unconditional irrevocable bank guarantee.

11.2. The amount of the guarantee shall be 5% of the total agreement value.

11.3. In order to ensure the fulfillment of the agreement, unconditional guarantee provided by the supplier is used in order to compensate for any losses incurred to the Customer by the Supplier's failure to perform or for improper performance of the agreement terms.

11.4. After full completion of fulfillment of the assigned liabilities, Customer is obliged to return the Supplier the performance bond and/or related documents, within 14 days.

11.5. In case of termination of this agreement by the Supplier, the Customer shall apply the guarantee within the scope of loss accrued as a result of cancel of the agreement.

11.6. In case of termination of the agreement for the reasons which are independent from the Supplier, the Customer is obliged to return performance bond upon request immediately.

11.7. Performance bond shall be unconditional, i.e. amounts under the guarantee shall be delivered to the Customer without any additional explanations and evidences, upon the first demand.

12. Failure to comply with the terms of the contract

12.1. The parties shall comply with the obligations under the contract properly, in good faith and in time and at the place set forth in the agreement. Parties are liable for non-fulfillment of the conditions specified in the agreement or the improper performance of the agreement and in the prescribed manner;

12.2. Except the case of force majeure conditions, the supplier's failure to comply with the terms of the agreement and / or delay the implementation, the sanctions are applied to the form, size, and enforcement of which and terms and conditions of payment are defined in this Article.

12.3. If the Supplier fails to comply with the terms of the agreement provided for the supply of goods, the Customer shall be entitled to:

a) terminate this agreement and impose a penalty of **10%** of the total amount against the supplier for improper performance of the agreement, or

b) to determine the additional term for performance of not more than ----- days, during which the Supplier shall pay for each day of delay, a penalty of 0.02% of total cost of agreement.

12.4. If Customer shall be assured that completion of works under the agreement is impossible before termination of validity of the term set forth in the agreement, is obliged to terminate agreement earlier, on one side and charge the Supplier in the amount of **10%** of the total cost of agreement.

12.5. If the Supplier unable to complete the works within the time as set forth in paragraph 12.3 „b", the Customer terminates this Agreement and the Supplier shall be charged penalty in the amount of **10%** of the total amount for improper performance of the agreement.

12.6. The Customer can make a decision to cease agreement as well if:

- a) the Customer learned that for some reason cannot ensure the fulfillment of contractual obligations;
- b) Supplier's bankruptcy;
- c) becomes aware that the Supplier's qualification documents are false;
- d) In other cases stipulated by the legislation of Georgia.

12.7. In cases referred to in paragraph 12.6 of this Article, the Customer is obliged to pay the cost to the supplier on the actual basis.

12.8. In case of comply with the specific conditions under the paragraph 9.5 of the agreement, within the term stated in the same article, Customer shall not make payment, the Supplier is obliged to apply the Customer in written to review the delivery schedule stipulated in the agreement.

13. Settlement of disputes

13.1. Customer and the Supplier should make every effort to negotiate to resolve all differences and disputes under this agreement, including the ones arising from or related to agreement or other components.

13.2. If such negotiations are not settled between Customer and Supplier within thirty (30) calendar days from the beginning of negotiations, any party to the dispute may appeal according to the general rule established by the Court.

14. Governing Law

14.1. This agreement shall be signed in accordance with legislation of Georgia and interpreted in accordance with legislation of Georgia.

15. Agreement language

15.1. This agreement and all related written correspondence and other documents between the parties shall be in Georgian language.

Addresses and Details of the Parties

Customer:

Supplier:

Annex #1

1. Details

Legal form and name of bidder:

Name and last name of Manager:

Legal and/or actual address of bidder:

Tel number of bidder:

Bank code:

Account number:

ID code:

Annex N2

| LEPL Levan Samkharauli Forensics National Bureau | | |
|--|------------------------------|---------------------------------|
| Service Fees | | |
| Approved by the Resolurion N171, dated May 8, 2012 by the Government of Georgia | | |
| 1 | Up to 20 000 | 2.8% but not less than 200 Lari |
| 2 | From 20 000 up to 100 000 | 2.2% of cost |
| 3 | From 100 000 up to 500 000 | 1.7% of cost |
| 4 | From 500 000 up to 1 000 000 | 1.2% of cost |
| 5 | More than 1 000 000 | 0.5% of cost |