

INVITATION FOR TENDERS

State of Montenegro

Construction of the water supply system in the municipality of Rozaje

Municipality of Rozaje, hereinafter referred to as “the Employer”, intends to exploit the loan of the European Investment Bank (“The Bank”), MNE Water sanitation“ No. 2005-0221, for the construction of the municipality water supply system, and to use 7560 m of pipes obtained as donation from Turkish International Collaboration (TIC). Approximate value of procurement is 2.000.000 € (inclusive of VAT).

The Employer now invites sealed tenders from contractors for the following contract:

Construction of the water supply system in the municipality of Rozaje

General description:

Existing potable water feeding system is constituted by an asbestos cement pipeline that has been in operation for many years. Its condition and functionality that is has been the biggest problem for the safe and continuous water supply to Rožaje for many years. The cases of its failure in the system are very frequent, due to cracks and fissures that occur on it first of all because of its state of deterioration, inadequate depth and some inadequate sections along its route.

The project objective is to replace the existing system f 300 asbestos pipe with a f 400 new pipe with a the hydraulic capacity of the from the water intake structure of Vrela Ibra to the reservoir Vukoser shall increase the hydraulic capacity to 270 l/s.

Due to insufficient number of constructed water tanks, all consumers experience problems relating to water supply volumes of drinking water, as well as for sanitation and technological purposes. Such alarming situation arose the need for construction of the reservoir “Vukoser” with water storage volume: $v = 2,000 \text{ m}^3$.

Tendering for contracts to be financed with the proceeds of the European investment bank is open to firms from any country.

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

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 400.000,00 (four 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 cumulative construction turnover (defined as billing for works in progress and completed) for the last **3 (three) (2010,2011,2012)** financial years of not less than **3,000,000.00 (three million) EURO**, (Sum 2009,2010,2011)
- f) The Tenderer shall demonstrate that it has successful experience as prime contractor in the execution of at least **3 (three)** projects of water supply network construction of a nature and complexity comparable to the proposed contract that have been successfully and substantially completed within the last **3 (three)** years (2009,2010,2011), each with a construction of the pipeline in a length not less than 1 (one) km with pipe profile similar to the project one (O 400). The similarity shall be based on the physical size, complexity, methods/technology or other characteristics as described in Volume 3, Technical Specifications.
- g) The Tenderer must demonstrate that works and supplies have been done by him in position of prime contractor or leading company of JV.
- h) The Tenderer shall provide suitably qualified personnel for the proposed contract.
- i) 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 **200 EURO**.

Please make a payment to the following bank account number:

510-157-54

IBAN: ME2551000000000015754

Crnogorska komercijalna banka AD Podgorica

Swift Address: CKBCMEPG

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 € (Sixty thousand Euro).

Tenders must be delivered to the office at the address below on or before **1 pm on March 11th 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:

Municipality of Rozaje
Attention: Mr. Fikret Kuč
Street Address: Marsala Tita 22
City: Rozaje
Postal Code: 84310
Country: Montenegro
Tel number +382 51 270 - 430
Fax number: + 382 51 270-432
Electronic mail address: fikret.kuc@t-com.me

Date: 24.01.2013.