

INVITATION FOR TENDERS

State of Montenegro

Design and build of the sewerage network in the Old Royal Capital of Cetinje

Old Royal Capital of Cetinje, hereinafter referred to as “the Employer”, intends to exploit funds obtained through IPF MW 2008 grant – „Infrastructure project facility Municipal Window 2008”, for the construction of the municipality sewerage network in the settlement Grude - Donje Polje. Approximate value of procurement is 900.000 € (exclusive of VAT). In accordance with Article 25 of VAT Act, paragraph (1), point 12, it is stipulated that VAT is paid at the rate of 0% on the supply of goods or services when an international agreement or a contract of donation stipulates that the costs shall not be paid from received money funds. Ministry of Sustainable Development and Tourism will issue a certificate of exemption from payment of VAT for each issued invoice.

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

Design and build of the sewerage network in the Old Royal Capital of Cetinje

General description:

The Works are located in Cetinje, the former Royal Capital of Montenegro, and is located in the central region of the country. The whole municipality covers an area of 910 km², and is not densely populated. The municipality is situated in a karst area. The topography is characterised by hilly terrain and steep slopes, as well as cave formations, which are common in karst zones.

Project segment 1, to which this document refers, is located in the Gruda and Donje-Polje districts of Cetinje Town. Gruda - Donje-Polje is the southern part of the town, bounded to the West and South by sharply rising ground and to the East by the Cetinje-Kotor road.

The majority of the town is currently served by a combined sewerage system which has, historically, discharged to natural sink holes formed in the karst landscape. The overall Cetinje sewerage project will provide separation of the system into foul and storm systems, however, construction of storm drainage will be carried out under separate contracts. The district of Gruda, the location of these works, is currently not provided by sewerage system.

The proposed foul sewerage upgrade for the town will be carried out as two segments. Segment one, to which these documents refer, and herein after referred to as The Works, and Segment 2, which will comprise construction of sewers in the northern and central parts of the town, to be carried out by others under separate contract.

The contract will be financed via grant agreement (IPF Municipal Window 2008), implemented by the European Investment Bank.

The scope of work under this contract comprises the design and construction of a foul sewage network to serve the currently un-sewered Gruda / Donje-Polje districts of Cetinje Town. The network, so designed and constructed, shall operate under gravity with no pumping.

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 150.000,00 (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 average 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 **1,300,000.00 (one million three hundred thousand) EURO**
- f) The Tenderer shall demonstrate that it has successful experience in the construction/execution of at least 5 km of sewerage network in last three years as well as design of three (2) projects of sewerage or water supply network, of at least 3 km of total length, in last three 3years, both of pipe profile of diameter 250.
- g) The Tenderer shall provide suitably qualified personnel for the proposed contract.
- h) The Tenderer shall provide suitable equipment for the proposed contract.

How to obtain the tender dossier

Tender documents may be obtained from the office at the address below upon payment of a non-refundable fee of 300 euro.

- Payment from Montenegro should be done on following bank account:

NLB Montenegro Banka
Account number: 530-450-21

- Payment from other countries should be done following bellow indicated instructions:

INTERMEDIARY (Field 54 A or 56 A)

Swift code: LJBASI2X
Name: Nova Ljubljanska Banka/Slovenia

Account with inst. SI56029130253412548 (multicurrency)

Swift Code: MNBAMEPG
Name: NLB Montenegrobanka AD

Beneficiary customer (field 59)

IBAN CODE: ME25530005130005000349

SO CETINJE – Budžet

81250 Cetinje, Bajova 2

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 guarantee of 25.000 € (twenty five thousand euro).

Tenders must be delivered to the office at the address below on or before on **12.00 am, 30.10.2014**, at which time they will be opened in the presence of those tenderers' representatives who choose to attend.

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

Attention: Mr. Milo Vujanović

Street Address: Old Royal Capital of Cetinje, Street Bajova no.2

City: Old Royal Capital Cetinje

Postal Code: 81250

Country: Montenegro

Fax: +382 41 231 755

Electronic mail address: milo.vujanovic@cetinje.me

Date: **12.09.2014**