

Letter of Invitation

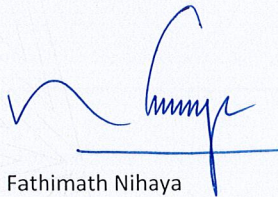
Date: 22nd December 2021

Invitation of Tenders No: HDC (161)-PWM/IU/2021/633

1. Housing Development Corporation Limited invites sealed tenders from eligible bidders for the “Development of Thilafushi Pilot Road” and remedying of any defects therein.
2. Tenderers may obtain further information about this Invitation of Tenders from, and inspect the tender documents at the office of Housing Development Corporation, Ground Floor, HDC Building, Hulhumalé, Republic of Maldives. (tenders@hdc.com.mv)
3. A complete set of the tender documents may be obtained by the interested Tenderers from HDC’s website Link: <https://hdc.com.mv/announcements>.
4. Tenders must be submitted to the office mentioned below in clause 6.
5. Tenders will be opened in a session to be held at the office mentioned below in clause 6, and in the presence of representatives of tenderers who wish to attend. This session will take place at time and date tabulated in clause 6 of this section or such other time and date as may be notified to the tenderers.
6. Dates and timing for the tender process.

ACTIVITY	DATE & TIME	VENUE
Pre- Bid Meeting:	29 th December 2021, 11:00hrs	Pre-bid session will be conducted via Zoom Meeting: Link: https://us06web.zoom.us/meeting/register/tZlqce2gpjgiGdaWY50D3rHR5szFdOIYCv01
Deadline for written inquiry by potential bidders:	05 th January 2022, 12:00hrs	Via E-mail at tenders@hdc.com.mv
Deadline for Bid submission & Bid opening:	23 rd January 2022, 11:00hrs	Housing Development Corporation, HDC Building, 3 rd Floor, Hulhumale’ Republic of Maldives’

Yours Sincerely,



Fathimath Nihaya

Director

Housing Development Corporation Ltd. (Employer)



Relevant Background Information

Given below is the relevant background information.

1. Projects' Scope:

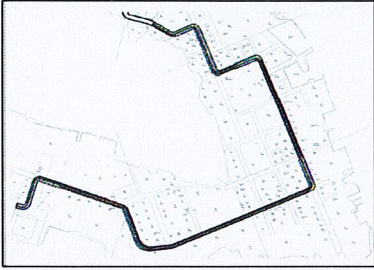
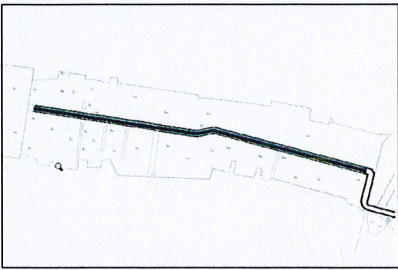
The general scope of the project is the development of Thilafushi Pilot Road, as per Detail Designs, Specifications and Bill of Quantities, and remedying the defects therein. The length of the pilot road is approximately 2.5 km and major works includes Ground Works, Asphalt Pavement Works, Curb stone & Pavers Work, Road Lights Works, Electrical Works, GPON duct works, Road marking and signage work etc.

2. Design and Specifications:

The detail design has been done by the Employer. Design and engineering where required by the Contractor, shall be specified in the Contract and shall be subject to the Employer's approval.

3. Bill of Quantities (BOQ)

The Bill of Quantities has been prepared by the Employer which consists of three (3) bills, namely, Preliminaries, Part A and Part B. Part A depicts the components and quantities for approx. 1.68 Km of the road and Part B depicts approx. 0.81 KM of the road.

Part A	Part B
	

This bifurcation of BOQ shall be used for the payments purpose only and shall has no influence over the planning, and execution of works.

4. Funding:

The Employer shall finance maximum 15% of the project subject to finance arranged by the Contractor for the project by either

- (a) Contractor's own finance (Contractor Financed), or
The Contractor shall make the financial arrangements for minimum 85% (Eighty Five percent) of the Contract Price through Contractor's own finance and shall enter into a Financial Agreement in accordance with the following minimum acceptable terms with the Employer within 28 days of signing the Contract.
- (b) Through a reputable financial institution/bank (Contractor Facilitated Finance)
The Contractor shall arrange the finance for minimum 85% (Eighty Five percent) of the Contract Price (excluding the GST) through a reputable financial institution/bank acceptable to the Employer and in accordance with the following minimum acceptable terms and facilitate the loan agreement between the Financial institution and the Employer, which shall be signed within 90 days from the signing of the Contract.

Minimum Acceptable Terms for the funds:

- **Interest rate:** an effective rate of no more than 5% per annum (NB. effective rate excludes variable component such as LIBOR and includes rest of the financing costs including interest and any other fee)
- **Grace period:** No less than the construction period
- **Repayment period:** No less than 10 years excluding the grace period
- **Fees and other loan related costs:** To be borne by contractor.

Documents to submit with Bid

For (a): The bidders shall submit along with bid, reasonable evidence such as Comfort letter, letter of Undertaking, any other document evidencing the self-financing capacity of the Contractor or any document evidencing the financial arrangements which have been made and will be maintained which will enable the Contractor to execute and complete the Works.

For (b): Bidders shall submit a valid Bank term sheet with a validity period of at least 6 months from the date of the bid submission, assuring arrangement of finance by a reputable financial institution/bank acceptable to the Employer and in accordance with the aforementioned minimum acceptable terms.

5. Type of Contract and Agreement:

The agreement will be based on the Conditions of “Conditions of Contract for Construction,” First Edition 2017, with further amendments, prepared by the Fédération Internationale des Ingénieurs-Conseils (FIDIC).

The Conditions of Contract comprise the “General Conditions”, which form part of the “Conditions of Contract for Construction “Second Edition 2017 published by the Fédération International des Ingénieurs-Conseils (FIDIC), the following Contract Data (Particular Conditions – Part A) and the “Special Provisions” (Particular Conditions – Part B), which include amendments and additions to such General Conditions.

Particular Condition shall be dependent on the accepted finance arrangement proposal. For funding proposal –

- (a) Contractor’s own finance (Contractor Financed), or
Section 6-01 – Particular Condition shall apply.
- (b) Through a reputable financial institution/bank (Contractor Facilitated Finance)
Section 6-02 – Particular Condition shall apply.

The Contract will be a Lump Sum Contract. However, the Works shall be measured, and valued for payment. This method of payment will be used as a progress monitoring tool.

6. Method of Implementation:

The Contractor will be expected to bring in all materials, machinery, equipment and necessary labor for the Permanent and Temporary Works. The Contractor will be expected to provide food

and lodging for all management staff and labour at site. The Contractor will have to conform to the Laws of the Republic of Maldives in all respects in executing the works.

7. Time for Completion:

The duration for completion of the works has to be proposed by the bidder (Maximum 365 calendar days).

8. Customs Duties and Taxes:

The Contractor shall bear all the cost related to duties and Taxes.

9. Advance payment:

(a) Contractor's own finance (Contractor Financed), or

Equal to percentage amount of the Contract Amount financed by the Employer (Maximum 15% of the Contract Amount). Advance recovery is not applicable.

(b) Through a reputable financial institution/bank (Contractor Facilitated Finance)

The Contractor will be entitled to an advance payment of 15% or the balance of the proposed financing percentage of the agreed Contract Sum, upon submission of an acceptable Bank Guarantee. The advance payment and recovery shall be subject to the respective condition of contract.

10. Performance Security:

The Contractor shall submit a Performance Security equal to 5% (Five percent) of the Contract sum. This Security should be valid throughout the Contract and Defects Liability Period plus additional 70 days.

11. Retention Monies:

(a) Contractor's own finance (Contractor Financed), or

Not Applicable

(b) Through a reputable financial institution/bank (Contractor Facilitated Finance)

Retention will be deducted at 10% (Ten percent) of each and every interim payment, up to a maximum of 5% (Five percent) of the Contract sum. Retention will be released on completion of the defects liability period, subject to making good all defects

12. Defects Liability Period:

The defects liability period will be one year after practical completion and handover of the works.

15. Liquidated Damages:

Liquidated penalty damages will be levied at the rate of 0.05% (naught point zero five) for each and every day's delay in completion by the Contractor, up to a maximum of 10% (Ten percent) of the final Contract price, less time of extensions granted.

16. Language of Contract:

The language of the Contract shall be English and the Contractor will be expected to have site staff competent in English or provide translators where necessary.

17. Submission of Bids:

All applicants who have obtained Bid Documents will be expected to submit their Bids within the dates as specified in Section 1 (Invitation to Tender).

18. Validity of bids:

Validity period of the Bid will be 90 days from the date of submission.

19. Bid Security

Bid security of this project is MVR 200,000.00 (Maldivian Rufiyaa Two Hundred Thousand)

20. Material transport to the Site

For the transport of the Materials to the Site, Contractor has to follow the local rules and regulations and has to bear all the cost involved.

21. Contractor's Yard (Temporary Land)

An area of 15,000 Sqft will be allocated for Contractor's Yard at Thilafushi. A security deposit will be taken for the temporary land at MVR 15.00 per ft².

Contractor Shall request within 7 days from date of signing the contract, for such Temporary Site for the purpose of materials and equipment storage and for the need of the Contractor's staffs and employees.

The Temporary Site will be handed to the contractor after the finance agreement has been signed between the parties

All necessary logistics at temporary land/space & Safe transportation of materials from temporary land/space to the site shall be part of Contractor's scope & respective costs shall be included in the Contract amount. Upon completion of Project, the Contractor shall vacate and handover the temp land to the Employer except a part of land subject to Employer's approval, that is required to fulfill Contractor's obligation during defect liability period.

22. Site Conditions

For existing site conditions, refer attached specifications and reports.

23. Pandemic Covid-19:

The contractor shall assess and take in to consideration the difficulties and challenges in respect to Pandemic COVID-19 during execution of the contract. The contract sum shall be inclusive of such considerations.

