

1. INSTRUCTIONS TO BIDDERS

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**GOVERNMENT OF THE DEMOCRATIC SOCIALIST REPUBLIC
OF SRI LANKA**

MINISTRY OF CITY PLANNING, WATER SUPPLY AND HIGHER EDUCATION

NATIONAL WATER SUPPLY & DRAINAGE BOARD

RENTING /LEASING OF A BUILDING TO USE

AS
AT
FOR

INSTRUCTIONS TO BIDDERS

A. GENERAL

1. Scope of Bid

- 1.1 The National Water Supply & Drainage Board (hereinafter called the “Board”) invites Bids to rent /lease a suitable building for the purpose as indicated in the **Bidding Data**.
- 1.2 The selected Bidder will be expected to release the whole or relevant part of the building, for occupancy within the period as provided in the **Bidding Data**.

2. Eligibility of Bidders

- 2.1 The eligible bidders are those who are freehold owners of a building or who possess Power of Attorney of a building and legally allowed either to rent or lease such building.

3. Eligible Buildings and Premises

- 3.1 Building with premises, the legal ownership is not being tried in a court of law and free of any dispute with regard to the ownership are eligible to be bidden.

4. Source of Funds

- 4.1 Funds required for this rent / lease will be provided by the source stated in the **Bidding Data**.

5. Cost of Bidding

- 5.1 The Bidder shall bear all costs associated with the preparation and submission of his bid in compliance with bid requirements and the Board will in no case be responsible or liable for these costs, regardless of the conduct or outcome of the bidding process.

B. BIDDING DOCUMENT

6. Contents of Bidding Document

6.1 The set of bidding document comprises the following sections of the document and any addenda that will be issued in accordance with clause 8 hereof.

Section 1	Instructions to Bidders
Section 2	General Conditions of Contract
Section 3	Form of Bid
Section 4	Schedule of Requirements
Section 5	Bidding Data
Section 6	Contract Data
Section 7	Schedule of particulars
Section 8	Bills of Quantities
Section 9	Specimen Forms
	Rent/ Lease Agreement/Bid Security
Section 10	Appendices

6.2 Two copies of the set of bidding document shall be issued to the prospective Bidders.

6.3 The bidder is expected to examine all the sections of the set of bidding documents. Failure to furnish all information required by the bidding documents, or submission of a bid which is not substantially responsive will be at the bidder's risk and may result in rejection of his bid.

7. Clarification of Bidding Documents

7.1 A prospective bidder requiring any clarification of the bidding documents may notify the Board in writing or by facsimile at the address indicated in the Invitation for Bids. The Board will respond in writing or by facsimile to any request for clarification, which is received earlier than 14 days prior to the deadline for the submission of bids. Written copies of the Board's response (including a description of the enquiry but without identifying its source) will be sent to all the prospective bidders who have purchased the bidding documents. Any request for clarification which is submitted less than 14 days prior to the deadline of submission of bids will not be entertained.

8. **Amendment of Bidding Documents**

- 8.1 At any time prior to the deadline for submission of bids, the Board may, for any reason, whether at his own initiative or in response to a clarification requested by a prospective bidder, modify the bidding documents by issuing an addendum.
- 8.2 The addendum will be notified in writing or by facsimile to all prospective bidders who have purchased the bidding documents and will be binding upon them. Prospective bidders shall promptly acknowledge receipt thereof in writing to the Board at the address provided in the **Bidding Data**. Under clause 17.1 hereof.
- 8.3 In order to afford prospective bidders reasonable time in which to take an addendum into account in preparing their bids, the Board may, at its discretion, extend the deadline for the submission of bids, in accordance with sub-clause 17.3 hereof.

C. **PREPARATION OF BIDS**

9. **Language of Bid**

- 9.1 The bid prepared by the bidder and all correspondence and documents relating to the bid exchanged by the bidder and the Board shall be written in the English Language.

10. **Documents Comprising the submission of bid**

- 10.1 Each bidding document submitted by the bidder shall comprise the following components:
 - a) Duly perfected set of Bidding Documents, which include section 1 to 10.
 - b) Subsequent addendum / addenda (if any).
 - c) Documentary evidence established in accordance with clause 2.1 hereof, to prove that the bidder is eligible to bid and is qualified to perform the contract if his bid is accepted.
 - d) Power of Attorney authorizing the signatory to bid as specified in clauses 2.1 and 14.2 hereof.
- 10.2 The photostat copies of documentary evidence shall be one sided clear copies to the original size. The bidder shall certify these copies referred to, as follows:

I /We hereby certify that this is a true photostat copy of the certificate which has page (s), issued by (name of the institution which issued the certificate)

.....
Authorized Signature and Date

.....
Seal of the Company

11. Bid Prices

11.1 Prices quoted by the Bidder shall be firm and not subject to variation on any account. A tender submitted with an adjustable price quotation will be treated as non-responsive and will be rejected.

11.2 If bidders are registered for the purpose of VAT, they should indicate the amount of VAT claimed separately in the bid documents, in addition to the net value of the bid, along with the VAT registration number. Declaration of VAT registration number is a mandatory requirement for determination of bids and any bidder who do not declare his VAT registration number will be liable for rejection of the bid.

If any bidders is not registered for VAT, he should indicate the net value of the bid in bid documents. Under this category bidder should obtain a letter from the Commissioner of Inland Revenue Department certifying that his Company has not been registered for VAT and that letter should be attached to the bidding document.

12. Currencies of Bid and Payment

12.1 Prices and amount shall be quoted in Sri Lanka Rupees and Contract Sum shall be paid in Sri Lanka Rupees.

13. Period of Validity of Bid

13.1 Bidders shall remain valid for a minimum period as mentioned in the **Bidding Data**. A bid valid for a shorter period may be rejected by the Board as non responsive.

13.2 In exceptional circumstances, the Board may solicit the bidder's consent to an extension of the period of validity of the bid. The request and the responses thereto shall be made in writing or by facsimile. A bidder who accepts the request shall not be permitted to modify his bid

D. SUBMISSION OF BID

14 Format and Signing of Bid

- 14.1 The bidder shall prepare one original and one copy of the document comprising the bid as described in clause 10 hereof and clearly mark as "ORIGINAL" and "COPY" as appropriate. In the event of any discrepancy between them, the original shall prevail.
- 14.2 The original and the copy of the bid shall be typed or written in indelible ink and shall be signed by a person or persons duly authorized. Proof of authorization shall be furnished either by documentary proof of ownership of the Buildings and Premises or in the form of a written Power of Attorney which shall accompany the bid. Where entries made by the Bidder have been amended they shall be initialed by the Bidder. All pages of the bid where entries or amendments have been made shall be initialed by the person or persons signing the bid.
- 14.3 The complete bid shall be without alterations, inter-lineations or erasures, except those to accord with instructions issued by the Board, or as necessary to correct errors made by the bidder, in which case such corrections shall be initialed by the person signing the bid.

15. Alternative Bid(s) by Bidders

Each set of bidding documents shall contain only one offer. All alternative offers made in one document will be rejected without assigning reasons. Any number of offers shall be in separate set of bidding documents.

16. Sealing and Marking of Bids

- 16.1 The Bidder shall seal the original and the copy of the bid in separate envelopes (hereinafter called as inner envelopes) by duly marking the envelopes as "ORIGINAL" or "COPY" as appropriate, and then contain them in an outer envelope and seal.
- 16.2 The inner and outer envelopes shall:
- (a) be addressed as provided in the **Bidding Data**.
 - (b) bear the name and identification number of the contract and
 - (c) provide a warning not to open before the specified time and date of the deadline for submission of bid as given in the **Bidding Data**.

- 16.3 In addition to the identification required in sub clause 16.2 hereof, the outer envelopes shall indicate the name and address of the bidder to enable the tender to be returned unopened in case it is declared late pursuant to clause 18.1 hereof.
- 16.4 If the outer envelope is not sealed and marked as instructed above, the Procurement Committee will assume no responsibility for the misplacement or premature opening of the bid submitted. A bid opened prematurely will be rejected by the Procurement Committee.

17. **Deadline for Submission of Bids**

- 17.1 Tenders must be addressed to the Chairman, Procurement Committee, at the address specified in the **Bidding Data** and received not later than the time and date of the deadline for bid submission specified in the **Bidding Data**.

In the event of the specified date for the submission of bids being declared a holiday, the bids will be received up to the specified time on the next working day.

- 17.2 Bids may be sent by registered post or delivered personally by the bidders or their agents, to reach the office of the Chairman, Procurement Committee at the address specified in the **Bidding Data** before the deadline for submission of bids as aforesaid.
- 17.3 The Board may, at its discretion, extend the deadline for submission of tenders by issuing an addendum in accordance with clause 8.3 hereof, in which case all rights and obligations of the Board and the bidders previously subject to the original deadline shall be construed as applicable from the extended date.

18. **Late Bids**

- 18.1 No bid will be accepted after the deadline for submission of bids. Any bid received after the deadline for submission of bids, will be returned unopened to the bidder.

19. **Modification and Withdrawal of Bid**

- 19.1 The Bidder may modify or withdraw his bid after submission, provided that the modification or notice of withdrawal is received in writing by the Procurement Committee prior to the prescribed deadline in clause 17.1 hereof for submission of bids.
- 19.2 The bidder's modification or notice of withdrawal shall be prepared, sealed, marked and delivered in duplicate in accordance with the provisions of clause 16.1 hereof for the submission of bids, with the inner and outer envelopes additionally marked "MODIFICATION" or "WITHDRAWAL" as appropriate.

- 19.3 Subject to clause 24 hereof, no bid may be modified subsequent to the deadline for submission of bids.
- 19.4 Bidders may offer discounts to, or otherwise modify the prices of their bids by submitting bid modifications in accordance with clause 19, or included in the original bid submission. The discounts shall be given as a percentage of the total bid price.

E. BID OPENING AND EVALUATION

20. Opening of Bids

- 20.1 The Procurement Committee will open bids, including submissions made pursuant to clause 19 hereof, in the presence of the bidders or bidders' representatives who are allowed to attend, soon after the deadline of bid submission time and in the place specified in the **Bidding Data**. The Bidder's representatives who are present shall sign a register as evidence to their attendance. In the event of the specified date of bid opening is declared a holiday the bids shall be opened at the specified time and location on the next working day.
- 20.2 Envelopes marked "MODIFICATIONS" or "WITHDRAWAL" shall be opened and read out first. Envelopes marked "ORIGINAL" shall be opened and readout subsequently. Any bid for which an acceptable notice of withdrawal has been submitted pursuant to clause 19 hereof shall not be opened.
- 20.3 The Bidders' names, bid prices, modifications, bid withdrawals and the presence or absence of the requisite bid security and other details as appropriate will be announced and recorded at the opening.
- 20.4 The Procurement Committee will prepare minutes of the bid opening, including the information disclosed to those present in accordance with sub clause 20.3 hereof.

21. Confidentiality of the Process

- 21.1 Information relating to the examination, evaluation and comparison of bids and recommendations for the award of a contract shall not be disclosed to bidders or any other person not officially concerned with such process until the award to the successful bidder has been announced.

Any effort by a bidder to influence the Procurement Committee and/ or the Board in processing of bids or award decisions may result in the rejection of his bid.

22. Clarification of Bids

22.1 To assist in the examination, evaluation and comparison of bids, the Procurement Committee may, at its discretion, ask the Bidder for clarification of his bid. The request for clarification and the response shall be in writing and no change in price or substance of the bid shall be sought, offered or permitted, for evaluation of the bids in accordance with clause 24 hereof.

23. Examination of Bids and Determination of Responsiveness

23.1 Prior to the detailed evaluation of bids the Procurement Committee will determine whether each Bid,

- a) meets the eligibility criteria defined in clause 2 and 3 hereof.
- b) has been properly signed.
- c) is accompanied with the required guarantees
- d) is substantially responsive to the requirements of the bidding documents and
- e) completeness of the offer with all required documents

If bid does not meet any one of above (a) to (c), it is consider on non responsive and rejected by the Procurement Committee.

23.2 A substantially responsive bid is one which conforms to all the terms, conditions and specifications of the Bidding documents without material deviation or reservation.

A material deviation or reservation is one,

- a) which affects in any substantial way the scope, price, quality or performance of the materials/works and firmness of the quoted price.
- b) which limits in any substantial way, inconsistent with the bidding document, the Board's right or the Bidder's obligations under the contract or
- c) whose rectification would affect unfairly the competitive position of other bidders presenting substantially responsive bids.

23.3 If a bid is not substantially responsive, it will be rejected by the Procurement Committee, and may not subsequently be made responsive by correction or withdrawal of the nonconforming deviations or reservation.

24 Correction of Errors

- 24.1 Bids determined to be substantially responsive will be checked by the Employer, for any arithmetic errors.

Errors will be corrected by the Employer as follows:

- a). Where there is a discrepancy between the amounts in figures and in words, the amounts in words will govern; and
 - b). Where there is a discrepancy between the unit rate and the line item total resulting from multiplying the unit rate by the quantity,
 - i). the unit rate as quoted will govern,
 - ii) unless in the opinion of the Employer there is an obviously gross misplacement of the decimal point in the unit rate, in which case the line item total as quoted will govern and the unit rate will be corrected.
- 24.2 If the bid price changes by the above procedure, the amount stated in the Form of Bid shall be adjusted with the concurrence of the bidder and shall be considered as binding upon the bidder.
- 24.3 If the bidder does not accept the corrected amount of Bid, its Bid shall be rejected, and the bid security shall be forfeited in accordance with paragraph 13.7 (b)

25. Evaluation and Comparison of Bids

- 25.1 The Procurement Committee will evaluate and compare bids previously determined to be substantially responsive, pursuant to clause 23 hereof.
- 25.2 In evaluating the bids the Procurement Committee will determine for each bid the evaluated bid price by adjusting the bid price as follows:
- a) making any correction for errors pursuant to clause 24 hereof.
 - b) making appropriate adjustment to reflect discounts or other price modifications offered in accordance with sub clause 19.4 hereof.
- 25.3 For the evaluation purposes the rates and prices in the BOQ will be considered to be excluding VAT. Any notes or remarks by bidders contrary to this will be disregarded.

F. AWARD OF CONTRACT

26 Award Criteria

26.1 Subject to clause 27 hereof, the Board will award the Contract to the bidder whose bid has been determined to be substantially responsive and had been determined as the lowest evaluated bid, provided further that the bidder is determined to be,

- a) eligible in accordance with the provision of clause 2 hereof
- b) qualified in accordance with the provision of clause 3 hereof

27. Board's Right to vary Quantities at The Time of Award

27.1 The Procurement Committee reserves the right at the time of Award of Contract to increase or decrease by 15 percent the quantity specified in the Bills of Quantities without any change in unit rate or other terms and conditions including discounts offered.

28. Right of the Procurement Committee to accept any bid and to reject any or all Bids

28.1 The Procurement Committee reserves the right to accept or reject any bid, and to annul the bidding process and reject all bids, at any time prior to the award of contract, without thereby incurring any liability to the affected bidder or bidders any obligation to inform the affected bidder or bidders of the grounds of the Procurement Committee action.

29. Notification of Award

29.1 Prior to the expiration of the period of bid validity prescribed by the Board, the Board will notify the successful bidder by registered letter or by facsimile that his bid has been accepted. This letter (hereinafter called the "Letter of Acceptance") will state the sum to be paid to the contractor in consideration of the execution and completion of the service as specified.

29.2 The notification of award will constitute the formation of the Contract.

30. Signing of Contract

30.1 The successful bidder will be required to sign a Contract Agreement. The Contract Agreement must be executed within twenty eight (28) days after the receipt of the Letter of Acceptance of Bid.

30.2 The Contract Agreement will be prepared by the Board. The Lessor will be required to pay the stamp duty in accordance with the law relating to stamp in Sri Lanka. The prevailing rate of stamp duty on renting / leasing of building is prescribed in the **Bidding Data**.

31. **Advance Payment**

31.1 The Board will pay advance payment on the Contract Price as stipulated in the Conditions of Contract, subject to maximum amount, as stated in the **Bidding Data**.

2. GENERAL CONDITIONS OF CONTRACT

GENERAL CONDITIONS OF CONTRACT

1.0 Definitions

- 1.1. Lessor : The person who rent/lease the building.
- 1.2. Lessee : The person who pay to the lessor
- 1.3 Representative of Lessee : The lessee may delegate to such person or persons such of the powers, directions and authorities vested in him as he may think fit. Such person (referred to as “the Lessee’s Representative”) will be named in the **Contract data**.

2.0 Notice

Any notice required to be given or served under this rent / lessor and not otherwise provided for shall be sufficiently served on the Lessee if addressed to and forwarded by registered post to the Lessee at the address specified in the **Contract Data** and shall be sufficiently served on the Lessor if addressed to the Lessor and sent by registered post to the address indicated by the Lessor in the schedule of particulars attached herewith.

3.0 Terms of Payment to Lessor

3.1 Currency of Payment

All the payments with respect to this contract will be made in Sri Lankan Rupees.

3.2 Advance Payment

The Lessee shall pay to the Lessor an advance payment equivalent to the number of months rent / lease only as specified in the **Contract Data** only at the execution of these presents, which shall be set off against the monthly rental in equal installments as specified in the **Contract Data** commencing from the payment of the first monthly rental.

- 3.3 The Lessee shall pay to the Lessor the balance payment of the monthly rent/lease less the amount to be set off as indicated in 3.2 above and withholding tax if any.

4.0 Payments of Lessee

- 4.1 The Lessee paying the rent / lease stated herein, shall peaceably hold, occupy and enjoy the premises rented / leased during the agreed term, without any interruption or disturbance by the Lessor or any person, lawfully claiming under or in trust for him.

4.2 The Lessor shall pay and discharge or cause to be paid and discharged the existing rates and taxes due in respect of the rented / leased out premises to the relevant local or other authorities, during the continuance hereof and shall and will hold the Lessee and his afore written freed indemnified and discharged from the payment of same and incurred in respect thereof.

5.0 **Title of the Property**

The Lessor shall warrant and defend the title to the rented / leased out premises.

6.0 **Settlement of Water, Electricity, Telephone and Similar Bills**

6.1 The Bills due to the use of Water, Electricity, Telephone and any other services by the Lessee will be settled promptly by the Lessee.

6.2 The arrears of Water, Electricity, Telephone and any other services, which have not been settled/will not be settled by the Lessor will be settled by the Lessee and the cost of which will be set off against the immediate payments to the Lessor.

7.0 **Repairs to the Building**

7.1 The Lessor shall effect repairs to the building as and when notified by the Lessee during the contract period to sustain the utility and value of the property.

If the repairs are not attended to within 14 working days of the issue of the said notice, the said repairs will be effected by the Lessee and the cost of which will be recovered from the immediate payments to the Lessor.

7.2 The Lessee shall permit the Lessor or his/ agents, with or without workmen, at all reasonable times during the day time, with prior notice to the Lessee, to enter upon the premises to view and examine the state of repair and conditions thereof and make good any defects and effect such repairs and renovations as are found to be necessary and as may be requested by the Lessee.

8.0 **Extending the Rent / Lessee**

In the event of the Lessee being desirous of renewing this lease for a further term, from the date of expiry of this indenture, the Lessee shall give three (03) calendar months notice to the Lessor, of his intention to do so in writing sent under registered post, reply for which shall be sent by the Lessor within 14 days.

9.0 **Indemnity**

Lessor shall indemnify and do indemnify the lessee from any obligations that have to be performed by the Lessor.

