

PROCUREMENT REF. NO: W/ONB/LTC-01/2017

UPGRADING OF ROADS IN LÜDERITZ, BENGUELLA – PHASE 1

BID EVALUATION REPORT

28 November 2017

CONTENTS

Section	Page
1. Introduction	2
2. List of Bids Received	2
3. Evaluation of Bids	3
4. Compliance of Bids	4
5. Comparison between Bided Rates	9
6. Arithmetic Errors and Omissions	9
7. Conclusions	10
8. Recommendations	10

Appendix A: Enquiry Opening Schedule

Appendix B: Priced Activity Schedules (Spreadsheet)

Appendix C: Bidders' Technical Evaluation Sheets

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BID EVALUATION REPORT

1. INTRODUCTION

The Bid invitation called for experienced professional contractors with a good track record in the civil works and particularly in the construction of roads. The aim of this project is to upgrade as much of the gravel roads in Benguella to segmented paving as the budget provided for by the Road Fund Administration could cater for.

Bid closed on the 10th of November 2017 11:00 am.

This report details the adjudication of the bids submitted and recommends the award of the contract to a suitably qualified, competent, experienced and compliant bidder based on the general guidelines outlined in the New Public Procurement Act 15 of 2015 enacted as from April 2017.

2. LIST OF BIDS RECEIVED AND SUBMITTED PRICES

A total of nineteen (19) bids were received at close of bidding period when bid period closed at the offices of the Lüderitz Town Council. The bidders names, submitted (**un-corrected**) prices as well as project durations offered are listed below:

	<u>Bidders Name</u>	<u>Bid Amount</u>
1.	LMR Construction	N\$ 3 226 488.99
2.	ASHY Trading Enterprises	N\$ 2 210 834.73
3.	Octagon Construction	N\$ 1 472 829.43
4.	D-RAQ Trading Enterprises	N\$ 1 832 304.75
5.	Sebke Civil Contractors CC	N\$ 2 155 033.05
6.	Rivolli Namibia (Pty) Ltd	N\$ 4 455 477.88
7.	NCCS Investments & OLAH Investments CC Joint Venture	N\$ 1 608 126.65
8.	Hui Tani Investments	N\$ 1 401 122.73
9.	Bonsiki Investments	N\$ 1 161 921.86
10.	Buchter Bricks and Blocks	N\$ 1 698 191.03
11.	Gregory Guilmo Victor Renovations	N\$ 1 581 468.47
12.	Tutema Investments	N\$ 983 314.13
13.	Earthworks, Buildings and Civil Contractors	N\$ 1 385 776.06
14.	Cruzel Investments	N\$ 1 394 202.36

15.	F.A. Developers	N\$	1 271 831.41
16.	Gecko Fifty Eight Investments	N\$	1 047 180.17
17.	Lera's Investments	N\$	1 493 764.31
18.	Phoenix Capital Investments	N\$	1 330 823.32
19.	Pedo Construction CC & Niilenge Construction Cc Joint Venture	N\$	5 987 631.84

3. EVALUATION OF BIDS

In line with the new Public Procurement Act of 2015, bids will be evaluated for technical compliance and those satisfying all technical requirements will then be evaluated for financial compliance.

Technical evaluation will include several checks to ensure that bids submitted meet minimum requirements. The checks include bidders' ability to perform based on previous contracts, personnel as well as plant availed by the bidders for this contract as well as comprehensive and correct completion of the forms by the bidder. In short, bids and bidders will be subjected to three major checks which are; Special Conditions, Eligibility Criteria, Qualification Criteria and then an checklist to ensure bidders had all required documents. These sections clearly indicated how bidders must complete the bid document and all additional information required for a comprehensive check and ensure compliance. A compliance sheet for each bidder with details on the technical checks the bid was exposed to and the resultant outcomes (refer to Appendix C) for individual technical compliance sheets.

The bidder that has the lowest financial bid and is technically compliant will be awarded the contract.

See Appendix C for Compliance Sheets.

4. COMPLIANCE OF BIDS

Compliance is measured in terms of the factors as listed on the Score Sheets in Appendix C.

4.1 LMR Construction

This bid has **failed** to qualify technically and hence will not be included in the subsequent evaluation.

Below summarises the reasons for failure:

- × Invalid copy of Good Standing Tax Certificate;
- × Invalid copy of Good Standing Social Security Certificate;
- × Bidder did not submit Average monetary value of construction Works performed in the last 5 years;
- × Only 2 references submitted (min 3 required);
- × No qualifications and experience of Key Site Management and Technical Personnel submitted.
- × No Plant list submitted;

4.2 ASHY Trading Enterprises

This bid has **failed** to qualify technically and hence will not be included in the subsequent evaluation.

Below summarises some of the reasons for failure:

- × Notice to bidders not submitted;
- × Bidder did not submit Average monetary value of construction Works performed in the last 5 years;
- × Only 1 reference submitted (min 3 required);
- × No qualifications and experience of Key Site Management and Technical Personnel submitted.
- × No Plant list submitted;

4.3 Octagon Construction G.G.

This bid has **successfully** qualified technically and hence will be included in the subsequent evaluation. The bidders however had some items that required clarification:

- × Notice to bidders was indexed in attachments booklet but not submitted;
- × The Bidding committee was of the opinion that the Time related Preliminaries and Generals were not proportionate to the Fixed Related and hence approached the contractor for clarity on this in the form of either reduction in rates or a detailed justification in the form of a financial breakdown in this regard.

The contractor was requested to clarify the above mentioned item (item 2) and the contractor responded positively by offering to enter into negotiations but keeping the bid sum constant as per stipulations within the documents.

4.4 **D-RAQ Trading Enterprises**

This bid has **failed** to qualify technically and hence will **not** be included in the subsequent evaluation.

Below summarises some of the reasons for failure:

- × Bidder did not submit Average monetary value of construction Works performed in the last 5 years;
- × The experience and qualifications of the submitted person for the contract was inadequate. The only personnel has a highest qualification of Standard 10.
- × No Plant list submitted;

4.5 **Sebke Civil Contractors CC**

This bid has **failed** to qualify technically and hence will **not** be included in the subsequent evaluation.

Below summarises some of the reasons for failure:

- × No references submitted for previous work done (min 3 required);
- × The experience and qualifications of the submitted personnel for the contract was inadequate. The only personnel has a highest qualification of Standard 10;
- × Plant list submitted was inadequate as no grader was included;
- × Proof of ownership not submitted.

4.6 **Rivoli Namibia (Pty) Ltd**

This bid has **failed** to qualify technically and hence will **not** be included in the subsequent evaluation.

Below summarises some of the reasons for failure:

- × Several pages not filled in and some forms not completed;
- × No references submitted for previous work done (min 3 required);
- × No confirmation of availability to complete project in the specified period;

4.7 **NCCS Investments & OLAH Investments CC Joint Venture**

This bid **failed** to qualify technically and hence will **not** be included in the subsequent evaluation.

Below summarises some of the reasons for failure:

- × Only 1 Joint Venture Partner signed on every page;
- × No written undertaking from contractors as per Section 138(2) of the Labour Act from both contractors;
- × Joint Venture Agreement not notarised and does not meet minimum requirements as stated in the Bid Document;
- × No references submitted for previous work done (min 3 required);
- × No Plant list submitted;

4.8 Hui Tani Trading Enterprises

This bid **failed** to qualify technically and hence will not be included in the subsequent evaluation.

Below summarises some of the reasons for failure:

- × Notice to bidders not submitted;
- × No written undertaking from contractors as per Section 138(2) of the Labour Act;
- × Bidder did not submit Average monetary value of construction Works performed in the last 5 years;
- × No references submitted (min 3 required);
- × No qualifications and experience of Key Site Management and Technical Personnel submitted;
- × No Plant list submitted.

4.9 Bonsiki Investments CC

This Bidder **failed** to qualify technically and hence will not be included in the subsequent evaluation.

Below summarises some of the reasons for failure:

- × Notice to bidders not submitted;
- × No Written undertaking from contractors as per Section 138(2) of the Labour Act;
- × Bidder did not submit average monetary value of construction works performed in the last 5 years;
- × Bidder did not attach summary of the previous work executed;
- × No references submitted (min 3 required);
- × No Plant list submitted.

4.10 Buchter Bricks and Blocks CC

This bid **failed** to qualify technically and hence will not be included in the subsequent evaluation.

Below summarises some of the reasons for failure:

- × No qualifications and experience of Key Site Management and Technical Personnel submitted;
- × No references submitted (min. 3 required);
- × Plant list was submitted but was inadequate for project. Bidder made no mention of a Grader, Water Truck or Roller Compactor.

4.11 Gregory Guilmo Victor Renovations CC

This Bidder **successfully** qualified technically and hence will be included in the subsequent evaluation. Some concerns raised, however, were the following:

- × All previous work mentioned was Building Works and not Civil Works. However personnel list indicates individuals with adequate experience in road construction.

4.12 Tutemana Investments CC

This bid **failed** to qualify technically and hence will not be included in the subsequent evaluation.

Below summarises some of the reasons for failure:

- × Qualifications are attached, but all CVs indicate irregularities in years of experience and do not show recent completed projects;
- × No references submitted (min. 3 required);
- × Plant list was submitted but was inadequate for project. Bidder made no mention of a Grader and Water Truck;
- × Mention was made of plant to be hired but required information from company to provide equipment not attached.

4.13 Earthworks Buildings and Civil Contractors

This bid **failed** to qualify technically and hence will not be included in the subsequent evaluation.

Below summarises some of the reasons for failure:

- × No Proof of Ownership of plant was submitted for plant mentioned.

A request for clarification offered to the bidder was responded to, however it was not to the satisfaction of the employer.

4.14 Cruzel Investments

This bid **failed** to qualify technically and hence will not be included in the subsequent evaluation.

Below summarises some of the reasons for failure:

- × 2 of the minimum required 3 references were not relevant to the type of contract;
- × Plant list was submitted but was inadequate for project. Bidder made no mention of a Grader and Water Truck;
- × No Proof of Ownership of plant was submitted for plant mentioned.

4.15 F.A. Developers

This bid **failed** to qualify technically and hence will not be included in the subsequent evaluation.

Below summarises some of the reasons for failure:

- × No references submitted (min. 3 required);
- × No qualifications and experience of Key Site Management and Technical Personnel submitted;
- × Plant list was submitted but was inadequate for project. Bidder made no mention of Tipper Trucks available;
- × No Proof of Ownership of plant was submitted for plant mentioned;

4.16 **Gecko Fifty Eight Investments CC**

This bid **failed** to qualify technically and hence will not be included in the subsequent evaluation.

Below summarises some of the reasons for failure:

- × Bidder did not submit Average monetary value of construction Works performed in the last 5 years;
- × Summary of previous work executed not submitted;
- × No references submitted (min. 3 required). Bidder only submitted appointment letters;
- × No Proof of Ownership of plant was submitted for plant mentioned.

4.17 **Lera's Investments CC**

This bid **failed** to qualify technically and hence will not be included in the subsequent evaluation.

Below summarises some of the reasons for failure:

- × Notice to bidders not submitted;
- × No qualifications and experience of Key Site Management and Technical Personnel submitted;
- × No references submitted (min. 3 required);
- × No Proof of Ownership of plant was submitted for plant supplied by the Plant Hire Company.

4.18 **Phoenix Capital Investments CC**

This bid **failed** to qualify technically and hence will not be included in the subsequent evaluation.

Below summarises some of the reasons for failure:

- × Bidder did not submit average monetary value of construction Works performed in the last 5 years;
- × No qualifications and experience of Key Site Management and Technical Personnel submitted;
- × No references submitted (min. 3 required);
- × No Plant list submitted.

4.19 **Pedo_Construction and Niilenge Construction CC Joint Venture**

This bid **failed** to qualify technically and hence will not be included in the subsequent evaluation.

Below summarises some of the reasons for failure:

- × No Written undertaking from contractors as per Section 138(2) of the Labour Act from both contractors;
- × One JV partner did not submit Affirmative Action Certificate;
- × Joint Venture Agreement not notarised;
- × No references submitted for previous work done (min 3 required);

- × Plant list was submitted but was inadequate for project. Bidder made no mention of a Grader, Compactor and Water Truck;
- × Proof of Ownership not submitted.

NOTE: Only two (2) of the nineteen (19) bids received at bid close have been considered fairly compliant in this Section and will hence be financially evaluated.

5. COMPARISON BETWEEN RATES PROVIDED

A spreadsheet has been prepared showing the rates submitted by the bidders.

A copy is attached in Appendix B of this report.

6. ARITHMETIC ERRORS AND OMISSIONS

Below is a table showing the revised amounts of only the bidders considered compliant technically.

	<u>Bidders Name</u>	<u>Revised Bid Amount</u>	<u>% Difference</u>
1.	Octagon Construction	N\$ 1 476 336.65	0.27
2.	Gregory Guilmo Victor Renovations	N\$ 1 654 079.47	4.59

7. CONCLUSIONS

The following conclusions can be drawn from this bid adjudication report:

- 7.1 Twenty six (26) bidders acquired bid documents from the Town Council.
- 7.2 No Bid Clarification Meeting was held.
- 7.4 A total of Nineteen (19) bids were received at the close of bid.
- 7.3 Seven (7) bids were not submitted at close of bid at the Lüderitz Town Council.

TECHNICAL PROPOSALS:

- 7.4** Two (2) bidders' have been considered to be technically compliant and have to be considered in subsequent evaluation.
- 7.5** These bidders have been considered to be fairly experienced to undertake a project of this magnitude.

8. RECOMMENDATIONS

Subject to the above, the bidding committee recommends the bidder, who can be appointed for this contract, based on the following;

- 8.1** The bid submitted has been deemed compliant;
- 8.2** The bidder has the necessary plant to execute the works;
- 8.3** The bidder has the necessary personnel to execute the works;
- 8.4** The bidder has the necessary experience to execute the works;
- 8.5** The bidder has good references available;
- 8.6** The bidder's financial proposal is the lowest of all technically compliant bids.

We therefore recommend, based on the aforesaid criteria, that

***PROCUREMENT REF. NO: W/ONB/LTC-01/2017: UPGRADING OF ROADS IN
BENGUELLA -PHASE 1***

Be awarded to:

OCTAGON CONSTRUCTION for an amount of

N\$ 1 476 336.65

Yours faithfully,

Name

Signature

1. Martha Blockstein

2. Andrew Nawaseb

3. Mack Sanyauke

A handwritten signature in black ink, appearing to read 'Mack Sanyauke', is written over a horizontal dotted line.

APPENDIX A

ENQUIRY OPENING SCHEDULE

APPENDIX B

BIDDED RATES (SPREADSHEET)

APPENDIX C

BIDDERS SCORE SHEETS