ITAHARI SUB-METROPOLITAN CITY OFFICE

ITAHARI SUB-METROPOLITAN CITY OFFICE
Office of the Municipal Executive
Sunsari, Koshi Province, Nepal

ITAHARI SUB-METROPOLITAN CITY OFFICE

Office of the Municipal Executive

Sunsari, Koshi Province, Nepal

ADDENDUM NO. 1

Date of Publication: - 2083/03/32 BS

Mahesh Parajuli
Chief Administrative Officer

Itahari Sub-Metropolitan City, Office of the Municipal Executive, Itahari, Sunsari has made the following amendments to the bidding document for the contracts named below.

S. N.	Contract No.	Project Title
1	ITR/NCB/69W/082/083	Construction of Bituminous Asphalt Concrete Road at Ekata Marga, Itahari-8, Sunsari
2	ITR/NCB/70W/082/083	Construction of Bituminous Asphalt Concrete Road from the Health Post to Ward No. 13 and from the Hulaki Highway in Ekata Tole to the House of Uday Katuwal, Itahari-12, Sunsari
3	ITR/NCB/71W/082/083	Construction of Bituminous Asphalt Concrete Road (Hakraha Khola to Gopal Shrestha's House and from Mudin Miya's House, via Jabdi Temple, to Shree Prabhu Kastha Udyog), Itahari-16, Sunsari

Issued by: Itahari Sub-Metropolitan City Office, Employer.

Legal basis: Public Procurement (Second Amendment) Act, 2083.

Status: This Addendum forms an integral part of the Bidding Document for the above Contract and shall be read and construed accordingly. Where any provision of this Addendum conflicts with the original Bidding Document, this Addendum shall prevail.

Pursuant to the Public Procurement (Second Amendment) Act, 2083, the following provisions of Section I (Instructions to Bidders – ITB) and Section III (Evaluation and Eligibility Criteria) of the Bidding Document are hereby amended as set out below. All other terms and conditions of the Bidding Document remain unchanged.

1. ITB 29.2(e) – Evaluation of Bids

In place of: "...application of all the evaluation factors indicated in Section III."

Read: "...application of all the evaluation factors indicated in Section III, and determination of the Average Bid Price and the bid closest to it, in accordance with Section III (Evaluation and Eligibility Criteria)."

2. ITB 29 – Insert new sub-clause 29.2A (Average Bid Method)

Insert after ITB 29.2:

"29.2A The Employer shall determine the arithmetic average of the evaluated bid prices of all substantially responsive and eligible Bidders, excluding any bid disqualified under ITB 29.2B. The Bidder whose evaluated price is closest to this average price shall be identified as the Recommended Bid for the award of Contract."

3. ITB 29 – Insert new sub-clause 29.2B (Abnormally low bids)

"29.2B A bid quoting a price more than thirty percent (30%) below the Employer's approved cost estimate shall be excluded from the evaluation process outright and shall not be considered further."

ITAHARI SUB METROPOLITAN CITY
OFFICE OF THE MUNICIPAL EXECUTIVE
ITAHARI, SUNSARI
KOSHI PROVINCE, NEPAL
2073

Mahesh Parajuli
Chief Administrative Officer

Consequential: ITB 29.5, 29.8 and 29.9 are retained only as a quality-assurance check on bids that fall within the 30% band and shall no longer be applied as the basis for selecting the lowest bidder.

4. ITB 29 – Insert new sub-clause 29.2C (Tie-break rule)

"29.2C Where two or more Bidders' evaluated prices are exactly equal to the Average Bid Price, the successful Bidder shall be selected by lottery/draw in accordance with ITB 30.2. Where two Bidders' evaluated prices are equidistant from the Average Bid Price (one above and one below), the Bidder whose price is below the Average Bid Price shall be preferred."

5. ITB 30 – Comparison of Bids

In place of: "The Employer shall compare all substantially responsive bids ... to determine the lowest evaluated bid."

Read:

"30.1 The Employer shall compare all substantially responsive bids in accordance with ITB 29.2 to determine the Average Bid Price and the bid closest to that average (the 'Recommended Bid')."

"30.2 If two or more Bidders' evaluated prices are exactly equal to the Average Bid Price, the Employer shall select the successful Bidder by draw system procedure as specified in the BDS, in the presence of Bidders' designated representatives who choose to attend, at the date, time and place notified in writing to the concerned Bidders. Where two Bidders' prices are equidistant from the Average Bid Price, the Bidder quoting below the average shall be preferred."

6. ITB 32 – Award Criteria

In place of: "The Employer shall award the Contract to the Bidder whose offer has been determined to be the lowest evaluated bid and is substantially responsive..."

Read: "32.1 The Employer shall award the Contract to the Bidder whose offer has been determined, in accordance with ITB 29 and ITB 30, to be the Recommended Bid (i.e., the substantially responsive bid closest to the Average Bid Price), provided further that the Bidder is determined to be qualified to perform the Contract satisfactorily."

Consequential: In ITB 28.2, 33.2, 33.4 and 34.2, replace all references to "lowest evaluated Bidder / bid" with "next Recommended Bidder in accordance with ITB 29 and ITB 30".

7. ITB 34 – Performance Security

In place of: the tiered formula – 5% of the bid price where the bid is up to 15% below the cost estimate; otherwise Performance Security = [(0.85 × Cost Estimate − Bid Price) × 0.5] + 5% of Bid Price.

Read: "34.1 Within fifteen (15) days of receipt of the Letter of Acceptance from the Employer, the successful Bidder shall furnish a Performance Security equivalent to five percent (5%) of the accepted Bid Price (excluding VAT and Contingencies but including Provisional Sum), from a Commercial Bank or Financial Institution eligible to issue a Bank Guarantee under prevailing law in Nepal, in accordance with the Conditions of Contract, using the Sample Form for the Performance Security in Section IX (Contract Forms), or another form acceptable to the Employer."

Consequential: Delete the tiered formula sub-clauses (i) and (ii) and the associated calculation.

8. Section III (Evaluation and Eligibility Criteria), Clause 1 – Evaluation

Insert new Clause 1.3 after existing Clauses 1.1 and 1.2:

ITAHARI SUB METROPOLITAN CITY
OFFICE OF THE MUNICIPAL EXECUTIVE
ITAHARI, SUNSARI
KOSHI PROVINCE, NEPAL

Mahesh Parajuli
Chief Administrative Officer

"1.3 Determination of the Recommended Bid (Average Bid Method)

Pursuant to ITB 29.2A–29.2C, after determining the evaluated price of each substantially responsive bid (i.e., bid price adjusted for arithmetic corrections, discounts, and quantifiable nonconformities per ITB 28 and ITB 27.3), the Employer shall:

(a) exclude from evaluation any bid priced more than 30% below the Employer's approved cost estimate;

(b) calculate the arithmetic average of the evaluated prices of the remaining substantially responsive and eligible bids;

(c) identify as the Recommended Bid the bid whose evaluated price is closest to that average; and

(d) where two or more bids are equally close to the average, apply the tie-break rule at ITB 29.2C."

9. Consolidated cross-reference amendments

The following cross-references throughout Sections I and III of the Bidding Document are amended accordingly:

ITB 16.5(d)(i): update the sub-clause references "ITB 29.5, ITB 29.8" to reflect the renumbering following insertion of ITB 29.2A–29.2C.

ITB 28.2: "the Bidder that submitted the lowest evaluated bid" is replaced with "the Bidder that submitted the Recommended Bid".

ITB 33.2 / 33.4: "next lowest evaluated Bidder" is replaced with "next Recommended Bidder determined in accordance with ITB 29 and ITB 30".

ITB 34.2: "award the Contract to the next lowest evaluated Bidder" is replaced with "award the Contract to the next Recommended Bidder".

10. Invitation for Bids, paragraph 3 / ITB 18.1(b)(iii) – Bidding Document Fee

In place of: "Bidders, submitting their bid electronically, should deposit the cost NRs. 3,000.00 of bidding document as specified below and the scanned copy (pdf format) of the Bank deposit voucher shall be uploaded by the bidder at the time of electronic submission of the bids."

Read: "Bidders submitting their bid electronically through the e-GP system shall not be required to pay or deposit any bidding document fee. Bidders submitting bids in hard copy (where permitted) shall continue to deposit the cost of the bidding document as specified in the Invitation for Bids."

Consequential: Delete the corresponding bank deposit voucher requirement at ITB 18.1(b)(iii), item 8 of the "required forms and documents" table (Bank Voucher for cost of bid document), since bid submission under this Contract is by e-GP only (ITB 18.1: "Bidders shall have the option of submitting their bids by electronic only")

This reflects the Second Amendment's provision waiving the bidding-document fee where the bid is invited and submitted through the electronic procurement system (e-GP) — relevant here since ITB 18.1 already restricts submission to electronic-only.

11. GCC – Labour (Social Security & Wage Payment)

The Contractor shall enroll all workers engaged in the Works under the Contract with the Social Security Fund established under prevailing law, and shall pay their wages/remuneration through a

ITAHARI SUB METROPOLITAN CITY
OFFICE OF THE MUNICIPAL EXECUTIVE
ITAHARI, SUNSARI
KOSHI PROVINCE, NEPAL
2073

Mahesh Parajuli
Chief Administrative Officer

bank account. The Contractor shall, upon request, furnish evidence of such enrollment and wage payment to the Employer or its representative.

12. GCC – Advance Payment / Termination (Criminal Liability for Misuse)

Without prejudice to the Employer's rights of forfeiture, recovery, or termination under this Contract, where the Contractor, with mala fide intent, misuses an advance payment, submits a false statement, or abandons the Works midway causing loss or damage to the State, the Contractor (including its responsible partner, director, or authorized representative) shall be liable to prosecution under the prevailing criminal law relating to fraud and forgery, in addition to any other remedy available to the Employer under this Contract.

13. GCC – Fraud and Corruption / Blacklisting

Blacklisting by PPMO on the recommendation of the Employer shall be on any of the grounds under Section 63 of the Public Procurement Act, 2063 (as amended), including but not limited to fraud and corruption, improper withdrawal of a bid, or refusal to provide information requested during bid evaluation.

Except as expressly amended by this Addendum, all other terms, conditions, clauses and provisions of the Bidding Document shall remain valid and binding without change. Any difference in this addendum to Public Procurement act 2063 (Amendment, 2083), Prevailing procurement act with amendment shall apply.