



## **Tender procedures manual**

## **IWRM Lake George Programme**

**November 2006**

# Table of Contents

<i>Part 1. Introduction</i> .....	3
<i>Part 2. Definitions and Principles</i> .....	4
<i>Part 3. The Procurement Cycle within the IWRM Lake George Programme</i> .....	7
Step 1. Recognition of need .....	7
Step 2. Procurement planning.....	7
Step 3. Selection of procurement method.....	8
Step 4. Preparing tender documents .....	8
Step 5. Invitation and reception of bids.....	9
Step 6. Formation of tender board .....	10
Step 7. Opening and validating of bids.....	10
Step 8. Evaluation of bids by Tender Board .....	11
Step 9. Evaluation of Tender Boards report.....	12
Step 10. Negotiation and Award of Contract.....	12
Step 11. Signature of contract.....	13
Step 12. Execution and Monitoring of works .....	14
Step 13. Handover of works .....	14
<i>Part 4. Provisional Calender Year 1</i> .....	15
<i>Annexe 1: Bills of quantities HEWASA programme</i> .....	17
<i>Annexe 2: Past consumption analysis for Water and Sanitation infrastructure works in the Kamwenge District</i> .....	22
<i>Annex 3. Pre-qualified contractors for the IWRM Lake George Programme</i> .....	23
<i>Annex 4: Model Invitation for Bids</i> .....	24
<i>Annex 5: Model Bidding form</i> .....	25
<i>Annex 6: Terminology and Model Contract</i> .....	32
Part 1 Terminology .....	32
Part 2 Model Contract.....	35
Part 3. Model Interim payment certificate .....	40
<i>Annex 7: Tender Evaluation Form</i> .....	42

## **Part 1. Introduction**

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One of the objectives of the IWRM Lake George programme is to build planning, implementation, and management capacity for Water and Sanitation (W&S) activities of the different stakeholders and to reinforce community ownership of W&S infrastructures. A second objective of the programme is to follow Ugandan national policy and reinforce the public and private sector service delivery in the water and sanitation sector.

In the IWRM Lake George programme these objectives are translated in W&S infrastructure being contracted out to local contractors and masons through an appropriate tender procedure and with a tender board consisting of representatives of the implementing NGO (FORUD or JESE), the community Water and Sanitation Committee, the LC1 and the LC3. The LC5 Kamwenge district engineer, the district water officer, and the donor representative (PROTOS), will provide advisory services and will approve the tender evaluation procedure. (and possibly SNV)

The IWRM Lake George programme comprises a budget to finance a number of water and sanitation infrastructures in the Nyabanni and Mahyoro sub counties, Kamwenge District for the period February 2006 – February 2008.

For the year 2006/2007 the budget amounts to 26 584 944 USX for drink water infrastructures (shallow wells equipped with NIRA pumps, improved springs, and water tanks), 16 104 600 USX for sanitation infrastructures (model household latrines and public latrines at school and markets), and 9 411 040 USX for hygiene interventions.

For the year 2007/2008 the budget amounts to 45 795 059 USX for drink water infrastructures (shallow wells equipped with NIRA pumps, improved springs, and water tanks), 12 045 100 USX for sanitation infrastructures (model household latrines and public latrines at school and markets), and 8 605 479 USX for hygiene structures.

The proposed bidding procedure and documents in this present manual are based on the standard Bidding Documents issued by Ministry of Local Government, the Local Government Procurement Guidelines and various procurement documents issued by various funding agencies and have been simplified and adapted to the specific context of the IWRM Lake George Programme.

## Part 2. Definitions and Principles

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**Tendering** can be defined as a formal offer to supply goods, carry out works, or provision of services. This offer is carried out within agreed prescriptions that include the price. Bidding is used to ensure transparency and receive the best value for money.

### Types of Procurements:

- **Works:** construction of infrastructures (bridges, roads, schools, water & sanitation, plant, etc.) and the design, rehabilitation, maintenance and repair of existing infrastructures
- **Supplies:** includes procurement of materials (drugs, foodstuffs, office equipment, etc.)
- **Services:** cleaning contracts, revenue collection, studies, technical assistance, etc.

### Two main reasons for Public Procurement are:

- **To avoid Protectionism:** Local Governments (LG) tend to buy locally in an effort to try and appease/benefit voters. NGOs tend to buy from proven or friendly contractors/suppliers. This may remove fair competition;
- **To assure Accountability:** Accountability for the use of public resources is a necessity as LGs must account to the public and NGOs must account to donors (including disappointed tenderers and potential suppliers). This requires detailed procedures, records and justifications for every procurement decision. The purpose of accountability is to prevent abuse of the procurement process

- **The following principles should apply:**

- Non-discrimination
- Promotion of transparency, accountability and fairness
- Achieving value for money
- Securing economy and efficiency in procurement
- Keeping of confidentiality until successful bidder is notified of award
- Following up the existing code of conduct
- Use of open competitive bidding
- Public accessibility
- Award to the best evaluated offer
- Preference for Ugandan manufactured goods
- Awarding of contracts to local contractors
- Preference to suppliers and contractors located in the local area

### Types of procurement procedures:

- **Open Competitive Tenders:** Invitation for bids will be published on notice boards and in selected press (newspaper, local radio) and any contractor/or mason can submit.
- **Selective Competitive Tenders:** A selected number of pre-qualified companies/masons will be invited to submit simplified tender documents. In general at least three valid offers are required for a selective tender procedure.
- **Single Tender Negotiation:** Involves sole sourcing where competition is not possible. The practice is to call quotations from a few (about 3) suppliers to quote for the supply of a given item. The method can be used in minor maintenance works and repair contracts and contracts for services.

**NB: For the first two years of the IWRM Lake George programme only the Selective Competitive Tender procedure will be used.**

**Determinants of procurement procedure for the IWRM Lake George programme:**

- **Open Competitive Tenders** for contract values above 10,000,000 USX (ie lot of 6 shallow wells)
- **Selective Competitive Tenders** for contract values between 1,000,000 and 10,000,000 USX (ie lot of two shallow wells)
- **Single Tender Negotiation** For contract values below 1,000,000 USX (maintenance, minor works and repairs)

**Contract:** A contract is a written agreement that allocates the risks and rewards of a transaction between the parties involved. The contents of a contract are determined by the statements in the tender documents.

**Contents of Contracts:** Contract within the IWRM Lake George project is a written agreement containing the following:

- Contract sum or full amount to be paid
- Detailed description of what project implementation to be done or services to be done or supplies to be delivered
- Time for carrying out the works, or services or delivering the supplies
- The parties to the Contract; with the WATSAN Committee (client 1) and JESE/FORUD (client 2) on one side and on the other side the Contractor/Suppliers/Consultants/Provider, who must be legally recognised to enter into a contract with the project.
- The written agreement can be enforced by court of law.
- Civil liability of the contractor in case of injury to persons or objects.
- The challenge in contract is to clearly define responsibility in case of bad things occurring that can interrupt the contract implementation.
- Payment provisions and conditions

**Essentials of Contracts** include the following;

- **Legal Entities;** The parties to the contract should be recognised as legal entities
- The **Intention** of both parties to enter freely legal relationship
- An **Agreement;** acceptable to court of law.
- **Consideration;** understanding for delivering something in exchange of payment.
- **Contract supervision,** is ensuring that terms and condition of the contracts are followed.

**Payment Provision of Contracts:**

Contracts provide for payment. Generally the provision is such that, the contractor/supplier/consultant/provider has to invoice the client for payment. The contract supervisor has to verify that the invoice amount and what was considered in arriving to the amount is in accordance with the contract requirement. The supervisor then recommends it for payment. Payment should be done after the works have been done or supplies delivered or services done. However, sometimes the contractor/consultant/suppliers/provider would like to have advance payment to help in delivering contract requirements. In this case, if the advance payment should be

guaranteed to be use for the purpose for which the advance payment has grated. The consideration for the guarantee is that if, the advanced money is not used for the purpose then the client should recover the money through the guarantee ways and means. This guarantee is normally through Insurance or Banking institutions. The challenge for the contractors to the IWRM Lake George programme is that there may be no Insurance or Banking firms accessible for them...

## Part 3. The Procurement Cycle within the IWRM Lake George Programme

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### Step 1. Recognition of need

<b>What:</b>	Identifying the types and locations of W&S infrastructures. <ul style="list-style-type: none"> <li>At the start of every year within the IWRM Lake George programme the different infrastructures (and supplies &amp; services) to be constructed (or provided) will be identified (numbers of protected springs, construction of latrines, shallow wells, rain water tanks, etc.), discussed, and prioritized with the help of the baseline surveys, parish/subcounty/district planning documents, and the developed set of criteria.</li> </ul>
<b>Output:</b>	A list of villages, landing sites, markets, and schools with the type of intervention planned
<b>Who's involved:</b>	FORUD/JESE/PROTOS in consultation with LCs

***Programme year 1: Done, final lists to be provided by JESE/FORUD during meeting 6 November 2006.***

### Step 2. Procurement planning

<b>What:</b>	Assuring that budget availability will allow the construction of the infrastructure needs identified in step (1) using: <ul style="list-style-type: none"> <li><b>Bills of materials explosion</b> - bills of materials (where available) are used to forecast requirements (see annex 1 for data from HEWASA)</li> <li><b>Past consumption analysis</b> - analysis is made of past consumption data to project the future demands (see annex 2 for data from the Kamwenge District)</li> <li>Establishing <b>Referential Bills of Materials and Quantities</b> for each infrastructure to be constructed</li> </ul>
<b>Output:</b>	The list of infrastructures for which procurement will take place and a referential bill of quantities and materiel per infrastructure.
<b>Who's involved:</b>	Project cell FORUD/JESE/PROTOS with input from external expertise (district engineer, water officers) if required

***Programme year 1: The programme officer and water technician of JESE/FORUD will assure that by 15 November 2006 a detailed referential Bill of materials and quantities for each infrastructure planned in their respective sub county (and landing site) is available (based on technical prescription appropriate technology,***

**see also step 4!). They will have made the comparison between budget availability and projected costs.**

### **Step 3. Selection of procurement method**

<b>What:</b>	<p>Deciding on the bidding procedure in function of the contract size and availability of (pre)qualified contractors/masons.</p> <ul style="list-style-type: none"> <li>• Deciding on the which companies/masons will be invited to participate in the tender procedures using as base the pre-qualified contractor list of Kamwenge District and adding others whose performances are confirmed (HEWASA Company, LD Company ? ex-HEWASA staff, others?)</li> <li>• Deciding on whether to group planned infrastructures in lots, which can lead to economy of scale (and time) and attract confirmed contractors.</li> <li>• Deciding on tender procedure (remember for year 1&amp;2 we will only use Selective Competitive Tenders, if we experience early on that we don't receive enough offers we can proceed with Single Tender Negotiation)</li> </ul>
<b>Output:</b>	<p>Choice of Selective Competitive Tenders and Single Tender Negotiations for the infrastructures for year 1&amp;2.</p> <p>List established of pre-qualified tenderers (see annex 3, to be completed)</p> <p>List established of lots per sub county.</p>
<b>Who's involved:</b>	<p>Project cell FORUD/JESE/PROTOS with input County Water officers, SNV, Private Sector District Promotion Centre</p>

***Programme year 1: The programme officers and water technicians of JESE/FORUD will assure that by 15 November 2006 a complete list of pre-qualified companies and masons for the Kamwenge District is established for each type of infrastructure which will include the name of company, the name of the contact person and address and contact details.***

### **Step 4. Preparing tender documents**

<b>What:</b>	<p>Preparing tender documents in function of choice of bidding procedure (step 3) and nature of works.</p>
<b>Output:</b>	<p>For all biddings tender documents for procurement include:</p> <ol style="list-style-type: none"> <li>1) Invitation for bidders with instructions to tender (see annex 4);</li> <li>2) Bidding form (see annex 5) which includes <ul style="list-style-type: none"> <li>• General information</li> <li>• Description of the method of evaluation;</li> <li>• Relevant set of general conditions;</li> <li>• Special conditions;</li> </ul> </li> </ol>



	<ul style="list-style-type: none"> <li>• General technical specifications, drawings, ToR;</li> <li>• Price breakdown and Bills of Quantities (BoQ) <i>For every infrastructure de standard BoQ needs to be adapted considering transport, provisional depth of well, etc. Somebody technical needs to look at the BoQ provided by HEWASA and adapt it, what we need to provide is the description, unit, and the quantities, the bidder then fills in his unit price (in numbers and in letters) and the total, see example in bidding form annex 5).</i></li> </ul> <p>3) Contract Form (see annex 6)</p> <p>Optional (for big contracts)</p> <ul style="list-style-type: none"> <li>• Detailed technical specifications, drawings, ToR;</li> <li>• Bid guarantee;</li> <li>• Advance payment bond form for contracts;</li> <li>• Applicable tax and customs arrangements</li> </ul>
<b>Who's involved:</b>	Project cell FORUD/JESE/PROTOS

***Programme year 1: The programme officers and water technicians of JESE/FORUD and Tom will prepare and adapt the bidding documents for each infrastructure or lot of infrastructures 16 and 17 November 2006 to be realised in each sub county. By this date the programme officers and water technicians of JESE/FORUD will have prepared the technical prescriptions, and where required the technical drawings, of each type of infrastructure.***

### **Step 5. Invitation and reception of bids**

<b>What:</b>	Inviting pre-qualified companies/masons to bid for the works through sending of invitation for bidders and tender document (step 4), with setting of closing date (must be a minimum of 14 and maximum of 45 days after publishing/contacting date) and place to submit (Office FORUD and Nyabanni sub county office or JESE office and Mahyoro sub county office).
<b>Output:</b>	Responsive Tenderers prepare and submit tenders to office LC3 or office JESE/FORUD.
<b>Who's involved:</b>	Project cell JESE/FORUD. The LC1, LC2, LC3 and the LC5 will be informed of the launching of the bidding procedure and will receive a copy of each lot for information.

***Programme year 1: The project cell will photocopy the bidding documents and address them to the pre-qualified contractors/masons (one lot per envelope) and the programme officers and water technicians of JESE/FORUD will assure their distribution/delivery by 21 November 2006. The Administrative office of the LC3s will have to be instructed that bidders may deposit their bids before 17:00 on 6 December 2006, and that they mark reception date on each bid received. The bids must be kept closed until date of opening, which is set for 7 and 8 December 2006.***

**FORUD and JESE field staff are to ensure that the community participation is mobilised in this period!**

### Step 6. Formation of tender board

<b>What:</b>	Constituting a tender board and assuring availability of members for the technical and financial evaluation for the date set for the opening of bids.
<b>Output:</b>	Representative tender board available
<b>Who's involved:</b>	<p>The tender board consists of:</p> <ol style="list-style-type: none"> <li>1. representative LC3,</li> <li>2. chairman LC1,</li> <li>3. chairman WATSAN Committee,</li> <li>4. programme officer JESE/FORUD</li> <li>5. water technician JESE/FORUD.</li> <li>6. (Representative LC5 depending on size of contract),</li> </ol> <p>NB: If the bid concerns a lot of 2 or more infrastructures each village is represented by its chairman LC1 and WATSAN Committee.</p> <p>The programme officer JESE/FORUD chairs de meeting and the water technician takes the minutes.</p>

**Programme year 1: The programme officers and water technicians of JESE/FORUD will assure that the tender board is informed and available for the opening and evaluation of bids 7 and 8 December 2006. They must prepare the logistic. We propose the Nyabanni sub county offices for both evaluation procedures, so we would need two rooms and lunch and transportation allowances for participants where applicable.**

### Step 7. Opening and validating of bids

<b>What:</b>	<p>Opening and validating conformity of all bids received by the tender board (preliminary evaluation). Bidders whose bids are not conform (open envelopes, not pre-qualified, etc) are discarded with mention of reason.</p> <p>(see annex 7 Tender Evaluation Form)</p>
<b>Output:</b>	List of valid bidder documents for further evaluation
<b>Who's involved:</b>	Tender board in presence of representatives of bidders if so desired. PROTOS, SNV, County Water officers will be called upon depending availability to advice on procedures.

**Programme year 1: Evaluation will take place 7 and 8 December 2006, PROTOS, SNV (hopefully), and CWO (hopefully) will provide technical assistance to tender boards.**

## Step 8. Evaluation of bids by Tender Board

<p><b>What:</b></p>	<p>Evaluating bids approved by the tender board in step 7. The evaluation is based on the standard guidelines for evaluation of tenders and two stages are followed; the technical evaluation and the financial evaluation (see annex 7 for Tender Evaluation Form).</p> <p><b>The technical evaluation:</b> For Selective Competitive Tenders, the minimum conditions for personnel qualifications and relevant experience, availability of equipment, experience of the company in similar works and financial ability at the time of prequalification are generally satisfied, and therefore only three aspects will be evaluated in more detail to distinguish technical offers between pre-qualified companies, contractors, and masons:</p> <ol style="list-style-type: none"> <li>1. The logistical capacity of the contractor and the composition of his team.</li> <li>2. The methodology and time frame proposed by the contractor</li> <li>3. Expertise as defined by the number of similar infrastructures successfully completed within the last five years as proven by certificates of completion/contracts.</li> </ol> <p><i>NB: For Open Competitive Tenders (OCT) the detailed conditions for personnel qualifications and relevant experience, availability of equipment, experience of the company in similar works and financial ability are evaluated and scored. Seeing as in the first and second year of the IWRM Lake George no OCTs are planned this detailed evaluation technique will not be further elaborated on.</i></p> <p><b>The financial evaluation:</b> The evaluation committee then carries out the financial evaluation. The priced Bills of Quantities (BOQ's) will be checked for arithmetic errors and corrected. The corrected sums are then compared and ranked.</p> <p><b>The Final evaluation</b> is based on the assessment of the financial ranking considering the responsiveness and the technical presentation set against a requirement for availability and experience of key personnel, experience of the firm in similar works and the financial ability of the company.</p>
<p><b>Output:</b></p>	<p>Completed Tender Evaluation Report of the Tender Board (aka Technical Evaluation Committee):</p> <ul style="list-style-type: none"> <li>• Evaluation and assessment of scores to each bidder;</li> <li>• Minutes of the committee;</li> <li>• Criteria against which the scoring was made;</li> <li>• Ranking of bidders in order of quality and responsiveness;</li> <li>• Recommended winner.</li> </ul> <p>(see annex 7)</p>
<p><b>Who's</b></p>	<p>Tender board. PROTOS, SNV, County Water officers will be called</p>

<b>involved:</b>	upon depending availability to advice on procedures.
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**Programme year 1: Evaluation will take place 7 and 8 December 2006, *PROTOS*, *SNV (hopefully)*, and *CWO (hopefully)* will provide technical assistance to tender boards.**

### Step 9. Evaluation of Tender Boards report

<b>What:</b>	Consideration/approval of Tender Evaluation Report by District Engineer/Water officer and PROTOS
<b>Output:</b>	Signature of tender evaluation form (see annex 7)
<b>Who's involved:</b>	District Engineer/Water officer and PROTOS

**Programme year 1: As *PROTOS* and *CWO (hopefully)* will provide technical assistance to tender boards they will approve tender evaluation procedure 8 December 2006.**

### Step 10. Negotiation and Award of Contract

<b>What:</b>	<p>Inviting winner of tender procedure for explanations on programme, community participation, negotiations on prices where necessary, payment procedures in order to reach a common understanding of objectives, time frame, etc.</p> <p>If no common understanding can be reached the second ranking contractor will be approached.</p> <p><b>Stages in negotiating a contract:</b></p> <ul style="list-style-type: none"> <li>• <b>Opening stage:</b> be welcoming, show interest, be warm but firm and agree on the agenda. Do not be demanding, do not put any conditions, do not refer to contracts to make them feel uneasy</li> <li>• <b>Testing stage:</b> both sides test their perceptions and understanding of the various issues;</li> <li>• <b>Proposal Stage:</b> Client asks the supplier to make his proposal first. Try not to reject a proposal instantly, or to make counter proposals immediately</li> <li>• <b>Bargaining stage:</b> always try to attach conditions to the concessions you make. Make numerous small concessions rather than one major one</li> <li>• <b>Agreement stage;</b> clearly summarise and re-state what has been agreed upon. This is not the end but the beginning of a working relationship.</li> <li>• <b>Post-negotiation:</b> involves preparing and formalizing the agreement, monitoring and managing the implementation, and evaluating your negotiation performance.</li> </ul>
<b>Output:</b>	Agreement on contract

<b>Who's involved:</b>	Project cell FORUD/JESE/PROTOS and WATSAN Committee
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**Programme year 1: Between 11 and 15 December 2006 the coordinator and programme officers of JESE/FORUD will invite the winning contractor and explain and negotiate contract. If they reach agreement the contract prepared. If not the second contractor is invited. In case of necessity advice can be sought from SNV and CWO (hopefully).**

### Step 11. Signature of contract

<b>What:</b>	<p>Signature of contract and payment of advance</p> <p><b>A Contract File</b> is opened for each contract signed, which includes:</p> <ul style="list-style-type: none"> <li>• Signed copy of contract;</li> <li>• Correspondences with Contractor;</li> <li>• Any modifications agreed;</li> <li>• Documents of any negotiations;</li> <li>• Copies Contractor's invoices;</li> <li>• Copies of payment vouchers for any payments made.</li> </ul> <p><b>Contract Supervision:</b> the program officer of FORUD/JESE supervises and monitors the overall progress and execution of the contract. The water technician monitors respect of technical prescriptions and quality control. The WATSAN committee and the field staff assure community participation and conflict resolution.</p> <p><b>Payments:</b> The WATSAN chairman, the JESE/FORUD water technician and the program officer approve invoices for payment by project cell JESE/FORUD/PROTOS. The project cell must be vigilant and check that no irregular payments are made to contractors. Where contract payments are made by instalments, a certificate will be prepared for each instalment showing the sum being certified, the cumulative total payments, and any deductions.</p> <p><b>Contract Amendments:</b> changes in the terms and conditions of an awarded contract involves the following steps by the program officer:</p> <ul style="list-style-type: none"> <li>• Preparation of technical details of variations;</li> <li>• Notification of project cell JESE/FORUD/PROTOS of intention to vary terms and conditions;</li> <li>• Issuing orders for the variation (with the approval of the project cell JESE/FORUD/PROTOS).</li> </ul>
<b>Output:</b>	Signed contract and start of works
<b>Who's involved:</b>	FORUD/JESE and WATSAN Committee

**Programme year 1: Signature of contract by 17 December 2006 and payment of advance. The contract will be explained to WATSAN Committee and the chairman will co-sign. Model payment certificates need to be developed by then (see annex 6 part 3 for adapted District Water officer format)**

## Step 12. Execution and Monitoring of works

<b>What:</b>	<p>The WATSAN Committee and the field staff of FORUD/JESE are responsible for:</p> <ul style="list-style-type: none"> <li>• Receiving and inspection of materials,</li> <li>• Quality control,</li> <li>• Monitoring advancement,</li> <li>• Assuring community participation</li> </ul> <p>The Water technician JESE/FORUD is responsible for:</p> <ul style="list-style-type: none"> <li>• Day- to-day technical supervision of the contract;</li> <li>• Keeping a works register of the progress of works;</li> <li>• Inspecting and testing components and materials;</li> <li>• Performing all roles specified in the contract;</li> <li>• Certification of contractor intermediate payments by Water technician FORUD/JESE and WATSAN chairman, approval by FORUD/JESE Programme Officer and payment by project cell.</li> </ul> <p>Any problems need to be reported to the project cell FORUD/JESE/PROTOS.</p> <p>Advice on technical problems can be sought from the district water officer and engineer.</p>
<b>Output:</b>	Timely payment and correct execution of works
<b>Who's involved:</b>	See above

***Programme year 1: The works will be executed from 17 December to 17 February (or earlier....).***

## Step 13. Handover of works

<b>What:</b>	<p>Handover of works and closing of contract</p> <p>Final payment of contractor (attention to maintenance guarantee!)</p> <p>Evaluating performance of contractor (it is the role of the LC5 to black list non- performing tenderers. Sufficient reasons must be given for such action).</p> <p>Report sent to LC3 and LC5.</p>
<b>Output:</b>	Functioning infrastructure
<b>Who's involved:</b>	District CWO, LC5, LC3, LC1, WATSAN, FORUD/JESE/PROTOS, community

***Programme year 1: The works will be handed over between at latest 17 and 24 February and final payment made. The warranty will be paid 6 months later.***

## **Part 4. Provisional Calendar Year 1**

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### **Step 1. Recognition of need**

Done, final lists to be provided by JESE/FORUD during meeting **6 November 2006**.

### **Step 2. Procurement planning**

The programme officer and water technician of JESE/FORUD will assure that by **15 November 2006** a detailed referential Bill of materials and quantities for each infrastructure planned in their respective sub county (and landing site) is available (based on technical prescription appropriate technology, see also step 4!). They will have made the comparison between budget availability and projected costs.

### **Step 3. Selection of procurement method**

The programme officers and water technicians of JESE/FORUD will assure that by **15 November 2006** a complete list of pre-qualified companies and masons for the Kamwenge District is established for each type of infrastructure which will include the name of company, the name of the contact person and address and contact details.

### **Step 4. Preparing tender documents**

The programme officers and water technicians of JESE/FORUD and Tom will prepare and adapt the bidding documents for each infrastructure or lot of infrastructures **16 and 17 November 2006** to be realised in each sub county. By this date the programme officers and water technicians of JESE/FORUD will have prepared the technical prescriptions and where required the technical drawings, of each type of infrastructure.

### **Step 5. Invitation and reception of bids**

The project cell will photocopy the bidding documents and address them to the pre-qualified contractors/masons (one lot per envelope) and the programme officers and water technicians of JESE/FORUD will assure their distribution/delivery by **21 November 2006**. The Administrative office of the LC3s will have to be instructed that bidders may deposit their bids before **17:00 on 4 December 2006**, and that they mark reception date on each bid received. The bids must be kept closed until date of opening, which is set for **5 and 6 December 2006**. FORUD and JESE field staff are to ensure that the community participation is mobilised in this period!

### **Step 6. Formation of tender board**

The programme officers and water technicians of JESE/FORUD will assure that the tender board is informed and available for the opening and evaluation of bids **5 and 6 December 2006**. They must prepare the logistic. We propose the Nyabanni sub county offices for both evaluation procedures, so we would need two rooms and lunch and transportation allowances for participants where applicable.

### **Step 7. Opening and validating of bids**

Evaluation will take place **7 and 8 December 2006**, PROTOS, SNV (hopefully), and CWO (hopefully) will provide technical assistance to tender boards.

#### **Step 8. Evaluation of bids by Tender Board**

Evaluation will take place **7 and 8 December 2006**, PROTOS, SNV (hopefully), and CWO (hopefully) will provide technical assistance to tender boards.

#### **Step 9. Evaluation of Tender Boards report**

As PROTOS and CWO (hopefully) will provide technical assistance to tender boards they will approve tender evaluation procedure **8 December 2006**.

#### **Step 10. Negotiation and Award of Contract**

Between **11 and 15 December 2006** the coordinator and programme officers of JESE/FORUD will invite the winning contractor and explain and negotiate contract. If they reach agreement the contract prepared. If not the second contractor is invited. In case of necessity advice can be sought from SNV and CWO (hopefully).

#### **Step 11. Signature of contract**

Signature of contract by **17 December 2006** and payment of advance. The contract will be explained to WATSAN Committee and the chairman will co-sign. Standard payment certificates to be developed by then (see annex 6 part 3 for adapted District Water Officer format).

#### **Step 12. Execution and Monitoring of works**

The works will be executed from **17 December to 17 February 2007 (or earlier....)**.

#### **Step 13. Handover of works**

Programme year 1: The works will be handed over between at latest **17 and 24 February 2007** and final payment made. The warranty will be paid 4 months later.



## Annexe 1: Bills of quantities HEWASA programme

ACTIVITY: CONSTRUCTION OF ONE SHALLOW WELL				DONOR CONTRIBUTION				COMMUNITY CONTRIBUTION			
				In Cash		In Kind		In Cash		In Kind	
SN	Description	Unit	Qty.	Rate	Amount	Rate	Amount	Rate	Amount	Rate	Amount
1	Blocks (blind)	No.	72	2,500	180,000						
2	Block (open)	No.	88	2,500	220,000						
3	Cement	No.	12	19,000	228,000						
4	U-3 pump	No.	1	600,000	600,000						
5	Re-bars	No.	2	16,000	32,000						
6	Binding wire	Kg.	1	3,000	3,000						
7	Dewatering pump fuel	Litres	15	2,000	30,000						
8	Bold cage	No.	1	15,000	15,000						
9	Mason	M/Days	10	10,000	100,000						
10	Calcium hypochloride	Litres	1	15,000	15,000						
11	Loading cement	No.	12	200	2,400						
12	Loading equipments	No.	0	0	0						
13	Loading and offloading of blocks	No.	144	500	72,000						
14	Sand	Lorry	1	0	0			40000	40000		
15	Hard core	m	2	0	0			50000	100000		
16	Course aggregates	Lorry	0.5	50,000	25,000			0	0		
18	Unskilled labour	Pple x day	10 x 10	0	0			2,000	200,000		
20	Food	Plates	140	0	0			500	70,000		
22	Bricks	No.	100	0	0			50	5,000		
23	Transport for staff (Fuel)	Litres	20	2500	50,000						
24	Facilitation allowance for staff	Per diem	4 day x 2 Pple	20,000	160,000						
	<b>TOTAL</b>				<b>1,732,400</b>				<b>415,000</b>		

ACTIVITY:TRANSPORT FOR ONE SHALLOW WELL				Donor contribution:				Community contribution			
				In kind		In cash		In kind		In cash	
SN.	Description	Unit	Qty.	Rate	Amount	Rate	Amount	Rate	Amount	Rate	Amount
1.	Blocks (open and blind)	Km.	115			2,500	288,500				
2.	Equipments (site to site)	Km.	6			7,500	45,000				
3.	Sand	Lorry	1					30,000	30,000		
4.	Hard core	Lorry	2					30,000	60,000		
5.	Clay	M3	3					5,000	15,000		
6.	Coarse aggregates	Lorry	0.5					30,000	15,000		
7.	Cement	Bags	12			3,500	42,000				
8.	Bricks	No.	100					25	2,500		
	<b>TOTAL</b>						<b>375,500</b>		<b>122,500</b>		

**N.B.** Materials for a total of TWENTY TWO shallow wells will have to be transported.

ACTIVITY: CONSTRUCTION OF ONE IMPROVED SPRING				DONOR CONTRIBUTION				COMMUNITY CONTRIBUTION			
				In cash		In kind		In cash		In Kind	
SN.	Description	Unit	Qty.	Rate	Amount	Rate	Amount	Rate	Amount	Rate	Amount
1	Cement	Bags	22	19,000	418,000						
2	chicken mesh	Rolls	2	70,000	140,000						
3	Welded mesh	No.	5	15,000	75,000						
4	G.I. Pipe 3/4"	No.	1	25,000	25,000						
5	G.I. Pipe 1 1/4"	No.	1	35,000	35,000						
6	Binding wire	Kg.	5	3,000	15,000						
7	Inspection cover	No.	1	70,000	70,000						
8	Brass taps	No.	2	18,000	36,000						
9	Mason	M/Days	11	20,000	220,000						
10	H.D.P.E. pipe 50mm	m	10	6,000	60,000						
11	G.I. Plug 1 1/4"	No.	1	4,000	4,000						
12	G.I. Socket 3/4"	No.	2	4,000	8,000						
13	Threading pipes	Sides	9	5,000	45,000						
14	Padlocks	No.	1	5,000	5,000						
15	Polythene sheet	m	10	1,500	15,000						
16	Sand	Lorry	1	0	0			40,000	40,000		
17	Hard core	Lorry	1	0	0			50,000	50,000		
18	Course aggregates	Lorry	1	50,000	50,000			0	0		
19	Unskilled labour	Pple x days	10 x 10	0	0			2000	200,000		
20	Food	Plate x day	10 x 10	0	0			2,500	250,000		
21	Storage	Days	60	0	0			500	30,000		
22	Transport for staff	Litres	20	2500	50,000						
23	Facilitation allowance	Per diem	4 day x 2 ple	20,000	160,000						
	<b>TOTAL</b>				<b>1,431,000</b>				<b>570,000</b>		

ACTIVITY: TRANSPORT FOR ONE IMPROVED SPRING				Donor contribution:				Community contribution:			
				In kind		In cash		In kind		In cash	
SN.	Description	Unit	Qty.	Rate	Amount	Rate	Amount	Rate	Amount	Rate	Amount
1.	Cement	bags	22			3,500	77,000				
2.	Chicken mesh	Rolls	2			2,500	5,000				
3.	Welded mesh	No.	5			4,500	22,500				
4.	Pipes	No.	4			10,000	40,000				
	<b>TOTAL</b>						<b>144,500</b>				

ACTIVITY: CONSTRUCTION OF ONE RAIN WATER HARVESTING TANK (30,000 Litres)				DONOR CONTRIBUTION				COMMUNITY CONTRIBUTION			
				In cash		In kind		In cash		In Kind	
SN.	Description	Unit	Qty.	Rate	Amount	Rate	Amount	Rate	Amount	Rate	Amount
1	Cement	Bags	26	19,000	494,000						
2	chicken mesh	Rolls	2	70,000	140,000						
3	Welded mesh	No.	10	15,000	150,000						
4	G.I. Pipe 3/4"	No.	1	25,000	25,000						
5	G.I. Pipe 1 1/4"	No.	1	35,000	35,000						
	G.I. Pipe 2 1/2"	No.	1	65,000	65,000						
6	Binding wire	Kg.	5	3,000	15,000						
7	Elbow 1 1/4 "	No.	1	2,500	2,500						
	Elbow 3/4 "	No.	1	1,000	1,000						
	Man hole	No.	1	60,000	60,000						
	Nails 2", 3", 4"	Kg	3	2,000	6,000						
	Nylon ropes	Metres	10	3,000	30,000						
8	Brass taps	No.	1	18,000	18,000						
9	Mason	M/Days	20	20,000	400,000						
	Plumber	M/days	10	20,000	200,000						
10	Iron bars	No.	15	11,000	165,000						
11	G.I. Plug 1 1/4"	No.	1	4,000	4,000						
12	G.I. Socket 3/4"	No.	1	4,000	4,000						
	G.I. Socket 1 1/4"	No.	1	4,000	4,000						
	Welded pipes	No.	1	10,000	10,000						
13	Threading pipes	No.	10	5,000	50,000						
14	Padlocks	No.	1	5,000	5,000						
15	Polythene paper	m	5	1,500	7,500						
16	Sand	Lorry	1					40,000	40,000		
17	Hard core	Lorry	1					50,000	50,000		
18	Course aggregates	Lorry	1	50,000	50,000						
19	Unskilled labour	Pple x days	10 x 10					2,000	200,000		
21	Staff transport (Fuel)	Litres	20	2,500	50,000			500	30,000		
	<b>TOTAL</b>				<b>1,991,000</b>				<b>570,000</b>		

**Annexe 2: Past consumption analysis for Water and Sanitation infrastructure works in the Kamwenge District**

<b>NAME COMPANY</b>	<b>OF</b>	<b>ITEM BIDDED FOR</b>	<b>CORRECTED SUM (USX) (Total offer@unit price)</b>
Mwijuka Services	H.R	<b>Lot 1</b> (Protection of 3 ordinary springs) in Kicheche S/C	5,188,833 @ 1,729,611
Asiimwe	Jamson	<b>Lot 2</b> (Protection of 3 ordinary springs) in Ntara (1) & Nyabbani (2)	4,776,690 @ 1,592,230
Magrich		<b>Lot 3</b> (Protection of 4 ordinary springs) in Kahunge (2), Kamwenge (1) & Bwizi (1)	7,605,956, @ 1,901,489
Cobra Construction Ltd		<b>Lot 4</b> (Protection of 3 Improved springs) in Nkoma S/C	5,956,719 @ 1,985,573
Integrated Technical Services		<b>Lot 5</b> ( Protection of 3 improved springs) in Bwizi (2) & Kahunge (1)	7,202,241 @ 2,400,747
Katushabe & friends		<b>Lot 6</b> ( Protection of 4 improved springs) in Mahyoro (2) & Ntara (2)	9, 828,000 @ 2,457,000
Nkanga Enterprises Ltd	General	<b>Lot 7</b> (5 Hand Dug Wells) in Bwizi (3) & Nkoma (2)	14,670,000 @ 2,934,000
Intergrated Technical Services Ltd		<b>Lot 8</b> (5 Hand Dug Wells) in Kahunge (3), Nkoma (2)	13,419,260 @ 2,683,852
Kantozzi Merchants Ltd	General	<b>Lot 9</b> (6 Hand Dug Wells) in Ntara (2), Nyabbani (2) & Kamwenge (2)	17,925,924 @ 2,987,654
Rudep Associates Ltd		<b>Lot 10</b> (6 Hand Dug Wells) in Mahyoro (3), Kicheche (2) & Ntara (1)	18,111,600 @ 3,018,600
Crest Tank Ltd		Eko loos	4,800,000
Crest Tank Ltd		Eko loos	4,520,000
Crest Tank Ltd		Supply and installation of 10 No 10 m <sup>3</sup> HDPE tanks	32,000,000 @ 3,200,000

### **Annex 3. Pre-qualified contractors for the IWRM Lake George Programme**

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**Complete list and add contact addresses!!!!**

#### **Responsive bidders: Protection of springs**

Mwijuka H.R Services  
Asiimwe Jamson  
Quality Builders  
Magric  
Katushabe & Friends Company Ltd  
Cobra const ltd  
Integrated Tech Services

#### **Responsive bidders: Hand Dug Wells**

Nkanga General Enterprises Ltd  
Intergrated Technical Services Ltd  
Kantozzi General Merchants Ltd  
Quality Builders  
RUDEP Associates (U) Ltd

#### **Responsive bidders: Supply and Installation of 10m<sup>3</sup> HDPE tanks**

Crestanks Ltd

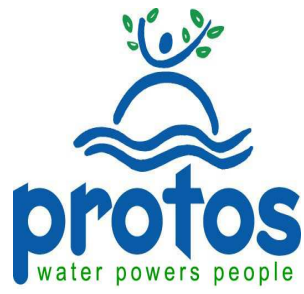
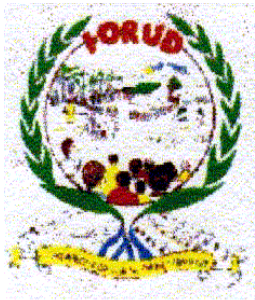
#### **Responsive bidders :Construction of 3 – stance latrine at Ntonwa Market**

Trumpet for Development

**HEWASA companies**

**Annex 4: Model Invitation for Bids**

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**Annex 5: Model Bidding form**



<b>TENDER BIDDING FORM</b>	
<b>Integrated Water Ressource Management Programme (IWRM) Lake George Programme</b>	
<b>Subject :</b>	Selective Tender Procedure for the construction of three shallow wells equipped with NIRA hand pumps in the Mahyoro sub county, Kamwenge District  In the village of .....: approximate depth 7 feet In the village of .....: approximate depth 10 feet In the village of .....: approximate depth 6 feet
<b>Delay of execution:</b>	One/two month after signature of contract and reception of advance
<b>Date of invitation for bids:</b>	
<b>Closing Date for submission of bids:</b>	
<b>Place to submit bids:</b>	
<b>Opening date and place of bids:</b>	

<b>Pre-qualified contractor information</b>	
<b>Name contractor:</b>	
<b>Type of contractor:</b>	
<b>Official Address:</b>	
<b>Telephone numbers:</b>	
<b>Fax numbers:</b>	

<b>Email address:</b>	
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### **General Information IWRM Lake George Programme**

In 2006 PROTOS Uganda launched a pilot IWRM programme in southwest Uganda in the Lake George Basin. The action targets the rural communities in the water basin of Lake George depending on the water resources in the basin of the lake; as well as the local governments responsible for the management of the lake and its basin.

The programme is funded by the Belgian Directorate for Development Cooperation and implemented by PROTOS ( a Belgian NGO) in partnership with two national NGOs; Joint Effort to Save the Environment (JESE) and Forum for Rural Development (FORUD)

The action works at two levels:

- 1) an operational level: the target groups will get access to drinking water, hygiene, sanitations and to information about HIV/AIDS
- 2) a strategically level: the action will work on structures that will guarantee a coherent and sustainable management of the lake and the catchments area, and that will stimulate consultation between all stakeholders about integrated water resources management.

For compliance with Ugandan policies, PROTOS seeks to involve local government, private sector and civil society during implementation of the programme.

The IWRM Lake George project envisages carrying out activities in the following fields during its pilot phase (2006/2007) in the Nyabanni and Masyoro subcounties in the Kamwenge District upon which the extension of the project for the following phase (2007-2011) will be based:

- Drinking water (mainly shallow wells and improved springs)
- Rain water harvesting technology
- Hygiene and sanitation
- School sanitation and hygiene education
- Hiv/aids
- Integrated basin management studies (erosion control, ecological preservation, sustainable use of natural resources, pesticide use reduction, organic farming)

The main concerned government bodies are: Directorate of Water Development, the Ministry of Water, Lands, & Environment, Min. of Health, Min. of Education, Min. of Agriculture, and the Ministry of Local Government.

The main concerned civil society stakeholders are the NGOs JESE and FORUD which will jointly with PROTOS implement the action. The Water and Sanitation (WATSAN) Committees will be the focus group at village level in order to ensure ownership and sustainability of programme activities. Collaboration with local existing community based organizations will be encouraged and synergies with other national and international NGOs active in the area will be developed. Local government structures from village, parish, subcounty and district levels will be actively involved in planning, coordinating, and monitoring of the action. The private sector will be called upon for studies, construction works and operation and maintenance service delivery which will be executed in close collaboration and consultation with the WATSAN Committees.

**Instruction to tenders**

To participate in the selective tender procedures the bidder needs to submit:

- A completely filled in, clearly legible, and signed Bidding Form
- Documented proof where asked for in the bidding form
- The completed and signed Bill of Quantities
- To submit the above stated documents in sealed envelopes before the closing date and at the designated place, clearly marked

***“Bid for the construction of ..... in ..... village, ..... subcounty.”***

**NB: The implementing NGOs (PROTOS/JESE/FORUD) have the right to not award .....**

**General evaluation criteria**

The bidder retained for the signing of contract will be the one whose bid will have received the highest note (note of technical offer + note of financial offer)

- The technical offer can obtain a maximum of **30 points** and the financial offer can obtain a maximum of **70 points**.
- Absence of qualified masons as proven by training certificates or absence of official proof of execution of similar work will automatically lead to disqualification of bid.
- Presence of falsified documents will automatically lead to disqualification of bid.

**Proposed personnel for the works**

Name	Function <sup>(*)</sup>	Residence	years of experience	signature
1)				
2)				
3)				
4)				
5)				
6)				
7)				
8)				
9) etc.				

(\*) join photocopies of **relevant** technical diplomas/certificates



**Proposed methodology**

<b>Proposed methodology</b>

**Proposes time frame for the execution of the works**

	W1	W2	W3	W4	W5	W6	W7	W8	W9	W10
<b>Signing of contract</b>	X									
<b>Contact community</b>	X									
<b>Buying materials</b>		X								
<b>Delivering materials</b>		X								
<b>Etc.</b>										
<b>Etc.</b>										
<b>Etc.</b>										
<b>Etc.</b>										
<b>Etc.</b>										
<b>Etc.</b>										
<b>Etc.</b>										

Similar works executed by the contractor in the past five years			
Nature of work	Client	Year of completion	Certificate of completion or contract joined (yes/no) <sup>(*)</sup>
1)			
2)			
3)			
4)			
5)			
6)			
7) etc.			

(\*) join photocopies of **relevant** certificates of completion or contracts

Technical Prescriptions
<p>We have to give the general technical prescriptions here of the work to be carried out, like:</p> <ul style="list-style-type: none"> <li>• Technical drawing,</li> <li>• Dosage of cement,</li> <li>• Size bricks,</li> <li>• Etc.</li> </ul> <p>How the community will participate:</p>

**Bill of quantities for works.....**

**Model Bill of Quantities One shallow well (example only !!!!)**

SN.	Description	Unit	Qty.	Rate (in letters)	Rate (numbers)	Amount
	<b>Materials</b>					
1	Blocks (blind)	No.	72			
2	Block (open)	No.	88			
3	Cement	No.	12			
4	Nira pump	No.	1			
5	Re-bars	No.	2			
6	Binding wire	Kg.	1			
7	Dewatering pump fuel	Litres	15			
8	Bold cage	No.	1			
9	Mason	M/Days	10			
10	Calcium hypochloride	Litres	1			
11	Loading cement	No.	12			
12	Loading equipments	No.	0			
13	Loading and offloading of blocks	No.	144			
14	Sand	Lorry	1		Community participation	
15	Hard core	m	2		Community participation	
16	Course aggregates	Lorry	0.5			
	<b>Labour costs</b>					
17	Skilled	Pple x day	3 x 10			
18	Unskilled labour	Pple x day	10 x 10		Community participation	
19	Food	Pple x day	140		Community participation	
20	Bricks	No.	100			
	<b>Transport Costs</b>					
21	Materials Kamwenge-Mahyoro	Lorry	20			
22	Staff Kawenge Mahyoro	trips	10			

**Total per well: in letters and numbers**

**I, (name), director of (contractor), hereby declare the above tender bidding form and its supporting documents to be true.**

**My company's bid for the works amount to ..... USX (in letters..... Uganda Shillings) and the offer will stand up to three months after the date set for the opening of bids.**

**Date: .....**

**Signed: .....**

## **Annex 6: Terminology and Model Contract**

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### **Part 1 Terminology**

#### *Unit Price Rate*

The unit price rate for item is the cost of implementing a unit quantity and value of project implementation item. The total sub-quantity and value is a multiple of the Unit price rate. The supervisor of project to note that unit price rate cannot be changed unless provided for with clear agreement on how it can be changed.

#### *Provisional Sum*

Provision sum is a lump sum amount of money provided for implementing a certain part of the project. Some time it is difficult to avoid provisional sum for an item which price/cost for it could not be established at the start of the project implementation or contract signing. The supervisor of project implementation is to ensure that good costing/pricing for the item is made early. The supervisor has to seek approval of the quotation before instructing for the implementation of that item.

#### *Contingency Sum*

Contingency sum is an amount allowed in the initial project implementation cost to take care of unforeseen expenses or some small changes in the expectations during project implementation period. Its value normally does not exceed 10% of the initial project implementation costs. If the unforeseen expenses arise or changes made in accordance with LG requirement procedures, then the supervisor of the project implementation has to request the project implementer to provide an estimate for it and seek prior approval for spending from the contingency sum. The contingency sum while included in the initial project implementation costs is actually not part of exact project costs provided for. It is only provided as a reserve from which project implementation process can benefit if proper approval is followed.

#### *Interim Valuation,*

Interim valuation is the process of establishing the estimated quantity and value of the amount of project implemented at any given time before completion. Interim payment is normally based on interim valuation report. Supervisor is to ensure that competent and knowledgeable persons carry out interim valuation and make detailed interim valuation report showing how the quantity and value is arrived at. Supervisor to note that interim valuation is provisional estimates at the time of valuation as project implementation is to continue.

#### *Interim Valuation Certification*

This is the process of verification and ensuring that the interim valuation reports are true to the best estimate possible at the given time with the available information. The interim valuation reports should be certified by the supervisor as true and good representation of interim quantity and value of project implementation at the time of valuation.

#### *VAT and Tax Issues*

VAT is a tax that directly increases the cost of the project and currently at 17%. There are other taxes like income tax, PAYE, etc. that need to be paid. Supervisor of project needs to consider relevant taxes and ensure that they are paid accordingly. VAT can some time be paid through the implementer-contractor or directly paid to URA. It should be noted that in the case of VAT, the project implementer-contractor is only a tax



collector on-behalf of URA and therefore an LLG can pay it directly to the URA. However, supportive documentations need to be given to the project implementer-contractor for purposes of production of VAT Tax Returns.

### *Payment*

The supervisor using and attaching the copy of certified interim/final valuation report or invoice initiate payment. The supervisor not only initiates payment but also ensure that it is done. This is done through the production of Payment Certificate. See Sample below for Sample of Payment Certificate for works project. In supervision of payment, the issues of Taxation especially VAT is to be considered. Sometime it is part of the Payment Certificate and some time it is contained in Separately "VAT ONLY" Payment Certificate.

### *Claims*

Claim is a demand for something that is considered due because of rights, entitlement, responsibility, liability and obligations. The challenge for supervisor of project implementation is ensure right claim are paid. Therefore in handling claims, the supervisor has to consider the basis for the claim and the procedures for the claim.

### *Retention Sum*

Certain amount as percentage of interim payment certified is retained to ensure that the project implementer remain to make good any problem requirement during the warranty/liability period. The percentage is normally about 5%. The supervisor is to ensure that the retention sum is always deducted from interim payment and only paid after final certification of project implementation at the end of the warranty/liability period.

### *Final Valuation, Certification and Payment*

At the end of defect liability period or project implementation, Final Valuation of the total quantity and value of the project implementation is established by a competent person and Final Valuation Report produced. The Final Valuation Report is then certified to be correct representation or necessary adjustment is instituted. Based on the certified Final Valuation report, supervisor of project implementation initiates and ensure the final payment is done promptly.

### *Final Accounts and Project Cost*

The final Accounts and Project Costs is produce from the various certification and other costs incurred in the project implementation. This is a tool for final financial accountability to the stakeholders. It establishes the actual costs of implementing the project pointing out any relevant information and recommendations for improvement in future project implementation.

### *Project Implementation Costs Allocation*

In project implementation, there is two project implementation costs allocation namely: [a] Direct Costs and [b] Indirect Costs.

The example of direct costs are: cost of materials to be used, cost of labour to be used, cost of stationary used, cost of utility directly used, cost of equipment, cost of transport to be directly for project implementation inputs and activities. The direct costs are those that can be specifically identified with the project implementation inputs and activities. Direct costs are assigned to cost objects by tracing of units of resources consumed by individual activities that lead to the production of an output in project implementation. The

focuses for supervision is on an item by item and quantity basis considering and supervising costs factors that ensure value for money.

The indirect costs are basically overheads and examples include advertisement, public relations expenditure, refreshment during commissioning, monitoring travels, general administrative services, research, recreation facilities for staff, delay in utilization of facilities etc. Indirect costs are those of resources that are jointly or commonly used to produce two or more types of outputs but are not specifically identifiable with any one of the outputs. The focuses for supervision is on an item-by-item and quantity basis considering only those that are absolutely necessary and supervising factors that ensure value for money.

## Part 2 Model Contract

### CONTRACT AGREEMENT FOR REQUIRED WORKS

**TYPE OF PROJECT:** Construction of One shallow well equipped with NIRA Hand Pump

**PROJECT No:**

**DATE:**

**CONTRACTOR:**

#### CONTRACT AGREEMENT

1. This Contract Agreement is made this day the *(date)* on which the contract becomes effective on the one hand between the **Water and Sanitation (WATSAN) Committee** of *(name village)* represented by its Chairman *(name)*

*Hereinafter referred to as Client 1*

And **JESE or FORUD** represented by its Director *(name)*

*Hereinafter referred to as Client 2*

and on the other hand for the purpose of executing the job described herein the **Contractor name** represented by its director *(name)*

*Hereinafter referred to as the Contractor*

2. The Clients would like to have the above mentioned work executed as per specifications and other contract documents attached hereto (join bidding form, BoQ).

The Contractor hereby agrees to execute the said works in a manner that shall not contravene any clause of this contract, unless otherwise especially mentioned by a special written instruction from the Client 2 or his/her agent. Reference shall be made at all times to the building code and the relevant standards acceptable in Uganda throughout the contract.

3. Having studied all the relevant contract documents, both parties hereby mutually agree to execute the contract as per clause listed below.

#### CLAUSE 1 - WORK

Work on the project shall be executed as per provision and specification contained in the bill of quantities and any other document as relevant to and/or related to the project, such as plans, construction drawings and supporting details/clarifications.

##### **1.1 Commencement of Work**

Work on the project shall commence on *(date)*.

##### **1.2 Work Schedule**

The Contractor shall furnish the Clients with details of his/her work before commencement of work. These shall include:

- a) Projected completion time for each project activity;
- b) Weekly activities at the site e.g. supply of materials, setting out, excavation, etc.

### **1.3 Work Supervision and Manpower**

The contractor shall furnish the clients with the list of his/her workers as follows:

- a) Names and technical qualifications of supervision staff
- b) Names of craftsmen and other labourers who shall be employed at work site.

The clients shall reject and cause withdrawal of the contractor's supervisor or worker if in the opinion of the client the supervisor or worker has shown incompetence, lack of technical know-how and/or bad behaviour at the place of work.

#### **1.3(a) Clients Supervision**

The client 2 technical supervisor is in-charge of supervising the activities on the work site. Any change or modifications of the bill of quantities, including variation of the prices and quantities of work, have to be endorsed by the client 2 technical supervisor in advance.

### **1.4 Volume of the Work**

The Clients may increase or decrease the volume of the work awarded to the Contractor without assigning any reasons for so doing. This shall result in a corresponding adjustment to the Contractor's compensation. The Contractor shall, however, be informed in writing of the decision so taken to increase or reduce the volume of work.

### **1.5 Quality of Work**

All work shall be executed in accordance with the specifications and code of construction practice, by ensuring maintenance of good workmanship and proper choice of construction materials to be used on the project. Any sub-standard work originating from poor workmanship and/or the use of inferior construction materials shall be rejected by the clients and the contractor shall dismantle the structure and cart away the debris from the site at his own costs. The contractor shall be required to make good any damages that may have been caused in the course of such demolitions.

### **1.6 Completion Period**

The contractor shall hand over completed work to the Project Committee on or before the completion date.

### **1.7 Extension of Completion Period**

The contractor may extend the completion date of the project provided that:

- a) The Contractor shall inform the clients in writing, detailing all the circumstances that would necessitate such extensions to the satisfaction of the Clients.
- b) There is occurrence of unforeseen circumstances such as war and civil disorder which may contribute to the delay in the execution of the work.
- c) If there has been delay reasonably caused by the clients or his agent (this includes problems with community participation).

### **1.8 Delay and Non-Completion of the Work**

In the event that the contractor fails to hand over completed work to the clients as per clause 1.6 of this agreement and that clause 1.7 has not been applied, a penalty of 5,000 U.Shs (five thousand shillings only) which is the maximum, shall be charged on the

contractor for every day of delay in delivering the completed work to the Project Committee.

## **CLAUSE 2 – DETERMINATION OF THE CONTRACT**

### **2.1 Arbitration**

The clients shall determine the contract in case there develops misunderstanding on the mode of execution of the project. Where necessary, a neutral arbitrator acceptable to both the client and the contractor shall mediate between the two.

### **2.2 Termination of Contract**

#### **i) The Contract shall be terminated upon:**

(a) Failure of the contractor to show progress, or if it is established that the contractor has abandoned the work for a period of over seven consecutive days without informing the clients in writing.

(b) Failure to follow construction drawings, specifications, poor workmanship and lack of co-ordination including failure to discipline subordinate staff.

ii) On termination of the contract, measures shall be taken jointly by the clients and the contractor to determine what is due to the contractor before payments can be effected to the contractor. In event of disagreement between the Clients and the Contractor, the arbitrator's ruling shall be final.

## **CLAUSE 3 - PAYMENTS FOR CONTRACTED WORK**

Payments for contracted work shall be made to the contractor on production of invoices which shall be accompanied by an acceptable technical report and a certificate signed by a technical supervisor appointed by the client 2, confirming that the contractor deserves the amount of payment equivalent to the work already done, including materials which may have been delivered on site by the contractor for the purpose of the works.

### **3.1 Advance Payments**

An advance payment of 25% of the total amount may be made to the contractor on commencement of the work, when deemed necessary. Retention of 15% will be deducted from every payment as reimbursement of advance payment.

### **3.2 Payment of the 1st Interim Certificate**

Payment of the first interim certificate shall be made to the contractor after a month from commencement of the work based on the percentage of the work done. Further payments shall be made on a monthly basis on the same conditions. An amount of 10% of each payment shall be withheld by the client as Retention Fees as per Clause 3.5.

### **3.3 Payment of other Interim Certificates**

The client 2 shall honour and make payments for all other interim certificates which may be submitted from time to time against specified quantity of work certified by the technical supervisor and counter-signed by client 2, provided 10% of the total payment shall be kept by the client as contribution towards Retention fees in accordance with Clause 3.5. This shall apply only after the first interim certificate as per Clause 3.2.

### **3.4 Payment of the Final Certificate**

The final certificate shall be paid to the contractor after 100% practical completion of the work, less 10% of the contract sum to be retained by the client as contribution towards retention fees for a specified maintenance period as per Clause 3.5.

**3.5 Retention Fees**

a) The 10% of the total contract sum shall be held for a period not exceeding four (4) months after 100% practical completion of the work. The above amount of money retained shall be paid to the contractors after the expiry of the prescribed retention period as per Clause 8, provided that the client 2 technical supervisor has certified that no defects have occurred to the completed work during the specified period as a result of poor workmanship or use of inferior materials or failure to follow specifications for the job.  
b) Should any defect develop during the retention period, the contractor shall be liable to repair such defects at his/her cost, or alternatively the clients shall recommend the use of the retention money to make good these defects. Any balance left after the said repairs shall be paid to the contractor. Any deficiency shall be made good by the contractor.

**3.6 Inflation**

Payment to the contractor shall be adjusted in accordance with Uganda government official inflation figures within the authorized contract period, if such a period exceeds 365 working days excluding delays.

**CLAUSE 4 - TAXES**

Taxes shall be paid by each party concerned as per the existing Uganda Revenue Authority Regulations at the time of signing the Contract.

**CLAUSE 5 – WAGES**

The contractor shall be responsible for paying all his/her employees’ dues.

**CLAUSE 6 – INSPECTION OF WORK**

The contractor shall ensure that every stage of work is inspected and approved by the client 2 technical supervisor, provided that such inspection is agreed upon between the contractor and the Client 2 technical supervisor and that such inspection shall not be accepted as a reason for the delay of the contract or for poor workmanship.

**CLAUSE 7 – OTHERS**

Client 1 will provide the contractor with the following items as part of its participation in the financing of the works:

Insert list.

Non compliance to provide these items shall be immediately notified by the contractor to client 2. Any delay caused shall be added on to the Contractors total period of contract.

All other Clauses on which this agreement is silent should be considered to be the same as those provided for in the laws of the Republic of Uganda to which reference shall be made from time to time in the course of executing this contract.

**TOTAL PERIOD OF CONTRACT:** .....DAYS

**TOTAL CONTRACT SUM:** .....USHS (in letters.....).

**RETENTION PERIOD:** .....DAYS

Contract documents forming an integral part of this contract and co-signed by the Clients and the Contractor:

1. Contractors Bidding form
2. Bills of Quantities;
3. Specifications and Approved Construction Drawings;
4. Details of payment;
5. Others (specify).

We hereby certify that we have carefully read the contents of this Contract Agreement contained in 6 pages and have fully understood its implications and we therefore, hereby endorse it.

**FIRST CLIENT SIGNATURE:** .....

**DATE:**.....

**SECOND CLIENT SIGNATURE:**.....

**DATE:**.....

**CONTRACTOR SIGNATURE:**.....

**ON BEHALF OF:**.....

**DATE:** .....

**Part 3. Model Interim payment certificate**

**Project Title:**

**Project Location:**

**Contract No. :**  
**Contract value (VAT Inclusive) Ush:**

**Certificate Serial No. :**

**Date of Valuation:**

**Issue date:**

**Issued by: Name contract supervisor (FORUD/JESE)**  
**Address:**

**Project Implementer: Name Contractor**  
**Address:**

**I/ We certify that interim payment as shown is due from the Client to the Contractor**

[a] Contract sum VAT Exclusive USh:

[b] Gross Value of Contractor's Work on Site (VAT Exclusive) USh:

[c] Contractor's Material on Site (VAT Exclusive) USh:

[d] Less Retention ....% of [b] &[c] USh:

[e] Less previous payment certified (certificate No. ....) USh:

[f] Less Advance Payment (certificate No.....) USh:

[g] Payment Due on Certificate (Excluding VAT) USh:

**(In Words)** Uganda Shillings .....only in favour of (*contractor*)

***Join Bill of quantities filled in up to date of issue present certificate***



To be signed by or for the issuer named above (Client 1: JESE/FORUD):

Signed Supervisor Certification:

Signed Director:

To be signed by or for the issuer named above (Client 2: WATSAN Committee):

Signed Chairman:

To be signed by or for the contractor:

Received (date):

Signed:

**Annex 7: Tender Evaluation Form**



<p><b>TENDER EVALUATION FORM</b></p> <p><b>IWRM Lake George Programme</b></p>	
<b>Subject :</b>	<b>Selective Tender Procedure for the construction of :</b>
<b>Date:</b>	
<b>Place:</b>	

**List of members of the tender evaluation board:**

No.	Name	Function
1		
2		
3		
4		
5		
6		
7		
8		
9		

**List of contractors who submitted bids:**

No.	Bidder
1	
2	
3	
4	
5	
6	
7	

**I) General evaluation criteria**

- ✓ The bidder retained for the signing of contract will be the one whose bid will have received the highest note (note of technical offer + note of financial offer)
- ✓ The technical offer can obtain a maximum of **30 points** and the financial offer can obtain a maximum of **70 points**.
- ✓ Absence of qualified masons as proven by training certificates or absence of official proof of execution of similar work will automatically lead to disqualification of bid.
- ✓ Presence of falsified documents will automatically lead to disqualification of bid.

**II) Preliminary evaluation eligibility bids**

Opening of bids, verification of conformity bid with bid directives as specified in the invitation for bids:

Document	Bidder 1	B2	B3	B4	B5	B6	B7
Clearly marked and sealed bids							
Signed bidding form							
Certificates of completion or contracts for similar works							
Signed Bill of quantities							

No.	Bidder	Bid accepted (yes/no)	If no give reason
1			
2			
3			
4			
5			
6			
7			

## II) Technical Evaluation of accepted bids

Document	Max pts	B1	B2	B3	B4	B5	B6	B7
Is the bidding form clear and legible? (Yes = 1 pts, No = 0 pts)	1							
Is the bidding form completely filled in? (Yes = 1 pts, No = 0 pts)	1							
Where is the contractor based? Within parish = 3 pts Within subcounty = 2 pts Within district = 1 pts Within region = 0 pts	3							
How many qualified personnel (ie masons) are proposed? 4 or more = 4 pts 3 = 3 pts 2 = 2 pts 1 = 1 pts 0 = 0 pts	4							
Does the contractor have the equipment necessary to carry out the required works? All equipment = 4 pts Half equipment = 2 pts Some equipment = 1 pts None equipment = 0 pts	4							
Does the contractor have transport means? Pick-up+moto+bike = 4 pts Moto + bike = 2 pts Bike = 1 pts None = 0 pts	4							
Is the proposed methodology and time frame logical and realistic and conform the objectives of the programme? Very good = 5 pts Good = 3 pts OK = 1 pts Bad = 0 pts	5							

<b>Does the contractor have the necessary experience to carry out the works as measured by the amount of similar infrastructures realized in the last 5 years and documented by proof?</b> 8 or more = 8 pts 5 to 7 = 6 pts 2 to 4 = 4 pts 1 = 1 pts 0 = 0 pts	<b>8</b>							
<b>Subtotal 1</b>	<b>30</b>							

### III) Financial Evaluation of accepted bids

Document	Max pts	B1	B2	B3	B4	B5	B6	B7
Verification of Bill of Quantity format <sup>(1)</sup>	2							
Verification of calculations <sup>(2)</sup>	2							
Calculation of points <sup>(3)</sup>	66							
<b>Subtotal 2</b>	<b>70</b>							

(1) check if the format used is the same as provided in the instructions to bidders and if units and amounts are clear and legible → if yes 2 points of not 0 points.

(2) check if all calculations (first horizontally then vertically) are correct → if yes 2 points of not 0 points.

(3) Calculate the points for the financial offer using the following formula:

$\frac{1,3 \times P_{min} - P_x}{0,3 \times P_{min}} \times 66$	<p><b>Where:</b>  Pmin is the lowest offer  Px is the offer being considered</p> <p><b>NB :</b> Negative notes will be obtained if the considered offer is more than 130% of the lowest offer and therefore receives 0 points.</p>
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#### IV) Conclusion

Document	Max pts	B1	B2	B3	B4	B5	B6	B7
Sub Total 1	30							
Subtotal 2	70							
Total	100							
Ranking								

The outcomes of the ranking give the following results:

No.	Bidder name	Bidding amount
1		
2		
3		

The tender evaluation committee therefore proposes that contract negotiations are started with Bidder No. 1.

#### V) List of evaluators

No	Name of Evaluator	Title	Signature
1			
2			
3			
4			
5			
6			
7			

Checked and approved by

<p><b>District Engineer/District Water Officer</b></p>          <p><b>SIGNATURE:</b></p>  <p><b>DATE:</b></p>	<p>Comments:</p>
<p><b>PROTOS Uganda Representative</b></p>          <p><b>SIGNATURE:</b></p>  <p><b>DATE:</b></p>	<p>Comments:</p>