

RUSSIAN FEDERATION
Open Joint-Stock Company Petrozavodsk Communal Utilities Systems
PROJECT. THE RECONSTRUCTION AND MODERNISATION OF
PETROZAVODSK
WASTEWATER TREATMENT PLANT
INVITATION FOR TENDERS
Contracts 2, 3, 4

This Invitation for Tenders follows the General Procurement Notice for this project which was published on the website of the Nordic Environment Finance Corporation (NEFCO) www.nefco.org on July 10 2013 and on the website of the OJSC PKS (PKS) <http://pks.karelia.info/press-centr/n-jusmejker/uvedomlenie-o-zakupkah/> on July 11 2013.

Open Joint Stock Company Petrozavodsk Communal Utilities Systems intends to use part of the proceeds of:

- a loan from the Nordic Environment Finance Corporation (NEFCO), and a loan from the Nordic Investment Bank (NIB);
- a non-refundable financing from the Northern Dimension Environmental Partnership (NDEP) – 4,4 million EURO;
- a non-refundable financing from the Ministry of the Environment of the Republic of Finland (FMoE) – 2 million EURO

towards the cost of co-financing of the Project “The Reconstruction and Modernisation of Petrozavodsk Wastewater Treatment Plant”.

The Open Joint Stock Company Petrozavodsk Communal Utilities Systems now invites sealed tenders from firms and joint ventures for the following contracts to be performed concurrently by one contractor/supplier or legal entities that have concluded an agreement. For partners registered in the Russian Federation an agreement of simple partnership according to chapter 55 of the Civil Code of the Russian Federation is required. If they are registered outside of the Russian Federation they shall conclude an agreement of forming a consortium. The terms of the agreements above (simple partnership or consortium) will involve joint activity of all the partners:

- Contract 2. Rehabilitation and Modernization of Petrozavodsk WWTP, including design and approval of design, coordination of Contracts 3 and 4, rehabilitation and modernization of concrete activated sludge tanks – total volume 37 800 m³, replacement of blowers for biological treatment – 3 nos., rehabilitation of secondary clarifiers diameter 30 m and related piping – 6 nos., reconstruction of return and excess sludge pumping stations for 6 secondary clarifiers, construction of chemical precipitation unit, Option 1 – Rehabilitation of the main pumping station, Option 2 – Construction of new grit chambers, Option 3 – Construction of two new secondary clarifiers;
- Contract 3. Supply of Equipment financed by NDEP. Supply of mechanical, electrical and control equipment to be installed at the works executed under the Contract 2, including equipment for activated sludge tanks, blowers, return sludge pumping stations and excess sludge pumping station, chemical precipitation equipment, Option 1 – main pumping station, Option 2 – new grit chambers, Option 3 – two new secondary clarifiers;

- Contract 4. Supply of Equipment financed by FMoE. Supply of mechanical, electrical and control equipment to be installed at the works executed under the Contract 2, including equipment for activated sludge tanks, blowers, return sludge pumping stations and excess sludge pumping station, chemical precipitation equipment, Option 1 – main pumping station, Option 2 – new grit chambers, Option 3 – two new secondary clarifiers.

The Tenderer for Contract 2 shall either also submit a tender for Contracts 3 and 4, or have a legal agreement for partnership (Chapter 55, Civil Code of RF) with Tenderer(s) for Contract 3 and 4. Tenders 2, 3 and 4 will be evaluated and awarded together as described in the evaluation criteria.

The Tenderers shall submit as part of their tender an agreement of simple partnership or a consortium and power of attorney for signing of the contract given by all partners to one partner.

The agreement of simple partnership or a consortium has to clearly state that it was concluded for conducting joint business activity for implementation of the project Reconstruction and modernization of Petrozavodsk wastewater treatment plant.

Planned Contracts completion period – 22 months.

Contract 2 Eligibility and Qualification Criteria

Contract 2 Eligible tenderers shall be firms from all countries.

To be qualified for the award of the Contract 2, tenderers must satisfy the minimum criteria in Tender Documents, including but not limited to:

- the Tenderer is not bankrupt or under bankruptcy procedures according to the national legislation or regulations;
- the Tenderer shall have an average annual turnover as prime contractor (defined as billing for works in progress or completed) over the last three years of not less than RUB 350 million equivalent;
- participation as contractor or management contractor in at least three (3) contracts within the last five (5) years, each with a value of at least 200 mln. Russian Rubles, that have been successfully and substantially completed and that are similar to the proposed Works.
- the Tenderer shall demonstrate in addition, the following specific experience: Successful reconstruction of Biological Wastewater Treatment Plant under operation having capacity not less than 50 000 m³/day;
- the Tenderer shall provide evidence that the Tenderer or its agent will be able to carry out the supplier's maintenance, repair and spare parts stocking obligations;
- the Tenderer shall provide evidence that the Tenderer and its sub-contractor(s) shall have or shall obtain prior to the Contract award all certificates, permits and licences required by the authorities of the Russian Federation related to the scope of this contract (such as design and construction permits issued by Russian Self-Regulatory Organisations in appropriate sectors or by other authorised organisations);
- the Tenderer shall be certified for quality standard ISO 9001 (or equivalent) or shall submit his own quality assurance plan to demonstrate quality assurance procedures, which shall be applied for the execution of works under this contract.

Contract 3 Eligibility and Qualification Criteria

Contract 3 Eligible tenderers shall be firms registered in EBRD countries of operation or in countries which are contributors to the NDEP Fund without discrimination of individual Member States of the European Community irrespective of whether such member states may have concluded contribution agreements relative to the NDEP Fund. A list of said countries:

Contributors to the Fund – Canada, EU which includes all European Union Member States, Norway, Russian Federation.

Countries of operation of the EBRD – Albania, Armenia, Azerbaijan, Belarus, Bosnia and Herzegovina, Croatia, Former Yugoslav Republic of Macedonia, Georgia, Kazakhstan, Moldova, Republic of Kirgiz, Russian Federation, Serbia and Montenegro, Tajikistan Turkmenistan, Turkey, Uzbekistan.

To be qualified for the award of the Contract 3, tenderers must satisfy the minimum criteria in Tender Documents, including but not limited to:

- the Tenderer is not bankrupt or under bankruptcy procedures according to the national legislation or regulations;
- average annual turnover as prime Supplier (defined as billing for Goods and Services delivered and under delivery) over the last three years not less than EURO 12 million equivalent;
- the Tenderer has satisfactorily supplied similar goods and services to other purchasers and completed at least 5 (five) similar contracts in the recent five years, and at least 1 (one) of them having price not less than 4,5 million EURO equivalent;
- in case of a Tenderer offering to supply goods under the Contract which the Tenderer does not manufacture or otherwise produce, the Tenderer has been duly authorised by the goods' manufacturer or producer to supply the goods in the Purchaser's country;
- the Tenderer or its agent will be able to carry out the supplier's maintenance, repair and spare parts stocking obligations prescribed in these tender documents;
- the Tenderer is able to provide all necessary certificates, permits and licences required by the authorities of the Russian Federation related to the scope of supply;
- the Tenderer shall be certified for quality standard ISO 9001 (or equivalent), or shall submit his own quality assurance plan to demonstrate quality assurance procedures, which shall be applied for supply of goods under the contract.

Contract 4 Eligibility and Qualification Criteria

Contract 4 Eligible tenderers shall be firms from all countries. The majority of Goods and Services shall originate from Finland.

To be qualified for the award of the Contract 4, tenderers must satisfy the minimum criteria in Tender Documents, including but not limited to:

- the Tenderer is not bankrupt or under bankruptcy procedures according to the national legislation or regulations;
- Average annual turnover as prime Supplier (defined as billing for Goods and Services delivered and under delivery) over the last three years not less than EURO 3 million equivalent;

- the Tenderer has satisfactorily supplied similar goods and services to other purchasers and completed at least 5 (five) similar contracts in the recent five years, and at least 1 (one) of them having price not less than 2,0 million EURO equivalent;
- in case of a Tenderer offering to supply goods under the Contract which the Tenderer does not manufacture or otherwise produce, the Tenderer has been duly authorised by the goods' manufacturer or producer to supply the goods in the Purchaser's country;
- the Tenderer or its agent will be able to carry out the supplier's maintenance, repair and spare parts stocking obligations prescribed in these tender documents;
- the Tenderer is able to provide all necessary certificates, permits and licences required by the authorities of the Russian Federation related to the scope of supply;
- the Tenderer shall be certified for quality standard ISO 9001 (or equivalent), or shall submit his own quality assurance plan to demonstrate quality assurance procedures, which shall be applied for supply of goods under the contract.

Tender documents may be obtained from the office at the address below upon submission of application form attached to this Invitation and payment of a non-refundable fee of 500 EURO (five hundred) including VAT, or equivalent in Russian Roubles according to the Central Bank of Russian Federation rate on the date of payment.

The method of payment in Russian Roubles will be direct bank transfer to:

OJSC PKS
185035, г. Петрозаводск, проспект Ленина 11В
Р/сч 40702810200000004067
в Ф-л ГПБ (ОАО) в г. Санкт-Петербурге
г. Санкт-Петербург
Кор. сч. 30101810200000000827
БИК 044030827

Payment in EUR shall be made by bank transfer to:

Correspondent bank of beneficiary's bank:
JSC VTB BANK (OPERU BRANCH)
SWIFT CODE VTBRRUM2NWR
ACC. 30109978401005000020 - корреспондентский счет в Евро
Beneficiary Bank:
ONEGO BANK OAO PETROZAVODSK
SWIFT CODE ONOARU24
Beneficiary:
OJSC Petrozavodsk Communal Utility Systems
Acc. EUR 40702978700000001170

Upon receiving appropriate evidence of payment of the non-refundable fee, the documents will be promptly dispatched by courier, however, no liability can be accepted for loss or late delivery. If requested the documents can also be dispatched electronically after the presentation by the prospective tenderer of appropriate evidence of payment of the non-refundable fee. In the event of discrepancy between electronic and hard copies of the documents, the hard copy shall prevail.

All tenders must be accompanied by a tender security of:

Contract 2 - 6 000 000 Russian Roubles;

Contract 3 – 150 000 EURO or its equivalent in Russian Roubles;

Contract 4 – 50 000 EURO or its equivalent in Russian Roubles.

Tenders must be delivered to the office at the address below on or before February 26, 2014 at 14-00 (local time), at which time they will be opened in the presence of those tenderers' representatives who choose to attend.

A register of potential tenderers who have purchased the tender documents may be inspected at the address below.

Prospective tenderers may obtain further information from, and also inspect and acquire the tender documents at, the following office:

Open Joint Stock Company Petrozavodsk Communal Utility Systems

Russian Federation, Republic Karelia, 185035, Petrozavodsk, Lenina pr. 11-v

Attention: Maksimov Viktor Nikolayevich, Project Implementation Unit team leader

Tel: +7 (8142) 768-101,

E-Mail: n.klemesheva@rks.karelia.ru; s.padalko@rks.karelia.ru; v.maksimov@rks.karelia.ru

Date: December 16 2013 г.