



REQUEST FOR PROPOSAL

FOR

**SELECTION OF
THIRD PARTY MONITOR FOR MONITORING
OF PROJECTS UNDER SPECIAL PLAN ASSISTANCE
PROGRAMME: 2013-2014 & 2014-2015**

IN

ARUNACHAL PRADESH

ISSUED BY

**DEPARTMENT OF PLANNING
GOVT. OF ARUNACHAL PRADESH
ITANAGAR, ARUNACHAL PRADESH
PIN: 791111**

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Part I -TERMS OF REFERENCE

1.1 BACKGROUND:

Government of Arunachal Pradesh is executing various centrally sponsored schemes. One such scheme is the projects under Special Plan Assistance (SPA) which is funded by the NITI Aayog erstwhile Planning Commission, Government of India, New Delhi. The Government has decided to review and monitor the actual ground execution of the projects funded under SPA. Thus the need to appoint an independent agency to review the projects on-site and obtain objective reports about project activities. Feasibility of the project – ‘ability’ and ‘need’ is established during project appraisal prior to its sanction. Therefore, TPM will not relook at the same, but rather review and monitor the project in the course of its implementation up to completion. The Third Party Monitor (TPM) shall be appointed, to cover the projects under SPA 2013-14 and 2014-15. The TPM shall cover all such projects in the State of Arunachal Pradesh. The respective State Level Nodal Agency (SLNA) i.e, the Project Monitoring Unit of the Planning Department shall be the appointing authority for the TPM.

Limited bids will be called from the existing Monitoring Agencies (PSU) already working in Arunachal Pradesh. Request for Proposals is now being issued and proposals sought from existing Monitoring Agencies by Director of Project Planning & Monitoring of Planning Department, Government of Arunachal Pradesh.

1.2 OBJECTIVES

The objective of appointing an independent agency is to review and monitor the performance of the projects under SPA 2013-14 and 2014-2015 through its entire lifecycle of implementation, on the basis of detailed on-site review, examination of appropriate documents and discussions with the Project Executing Agency, Beneficiary departments and other key stakeholders.

The scope of the service expected from the agency is described below. The inputs from the agency shall enable the PP&M to report on the performance of the Project Executing Agency (PEA) with respect to the project implementation.

1.3 SCOPE OF SERVICES:

The Third Party Monitor (TPM) is expected to review and monitor the identified projects sanctioned under SPA 2013-2014 and 2014-2015 in Arunachal Pradesh as per **Annexure-A**.

The scope of services for the TPM will include the following:

- 1.3.1 Review of the project at this stage is to primarily review and monitor the preparatory activities that go into a project prior to beginning actual procurement and construction. Such review should cover:
- (i) Review of project design documentation:
 - (a) Check extent of completion of design with respect to the sanctioned DPR.
 - (b) Review adherence to technical standards in the detailed designs/ drawings prepared.
 - (c) Review the project implementation plan (level of detail, interdependencies, linkage to resources etc.)
 - (d) Check the sequence of design documentation with respect to project implementation plan.
 - (e) Review the probability of escalation in project cost and time delay in implementation on account of variation in design criteria, estimated quantities, unit costs, and other reasons related to design aspects.
 - (f) Review the test reports to examine adequacy of all surveys that are needed to be carried out for project design.
 - (ii) Review of bid documentation and bit process:
 - (a) Completeness of the bid documents with respect to designed/planned project configuration, and packaging of bids including battery limits of scope. This should include review of clarity in roles between PEA and the contractors.
 - (b) Compliance of the bid documents with respect to design standards, especially with respect to Materials of construction.
 - (c) Alignment in the sequence of preparation of bid documents and release of tenders with respect to interdependencies in the project plan.
 - (d) Review whether due to transparent and fair procurement processes have been followed as per the rules of the PEA, and good practices followed in the industry.
 - (e) Review the probability of escalation in project cost and time delay in implementation on account of inefficiencies and mistakes in procurement.
 - (f) Review the bid documents with respect to appropriateness of commercial terms and conditions of the contract.
 - (iii) Review of site preparation and clearances to begin construction:
 - (a) Under take site visit to examine the availability of land/right of way for the project, to examine that the project site is free of encumbrances; access to site is available; etc. Report on handing over of site to the contractor for construction.
 - (b) Report on progress with respect to shifting of utilities, if applicable.
 - (c) Review the probability of escalation in project cost and time delay in implementation on account of delays in site preparation and statutory clearances.
 - (iv) Review of project management mechanism:
 - (a) Report on whether mechanism has been put I place for independent monitoring of physical quality of materials/construction/fabrication.

- (b) Assess the institutional capacity of PEA to manage implementation of the project in terms of dedicated man power, internal systems, and technical capacity, etc. assessment should take into account agencies hired by PEA to assist in project implementation.

1.3.2 Pre Construction and Construction Stage:

Review of the project through the course of its construction is to primarily review and monitor physical progress, financial progress, commercial performance, project quality, compliance to statutes and other requirements. Such review to be conducted periodically over the construction period should cover:

- i) Report on Physical progress of the project:
 - a. Review the physical performance accomplished in the project with respect to the milestones projected in the DPR.
 - b. Review of rescheduling of milestones on the basis of performance.
 - c. Report on abnormal delays and any others in project activities and advice on remedial measures.
- ii) Report on Quality assurance systems and Project quality:
 - a. Report on methodology and frequency of tests carried out by the contractor/quality assurance consultant by examining Requests for Inspection (RFI) and reports. Ensure that they are in line with good industry practices.
 - b. Confirm that the work specifications and materials used for construction are as per the specifications of the DPR and contract agreement.
 - c. Report about cases of non-conformance from quality reviews based on available documents and interactions.
- iii) Report on the Commercial performance and Financial progress of the project:
 - a. Commercial performance
 - I. Review and report on commercial performance of contractors under the project with respect to commercial terms and conditions, i.e. performance with respect to clauses such as – guarantee / warranty, defects–liability, licenses, bank guarantee, insurance, payment schedule, taxes, dispute resolution mechanisms, etc.
 - II. Highlight and report on enforcement of critical commercial terms and conditions by either party that has an impact on time and cost of the project.
 - III. Suggest remedial measures to improve commercial performance
 - b. Financial progress of the project
 - i. Report on adequacy of systems for project related financial management.

- ii. Report the quantum and timelines of contribution of funds from all the counter parties of the project by verifying receipts statements.
 - iii. Review documents related to claim for payments and payments made. Such documents will include – Invoices, Measurement Book, Bank statements, and monitoring certificates by DLMC, SDLMC and CLMC etc.
 - iv. Report on utilization of funds in verification with bank reconciliation statements.
 - v. Remedial measures to improve financial progress
- iv) Report any major variation in overall project cost, due to changes in the Bill of Quantities as per the contract.
- v) Compliance to the statutory requirements
- a. Report on compliance to directives by State and Central environmental agencies stated during the environmental clearance of the project, compliance with the Environmental Management Plan for the project, and good environmental management practices of the industry.
 - b. Report on provision, installation, and usage of health and safety equipments, procedures and practices at site by visual observation and examination of records. The report should include health and safety issues concerning workers at site.
 - c. Report on standards of health and sanitation arrangements maintained at campsite by visual observation and discussion with the concerned stakeholders.
 - d. Report about the progress of Resettlement and Rehabilitation of Project Affected Persons.
 - e. Report on persons requiring resettlement and rehabilitation assistance as reported by the land acquisition team and the DPR.
 - f. Report on compensation awarded and / or to be paid as per the records.
 - g. Report on court cases, which likely to affect the physical progress of the project.

1.3.3 Commissioning, Trial run and Testing Stage

- i) Report on necessary training imparted to the operations and maintenance (O&M) team for taking over the completed project. The agency will check with records and discussion with participants.
- ii) Report on stages of testing and level of participation by the O&M team.
- iii) Reports on handing over of all documentation, “As Built” drawings operational instructions and equipment manuals to the O&M team.
- iv) Report on trial runs and completion of project.

1.3.4 Post Construction Stage:

- i) To report on overall performance of the asset created (project) with respect to
- ii) Capacity – delivering capacity requirements
- iii) Functionality – meeting all functional requirements
- iv) Usage – extent of usage, break downs and shut downs
- v) Performance of the O & M team

1.4 TIME FRAME:

The services of the TPM are required to be rendered over the entire life cycle of the project development. For a particular project, the TPM's work starts from the date of project sanctioned by the Planning Commission and ends one year after the filing of Project Completion Report. Subsequent to filing of the Project Completion Report, the TPM shall make one visit after one year of such milestone to assess the overall performance of the asset created, as per 1.3.3 of the Scope of Work stated above.

The TPM shall be appointed by the Director of PP&M, Department of Planning, Government of Arunachal Pradesh and is expected to cover all the identified projects and individual projects under cluster of projects in the State.

TPMs shall be appointed for entire life cycle of the projects under SPA 2013-14 and 2014-15. Extension of work of TPM beyond this period shall be subject to the decision of the Director of PP&M, Department of Planning, Government of Arunachal Pradesh. The suggested methodology for the TPM's work is tabulated below. The timing of review and the method of review is indicative. The required frequency of such reviews is mentioned below, and shall vary based on the requirements of specific project. Review visits at a frequency higher than that mentioned below, shall only be undertaken at the express request either by the Director of PP&M, Department of Planning. The table below provides an indication of the effort estimate required from the TPM.

Sl. No	Nature of review	Timing	Method of review
1.	Review of project design document	<ul style="list-style-type: none"> On completion of design of project / project component 	<ul style="list-style-type: none"> Design documents and drawings
2.	Review of bid documentation and bid process	<ul style="list-style-type: none"> Review of documentation prior to NIT Review of bid process through its duration 	<ul style="list-style-type: none"> Proof of advertisement, letters, and correspondence Bid Documents, contract agreements
3.	Review of site preparation and clearances to begin construction	<ul style="list-style-type: none"> Prior to start of construction 	<ul style="list-style-type: none"> Inter departmental correspondences Official records
4.	Review of Project Management Systems	<ul style="list-style-type: none"> After deployment of Project Management Systems 	<ul style="list-style-type: none"> As per official records Observations Discussions with PEA

Sl. No	Nature of review	Timing	Method of review
5.	Report on Physical progress of project	<ul style="list-style-type: none"> After handing over the site to contractor/ concessionaire, and regularly over the Construction period 	<ul style="list-style-type: none"> Reports and documents submitted by PIU Review of milestones as per Contract agreement Discussions with PEA
6.	Report on quality assurance system		<ul style="list-style-type: none"> Request for inspection (RFI) reports Contract agreement and physical observation Discussions with PEA
7.	Commercial Performance	<ul style="list-style-type: none"> Over the construction period 	<ul style="list-style-type: none"> Contract and Relevant documents
8.	Financial Performance		<ul style="list-style-type: none"> Invoices, Measurement Book, Bank statements BOQ as per contracts
9.	Compliance to the statutory requirements	<ul style="list-style-type: none"> Pre-Construction, during Construction and Post-Construction 	<ul style="list-style-type: none"> As per the MoEF guidelines EMP document for the project. Comparison with relevant legislation / rules
10.	Safety and Health	<ul style="list-style-type: none"> Construction and Post-Construction 	<ul style="list-style-type: none"> As per relevant standards/ good practices /

		stage	Contracts
11.	Progress of Resettlement and Rehabilitation	<ul style="list-style-type: none"> • During Pre-Construction and Construction stage if the Land acquisition process is not completed. 	<ul style="list-style-type: none"> • As per R&R Action Plan submitted along with PR/Land acquisition proposal submitted, Records of Competent Authority • No. of court cases against land acquisition for the project
12.	Commissioning, Trial runs and Testing	<ul style="list-style-type: none"> • Commissioning, Trial Runs and Testing Stage 	<ul style="list-style-type: none"> • As per Records and discussion with Concerned officials
13.	Report on overall performance of the asset created (project)	<ul style="list-style-type: none"> • Post Construction Stage, about one year after project completion 	<ul style="list-style-type: none"> • Records and discussion with officials / beneficiary community

1.5 DELIVERABLES

The TPM will undertake desk review of documents and make periodical site visits to each project as mentioned above. TPM may be expected to conduct additional field inspections on the specific aspects as required by the PP&M. TPM shall provide reasonable advance notice of planned visit to site, schedule of meetings for review, and documents required for review, etc. to the PEA and PP&M. TPM shall report to the Director of PP&M, Department of Planning.

The PEA will provide necessary inputs to the TPM team and PP&M of the Planning Department. The observations of the TPM team should be discussed with project management team of the PEA before concluding the visit. The reporting would be as per the check lists, Govt. format provided by the Director of PP&M and qualitative feedback should be captured in narrative in separate documents. Hard copies & soft copies of the reports should be submitted to the Director of PP&M, Department of Planning for forwarding to the PEAs. PEAs may then record their responses to the reports filed by the TPM to the PP&M.

Should there be any queries on the review reports by the PEA and Director of PP&M, Department of Planning; the TPM should provide clarifications / explanations to the agency concerned.

1.6 PERSONNEL REQUIREMENTS:

Experts from the TPM are expected to be optimally deployed as per the needs of individual projects. The team members of the TPM are expected to be highly qualified in their respective areas of expertise. They are expected to have experience in similar infrastructure projects for a minimum period of 3 years.

The TPM team should typically comprise a core team led by an experienced Team Leader. The Team Leader should have relevant project monitoring and implementation experience. The Team Leader is expected to play a key role in interface with PEAs, and provide guidance on review methodology and coordinate deployment of the core team and specialists. The core team should comprise professionals with specialization in public health engineering, roads and highway engineering, structures, finance and accounts. The core team should be supplemented by specialists in fields such as geo-technical engineering, traffic and transportation, procurement and contracts, urban renewal and heritage conservation, electro-mechanical and instrumentation.

The core team members should be supported by the specialists in the site visits and interactions with the PEA.

Conflict of Interest:

Director of PP&M, Department of Planning requires that TPM provides professional, objective, and impartial review at all times and holds the State's interests paramount, strictly avoid conflicts with other assignment / jobs or their own corporate interests and act without any consideration for future work. Agencies and / or persons having "Conflict of Interest" will not be eligible to be a TPM or be a part of the TPM's team.

- Any firm / agency, engaged either as a main consultant, service provider or a sub consultant, either in project preparation, supervision, or implementation work for any ongoing SPA projects in a city / State, is not eligible to bid for the role as TPM for that city / State.
- The team members of TPM should not have been employed (as an employee) by any City or State level government agency in the 5 years preceding this contract in the particular State.
- Any firm / agency black-listed by the State Government for any reasons what-so ever, will not be eligible to bid for that particular state.

1.7 SUPPORT AND INPUTS TO THE TPM

Director of PP&M, Department of Planning shall communicate clear directions and guidance to PEAs and Deputy Commissioners concerned for extension of cooperation, sharing of information and all necessary assistance to the TPM agencies for successful completion of the periodic review and monitoring exercise.

**PART II – SELECTION CRITERIA AND PROPOSAL
SUBMISSION**

2.1 SUBMISSION OF BIDS

The Financial bids along with the relevant certificates of technical qualification should be submitted by the short listed firms at the address mentioned below:

To

*The Secretary (Planning),
Department of Planning
Govt of Arunachal Pradesh
Civil Sectt
Itanagar, AP-791111.*

Bids should be submitted not later than 11th January'2016 by 3.00 pm at the address mentioned above. Bids received after due time and date shall be returned unopened. The proposal should be valid up to 120 days of submission.

Director of PP&M, Department of Planning reserves the right to accept or reject any bid, after assigning appropriate reasons for the same.

2.2 PROCEDURE FOR OPENING OF BIDS AND SELECTION OF PREFERRED AGENCY

Only the Agencies who have submitted valid proposals are eligible to participate in the bid. Incomplete, invalid and delayed submission of bids will be summarily rejected by the Tender Authority. Suitability of the agency for awarding the work shall be evaluated on the basis of their proposal subject to a maximum of 0.5% of the project cost.

The agency quoting the lowest percentage of the total project cost shall be considered as the preferred bidder.

2.3 CONTENTS OF THE PROPOSALS

Technical Criteria:

The TPMS should satisfy following criteria:

- The Agencies should have been in existence in the field of supervision of infrastructure projects for more than three years.
- The Agencies should have minimum turnover of one crore during each of the last three years.
- Should have handled at least three projects in similar role.
- The estimated cost of the projects supervised over the last three years should be more than Rs. 10.00 crore.
- Expression of interest may include the applicants relevant past experience, specific experience in supervising large infrastructure projects, profile of the organization and its key personnel in the relevant fields, experience of

working with State Government/Statement of its finance/audited accounts and the structure of the organization.

On non fulfillment of above criteria, the proposals of the TPMS shall be summarily rejected.

Financial Proposal:

The Financial Proposal for a package shall necessarily be summarized and presented in the following format:

No.	Item	Unit Rates for Professional Fees (in Rs.)
1.	Percentage of the total cost of the Projects (consolidated) subject to maximum of 0.5%	%
	Total	

The upper limit is 0.5% of the total project cost

Fees payable to the TPM will be based on the actual quantities of effort claimed and certified as per items 1. and 2. above and the units rates finalized in the contract.

2.4 EVALUATION OF PROPOSALS

On fulfillment of the criteria as specified in clause 2.3 above, the agency quoting the lowest percentage of the total cost of the project shall be considered as the preferred bidder. The projects under SPA 2013-14 and 2014-15 in Arunachal Pradesh will be divided into two division i.e. Western Division(Tawang, West Kameng, East Kameng, Kurung-Kumey, Kara dadi Papum-Pare, Upper Subansiri and West Siang) and Eastern Division (Upper Siang, East Siang, Siang, Lohit, Anjaw, Dibang Valley, Lower Dibang Valley, Changlang , Tirap and Longding).

The lowest bidders i.e. L1 and L2 will be selected for being appointed as Third Party Monitors for these two divisions after asking L2 to match the bid price offered by L1. In case L2 is unwilling to reduce the prices offered, the offer can be passed on to L3 and so on. The original L1 will have the option of selecting either Western or Eastern Division for monitoring and the other division will be given to original L2, once it has agreed to match the bid price offered by L1.

2.5 PAYMENT TERMS

The payment terms for the TPM are as follows:

- The TPM shall raise Quarterly invoices for work completed, viz. One time project documentation reviews completed and Site visits undertaken. These invoices should be backed up by District-wise and Project-wise statements of tasks carried out during the Quarter. Payments to invoices shall be made by the Department of Planning.
- In case of projects sanctioned under SPA, for which tenders have been awarded and/ or construction commenced at the time of deployment of the TPM, the TPM shall not undertake document review, but only undertake review visits. However, the TPM will need to quickly familiarize itself with the project documentation necessary to conduct the reviews.

Should the situation arise, wherein on account of inadequate support and information from the PEAs, the TPM Agency expresses its inability to continue work for a particular PEA, the Director of PP&M, Department of Planning shall review the situation and certify part payment to the TPM Agency in line with the milestones achieved and fees as per the contract with the TPM Agency.

Purchase of Tender Papers:

Tender papers may be purchased from the office of the Director, Project Planning & Monitoring, Department of Planning, Government of Arunachal Pradesh, Itanagar on any working hours or download from our website www.arunachalplan.nic.in and printout is to be taken on A4 size paper. The tender will be available on our website on 28th December'2015 and onwards. It is advisable that the downloaded tender documents be printed through laser printer only. Submission of Xerox copy or photo copy shall not be permitted. Tender documents downloaded from web site shall be accompanied with draft for Rs. 4000/- (Rupees four thousand) only in favour of Secretary (Planning) Department of Planning, Govt. of Arunachal Pradesh, payable at SBI, Itanagar. Tender not accompanied with the cost of tender document will be summarily rejected.

A declaration that I/We have downloaded the tender documents from Website www.arunachalplan.nic.in and I/We have not tempered/modified in any manner. In case if the same is found to be tempered/modified in any manner, I/We understand that my/our tender will be summarily rejected.

Not more than one tender shall be submitted by one TPM. Breach of condition will render both the tenders liable to rejection.

The work is to be completed within the period specified in the contract agreement. Extension if any shall be made basing on particular circumstances.

Tender (in full) either downloaded from the Planning website or issued by the Planning Department will be received by the Director, PP&M, Govt. of Arunachal Pradesh on 11th January'2016 upto 1500hrs. The tender will be opened on 12th January'2016 at 11.30 A.M.

The tender will be accompanied with Earnest Money (refundable) amounting to **Rs 9,76,722.00(Rupees Nine lakh seveny six thousand twenty two.)**only i.e 2% of the total projects cost payable at SBI, Itanagar in the form of Call Deposit/Term Deposit/Special Term Deposit Receipt issued in favour of the Secretary(Planning) Govt. of A.P., Itanagar.

The tenderer shall be deemed to have full knowledge of all relevant documents, Sample, site, etc. whether he has inspected them or not.

The accepting officer reserves his right to accept a tender submitted by the TPMs. No claim for any compensation or otherwise shall be admissible from such tenders whose tender may be rejected on account of the said policy.

The submission of the tender by a tenderer implies that he had read this notice and conditions of the contract and has made himself aware of the scope and specifications of the works to be done and conditions and rates at which work to carried out and local conditions and other factors bearing on the execution of the work.

The Accepting Officer does not bind himself to accept the lowest or any tender or to give any reasons for not doing so. The Accepting Officer reserves the right to reject any or all the bids or cancel/withdraw the Notice Inviting Tender without assigning any reasons what so ever and in such case no tenderer / intending tenderer shall have any claim arising out of such action. The above particulars may change due to Administration or any other reasons and shall be available in www.arunachalplan.nic.in

This notice of tender shall form the part of the contract.

Sd/-
Sonam Chombay, IRS,
Secretary (Planning),
Government of Arunachal Pradesh,
Itanagar