



REQUEST FOR PROPOSAL

FOR

**SELECTION OF
INDEPENDENT REVIEW AND MONITORING AGENCIES
FOR MONITORING OF NLCPR PROJECTS**

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 the Non Lapsable Central Pool of Resources (NLCPR) which is funded by the Ministry for Development of North East region (DoNER). The Government has decided at the instance of the Ministry of DoNER to review and monitor the actual ground execution of the projects funded under NLCPR. 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 – ‘doability’ and ‘need’ is established during project appraisal prior to its sanction. Therefore, IRMA will not relook at the same, but rather review and monitor the project in the course of its implementation up to completion. The Independent Review and Monitoring Agencies (IRMA) shall be appointed, to cover the projects identified by the Ministry of DoNER and the State Government. The IRMA shall cover all such identified projects in the State. The respective State Level Nodal Agency (SLNA) i.e of the Project Monitoring Unit of the Planning Department shall be the appointing authority for the IRMA.

Limited bids will be called from the consultants empanelled by the MoUD and the agencies already working in the field in Arunachal Pradesh. Request for Proposals is now being issued and proposals sought from empanelled firms by Directorate of Project Monitoring Unit, Planning Department, Govt of Arunachal Pradesh.

1.2 OBJECTIVES

The objective of appointing an independent agency is to review and monitor the performance of the projects funded by assistance provided under the NLCPR 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 (PEA) and other key stakeholders.

The scope of the service expected from the agency is described below.

1.3 SCOPE OF SERVICES:

The Independent Review and Monitoring Agency (IRMA) is expected to review and monitor the identified projects sanctioned under NLCPR in Arunachal Pradesh as per **Annexure-A**.

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

1.3.1 Construction Stage:

A. 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 bid process¹
 - a. Completeness of the bid documents with respect to designed / planned project configuration, and the 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 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 contracts
- iii) Review of site preparation and clearances to begin construction
 - a. Undertake site visit to examine 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 mechanisms
 - a. Report on whether mechanisms have been put in 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.

B. Review of the project through the course of its construction is to primarily review and monitor physical

¹This work of IRMA will be limited to the primary contractors engaged by the PEA. IRMA will not extend its documentation review to sub-contractors of primary contractors.

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 or the project implementation plan finalized at pre-construction stage.
 - b. Review of rescheduling of milestones on the basis of performance.
 - c. Report on abnormal delays 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 materials used for construction are as per the specifications of 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
 - 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.
 - 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.
 - Suggest remedial measures to improve commercial performance
 - b. Financial progress of the project
 - Report on adequacy of systems for project related financial management.
 - Report the quantum and timelines of contribution of funds from all the counter parties of the project by verifying receipts statements.
 - Review documents related to claim for payments and payments made. Such documents will include – Invoices, Measurement Book, Bank statements, etc.

²IRMA shall not themselves undertake any physical testing of material / product / construction quality. However, IRMA may prevail on the PEA to conduct necessary tests. Costs for such testing should be borne by the PEA.

-Report on utilization of funds in verification with bank reconciliation statements.

-Remedial measures to improve financial progress

- 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.

vi) 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.

vii) Report on stages of testing and level of participation by the O&M team.

viii) Reports on handing over of all documentation, "As Built" drawings operational instructions and equipment manuals to the O&M team.

ix) Report on trial runs and completion of project.

1.3.2 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 IRMA are required to be rendered over the entire life cycle of the project development. The agency shall be in place during construction and post construction stages of the project. For a particular project, the IRMA's work starts from the date of project sanctioned by Ministry of DoNER and ends one year after the filing of Project Completion Report. Subsequent to filing of the Project Completion Report, the IRMA shall make one visit after one year of such milestone to assess the overall performance of the asset created, as per 1.3.2 of the Scope of Work stated above.

The IRMA shall be appointed by the Directorate of PMU, Department of Planning and is expected cover all the identified projects in the State.

IRMAs shall be appointed for a minimum period of 2 years and maximum of 3 years. Extension of work of IRMA beyond this period shall be subject to the decision of the Department of Planning. 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 Directorate of PMU, Department of Planning or DoNER Ministry. The IRMA is expected to monitor the projects at two stages as under:

1. During the construction period
2. Post construction.

DELIVERABLES

The IRMA will undertake desk review of documents and make periodical site visits to each project as mentioned above. IRMA may be expected to conduct additional field inspections on the specific aspects as required by Directorate of PMU, Department of Planning. IRMA shall provide reasonable advance notice of planned visit to site, schedule of meetings for review, and documents required for review, etc. to the PEA. IRMA shall report to the Directorate of PMU, Department of Planning and send copies to the DoNER Ministry and the PIU, of all communication / reports / Deliverables. The PEA will provide necessary inputs to the IRMA team.

The reporting would be as per the check lists/govt format provided by the Directorate of PMU, Department of Planning, and qualitative feedback should be captured in narrative in separate documents. Hard copies of the reports should be submitted to the PEA, Directorate of PMU, Department of Planning. PEAs may then record their responses to the reports filed by the IRMA.

Should there be any queries on the review reports by the PEA, PIU, Directorate of PMU, Department of Planning, DoNER Ministry, the IRMA should provide clarifications / explanations to the agency concerned.

For projects with less than one year implementation period (construction stage), the frequency of review shall be Monthly. For projects with more than one year implementation period (construction stage), the frequency of review shall be Quarterly.

1.5 PERSONNEL REQUIREMENTS:

Experts from the IRMA are expected to be optimally deployed as per the needs of individual projects. The team members of the IRMA 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 8 years.

The IRMA 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 Directorate of PMU, Department of Planning; 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:

Directorate of PMU, Department of Planning requires that IRMA provides professional, objective, and impartial review at all times and holds the Mission'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 an IRMA or be a part of the IRMA'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 NLCPR projects in a city / State, is not eligible to bid for the role as IRMA for that city / State. However, such restriction does not apply to the firm's / agency's involvement in any non-NLCPR project.
- The team members of IRMA 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 or City level government agency for any reasons what-so ever, will not be eligible to bid for that particular state.

1.6 SUPPORT AND INPUTS TO THE IRMA

Directorate of PMU, 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 IRMA 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 Director, PMU
Department of Planning
Govt of Arunachal Pradesh
Civil Sectt
Itanagar, AP-791111.*

Bids should be submitted no later than **21.10.2011** by **5.00 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.

Directorate of PMU, Department of Planning reserves the right to accept or reject any bid, after assigning appropriate reasons for the same.

2.2 Format for submission of financial bids:

	Construction Stage (Rs)	Post Construction Stage (Rs)
Fees quoted per visit		

* As per directives of Ministry of DoNER, the Maximum fees of Rs.0.50 Lacs per visit per stage would be permitted to the selected agency. The amount quoted should be lower than this amount.

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.

The agency quoting the lowest Fees per visit shall be considered as the preferred bidder.

2.3 CONTENTS OF THE PROPOSALS

Technical Criteria:

The IRMAS should satisfy following criteria:

- The Agencies should have been in existence in the field of preparation, supervision and implementation 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 IRMAS shall be summarily rejected.

2.4 EVALUATION OF PROPOSALS

On fulfillment of the criteria as specified in clause 2.3 above, the agency quoting the lowest Fees per visit shall be considered as the preferred bidder.

2.5 PAYMENT TERMS

The payment terms for the IRMA are as follows:

- The IRMA 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 NLCPR, for which tenders have been awarded and / or construction commenced at the time of deployment of the IRMA, the IRMA shall not undertake document review, but only undertake review visits. However, the IRMA 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 IRMA Agency expresses its inability to continue work for a

particular PEA, the Directorate of PMU, Department of Planning shall review the situation and certify part payment to the IRMA Agency in line with the milestones achieved and fees as per the contract with the IRMA.

Checklists for Reporting by IRMA

Check List for Independent Review and Monitoring of Projects funded under NLCPR

1 General Details:

- a. Name of the Project: _____
- b. Project Code
- c. Sub division
- d. District
- e. Implementation Agency
- f. Date of Visit
- g. Date of DPR Approved by Ministry of DoNER
- h. Officer in-charge / interacted:
- i. Review Consultants Name: 1) 2) 3)
- j. Number of visits already made:

2 Land acquisition:

1. Whether the land required for the project is available or not? Yes / No
2. If Land is to be acquired, what is the area required?
3. If Land is to be transferred from other sources, give details?

3 Utility Shifting and relocation:

1. What is the status of utility and other services to be shifted and relocated for the project execution to begin?
2. List any issues are there in the shifting of utilities, which may affect the execution of project?

4 Project Management Facility:

1. Whether adequate number of supervision / technical / administrative staffs are deployed? Yes / No
2. If deployed, list the staff details:
3. If there is any need for third party project management, supervision assistance and quality control unit is required, please specify?
4. State whether any procurement process is initiated by the ULB to appoint any third party project management, supervision and quality control agency?

5 Tendering Process:

1. Whether the procurement plan is initiated as per the procurement plan is prepared in alignment with the approved DPR? Yes / No
2. If there is no procurement plan, this may be obtained from the ULBs and furnished along with this?
3. Indicate the status of the tendering process as applicable:
 - a. Tender documentation completed - Yes / No
 - b. Invitation of Bids - Yes /No
 - c. Bid evaluation - Yes /No
 - d. Tender awarded - Yes / No
 - e. Total number of packages for which bidding is under process in conformity with the approved DPR - (.../)
4. Is there any discrepancy is found in the bidding documents regarding compliance to the approved DPR? Yes / No
5. If yes, provide the details of deviations found in the bidding documents, which may have cost implications on the project?

6 NOC and other clearances:

1. Whether all the Environmental and inter- departmental clearance is obtained? Yes / No
2. If there are any serious issues involved in obtaining the clearances, that may have an impact on the project and lead to delays, this may be indicated?

7 Project Design Documentation:

S. No	List of project design documents	Yes / No	Remarks
1	General Arrangement Drawings		
2	Detailed Engineering Design Drawings		
3	Drawings for Miscellaneous components		
4	Bill of Quantities		
5	Detailed Cost Estimates		
6	Bid documents		
7	Test & Investigation Reports		
8	Materials report		

Note: If there are any discrepancies found in the above listed documents, this may be reported

Check List for Independent Review and Monitoring of Projects funded under NLCPR
Construction Stage

1 General Details:

- a. Name of the Project: _____
- b. Sector:
- c. Project Code
- d. Subdivision
- e. District
- f. Implementation Agency
- g. Date of Visit
- h. Date of DPR Approved by Ministry of DoNER
- i. Officer in-charge / interacted:
- j. Review Consultants Name: 1) 2) 3)
- k. Number of visits already made:

2 Physical Progress:

- 1. Is there any discrepancy observed in the project milestones proposed not matching the approved DPR? Yes /No
- 2. If yes, specify the components in which the discrepancies were observed?

List as indicated below:

Package No	Mile stone targeted for the period as per plan	% Milestone completed	Reasons for the delay
	a. b. c.		
	a. b. c.		
	a. b. c.		

3. Observe and report on the quality of construction materials used in the project and ascertain from the records
4. If any deviation against specification as given in the DPR, please specify
5. When there are major issues related to ascertain the quality of materials used, IRMA agency may prevail on quality assurance check results.

3 Commercial Performance:

1. State whether Machineries and Equipments procured forming as part of the project according to the mile stones? Yes / No
2. List the details of warranty, guaranty, licenses, insurance etc., for the equipments for the procured
3. List the details of Bank guarantee,

4 Financial Performance:

1. Report on verification of financial receipt statements of the project from different agencies?
2. Report on utilisation funds flow of the project?
3. If any discrepancy in the above two leading to major change in the overall project performance, please report in detail?
4. If there is any major variation in the overall project cost (+ 10%) report in detail ?
5. If any discrepancy is observed, while reviewing the project, the IRMA agency may suggest to the PEA to conduct necessary tests to check the quality of the materials used.

Check List for Independent Review and Monitoring of Projects funded by NLCPR
Trail Run and Testing Stage & Post-Construction stage

1 General Details:

- a. Name of the Project: _____
- b. Sector:
- c. Project Code
- d. City
- e. State
- f. Implementation Agency
- g. Date of Visit
- h. Date of DPR Approved by Ministry of DoNER
- i. Officer in-charge / interacted:
- j. Review Consultants Name:1) 2) 3)
- k. Number of visits already made:
 - 1. List and verify the completion drawings “As built drawings” available with the ULB
 - 2. List what are the Documentation of all operational instructions, manuals of equipments available with the O/M team?
 - 3. What are the training arrangements made to the O/M team and bring out the actual training provided to the team as on date of reporting?
 - 4. Report about the adequacy of training provided to the O/M team in terms of the following:

Level of staff trained	Higher level	Middle Level	Junior Level
Number of staff trained			
Adequate / Not adequate			
Time Duration			

- a. Report about the Trial run / testing of the projects completed?
- b. Indicate the problems / performance level of the plants /machinery during trial run stage?

- c. If the performance level of the plants and machinery is not adequate and satisfactory, list the correction measures suggested?
5. List the Operational performance of the project since the Trial run/commissioning stage to the period of inspection?
- Performance of the Plants / machinery/ Project
 - Operational efficiency (%)
 - Capacity Utilisation (%)
 - Break downs (Number of days / Number of times)
 - Shut downs (Number of days / Number of times)

Note:

For the projects involving Roads, FOB, ROB report on the performance of pavement failure, Water supply, Sewerage – WTP, Pumping Station, STP and the pipe networks
SWM – Efficiency of composting plant,

6. Provide details of the performance of the contractual obligations relating to the above aspects related to plants, machinery and projects?

Projects Proposed for Third Party Monitoring

Arunachal Pradesh

A) Ongoing Projects						
Sl. No.	Name of Projects	Date of Sanction	Approved Cost	Total Release	Total Utilization	% age Utilisation
1	Development of Shantideva Vidyalaya, Bomdila Monestry	26-12-2007	297.45	93.7	91.57	98%
2	Construction of State Legislative Assembly Building at Arunachal Pradesh	17-05-2006	3892.19	1862.59	410	22%
3	132 KV S/C Transmission line from Along to Pasighat	03-08-2005	2901.96	1964.6	1964.6	100%
4	Water Supply project at Bomdila	20-10-2004	1709.23	1543.5	1543.5	100%
5	Providing potable drinking water supply to Mebo-divisional Hq and adjoining village, East Siang district in Arunachal Pradesh	22-03-2010	2053.39	1461.89	724.72	50%

B) Completed Projects						
Sl. No.	Name of Projects	Date of Sanction	Approved Cost	Total Release	Total Utilization	% age Utilisation
1	New OPD Block of R.K. Mission Hospital	03-08-2005	387.69	338.76	338.76	20-01-2010
2	Kathalguri Deomali Transmission Line	29-06-2000	2945	2945	2945	09-03-2011
3.	Naharlagun Water Supply Scheme					