



# Millennium Development Authority (MiDA)

## PRE-BID MEETING

### CONTRACTORS FOR DEPLOYMENT OF LV BIFURCATION AND NETWORK IMPROVEMENT ACTIVITY

January 29, 2019

Venue: Alisa Swiss Spirit Hotel, Accra

Presented By

Eric Asare

Director, Distribution Projects, MiDA



**Compact Overview**

**Project Objective & Locations**

**Design Criteria**

**Scope of works**

**Project packaging**

**Work Schedule**

**Critical Requirement**

**Q & A**

**Presentation  
Outline**

# GHANA COMPACT II PROGRAM

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## ► Power Compact

- An international treaty between the United States Government represented by Millennium Challenge Corporation (MCC) and the Republic of Ghana to develop the power sector.
- Total (projected) Program Funds: US\$ 535.6M to be disbursed in two (2) tranches
  - ❖ Tranche I Funding – US\$345.6M being disbursed upon Entry into Force (EIF) – September 6, 2016
  - ❖ Tranche II Funding – US\$190M to be disbursed after two (2) years of EIF (having met CPs related to ECG PSP etc.)
- Compact Duration: Five (5) years: Have done 2 years + 4 months. 2 years + 8 months to go (September 6, 2021)

# COMPACT PROJECTS

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- **ECG Financial & Operational Turnaround Project**
- **NEDCo Financial & Operational Turnaround Project**
- **Regulatory Strengthening & Capacity Building Project**
- **Access Project**
- **Power Generation Sector Improvement Project**
- **Energy Efficiency & Demand Side Management Project**

# COMPACT PROJECTS – Cont'd

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- ▶ The Compact Projects are divided into two (2) broad areas:

## **Foundational/Infrastructure Projects:**

- ✓ ECG Financial & Operational Turnaround
- ✓ Redesigned NEDCo Financial & Operational Turnaround
- ✓ Access
- ✓ Energy Efficiency & Demand Side Management

## **Reform/Policy Projects**

- ✓ Regulatory Strengthening & Capacity Building
- ✓ Power Generation Sector Improvement
- ✓ Energy Efficiency & Demand Side Management

# Project Objective and Locations



Main objective is to reduce high technical losses in the distribution network in project areas and improve reliability and quality of power supply

The Locations are as follows

## **A. Accra West Region**

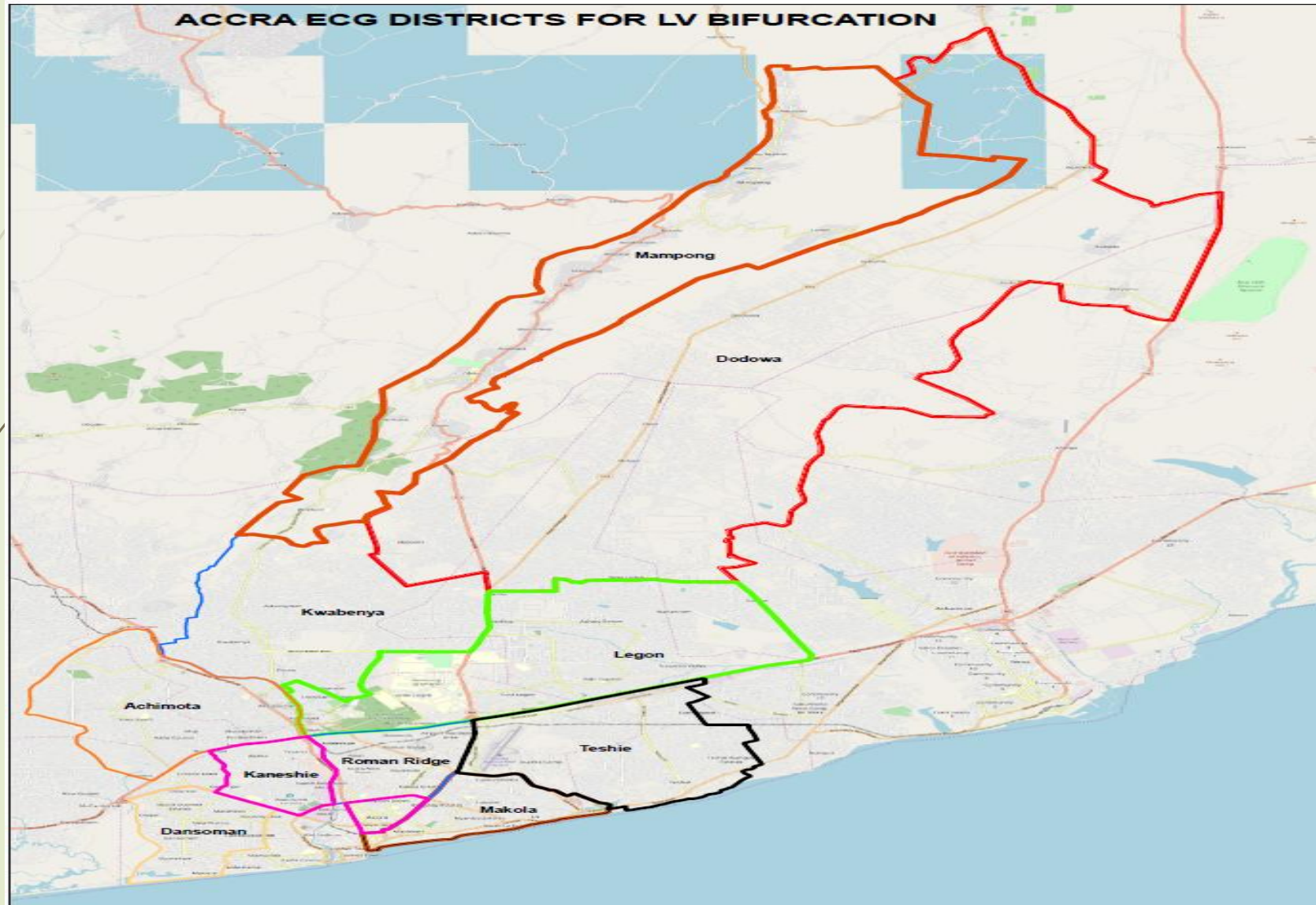
1. Achimota District
2. Kaneshie District
3. Dansoman District

## **B. Accra East region**

1. Mampong Akwapim District
2. Dodowa District
3. Legon District
4. Kwabenya District
5. Roman Ridge District
6. Teshie District
7. Makola District



# Map of Project Locations





# Design Criteria

- Ensure LV feeder lengths are below 500m by injecting new Distribution Transformers to bifurcate longer line lengths in ECG Districts and 700m in Tamale HVDS
- Replace overloaded Distribution Transformers with higher rated capacities
- Relocate replaced Transformers
- New Distribution Transformer sizes limited to 315kVA
- Ensure line loss is below 2% on all feeders
- Ensure voltage drop is below 5% at end customer
- Overhead conductor size as 120sqmm AAC for ECG Districts. ABC to be used on restricted areas.





# Scope of Works

- Supply, install, test and commission Pole Mounted and Ground Mounted Distribution Transformers at various locations
- Supply and string 415V, 11kV and 33kV 120sqmm AAC Overhead lines to connect new or relocated Transformers
- Supply and lay 415V, 11kV and 33kV XLPE underground cables to connect new Transformers
- Supply and install 9, 11 & 12m wooden poles and top structures
- Replace all main and spur line conductors with 120sqmm AAC
- Replace all twisted joints with standard lugs and connectors
- Replace all defective wooden poles with standard poles
- Carry out various civil works

# Project Packaging



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- Work orders will be issued as follows
- Work Order 1: Achimota District
- Work Order 2: Kaneshie & Dansoman District
- Work Order 3a: Mampong Akwapim District
- Work Order 3b: Dodowa District
- Work Order 4a: Kwabenya district
- Work Order 4b: Legon District
- Work Order 5a: Makola District
- Work Order 5b: Teshie District
- Work Order 5c: Roman Ridge District
- Work Order 6: Tamale HVDS

# Work Schedule



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- ▶ **Contract award expected on June, 2019 for work orders 1-3**
- ▶ **Completion period per work order shall not be more than 10 calendar months**

# Critical Requirements



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- ▶ Time Constraints- Compact duration
- ▶ Outage Constraints- outage management plan requirements
- ▶ RAP issues- Need for effective community engagement and restoration of damages- Need for contractor to work closely with MiDA RAP consultants
- ▶ Brown Fields- Need to ensure or limit damage to utility cables, pipes, fibre optic cables, sewage lines etc during excavation
- ▶ Safety- live network. Need to ensure safety of personnel and public
- ▶ Customer supply- To be reconnected if disconnected

# Evaluation Requirement



- Contractor's experience in similar works
- Contractor's personnel and qualifications
- Organization
- Schedule and completing time
- Construction Equipment



**THANK YOU**



Q ? A

**NEXT PRESENTATION**





# **MiDA Low Voltage Bifurcation Procurement Pre-Bid Meeting January 29, 2019**

## **Payment Process Taxes & Audits**



# Presentation Outline

- Payment Process
- Tax Exemptions
- Process for Claiming Exemptions
- Audits
- Other Issues ( including Insurance )



# Payment Process

- Contractor submits progress payment invoices to the Engineer. Note, MiDA must make payment, 56 days after the Contractor submits the invoice to the Engineer.
- The Engineer receives the Contractor's invoice and is responsible for calculating and approving the Payment Certificate. This process must be completed in 28 days or less.
- The Engineer submits the Payment Certificate to MiDA's Chief Financial Officer (very important if the process is to be completed on time) with an information copy to the Project Director.



# Payment Process

- MiDA's Fiscal Agent records the Payment Certificate in MiDA's official accounts ( 28 days count from when FA records it !!!).
- The Fiscal Agent sends the Payment Certificate to MiDA for official approval and MiDA returns it to the Fiscal Agent.



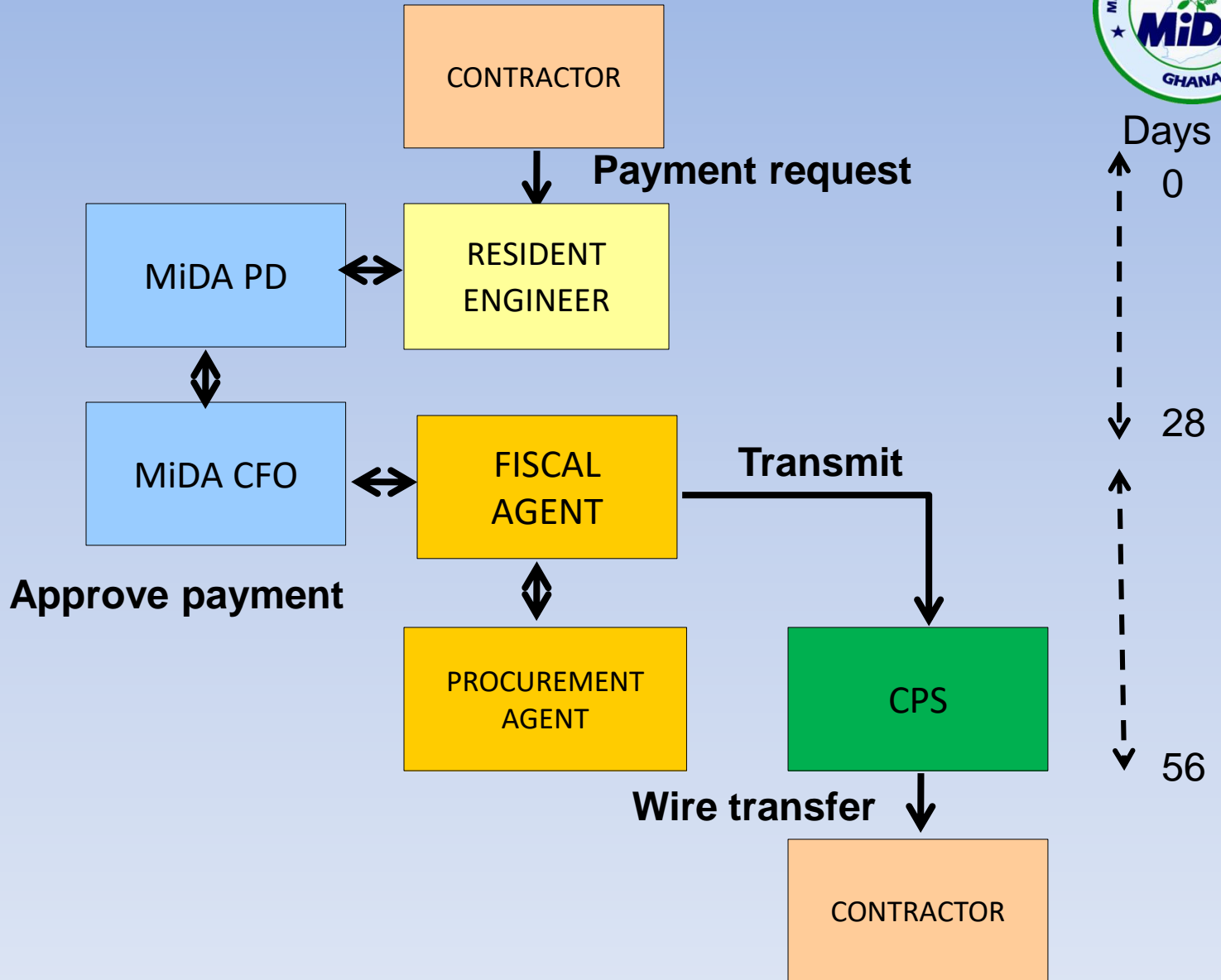


# Payment Process

- Upon receipt of the approved Payment Certificate from MiDA, the Fiscal Agent carries out the final checks of the Payment Certificate such as making sure all approvals are in order, the contractor is not on the international excluded party list and the Payment Certificate is in accordance with the contract.
- After the final checks the Payment Certificate is processed for payment
- As part of the payment process, the Fiscal Agent authorizes MCC's payment center in the US to wire funds to the contractors bank account on record.



# Payment Cycle





# Taxes



- VAT/NHIL
  - Contractors/Consultants executing MiDA Projects.
  - Contractors/Consultants who are Registered Traders.
- Custom Duties, Tariffs, Import and Export Taxes for Direct imports and Purchases from Bonded Warehouses
- Petroleum Taxes. Contractor to work with oil companies to establish pumps at construction sites. MiDA to provide proper exemption documents.
- Sub-Contractors and Other Taxes



# Process for VAT/NHIL(Local Purchases) Exemption

- Contractor submits Original Invoice to MiDA showing product price and VAT/NHIL
- Invoice should be a VAT Receipt and if not, it should be accompanied by a letter from VAT Service authorizing Contractor to issue computer generated VAT Invoice.
- MiDA submits request to GRA for refund in MiDA's name and will only submit check to Contractor after receipt of Refund from GRA.

**( Invoice should bear contractor/MiDA's name)**



# Process for Duties & VAT/NHIL at Importation



- Contractor submits Bill of Lading with itemized List to Engineer for Certification/Approval.
- Engineer approves List as required for the Project
- Contractor submits Bill of Lading to MiDA for Exemption letters.
- MiDA issues 3 Exemption letters to be submitted to;
  - Ministry of Finance & Economic Planning.
  - VAT Service
  - CEPS





# Process for Petroleum Taxes



## Exemption

- Contractor submits Fuel Consumption Plan for 6 months to the Engineer for Certification/Approval.
- Contractor requests Proforma Invoice from Oil Marketing Company detailing Fuel Costs and Taxes/Levies.
- Contractor submits Proforma Invoice and Approved Fuel Consumption Plan to MiDA for Exemption letters.
- MiDA issues 3 Exemption letters to be submitted to;
  - Ministry of Finance & Economic Planning.
  - VAT Service
  - CEPS



# Audits and Reviews



*Service providers shall permit such access, audits, reviews and evaluations as provided in the Compact.*

## From MiDA

- Internal Auditor
- Financial Audits
- Technical Auditor
- GoG Auditors

## From MCC

- MCC and IE Oversight
- MCC Interim Activity Reviews
- General Accountability Office (GAO)
- Office of Inspector General (OIG)



# USG Audits - GAO



## What it is

- Independent nonpartisan agency that works for both houses of US Congress
- Congress requests GAO work by writing to Comptroller General or by including a mandate in a law. Comptroller General can also initiate work.
- Supports congressional oversight by auditing and evaluating the performance of government agencies and programs.

## What it does

Work has focused on:

- MCC's operations
- MCC's budget requests
- MCC compact due diligence, such as economic analyses
- Roll-out of implementation in Compact countries
- Implementation, including:
  - ✓ Management structures
  - ✓ Fiscal and procurement accountability
  - ✓ Infrastructure project performance
  - ✓ Monitoring and evaluation

***Reports become public documents***



# USG Audits - OIG



## What it is

- Inspector General of USAID serves as Inspector General of MCC: conduct reviews, investigations, and inspections of all aspects of MCC operations
- Contribute and support integrity, efficiency, and effectiveness in all MCC activities through detection and prevention of fraud, waste and abuse
- Assist in complying with applicable laws and regulations
- Provide information to Congress, management, and the public

## What it does

### Reports:

- Audit and Investigative Reports
- Annual Plans
- Semiannual Reports
  
- Activities:
- Performance Audits
- Financial Audits
  - ✓ MCC's financial statements
  - ✓ MCAs and covered providers handling of MCC funds

***Reports become public documents***



## Issues Of Note

- Only Authorized Representatives on Record can request Bank Account Change.
- Insurance Policies Must be on file before payments.

NEXT PRESENTATION





# Millennium Development Authority (MiDA)

**PRESENTED BY PROCUREMENT AGENT**

**DATE: 29<sup>TH</sup> JANUARY 2019**



# INVITATION TO QUOTE

MCC STANDARD BIDDING DOCUMENTS ARE DERIVED FROM IDA/WORLD BANK STANDARD DOCUMENTS BUT ADAPTED TO SUIT MCC.

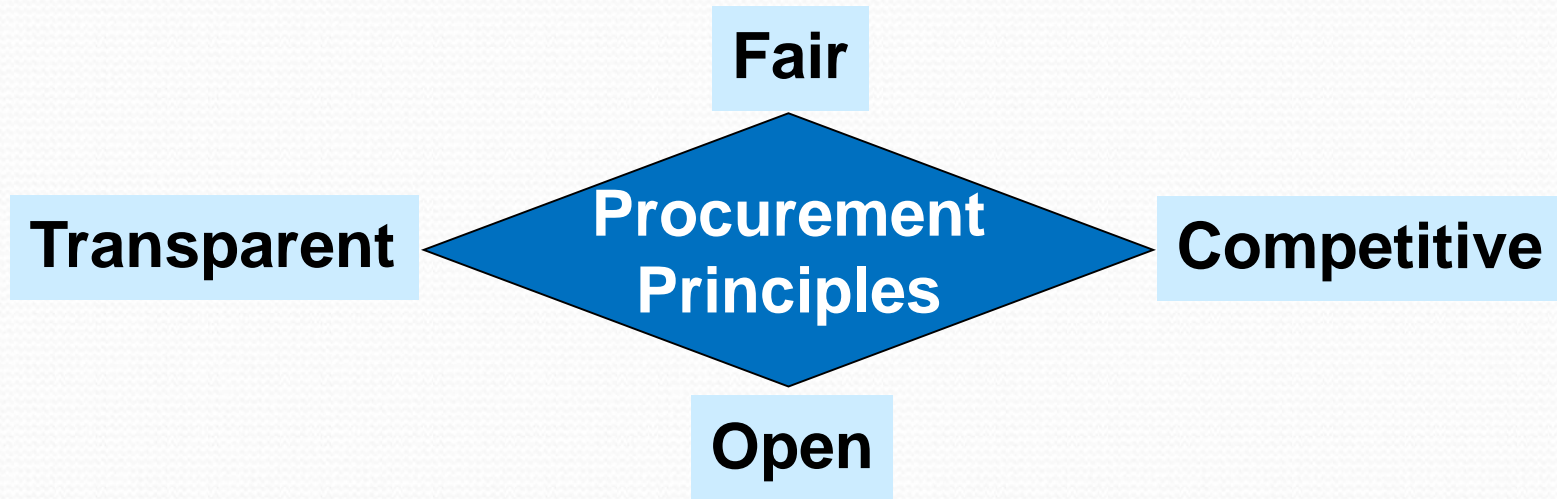
REMEMBER THIS IS UNTIED AID AND COMPETITION IS OPEN WORLDWIDE.

IMPORTANT FOR INTERESTED BIDDERS TO READ THE IFQ CAREFULLY AS THE IDIQ VERSION DIFFERS FROM THE STANDARD MCC IFB.

IF IN DOUBT ON ANY ISSUE(S) ALWAYS ASK FOR CLARIFICATION BY THE ADVERTISED DEADLINE.



# MiDA PROCUREMENT PRINCIPLES



- Procurement Agent to ensure integrity of the process
- Open competition wherever possible
- No geographic or national preferences
- Independent and suitably qualified Evaluation Panels
- MCC and MiDA Board of Directors approvals over certain thresholds
- Price Reasonableness Analysis
- Contractor Past Performance Reports
- Reference Checks
- Bid Challenge System ([www.mida.gov.gh](http://www.mida.gov.gh)) and Debriefings

# INDEFINITE DELIVERY INDEFINITE QUANTITY

- MiDA intends to award a up to THREE (3) LV Bifurcation IDIQ Works Head Contracts in response to this IFQ.
- The IDIQ Works Head Contract award for Contractors for Deployment of LV Bifurcation and Network Improvement will be for a term of approximately Twenty Eight (28) calendar months or up to the end of the Compact on 6<sup>th</sup> September, 2021, whichever comes first.
- The Head Contracts will have a zero value.
- The LV Bifurcation IDIQ Head Contract holders will be asked to respond to Work Requests by submitting priced Bills of Quantities on the basis of fully loaded rates in their IDIQ Works Head Contract.
- Each Work Order (WO) will be issued to the IDIQ Contractor who will offer the lowest responsive and reasonable price against each Work Request. A WO may also be awarded at MiDA's discretion.
- A WO awarded to each Works Head Contract holder shall be the "consideration" for the IDIQ Head Contract.



# INDEFINITE DELIVERY INDEFINITE QUANTITY IDIQ

- The IDIQ process allows for MiDA to regularly communicate with the Works IDIQ Contractors throughout the period of the Head Contract to discuss issues arising.
- The aim is to assist the Contractors to continually improve on both responses to Work Requests and on issues arising from their performance on, and completion of, the Works.
- The Contractors should be aware that Work Orders can only be awarded if the IDIQ Works Head Contract holders remain in good standing with MiDA. The compliance with the Contract and Work Order(s) and quality of performance must be maintained throughout.

# PART 1 - SECTION I

## INSTRUCTIONS TO BIDDERS

READ CAREFULLY, AND IN PARTICULAR NOTE  
CLAUSE 12 DOCUMENTS COMPRISING THE BID:

- ❖ The Quotation Submission Form in Section IV.
- ❖ All Quotation Forms in Section IV.
- ❖ Bid Security – please refer to the Bid Data Sheet( BDS ITB 39)
- ❖ Written authorization of signatory to commit Bidder(BDS ITB 21.2).
- ❖ Documentary evidence of the Bidder’s qualifications.
- ❖ Technical Offer, in accordance with ITB 17.
- ❖ Any other materials-BDS ITB 12.1(g):
  - Three (3) Priced Notional Bills of Quantities for Accra East Region, Accra West Regions of ECG and Tamale Service Area of NEDCo (using fully-loaded rates to apply later in Work Orders) - Three (3) Sets of the BOQs to be reproduced, one each for each operational area.
  - The Evaluated Price will be made up of the corrected sum of the total of priced Notional Bills of Quantities for Accra East Region plus total for Accra West Region plus the total for the Tamale Service Area.
  - List and quantities of recommended spares to be provided by the Contractor.
  - Joint Venture/Association Agreement(s) - ITB 12.2.
- ❖ Any change in the legal structure of the Bidder after the Bid submission? - ITB 12.3.



# IFQ PART 1 – SELECTION OF IDIQ CONTRACTORS

## ➤ Section I - INSTRUCTIONS TO BIDDERS

READ CAREFULLY, AND IN PARTICULAR NOTE

Clause 12.1 – Documents Comprising the Bid.

Clause 13 – The forms required to be submitted. Please submit in order and ensure the sections of the submission are clearly separated.

Clause 15 – Prices – ensure the forms are all completed and correct.

Clause 20 – Sealing and marking of Quotations – ensure the submission is correctly packaged and clearly marked with the name and reference for the assignment.

# IFQ PART 1 - SECTION II

The Bid Data Sheet supersedes the related clauses from the Instructions to Bidders.

Note ITB 1.1

Minimum Amount of Work Orders is approx. US\$ 6m

Maximum amount of work Orders is approx. US\$ 14m.

Work Order duration is approx. ten (10) months.

ITB 21.1

Please also note that Bids must be submitted no later than **10:00 hours Ghana time on 8<sup>th</sup> MARCH, 2019.**



# IFQ PART 1 – SECTION III

The Evaluation Criteria and Bidder Qualification Requirements are all clearly laid out.

## **Head Contract:-**

1. Process – Administrative Review, Price Reasonableness Determination, and Qualification Review.
2. Qualification – Eligibility, Historical Contract Non-Performance, Financial Situation, , Experience, Equipment, Key Personnel, ESH&S, References, Technical Data Schedule. Please ensure all requirements are clearly responded to.

# IFQ SECTION IV – QUOTATION FORMS

- Ensure the Quotation Submission Form is completed and signed.
- Form of Bid Security – **At Head Contract No Bid Security but at Work Request stage this is required.** Please check this immediately to confirm your Bank has no problem with the wording.
- Respond to the ESH&S Requirements.
- Respond to the Resources requirements for the proposed Equipment.
- Ensure all of the Technical Offer Quotation forms on pages 51 – 106 are completed.
- Complete the Bills of Quantities.
- Complete the Bidder's Qualification Forms especially the GOE Form (Page 118) which must be fully completed and signed.

# IFQ PART 1 - SECTION IV

**Section IV** – The Technical Offer will need to respond to each section and to assist the evaluation process if Bidders use separators to divide your responses to each of the Forms and Tables.

**Section IV** – The Notional Bills Of Quantities will need to respond to each section and to assist the evaluation process if Bidders use separators to divide your responses to (complete rates for ECG ( Accra East & Accra West) and NEDCo areas). Find the BOQs in the google drive link provided.

**DO NOT RESPOND TO TECH OR FIN FORMS IN PART 3 OF THE IFQ**



# PARTS 2 AND 3

## WORKS REQUIREMENTS

- Please ensure these are read and understood. If in doubt please submit a written clarification question.

## DRAFT FORM OF CONTRACT AND SAMPLE WORK REQUEST AND WORK ORDER FORMS

- Please ensure that your legal team read and agree with the draft form of Contract as this is the basis on which you will be submitting your Quotation.
- Please also go through the Sample Work Request and Work Order documentation to ensure they are understood.

# CLARIFICATION QUESTIONS AND RESPONSES

CLARIFICATION QUESTIONS MUST BE SENT BY E-MAIL NO LATER THAN CLOSE OF BUSINESS ON **5<sup>th</sup> February 2019**  
TO:

**[paghana@charleskendall.com](mailto:paghana@charleskendall.com)**

and copy to

**[procurement@mida.gov.gh](mailto:procurement@mida.gov.gh)**

YOU MUST USE THESE ADDRESSES TO SOLICIT A WRITTEN RESPONSE TO YOUR QUESTIONS INCLUDING THOSE RAISED AT THIS MEETING.

RESPONSES TO ALL QUESTIONS WILL BE ISSUED ALONG WITH THE MINUTES OF THE PRE-BID MEETING NO LATER THAN **15<sup>th</sup> February 2019**



# SUBMISSIONS

## MiDA PROCUREMENT

### 4<sup>TH</sup> FLOOR HERITAGE TOWER

SUBMISSION FORM TO BE COMPLETED ON  
TENDER BOX.

SUBMISSIONS DUE BY **10:00 HOURS GHANA TIME**  
ON **8<sup>th</sup> MARCH, 2019**. A PUBLIC OPENING  
FOLLOWS IMMEDIATELY AFTER.

LATE SUBMISSIONS WILL NOT BE ACCEPTED.



# COMMON CHALLENGES

- ❖ Courier packages not clearly marked - label courier packages in accordance with ITB 20 and the Bid Data Sheet instructions.
- ❖ Clarification questions not asked by due date and time.
- ❖ The submission envelopes not correctly marked, or submitted in sealed envelope(s).
- ❖ Quotation submission form/letter not signed.
- ❖ GOE Form not fully completed and/or signed.
- ❖ Power of Attorney not provided for the person given authority to sign the Proposal and/or negotiate and/or sign the resulting Contract.
- ❖ JV or Association documents not provided.
- ❖ Financial Information incomplete or not provided.
- ❖ Bidding forms and BOQs not completed
- ❖ References not provided for Bidder and/or Key Personnel.
- ❖ Incorrect, or no, email addresses provided for Referees.
- ❖ Bid Security not in correct format and/or not signed.



**As always we are looking for compliance with all of the requirements of the IFQ.**

**It is the responsibility of the Contractor to ensure that their submissions are complete, compliant, and clear.**

**The Quotation Review Panel will not second guess either your content or your intentions.**





**Thank You.**

**Any Questions?**