



**TN**

TAMIL NADU

**US**

URBAN SANITATION

**SP**

SUPPORT PROGRAMME

**iihs**<sup>TM</sup>  
INDIAN INSTITUTE FOR  
HUMAN SETTLEMENTS

In Association With:

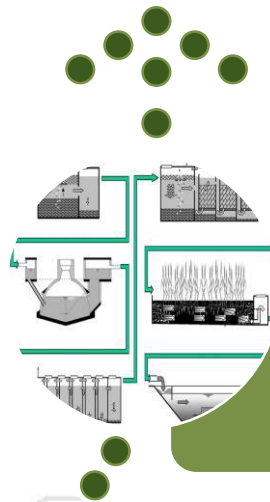


# **Training programme on Fecal Sludge Management for Engineers in Trichy Corporation**

Contracting and bidding for FSTP

# Range of services

Integrated Contract



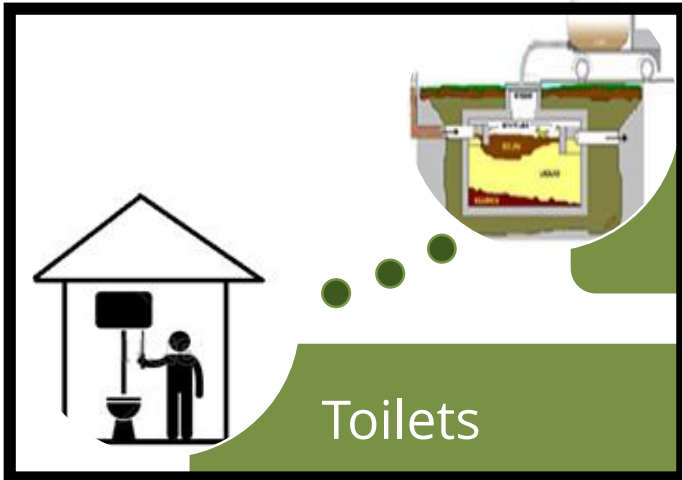
Treatment & Disposal

- Build-Own-Transfer (PPP)
- EPC model
- O&M Contract



Extraction & Conveyance

- O&M Contract
- Invest & Operate Contract



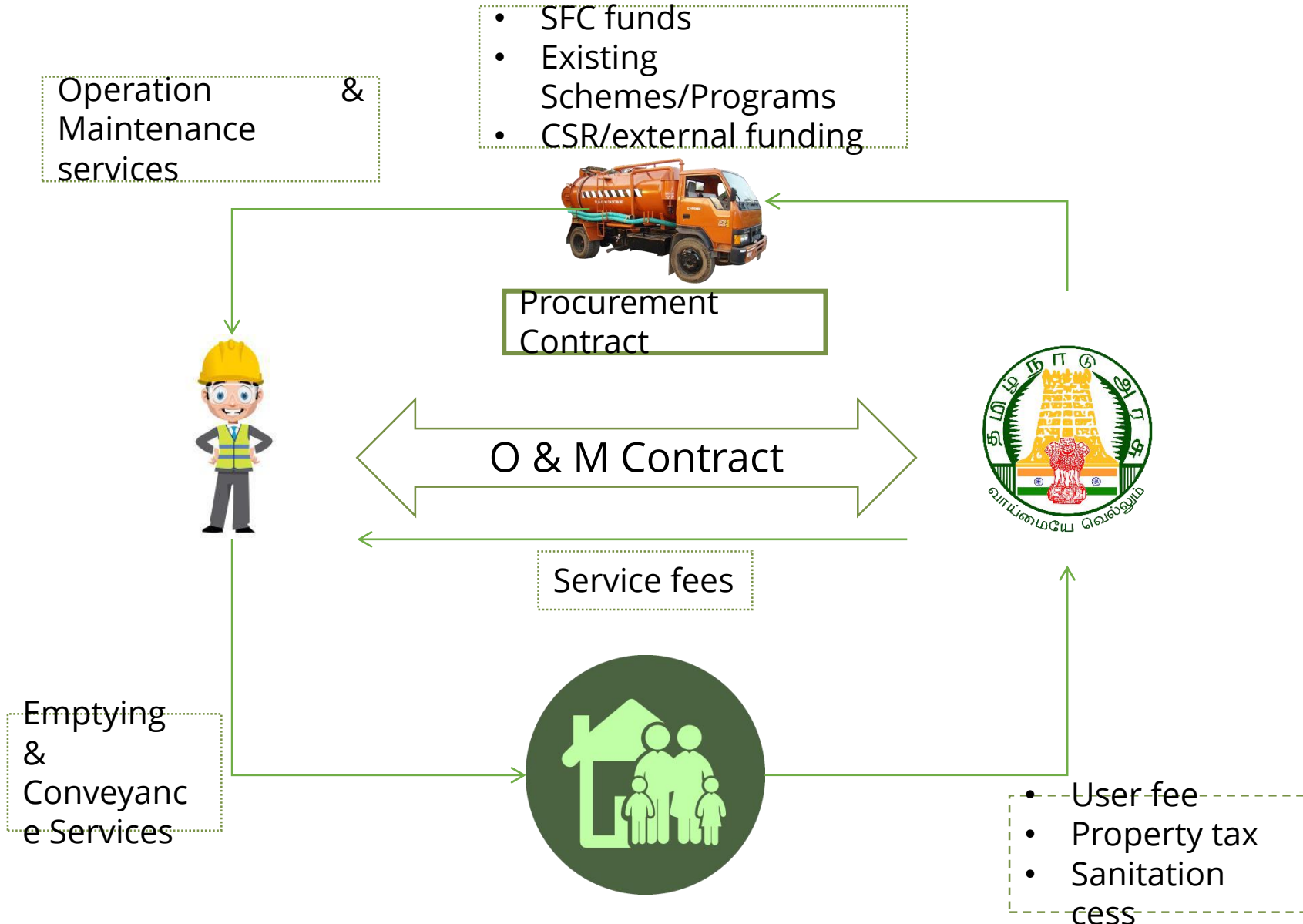
Toilets

- O&M Contract
- Build-Own-Transfer (PPP)
- EPC model
- Public-Private-Community partnership

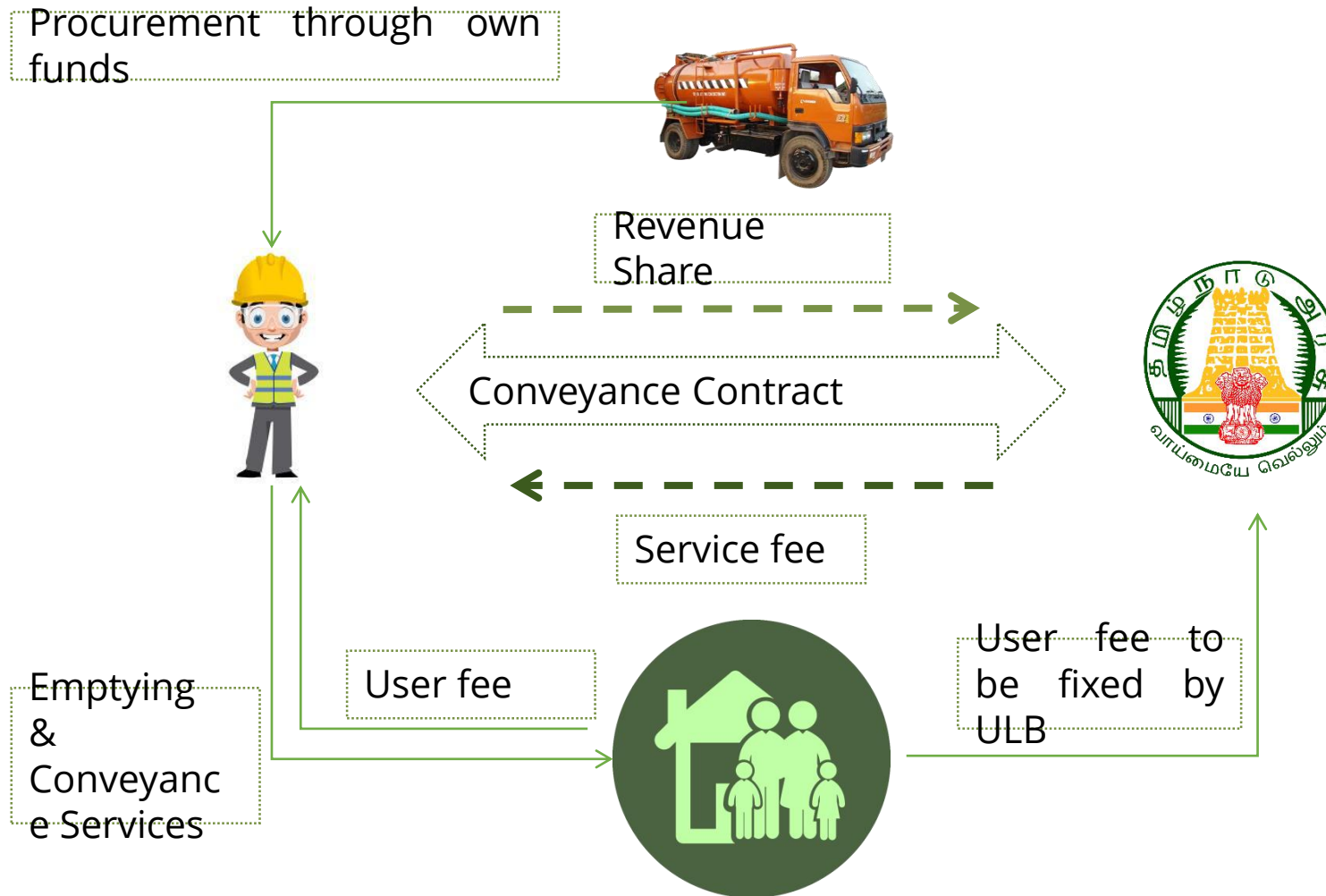
# Emptying & Conveyance Contracts

Options and key features

# O & M Contract



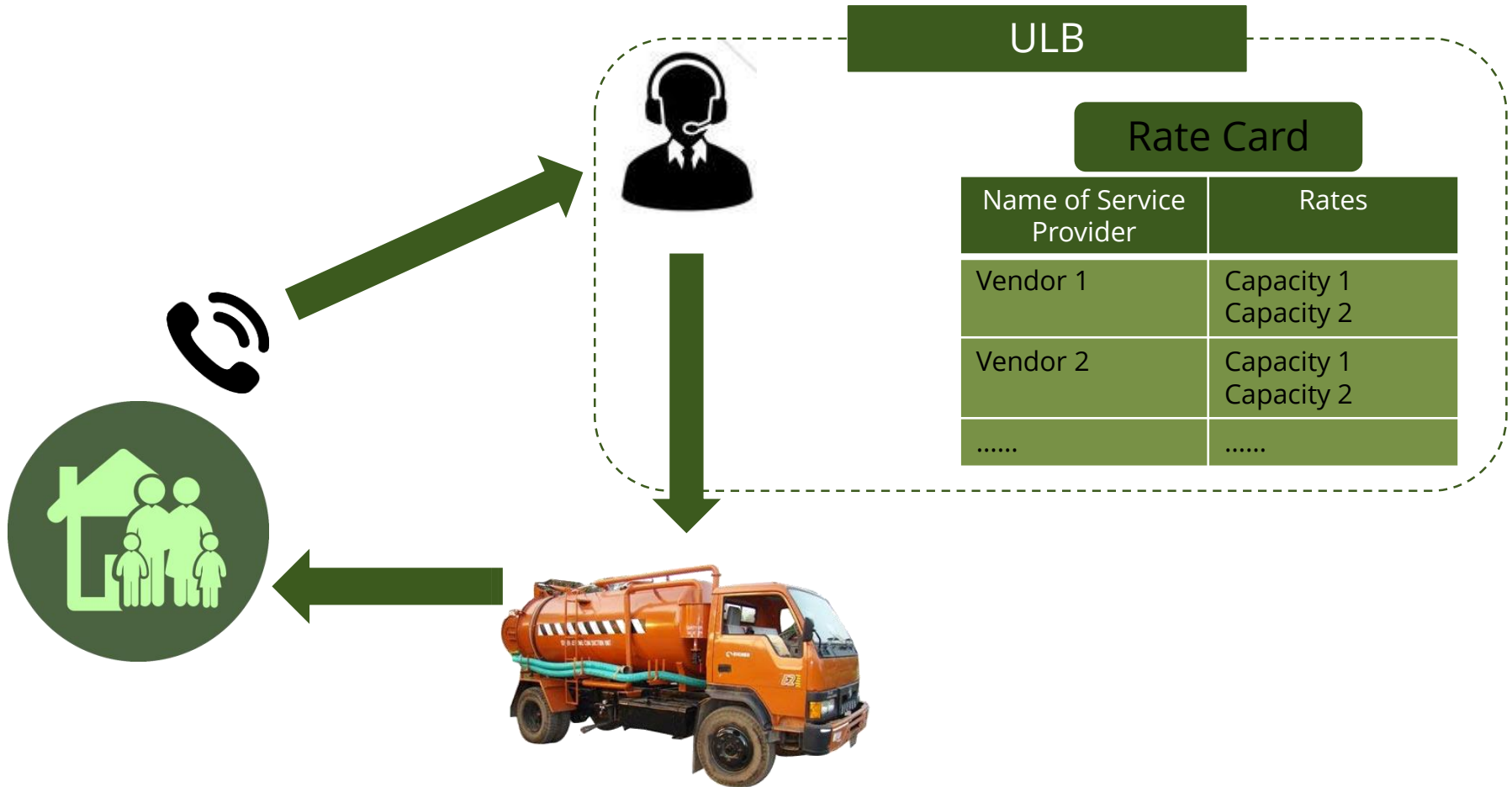
# Conveyance Contract (Invest & Operate)



# Emptying & Conveyance Contracts

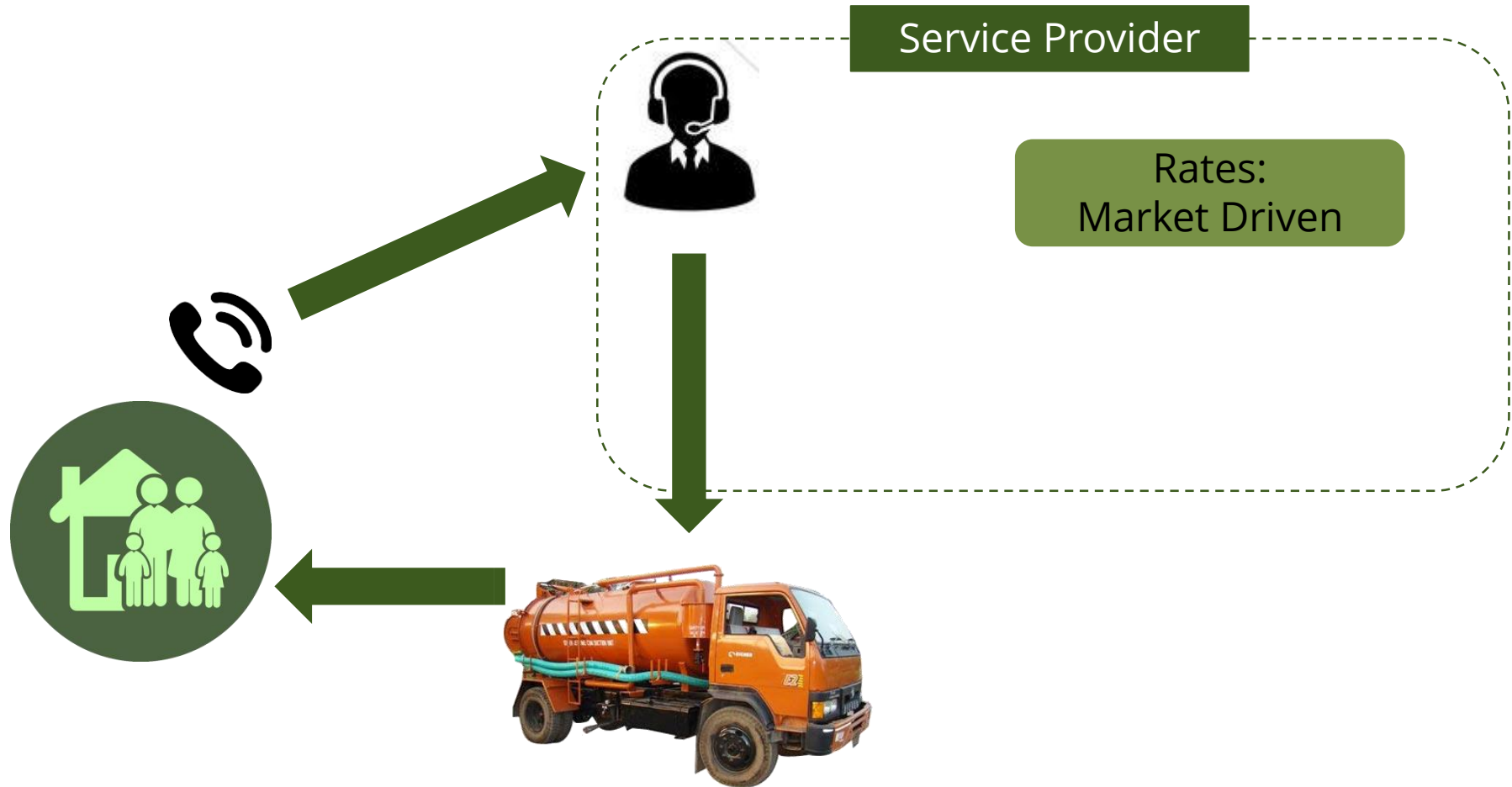
Options and key features

# Model 1





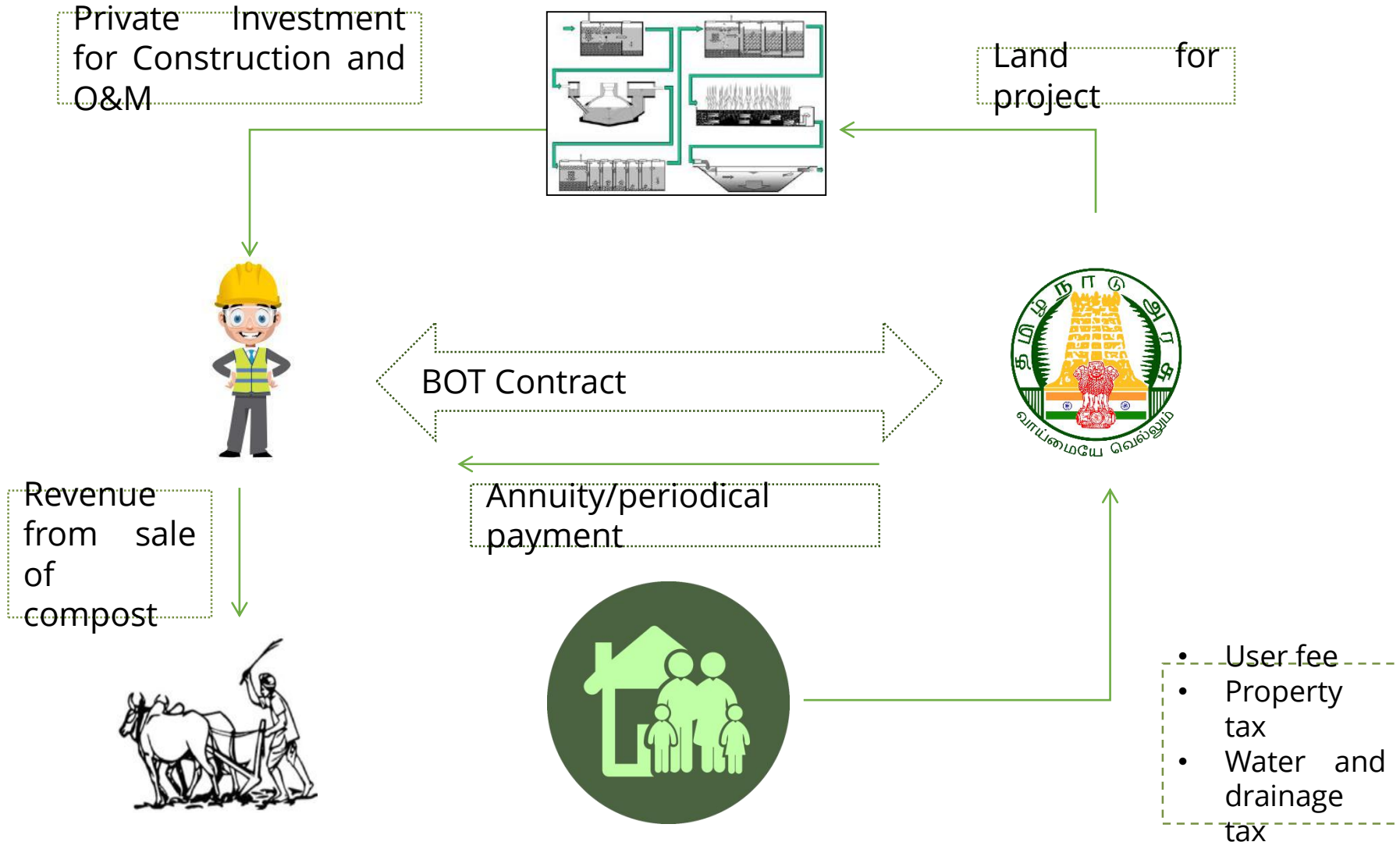
# Model 2



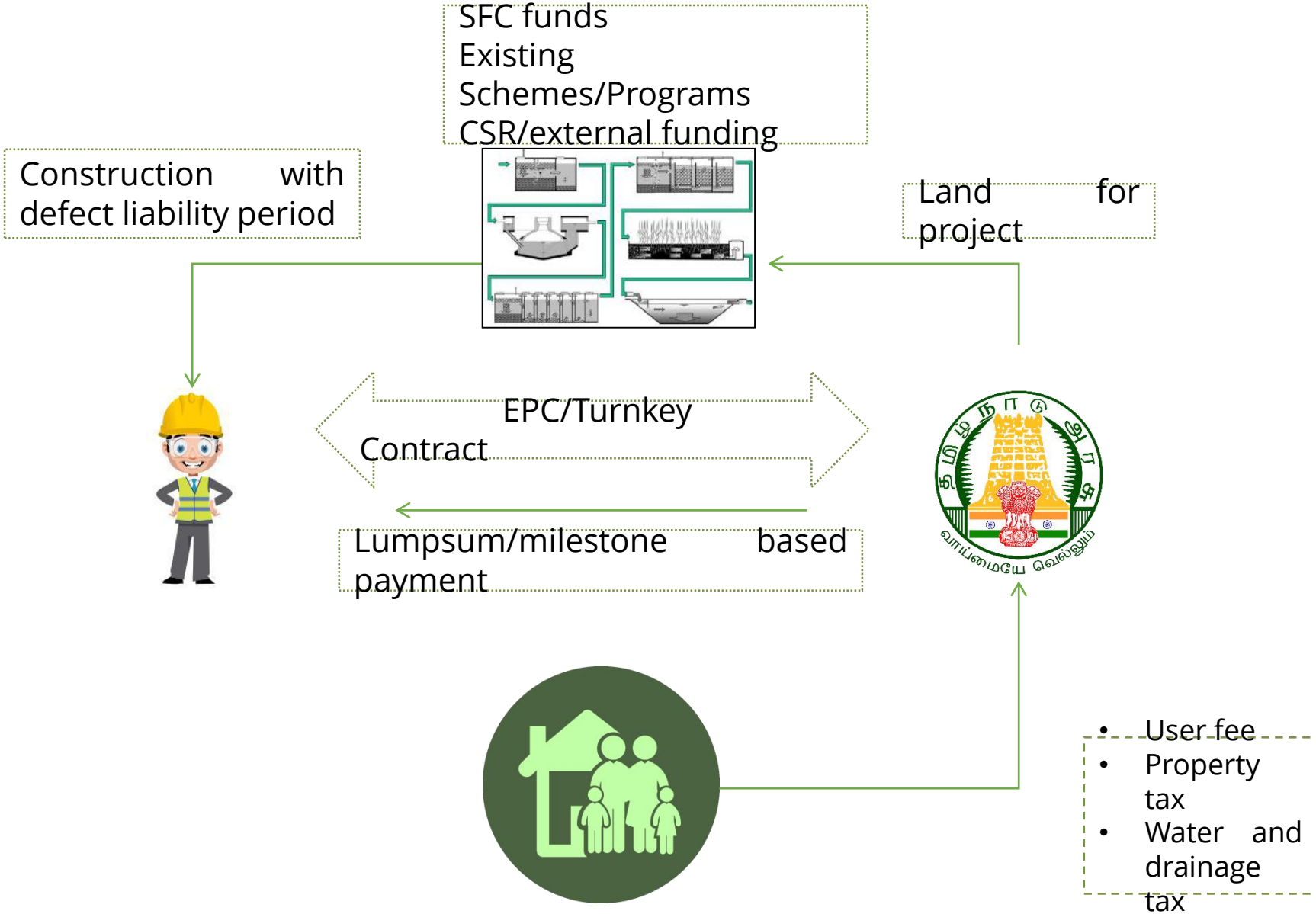
# Treatment & Disposal Contracts

Options and key features

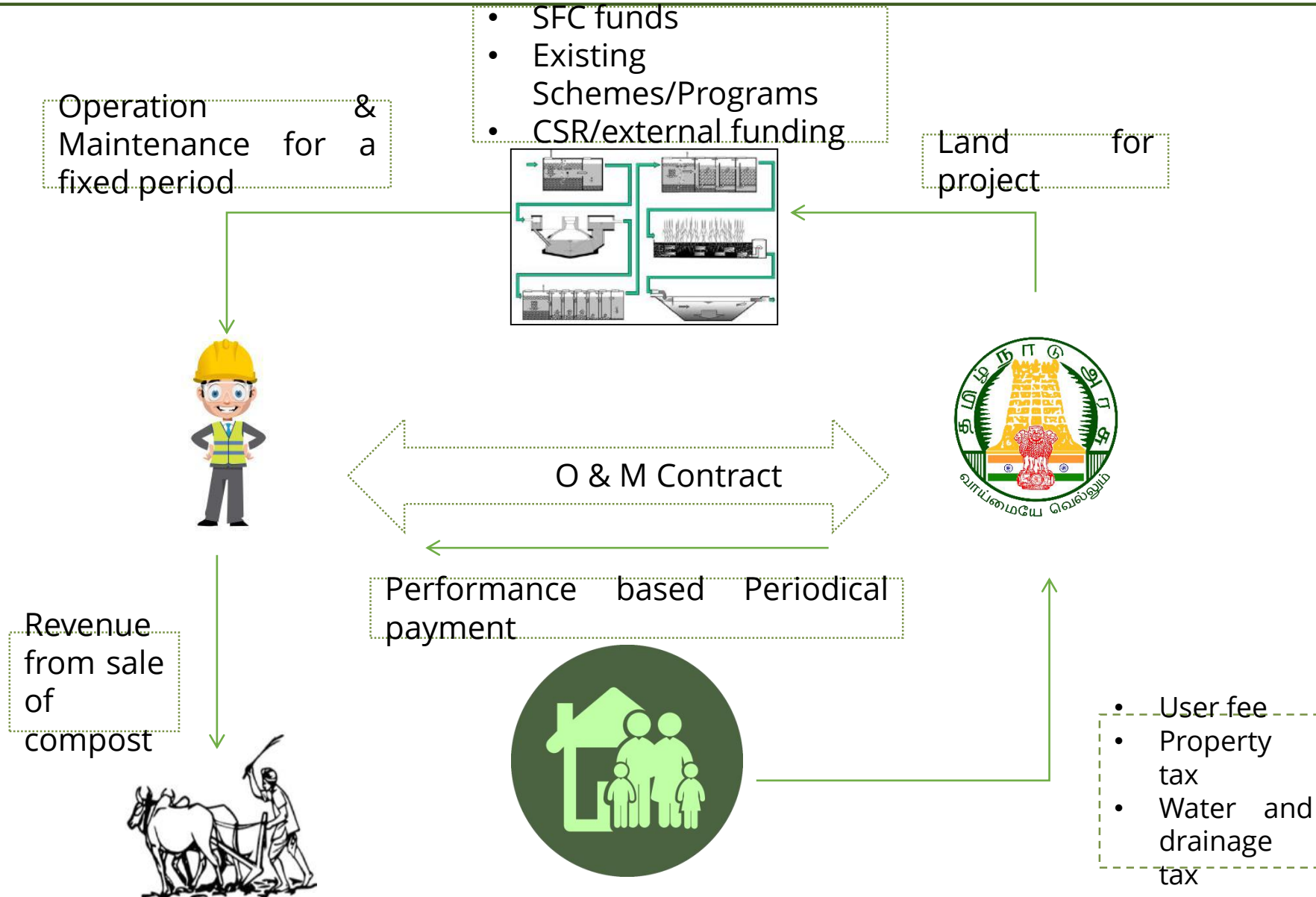
# BOT Contract



# EPC Contract



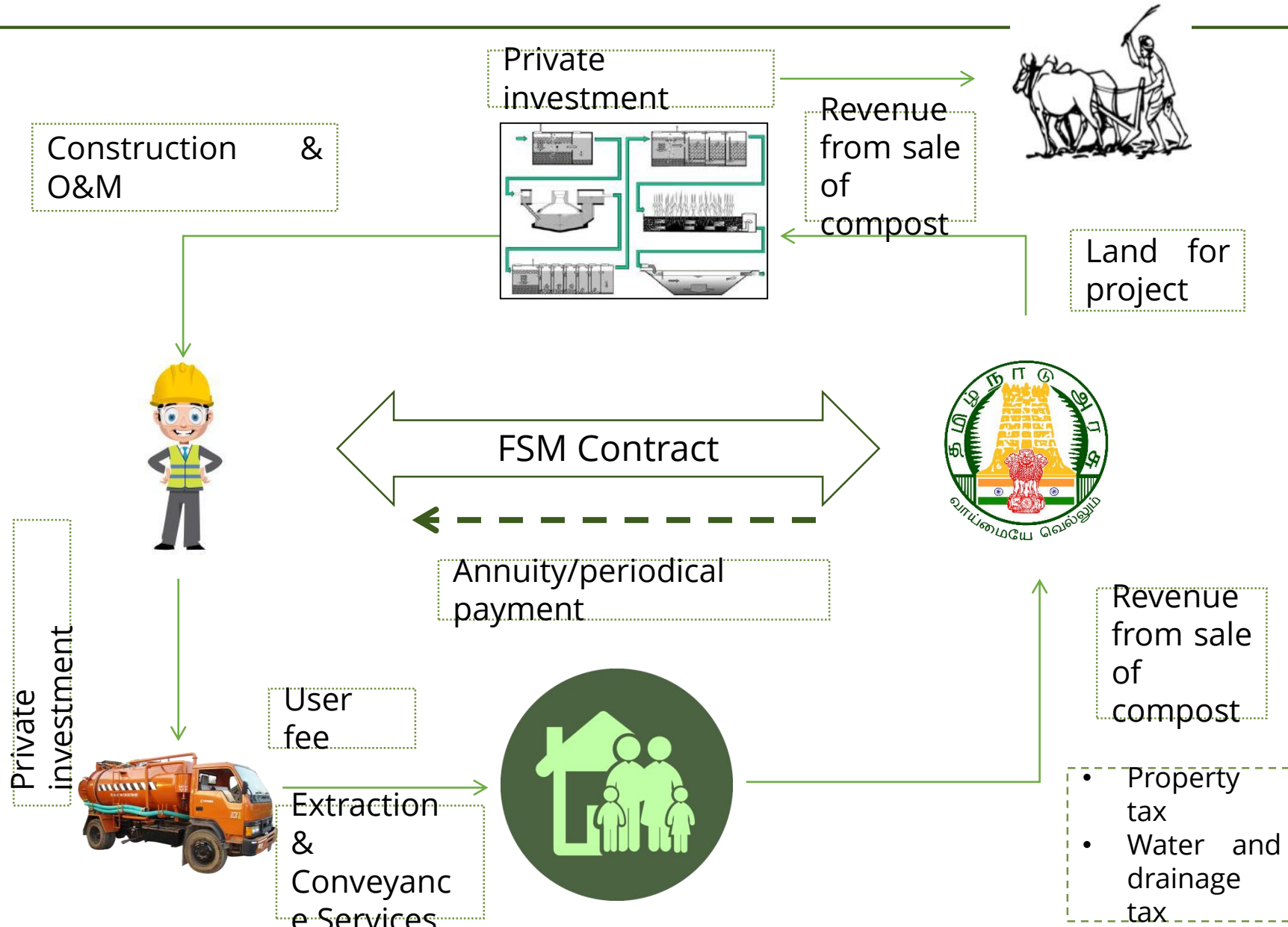
# O & M Contract



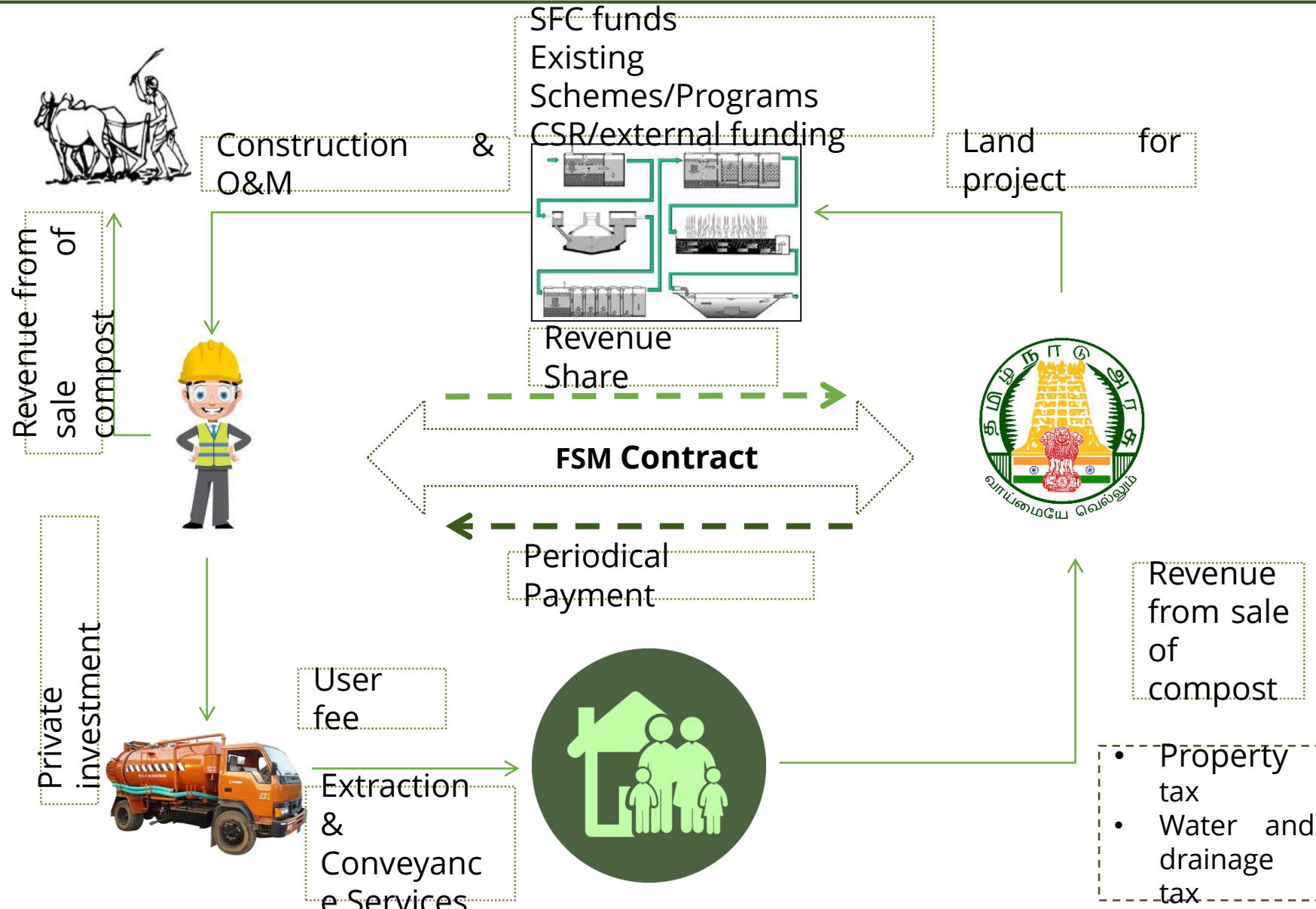
# Integrated FSM Contracts

Options and key features

# Integrated FSM Contract – Option 1



# Integrated FSM Contract- Option-2





# Procurement process

Tamil Nadu procurement rule &  
RFP

# Ideal requirements of a Tender process

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- Fair
- Open
- Un-baised
- Transparent
- Time bound
- As per standard processes

# Tamil Nadu Procurement Rules...

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- **Types of procurement**

- Physical tendering – features involve physical preparation and submission of bids, SoPs for receipt, opening and evaluation of tenders
- E-procurement

- **Scope- Covers goods and Services**

- **Floating of tenders - Where (bulletin..) Timeline?**

- **Tender evaluation requirements**

- Technical – Detailing the evaluation criteria, Highlighting relevant experiences in the past and payment of tender fees, EMD etc.
- Financial requirements- Specify the percentage of payment to be paid while submitting tenders, Payment terms of the Contract

# Tamil Nadu Procurement Rules...

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- **Procedures for receipt and opening of tenders and evaluation**
- **Guidelines for special cases of tender process**
  - Handling situation of disputes
  - Tender system malfunctioning
  - Final decision on disputes- mechanism to be spelt out in the tender document
- **Exemptions from following tender process-**
  - Situation
  - Entities

# Procedure for procurement

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Define scope of services



Check eligibility of bidder to implement



Financial evaluation- bid parameter



Selection of Contractor/Service Provider

# Request for Proposal

- **Purpose**

- The RFP process is aimed at obtaining financial offers from the eligible bidders
- In case of complex projects, are the technical proposals/plans submitted at the RFP stage?
  - At the Bid stage (RFP) pre-qualified applicants submit only financial offers
  - In case of exceptionally complex projects where the project authority determines that the bidders must submit their technical proposals/plans, the required proposals should be invited either at:

Technical evaluation at the RFP stage would lead to difficulties in evaluating

## Bidding Parameters: Options

- Lowest bid in terms of the present value of user fees;
- Highest revenue share to the Government;
- Highest up front fee;
- Shortest contract period;
- Lowest present value of the subsidy;
- Lowest capital cost and Operation & Management cost for Projects having a definite scope;
- Quantum of State Support solicited in present value.

# Model Request for Proposal

- **Contents**

Section 1: Introduction

Section 2: Instructions to  
Bidders

Section 3: Evaluation of Bids

Section 4: Fraud & Corrupt  
Practices

Section 5: Pre-Bid  
Conference

Section 6: Miscellaneous

Appendices



# Request for Proposal

Section 1: Introduction

Section 2: Instructions to  
Bidders

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Appendices



Background

Bidding Process

Bidding  
Schedule

# Request for Proposal

Section 1: Introduction

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Bidders

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Appendices



General

Documents

Preparation &  
Submission of  
Bids

Bid Security

# Request for Proposal

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Opening &  
Evaluation

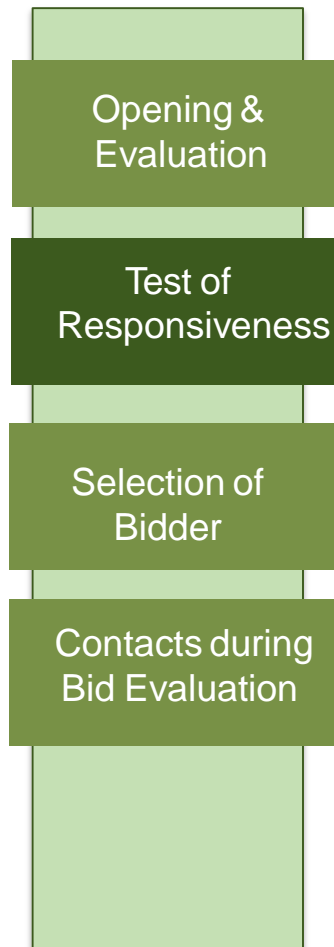
Test of  
Responsiveness

Selection of  
Bidder

Contacts during  
Bid Evaluation

# Request for Proposal

## Section 3: Evaluation of Bids



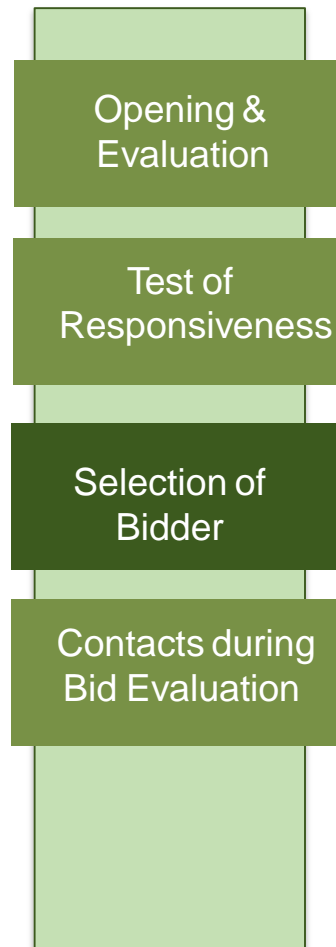
### Description

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- Before evaluation, the Authority shall test responsiveness of the bids to the requirements of the RFP. This includes checking that bids are
- received in the correct format
- received by the Bid Due Date
- signed, sealed, bound together in hard cover and marked as required by RFP
- accompanied by the Bid Security
- accompanied by the required Power(s) of Attorney and;
- contains all the information as requested in the RfP or bid documents
- the bid does not contain any conditions or qualifications

# Request for Proposal

## Section 3: Evaluation of Bids



### Description

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- Subject to bid evaluation and short listing thereafter (Test of Responsiveness), the bidder offering highest premium or (where no premium is offered by any bidder) the lowest grant requirement, is declared as Selected Bidder. This bidder is the “highest bidder”
- In case of “Tie bidders”, selection will be by draw of lots
- Second round of bidding: may be called for in case selected bidder withdraws for any reason. Remaining bidders can be asked to match highest bidder.
- If more than one bidder matches, the one which had the higher

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Section 6: Miscellaneous

Appendices



Corrupt  
Practice

Fraudulent  
Practice

Coercive  
Practice

Undesirabl  
e  
Practice

Restrictive  
Practice

# Request for Proposal

Section 1: Introduction

Section 2: Instructions to Bidders

Section 3: Evaluation of Bids

Section 4: Fraud & Corrupt Practices

Section 5: Pre-Bid Conference

Section 6: Miscellaneous

Appendices



Pre-bid conference/ meeting conducted on designated date, time and place

Maximum 2 representatives are allowed from each bidder Bidders may seek clarifications and make suggestions to the Authority

In the case of complex projects, more than 1 pre-bid meetings may be

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Appendices

Jurisdiction coverage

Discretionary rights to authority to control and manage the bid process while not compromising efficiency and transparency of the process

Over riding protection to authority against liability/ claims

Bidding documents to be given priority over RfQ in case of any perceived conflicts in interpretation



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# Request for Proposal

## Appendices

Letter comprising the bid
Bank Guarantee of Bid Security
Power of Attorney for signing of Bid
Power of Attorney for lead member of consortium

### Description

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#### Letter comprising the Bid:

- To be signed by authorized signatory
- Mention date of signing and place of signing
- Mention name and designation of the authorized signatory