

Correction of Errors

27.1 Bids determined to be substantially responsive will be checked by the Employer for any arithmetic errors. Errors will be corrected by the Employer as follows;

- a) Where there is a discrepancy between the amounts in figures and in words, the amount in words will govern; and
- b) Where there is a discrepancy between the unit rate and the line item total resulting from multiplying the unit rate by the quantity, the unit rate as quoted will govern, unless there is an obvious gross misplacement of the decimal point in the unit rate, in which case the line item total as quoted will govern, and the unit rate will be corrected.
- c) If the bid price changes by the above procedure, the amount stated in the Form of Bid shall be adjusted with the concurrence of the Bidder and shall be considered as binding upon the bidder.
- d) If the bidder does not accept the corrected amount of bid, its bid shall be rejected and the bid security shall be forfeited or bid security declaration shall be executed in accordance with Clause 16.

Currency for Bid Evaluation

Not used unless specified in Bidding Data.

valuation and

Comparison of Bids 29.1 The Employer will evaluate and compare only the Bids determined to be substantially responsive.

29.2 In evaluating the bids, the Employer will determine for each bid the evaluated bid price by adjusting the bid price as follows:

- a) excluding provisional sums and the provision, if any, for contingencies in the Bills of Quantities, but including Dayworks, where priced competitively;
- b) making any correction for errors pursuant to Clause 27;
- c) making appropriate adjustments as described below to reflect discounts or other price modifications offered in accordance with Sub-Clause 22.5

- I. If discounts are offered to limited items it should be applicable to such items;
 - II. If the discount offered is to the total bid price as a percentage it should be applicable to all the items at the percentage discount offered, excluding for contingencies and provisional sum items before the contract award all rates and prices shall be adjusted to suit the discount;
 - III. If the discount offered is to the total bid price as a lump sum, such lump sum amount should be considered for evaluation and before the award of contract such lump sum amount shall be uniformly distributed to all the items, excluding for contingencies and provisional sums.
- d). making an appropriate adjustment for any other acceptable variations, deviations.
- e) converting to a common currency if appropriate.
- 29.3 The Employer reserves the right to accept to reject any variation, deviation, or alternative offer. Variations, deviations, and alternative offers and other factors which are in excess of the requirements of the bidding documents or otherwise result in unsolicited benefits for the Employer will not be taken into account in bid evaluation.
- 29.4 The estimated effect of any price adjustment conditions under clause 47 of the Conditions of Contract, during the period of implementation of the Contract, will not be taken into account in bid evaluation.
- 29.5 If the Employer determines that the bid is unbalanced and hence the bidder may fail in the performance of his obligations in some items within the quoted rates, a higher performance security as determined by the Employer may be requested to mitigate such risks

ference for Domestic Bidders

Not used unless specified in Bidding Data.

F. Award of Contract

Award of Contract 31.1 Subject to procedures if provided under Sub-Clause 31.1 under Bidding Data and subject to Clause 31.2 and Clause 32 below, the Employer will award the Contract to the bidder whose Bid has been determined to be substantially responsive to the bidding documents and who has offered the lowest evaluated bid price, provided that such bidder has determined to be eligible and qualified in accordance with the provisions of the bidding document.

31.2 Even though the bidders meet the eligibility and qualification criteria specified they are subjected to disqualify if they have:

- a) made misleading or false representation in the forms, statements and attachments submitted in proof of the eligibility and qualification requirements; or
- b) participated in fraud and corrupt practice.
- c) Record of poor performance in previous contracts, such as abandoning the works, inordinate delays resulted in payment of liquidated damages up to the maximum limit specified in the contract etc;

Employer's Right to

at any Bid and to

at any or all Bids

32.1 The Employer reserves the right to accept or reject any bid, and to cancel the bidding process and reject all Bids, at any time prior to the award of Contract, without thereby incurring any liability to the affected bidder or bidders or any obligation to inform the affected bidder or bidders of the grounds for the Employer's action.

Notification of Award

Signing of Agreement

33.1 Prior to expiration of the bid validity period, the Employer will notify the successful bidder that his bid has been accepted. This letter (hereinafter and in the Conditions of Contract called the "Letter of Acceptance") will state the sum that the Employer will pay the Contractor in consideration of the execution, completion, and maintenance of the Works by the Contractor as prescribed by the Contract (hereinafter and in the Contract called the "Initial Contract Price")

- 33.2 The notification of award will constitute the formation of the Contract.
- 33.3 The agreement will incorporate the memorandum of understanding if any between the Employer and the successful bidder, and shall be signed by the Employer and the successful bidder, and shall be signed by the Employer and the successful bidder.
- 33.4 Upon the furnishing by the successful bidder of the performance security, the Employer will promptly notify the other bidders that their bids have been unsuccessful.
- 33.5 At the same time that the Employer notifies the successful bidder that its bid has been accepted, the Employer will prepare the agreement in the form provided in the bidding documents, incorporating all agreements between the parties.
- 33.6 The Employer shall notify the successful bidder the date, time and venue for the signing of the agreement. The agreement shall be signed within 28 Days of the Letter of Acceptance.

Performance Security

- 34.1 Within 14 Days after receipt of the Letter of Acceptance, the successful bidder shall deliver to the Employer a performance security from an agency acceptable to the Employer in the form of unconditional guarantee and in the amount stipulated in the Bidding Data.
- 34.2 During the Bid evaluation if the Employer found that the rate/s or amount/s quoted by the bidder is/are unreasonably low and could not furnish rational justification to the Employer, the Employer may request the bidder to furnish a performance security to an increased amount than that specified in the Bidding Data.

Advance Payment

Security

- 35.1 The Employer will provide an Advance Payment on the Initial Contract Price subject to maximum amount as stipulated in the Conditions of Contract, within 14 Days of the Contractor submitting an acceptable guarantee.

Adjudicator

- 36.1 The Employer shall include the name of the person to be appointed as an Adjudicator under the Contract in the Bidding Data. If the bidder disagrees with the person named, the bidder should state so in the Bid, in which event the Employer and the Contractor may reach agreement on the appointment of an Adjudicator by mutual consent within 28 Days from the Letter of Acceptance.

If mutual consent is not reached or resorted to or the Adjudicator was not proposed then Adjudicator shall be appointed by the Institute for Construction Training and Development (ICTAD) at the request of either party after the expiry of 28 Days.

The Adjudicator shall be a person not associated with the project directly or indirectly and who could demonstrate impartiality and independence in his functions.

Section - 2

STANDARD FORMS [CONTRACT]

- *Letter of Acceptance*
- *Agreement*
- *Performance Security*
- *Advance Payment Security*
- *Retention Money Guarantee*

ote:

It is the responsibility of the bidders to comply with all the requirements given in the bidding document. Failure to non compliance with any of them may be a reason for rejection of the bid.

Notes on Standard Forms:

- Bidders shall submit the completed Form of Bid Security/Bid Securing Declaration as appropriate in compliance with the requirements of bidding documents.
- Bidders should not complete the Form of Agreement at the time of preparation of bids.
- The successful bidder will be required to sign the Form of Agreement, after the award of contract.
- Any corrections or modifications to the accepted bid resulting from arithmetic corrections, acceptable deviations, or quantity variations in accordance with the requirements of the bidding documents should be incorporated into the Agreement.
- The Form of Performance Security, Form of Advance Payment Security and Form of Retention Money Guarantee should not be completed by the bidders at the time of submission of bids.
- The successful bidder will be required to provide these securities in compliance with the requirements herein or as acceptable to the Employer.

DUPLICATE

FORM OF LETTER OF ACCEPTANCE

[Letter heading paper of the procuring entity]

To: _____ [date]

[name and address of the Contractor]

This is to notify you that your bid dated _____ *[insert date]* for the construction and remedying defects of the _____ *[name of the contract and identification number]* for the Contract price of _____ *[name of currency]* _____ *[amount in figures and words]* as corrected in accordance with Instructions to Bidders and / or Bidders by a Memorandum of Understanding, hereby accepted.

The adjudicator shall be _____ *[name and address of the Adjudicator, agreed]* shall be appointed by the Institute for Construction training and Development (ITAD).

You are hereby instructed to proceed with the execution of the said Works in accordance with Contract documents.

Start Date shall be: _____ *(fill the date as per Conditions of Contract)*.

Amount of performance Security is: _____ *(fill as per Conditions of Contract)*.

Performance Security shall be submitted on or before _____ *(fill the date as per Conditions of Contract)*.

Authorizes Signature: _____

1. Title of Signatory: _____

2. Name of Agency: _____

DUPLICATE

FORM OF LETTER OF ACCEPTANCE

[Letter heading paper of the procuring entity]

-----[date]

To:-----

[name and address of the Contractor]

This is to notify you that your bid dated -----[insert date] for the construction and remedying defects of the ----- [name of the contract and identification number] for the Contract price of -----[name of currency] ----- [amount in figures and words] as corrected in accordance with Instructions to Bidders and / or Bidders by a Memorandum of Understanding, hereby accepted.

The adjudicator shall be -----[name and address of the Adjudicator, agreed] shall be appointed by the Institute for Construction training and Development (ITAD).

You are hereby instructed to proceed with the execution of the said Works in accordance with Contract documents.

Start Date shall be: ----- (fill the date as per Conditions of Contract).

Amount of performance Security is: ----- (fill as per Conditions of Contract).

Performance Security shall be submitted on or before ----- (fill the date as per Conditions of Contract).

Authorized Signature : -----

as title of Signatory :-----

for of Agency :-----

STANDARD FORM: AGREEMENT

This AGREEMENT, made the ----- [day] day of -----[month] 20 -----
[year] between the one part, and ----- [name and address of Employer]
hereinafter called "the Employer") of the one part, and -----
-----[name and address of Contractor] (hereinafter called "the Contractor") of the other part.

WHEREAS the Employer desires that the Contractor execute-----
[name and identification number of Contract] (hereinafter called "the Works") and the Employer
has accepted the bid by the Contractor for the execution and completion of such Works and the
remedying of any defects therein.

NOW THIS AGREEMENT WITNESSETH as follows:

1. In this Agreement, words and expression shall have the same meanings as are
respectively assigned to them in the Conditions of Contract hereinafter referred to and
they shall be deemed to form and be read and construed as part to this Agreement.
2. In consideration of the payments to be made by the Employer to the Contractor as
hereinafter mentioned, the Contractor hereby covenants with the Employer to execute
and complete the Works and remedy any defects therein in conformity in all respects
with the provisions of the Contract.
3. The Employer hereby covenants to pay the Contractor in consideration of the execution
and completion of the Works and the remedying of defects wherein the Contract Price or
such other sum as may become payable under the provisions of the Contract at the times
and in the manner prescribed by the Contract.

Witness whereof the parties thereto have caused this Agreement to be executed the day and
at the place above mentioned, in accordance with laws of Sri Lanka.

Authorized signature of Contractor

Authorized signature of Employer

COMMON SEAL

COMMON SEAL

In the presence of:

Witnesses:

1. Name and NIC No.
Signature.
Address.
2. Name and NIC No.
Signature.
Address.

DUPLICATE

FORM OF RETENTION MONEY GUARANTEE

----- [Issuing Agency's
Name and Address of Issuing Branch or Office]

Beneficiary: **Municipal Commissioner, Colombo Municipal Council, Town Hall, Colombo 7.**

Date:-----

RETENTION MONEY GUARANTEE No:-----

We have been informed that ----- [name of Contractor]
hereinafter called "the Contractor") has entered into Contract No. -----
(reference number of contract) dated ----- with you, for the execution of -----
----- (name of contract) (hereinafter called "the Contract").

Furthermore, we understand that, according to the conditions of the Contract, when the works
have been taken over and the first half of the Retention Money has been certified for payment,
payment of the second half of the Retention Money may be made against a Retention Money
Guarantee.

At the request of the Contractor, we ----- [name of agency]
hereby irrevocably undertake to pay you any sum or sums not exceeding in total an amount of -
----- [amount in figures] (-----) [amount in words]
on receipt by us of your first demand in writing accompanied by a written statement stating
that the Contractor is in breach of its obligation under the Contract because the Contractor has
attended to the defects in accordance with the Contract.

This guarantee shall expire, at the latest, ----- [insert 28 Days after the end of
the Contractor's Liability Period] Consequently, any demand for payment under this guarantee must
be received by us at this office on or before that date.

Signature(s)]

DUPLICATE

FORM OF ADVANCE PAYMENT SECURITY

-----[Name and address of
Agency, and Address of Issuing Branch or Office]

Beneficiary: Municipal Commissioner, Colombo Municipal Council, Town Hall, Colombo 7

Date: -----

ADVANCE PAYMENT GUARANTEE No: -----

We have been informed that -----[name of Contractor]
[hereinafter called "the Contractor"] has entered into Contract No: -----
[reference number of the contract] dated -----with you, for -----
----- (Name of contract) (hereinafter called "the Contract").

Furthermore, we understand that, according to the conditions of the Contract, an advance
payment in the sum-----[amount in figures] (-----
-----) [amount in words] is to be made against an advance payment guarantee.

At the request of the Contractor, we-----[name of issuing agency]
hereby irrevocably undertake to pay you any sum or sums not exceeding in total an amount of -
-----[amount in figures] (-----) [amount in
words] upon receipt by us of your first demand in writing accompanied by a written statement
stating that the Contractor is in breach of its obligation in repayment of the Advance payment
under the Contract.

The maximum amount of this guarantee shall be progressively reduced by the amount of the
advance payment repaid by the Contractor.

This guarantee shall expire on ----- [Insert the date, 28 days beyond the
intended Completion Date]

Consequently, any demand for payment under this guarantee must be received by us at this
office on or before that date.

Signature(s)]

DUPLICATE

Section-3

CONDITIONS OF CONTRACT

**Conditions of contract shall be read in conjunction with Section 5-
Contract Data, which shall take precedence over the Conditions of
Contract**

CONDITIONS OF CONTRACT : Conditions of Contract that will be applicable for this contract is that given in Section - 03 of the Standard Bidding Document - Procurement of Works (ICTAD/SBD/01-2nd Edition, January 2007) & Addendum 01 issued in January 2009 & addendum 02 issued in February 2011 to the ICTAD Publication published by the Institute for Construction Training and Development (ICTAD / CIDA - Construction Industry Development Authority, "Savsiripaya", 123, Wijerama Mawatha, Colombo 07.

3, Volume 1 of this publication will not be issued with the Bidding Document and the Bidder is to purchase it from ICTAD. (Now CIDA - Construction Industry Development Authority)

DUPLICATE

Section - 4

**FORM OF BID AND QUALIFICATION
INFORMATION**