



Republic of the Marshall Islands

**Ministry of Public Works
Project Management Unit**

PROCEDURE 003

FOR THE

**RMI BID COMMITTEE
REVIEWING BID AWARDS FOR
COMPACT FUNDED PROJECTS FOR THE
INFRASTRUCTURE DEVELOPMENT AND
MAINTENANCE PLAN**

**Ministry of Public Works
Project Management Unit**

BID COMMITTEE PROCEDURE

BACKGROUND

BID RECEIPT

1. The Secretary of Public Works (SPW) receives bids and receipts are issued to the bidders.
2. Late bids are accepted at the sole discretion of the SPW.

BID OPENING

3. In the presence of a senior MPW official the SPW opens each bid in turn and gives it a letter designation (A, B, C or D).
4. The Bids should contain two envelopes: Technical and Financial. The SPW checks that all sections of the Bid Documents have been completed and signed and determines whether or not the bid is a complying bid. He then completes Sheet A (appended to this Procedure) and inserts it into the Financial Envelope.
5. The Financial Envelopes (containing the Lump Sum Bid Price and the Bid Bond) are then re-sealed and retained by the SPW until the Technical Evaluation has been completed.
6. The Technical Envelopes (containing background information on the bidder and the Pricing Schedule) are then passed to the Project Management Unit (PMU) for a detailed evaluation of the Bids.
7. The PMU Bid Evaluators do not know the identity of the bidders or the Lump Sum Price at this stage.

BID EVALUATION (TECHNICAL)

8. The Bids are evaluated on Sheet B (appended) and scores are awarded.
9. The Pricing Schedule is then analysed in detail.
10. A 30% weighting is given to the Technical Score.

BID EVALUATION (FINANCIAL)

11. The Technical scores for all bidders are agreed and recorded **BEFORE** any 'Financial' envelopes are opened.
12. The Evaluator then calculates the Financial Scores using the following formula, which is used in bid evaluation by the ADB and the IBRD.
$$\text{Financial Score (Sf)} = \frac{\text{Lowest Adjusted Bid}}{\text{Bid under Consideration}} \times 100 \times 70\%$$
13. The Evaluator then completes Sheet C (appended) which gives the Financial Score a 70% weighting.
14. The Evaluator then contacts the Bidders individually, pointing out mistakes in their bids and any exceptionally high or low prices. The Bidders' new prices are then inserted in their Pricing Schedule and a Final Evaluation is conducted.
15. The Bid Ranking Sheet (appended) is then completed.
16. The Evaluator composes a Letter of Recommendation to the Bid Committee, stating the recommended bidder and any reasons or conditions surrounding the selection. Copies of the Bid Evaluation Forms and other pertinent data are prepared, for inspection by the Bid Committee if they so desire it.
17. The SPW then convenes a meeting of the RMI Bid Committee.

BID COMMITTEE PROCEDURE

COMPOSITION

18. The RMI Bid Committee comprises the following or their authorised representatives:
 - (i) Chief Secretary (chairman)
 - (ii) Attorney General's representative
 - (iii) Secretary of Public Works
 - (iv) Secretary of Finance
 - (v) Secretary of Education or Health
 - (vi) MPW Chief Engineer
 - Minister of Public Works (optional)
 - PMU Manager (observer)
19. Due to the long-lead times for the importation of construction materials, it is essential that the Committee meet as soon as possible after the Bid Evaluation has

been completed. Meetings will be held not later than one week after the evaluation has been completed.

20. If all 6 members are unable to meet at the same time the Chairman may declare that a quorum is present and continue with business. The number of attendees required to make up a quorum shall be 4.
21. Non-attending members will receive copies of the meeting's Minutes.
22. Under exceptional circumstances, or if members who have said they will attend are delayed, the chairman may elect to proceed with the meeting if a quorum will be achieved.

MEETING PROCEDURE

23. The PMU Manager will present each attendee with a copy of the Letter of Recommendation (LOR). The LOR will describe the evaluation and will point out anomalies or reasons why a particular bidder received exceptionally high or low scores. It will also indicate the evaluators' preferred bidder.
24. When the LOR has been carefully read the Evaluation Sheets (A, B and C) will be handed out for the Committee to study.
25. The Bid Ranking Sheet will then be handed out to further demonstrate to the Committee that scoring was carried out in an impartial manner.
26. The PMU Manager will advise the Committee of the Cost Estimate for the project under consideration and, if the winning bidder's price exceeds the available budget, may advise re-bidding the project.
27. The Committee will then discuss the data presented to them and determine which bidder should be awarded the contract.
28. If the Committee disagrees with the findings of the Evaluators it may call for a re-evaluation, or may choose to award the contract to another bidder. Reasons for non-acceptance of the LOR will be given to the SPW and he will record them in the Minutes.
29. If the Committee accepts the findings of the LOR the chairman shall verbally instruct the SPW to award the contract and ALL members present will sign the Bid Summary Form (example appended).
30. At the conclusion of the meeting all documentation, with the exception of the LOR, will be collected and filed by the MPW. To avoid setting pricing precedents the value of the winning bid will not be published and unsuccessful bidders will not be advised of the prices submitted by other bidders.

31. Members are advised that the first concern of the MPW, PMU and the funding organisation is that projects be well constructed using top quality materials from reputable sources. The buildings have therefore been designed using long-life, but sometimes expensive, materials which will resist this country's highly corrosive marine environment.
32. The winning bidder in the LOR may not be the cheapest bidder.
33. Minutes of the meeting will be circulated to all members and filed in the MPW.

APPENDICES

1. Bid Evaluation Sheet A
2. Bid Evaluation Sheet B
3. Bid Evaluation Sheet C
4. Bid Ranking Sheet
5. Bid Summary Form

BID EVALUATION LAURA PHASE I

SHEET A

BID COMPLIANCE

Bid Designation

Contractor's Name

Contractors Address

Contact Phone Number

Have the following forms been completed fully, signed and dated?

	Yes	No
Instructions to Bidder	<input type="text"/>	<input type="text"/>
Technical Bid Form	<input type="text"/>	<input type="text"/>
Does This Bidder qualify for an RMI Preference?	<input type="text"/>	<input type="text"/>
Financial Envelope included?	<input type="text"/>	<input type="text"/>
Bid Bond included?	<input type="text"/>	<input type="text"/>
Are there any Tender Tags?	<input type="text"/>	<input type="text"/>
Is this a complying bid?	<input type="text"/>	<input type="text"/>

Technical Evaluation may proceed

signed:

designation:

Secretary of Public Works

date:

BID EVALUATION LAURA PHASE I

SHEET B

TECHNICAL EVALUATION

Bid Designation

Item	Points	Notes
1. Project Experience (max 15)	<input type="text"/>	1 _____
2. Backlog (max 10)	<input type="text"/>	2 _____
3. History (max 10)	<input type="text"/>	3 _____
4. Financial (max 15)	<input type="text"/>	4 _____
5. Key Staff (max 15)	<input type="text"/>	5 _____
6. Labor (max 15)	<input type="text"/>	6 _____
7. Imported Labor (max 10)	<input type="text"/>	7 _____
8. Equipment (max 5)	<input type="text"/>	8 _____
9. Subcontractors (max 5)	<input type="text"/>	9 _____
10. Other (minus 10 to plus 10)	<input type="text"/>	10 _____
Total Points	<input type="text"/>	_____

X 30% =

Technical Score (St)

Evaluation Performed By:

Designation:

PMU Manager

Date:

BID EVALUATION LAURA PHASE I

SHEET C

FINANCIAL EVALUATION

Bidder's Designation

Value of Lowest Bid \$

Value of Bid Under Consideration (this bid) \$

$$Sf = \frac{\text{Lowest Bid}}{\text{This Bid}} \times 70$$

$$Sf = \underline{\hspace{2cm}} \times 70$$

$$Sf = \boxed{\hspace{2cm}}$$

Financial Evaluation prepared by:

signed:

designation:

PMU Manager

date:

IDMP: AN EXAMPLE OF A BID EVALUATION

FINANCIAL EVALUATION

BIDDER	NAME	INITIAL EVALUATION			FINAL EVALUATION		
		LS BID	LOWEST BID	Sf = (LB/BID)X 70	LS BID	LOWEST BID	Sf = (LB/BID)X 70
A		649,660.38	524,000.00	56.46	600,345.97	524,000.00	61.10
B		576,657.00	524,000.00	63.61	567,672.52	524,000.00	64.61
C		524,000.00	524,000.00	70.00	524,000.00	524,000.00	70.00
D		595,828.43	524,000.00	61.56	573,867.09	524,000.00	63.92

TECHNICAL EVALUATION

BIDDER	NAME	POINTS	St = (P/100) X 30
A		88	26.40
B		77	23.10
C		38	11.40
D		96	28.80

FINAL SCORES

	INITIAL EVALUATION			FINAL EVALUATION		
	St	Sf	TOTAL	St	Sf	TOTAL
A	26.4	56.46	82.86	26.4	61.10	87.50
B	23.1	63.61	86.71	23.1	64.61	87.71
C	11.4	70	81.40	11.4	70.00	81.40
D	28.8	61.56	90.36	28.8	63.92	92.72

INFRASTRUCTURE DEVELOPMENT AND MAINTENANCE PLAN IMPLEMENTATION

RMI BID COMMITTEE'S REVIEW OF A SCHOOL BID

TECHNICAL AND FINANCIAL EVALUATION

Carried out in accordance with Procedure 002 Bid Evaluation. All Bidders qualified for Marshallese status.

BIDDER'S DESIGNATION	TECHNICAL SCORE	FINANCIAL SCORE	TOTAL SCORE	FINAL BID AMOUNT	RANKING	COMMENTS
A	26.4	66.19	92.59	600,345.97	3	Complying Bid
B	23.1	70.00	93.10	567,672.52	2	Complying Bid
C				524,000.00	4	Disqualified for submitting an incomplete bid
D	28.8	69.24	98.04	573,867.09	1	Complying Bid

DETAILS OF WINNING BID

DESIGNATION	NAME	AMOUNT
D		\$573,867.09

EVALUATOR'S DETAILS

I have made a fair and objective evaluation of the Bids

DESIGNATION	NAME	SIGNATURE
PMU Manager	A Tomlinson	

REVIEWER'S DETAILS

The Bids were assessed in accordance with Procedure 002

DESIGNATION	NAME	SIGNATURE
Secretary of Public Works	S Ysawa	

BID COMMITTEE'S DECISION

Please sign in the appropriate box below

AWARD TO D	DO NOT AWARD TO D	DESIGNATION OR ORGANISATION REPRESENTED
		Chief Secretary
		Attorney General's Office
		Ministry of Finance Representative
		Ministry of Education Representative
		Secretary of Public Works
		MPW Chief Engineer

Meeting held on in MPW offices.