ELECTRIC POWER CORPORATION

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9th April 2018

Minutes of Pre-Bid Meeting for Biogas Project

Date: 9th April 2018

Time : 10 am

Venue : EPC Conference Room Level 5, TATTE Building

Minutes

Project Manager welcomed everyone who was able to attend the pre-bid meeting. He then summarized the bid and the contents of the bid document; starting with Section 1 to Section 9. He also advised that project is funded by GEF, Govt of Samoa and EPC. Fuel feedstock will be from evasive trees. Project oversight is by EPC, MNRE and STEC. STEC owns the land where plant will be located. STEC is also responsible for harvesting the feed stock from forest in form of wood chips and deliver to the plant. EPC is executing agency who will also maintain and operate the plant.

Reps from China Energy Engineering and SSPP, enquired about the taxes

PM – There are two taxes associated with the project. These are the VAGST and Imported Duty on all imported equipment, plant, parts and materials from offisland. These taxes do not apply to the project, so goods and materials imported for the project are exempted from these taxes. The Government of Samoa will pay for these taxes

Project Manager – Reminded everyone that this is not an IPP (Independent Power Producer) project bid but a normal design, supply, construction and commissioning project where the contractor will get paid in full once the works have been successfully completed and verified by EPC. The payment plan is in the Contract form included with bid documents

Rep from China Energy wanted to know details of the site and if there will be a site visit

PM – The site visit will take place once the pre-bid meeting is completed. The site is close to the Faleolo International Airport and the road to it is direct opposite to the road to the Sheraton Resort. EPC has an agreement with Samoa Trust Estates

Corporation (STEC) to set aside 3 acres for this project. The topo survey of the site has been completed and EPC will circulate AutoCad drawings of the survey to the bidders for their information. There will be a separate contract for the landscaping of the site as well as fencing it and other services. EPC will be responsible for running power lines right up to the gate of the security fence and the water supply will be covered in this second contract.

Rep from Ankur Scientific Energy wanted to know if a google image for the site is available so that they can put layouts on it

PM- Yes there are images available and EPC's Land Officer will circulate these maps to everyone

Rep from Kramer Ausenco wanted to know when the separate contract is expected to be completed

PM- Bid for this contract will be advertised this week (Note: it is delayed due to change in site of the plant to land next to one shown to bidders), EPC looking at awarding this contract at around June. Everyone is invited to bid.

PM – Bidders have brought the issue of Limited Liability. The bid requires 3 times the contract amount. Bidders want it to be the same as the contract amount. EPC has rejected the request as it is something that is initiated by the office of the Attorney General and everyone should abide by it. This was advised in Addendum 8 already issued to bidders. However, EPC will consider it.

PM- Another issue brought up by bidders is payment by Letter of Credit. EPC's stance as of now is that there is no change as in the bid and as advised in Addendum 8. However, EPC will consult the donor if they agree to any requested changes to payment plan to the LOC. EPC could consider payment by LOC for just Schedule 1 which is for "Order of Equipment and materials from offisland". The Letter of Credit covers only that. Payments of Schedules 2, 3 and 4 can still be as in the bid document.

PM- Important to note that all contract payment comes straight from the donor to the contractor bank account. EPC does not hold the money nor does it control it. Contractor will get paid in the currencies they bid in.

PM – bidders will be advised on final decision on payment by LOC and limit of liability as raised.

PM - If anyone has a clarification or question, EPC will formally reply and the reply will be to all bidders not to just the one that asked

PM – Corrected that the closing date of the bid has not changed; which is still 7th May 2018. It is important for all bidders to not fully rely on the courier companies as EPC has had experiences in the past in regards to other bids where documents did not arrive on time. Bidders are encouraged to find reliable ways to get their bids in on time