

KENYA PIPELINE COMPANY LIMITED



***TENDER DOCUMENT FOR API STANDARD 653
INSPECTION OF TANK 14-TK-502 AT PS14
KIPEVU DEPOT***

TENDER NUMBER: KPC/PU/011-OT/18-19

FEBRUARY 2019

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SECTION I Invitation to Tender

Tender Reference Number: **KPC/PU/011-OT/18-19**

Tender Name: **Tender for API Standard 653 Inspection of Tank 14-TK-502 at PS14 Kipevu Depot.**

- 1.1 Kenya Pipeline Company Limited invites sealed tenders from eligible service providers to offer **API Standard 653 Inspection of Tank 14-TK-502 at PS14 Kipevu Depot.**
- 1.2 Interested eligible candidates can view and download the documents from the website **www.kpc.co.ke** at no cost. Bidders will be required to email their detailed contact information to **opentender@kpc.co.ke** for recording, further clarifications and addenda. No other email addresses should be used.
- 1.3 Interested eligible candidates shall attach the following mandatory requirements and place them in a separate envelope marked **“Mandatory Requirements”**
 - a) **Certificate of Incorporation/Registration**
 - b) **Original Tender Security of Kshs 200,000.00 from a bank Registered in Kenya or from an Insurance Company Approved by PPRA or equivalent in foreign currency. Valid for 180 days from the date of tender opening.**
 - c) **Valid KRA tax compliance certificate (for local firms).**
 - d) **Signed declaration form.**
 - e) **Signed and Stamped Site visit certificate. Site visit shall be held at PS 14 Kipevu Depot at 10:00 am on 25th February 2019.**
 - f) **Bidders must paginate all their documents and initialize each page.**
 - g) **Valid API Standard 653 Certificate for Tank Inspector.**
 - h) **Valid API Standard 570 Certificate for Piping Inspector.**
 - i) **Completed and signed form of tender with prices inclusive of VAT.**

KPC reserves the right to confirm the authenticity of all documents submitted without notice to Tenderers. Any attempt by bidders to

misrepresent themselves by submitting documents that are not genuine will amount to automatic disqualification.

1.4 Prices quoted should be inclusive of all taxes and delivery costs, must be expressed in **Kenya Shillings** and shall remain valid for a period of (150) days from the closing date of the tender.

1.5 There shall be no correction of arithmetic errors. The completed Price Schedules shall match KPC requirements. Any amendments to the KPC price schedule shall be considered non-responsive and result in disqualification of the bid.

1.6 Completed tender documents are to be enclosed in plain sealed envelopes, marked with the tender number and be deposited in the tender box provided at Kenpipe Plaza, Sekondi Road, Off Nanyuki Road, Industrial Area or be addressed and posted to:

**The Managing Director,
Kenya Pipeline Company Limited
P. O. Box 73442-00200
Nairobi – Kenya**

So as to be received on or before **10.00am 5th March 2019**

1.7 Tenders will be opened immediately thereafter in the presence of the tenderers representatives who choose to attend the opening at Kenya Pipeline Company Limited's Kenpipe Plaza, Sekondi Road, Off Nanyuki Road, Industrial Area.

1.8 Tender documents are not transferable. Kenya Pipeline Ltd reserves the right to accept or reject any tender either in whole or in part.

**GENERAL MANAGER SUPPLY CHAIN
FOR: MANAGING DIRECTOR**

SECTION II Instructions to Tenderers

2.1 Eligible tenderers

- 2.1.1. This Invitation to tender is open to all tenderers eligible as described in the instructions to tenderers. Successful tenderers shall provide the services for the stipulated duration from the **date** of commencement (hereinafter referred to as the term) specified in the tender documents.
- 2.1.2. The Kenya Pipeline Co. Ltd.'s employees, committee members, board members and their relative (spouse and children) are not eligible to participate in the tender.
- 2.1.3. Tenderers shall provide the qualification information statement that the tenderer (including all members, of a joint venture and subcontractors) is not associated, or have been associated in the past, directly or indirectly, with a firm or any of its affiliates which have been engaged by the Kenya Pipeline Co. Ltd to provide consulting services for the preparation of the design, specifications, and other documents to be used for the procurement of the services under this Invitation for tenders.
- 2.1.4. Tenderers involved in corrupt or fraudulent practices or debarred from participating in public procurement shall not be eligible.

2.2 Cost of tendering

- 2.2.1 The Tenderer shall bear all costs associated with the preparation and submission of its tender, and the Kenya Pipeline Co. Ltd , will in no case be responsible or liable for

2.2.2 Contents of tender documents

- 2.2.1. The tender document comprises of the documents listed below and addenda issued in accordance with clause 2.5 of these instructions to tenders
- i) Instructions to tenderers
 - ii) General Conditions of Contract
 - iii) Special Conditions of Contract
 - iv) Schedule of Requirements
 - v) Details of service
 - vi) Form of tender
 - vii) Price schedules

- viii) Contract form
- ix) Confidential business questionnaire form
- x) Tender security form
- xi) Performance security form
- xii) Principal's or manufacturers authorization form
- xiii) Declaration form

2.3.2. The Tenderer is expected to examine all instructions, forms, terms, and specifications in the tender documents. Failure to furnish all information required by the tender documents or to submit a tender not substantially responsive to the tender documents in every respect will be at the tenderers risk and may result in the rejection of its tender.

2.3 Clarification of Documents

2.3.1. A prospective candidate making inquiries of the tender document may notify the Kenya Pipeline Co. Ltd in writing or by post, fax or email at the entity's address indicated in the Invitation for tenders. The Kenya Pipeline Co. Ltd will respond in writing to any request for clarification of the tender documents, which it receives no later than seven (7) days prior to the deadline for the submission of tenders, prescribed by the Kenya Pipeline Co. Ltd. Written copies of the Procuring entities response (including an explanation of the query but without identifying the source of inquiry) will be sent to all prospective tenderers who have received the tender documents”

2.3.2. The Kenya Pipeline Co. Ltd shall reply to any clarifications sought by the tenderer within 3 days of receiving the request to enable the tenderer to make timely submission of its tender.

2.4 Amendment of documents

2.4.1. At any time prior to the deadline for submission of tenders, the Kenya Pipeline Co. Ltd, for any reason, whether at its own initiative or in response to a clarification requested by a prospective tenderer, may modify the tender documents by issuing an addendum.

2.4.2. All prospective tenderers who have obtained the tender documents will be notified of the amendment by post, fax or email and such amendment will be binding on them.

2.5.3. If the tender documents are amended when the time remaining before the deadline for submitting tenders is less than one third of the time allowed for the preparation of tenders, or the time remaining is less than the period indicated in instructions to tenderers, KENYA PIPELINE COMPANY shall extend the deadline as necessary to allow the amendment of the tender documents to be taken into account in the preparation or amendment of tenders.

2.5 Language of tender

2.6.1. The tender prepared by the tenderer, as well as all correspondence and documents relating to the tender exchanged by the tenderer and the Kenya Pipeline Co. Ltd, shall be written in English language. Any printed literature furnished by the tenderer may be written in another language provided they are accompanied by an accurate English translation of the relevant passages in which case, for purposes of interpretation of the tender, the English translation shall govern.

2.7 Documents Comprising the Tender

The tender prepared by the tenderer shall comprise the following components:

- (a) A Tender Form and a Price Schedule completed in accordance with paragraph 2.8, 2.9 and 2.10 below.
- (b) Documentary evidence established in accordance with Clause 2.11 that the tenderer is eligible to tender and is qualified to perform the contract if its tender is accepted; such evidence shall include the following documents
- (c) Tender security furnished is in accordance with Clause 2.12
- (d) Confidential business questionnaire

2.8 Form of Tender

2.8.1 The tenderers shall complete the Form of Tender and the appropriate Price Schedule furnished in the tender documents, indicating the services to be performed. Prices quoted shall be inclusive of all taxes.

2.9 Tender Prices

- 2.9.1 The tenderer shall indicate on the Price schedule the unit prices where applicable and total tender prices of the services it proposes to provide under the contract.
- 2.9.2 Prices indicated on the Price Schedule shall be the cost of the services quoted including all customs duties and VAT and other taxes payable:
- 2.9.3 Prices quoted **by** the tenderer shall remain fixed during the term of the contract unless otherwise agreed by the parties. A tender submitted with an adjustable price quotation will be treated as non-responsive and will be rejected, pursuant to paragraph 2.22.
- 2.9.4 Contract price variations shall not be allowed for contracts not exceeding one year (12 months) and such variation shall only be considered after 12 months from the date of signing the Contract.
- 2.9.5 Where contract price variation is allowed, the variation shall not exceed 15% of the original contract price.
- 2.9.6 Price variation requests shall be processed by the Kenya Pipeline Co. Ltd within 30 days of receiving the request.

2.10 Tender Currencies

- 2.10.1 Prices shall be quoted in Kenya Shillings unless otherwise specified in the appendix to in Instructions to Tenderers

2.11 Tenderers Eligibility and Qualifications.

- 2.11.1 Pursuant to Clause 2.1 the tenderer shall furnish, as part of its tender, documents establishing the tenderers eligibility to tender and its qualifications to perform the contract if its tender is accepted.
- 2.11.2 The documentary evidence of the tenderers qualifications to perform the contract if its tender is accepted shall establish to the Kenya Pipeline Co. Ltd's satisfaction that the tenderer has the financial and technical capability necessary to perform the contract.

2.12 Tender Security- must be valid for 180 days

- 2.12.1 The tenderer shall furnish, as part of its tender, a tender security for the amount and form specified in the Invitation to tender.

- 2.12.2 The tender security shall be ***Kshs. 200,000.00 and must be valid for 180*** days from the date of tender opening
- 2.12.2 The tender security is required to protect the Kenya Pipeline Co. Ltd against the risk of Tenderer's conduct which would warrant the security's forfeiture, pursuant to paragraph 2.12.7
- 2.12.3 The tender security shall be denominated in a Kenya Shillings or in another freely convertible currency and shall be in the form of:
- a) A bank guarantee.
 - b) Cash.
 - c) Such insurance guarantee approved by the Authority.
 - d) Letter of credit
- 2.12.4 Any tender not secured in accordance with paragraph 2.12.1 and 2.12.3 will be rejected by the Kenya Pipeline Co. Ltd as non-responsive, pursuant to paragraph 2.20
- 2.12.5 Unsuccessful tenderer's security will be discharged or returned as promptly as possible but not later than thirty (30) days after the expiration of the period of tender validity prescribed by the Kenya Pipeline Co. Ltd.
- 2.12.6 The successful tenderer's tender security will be discharged upon the tenderer signing the contract, pursuant to paragraph 2.26, and furnishing the performance security, pursuant to paragraph 2.27.
- 2.12.7 The tender security may be forfeited:
- (a) If a tenderer **withdraws** its tender **during** the period of tender validity specified by the Kenya Pipeline Co. Ltd on the Tender Form; or
 - (b) In the case of a successful tenderer, *if* the tenderer fails:
 - (i) to sign the contract in accordance with paragraph 2.26
 - or**
 - (ii) to furnish performance security in accordance with paragraph 2.27.

2.13 Validity of Tenders

2.13.1 Tenders shall remain valid for **150 days** or as specified in the invitation to tender after date of tender opening prescribed by the Kenya Pipeline Co. Ltd, pursuant to paragraph 2.18. A tender valid for a shorter period shall be rejected by the Kenya Pipeline Co. Ltd as nonresponsive.

2.13.2 In exceptional circumstances, the Kenya Pipeline Co. Ltd may solicit the Tenderer's consent to an extension of the period of validity. The request and the responses thereto shall be made in writing. The tender security provided under paragraph 2.12 shall also be suitably extended. A tenderer may refuse the request without forfeiting its tender security. A tenderer granting the request will not be required nor permitted to modify its tender.

2.14 Format and Signing of Tender

2.14.1 The tenderer shall prepare two copies of the tender, clearly / marking each "ORIGINAL TENDER" and "COPY OF TENDER," as appropriate. In the event of any discrepancy between them, the original shall govern.

2.14.2 The original and all copies of the tender shall be typed or written in indelible ink and shall be signed by the tenderer or a person or persons duly authorized to bind the tenderer to the contract. All pages of the tender, except for unamended printed literature, shall be initialed by the person or persons signing the tender.

2.14.3 The tender shall have no interlineations, erasures, or overwriting except as necessary to correct errors made by the tenderer, in which case such corrections shall be initialed by the person or persons signing the tender.

2.15 Sealing and Marking of Tenders.

This is a one envelope tender

2.15.1 The tenderer shall seal the original and copy of the tender in separated envelopes, duly marking the envelopes as "ORIGINAL" and "COPY". The envelopes shall then be sealed in an outer envelope.

2.15.2 The inner and outer envelopes shall be addressed to Kenya Pipeline Company Limited at the address stated in the Appendix to Instructions to Tenderers and bear the name and identification **KPC/PU/011-OT/18-19 Tender for API 653 Inspection of Tank 14-TK-502, PS 14 at Kipevu Depot** of the Contract stated in the said Appendix with a warning not to open before 10am 28th February 2019 for opening of tenders stated in the said Appendix.

2.15.3 The inner envelopes shall each indicated the name and address of the tenderer to enable the tender to be returned unopened in case it is declared “late”, while the outer envelope shall bear no mark indicating the identity of the tenderer.

2.15.4 If the outer envelope is not sealed and marked as instructed above, Kenya Pipeline Company Limited will assume no responsibility for the misplacement or premature opening of the tender. A tender opened prematurely for this cause will be rejected by the Employer and returned to the tenderer.

2.16 Deadline for Submission of Tenders

2.16.1 Tenders must be received by the Kenya Pipeline Co. Ltd at the address specified under paragraph 2.15.2 no later than **10:00 am 5th March 2019**

2.16.2 The Kenya Pipeline Co. Ltd may, at its discretion, extend this deadline for the submission of tenders by amending the tender documents in accordance with paragraph 2.5, in which case all rights and obligations of the Kenya Pipeline Co. Ltd and candidates previously subject to the deadline will thereafter be subject to the deadline as extended.

2.16.3 Bulky tenders which will not fit in the tender box shall be received by the Kenya Pipeline Co. Ltd as provided for in the appendix.

2.17 Modification and withdrawal of tenders

2.17.1 The tenderer may modify or withdraw its tender after the tender’s submission, provided that written notice of the modification, including substitution or withdrawal of the tender’s is received by the Kenya

- Pipeline Co. Ltd prior to the deadline prescribed for the submission of tenders.
- 2.17.2 The Tenderer's modification or withdrawal notice shall be prepared, sealed, marked, and dispatched in accordance with the provisions of paragraph 2.15. A withdrawal notice may also be sent by cable, but followed by a signed confirmation copy, postmarked not later than the deadline for submission of tenders.
- 2.17.3 No tender may be modified after the deadline for submission of tenders.
- 2.17.4 No tender may be withdrawn in the interval between the deadline for submission of tenders and the expiration of the period of tender validity specified by the tenderer on the Tender Form. Withdrawal of a tender during this interval may result in the Tenderer's forfeiture of its tender security, pursuant to paragraph 2.12.7.
- 2.17.5 The Kenya Pipeline Co. Ltd may at any time before awarding the contract terminate procurement proceedings before contract award and shall not be liable to any person for the termination.
- 2.17.6 The Kenya Pipeline Co. Ltd shall give prompt notice of the termination to the tenderers and on request give its reasons for termination within 14 days of receiving the request from any tenderer.
- 2.18 Opening of Tenders**
- 2.18.1 The Kenya Pipeline Co. Ltd will open all tenders in the presence of tenderers' representatives who choose to attend, at **10:00 am 5th March 2019** and in the location specified in the invitation to tender. The tenderers' representatives who are present shall sign a register evidencing their attendance.
- 2.18.3 The tenderers' names, tender modifications or withdrawals, tender prices, discounts, and the presence or absence of requisite tender security and such other details as the Kenya Pipeline Co. Ltd, at its discretion, may consider appropriate, will be announced at the opening.
- 2.18.4 The Kenya Pipeline Co. Ltd will prepare minutes of the tender opening which will be submitted to the tenderers that signed the tender opening register and will have made the request.

2.19 Clarification of tenders

2.19.1 To assist in the examination, evaluation and comparison of tenders the Kenya Pipeline Co. Ltd may at its discretion, ask the tenderer for a clarification of its tender. The request for clarification and the response shall be in writing, and no change in the prices or substance shall be sought, offered, or permitted.

2.19.2 Any effort by the tenderer to influence the Kenya Pipeline Co. Ltd in the Kenya Pipeline Co. Ltd's tender evaluation, tender comparison or contract award decisions shall result in the rejection of the tenderer's tender.

Comparison or contract award decisions may result in the rejection of the tenderer's tender.

2.20 Preliminary Examination and Responsiveness

2.20.1 The Kenya Pipeline Co. Ltd will examine the tenders to determine whether they are complete, whether any computational errors have been made, whether required securities have been furnished whether the documents have been properly signed, and whether the tenders are generally in order.

2.20.2 The tender sum as submitted and read out during the tender opening shall be absolute and final and shall not be the subject of correction, adjustment or amendment in any way by any person or entity.

2.20.3 The Kenya Pipeline Co. Ltd may waive any minor informality or nonconformity or irregularity in a tender which does not constitute a material deviation, provided such waiver does not prejudice or affect the relative ranking of any tenderer.

2.20.4 Prior to the detailed evaluation, pursuant to paragraph 2.22, the Kenya Pipeline Co. Ltd will determine the substantial responsiveness of each tender to the tender documents. For purposes of these paragraphs, a substantially responsive tender is one which conforms to all the terms and conditions of the tender documents without material deviations. The Kenya Pipeline Co. Ltd's determination of a tender's responsiveness is to be based on the contents of the tender itself without recourse to extrinsic evidence.

2.20.5 If a tender is not substantially responsive, it will be rejected by the Kenya Pipeline Co. Ltd and may not subsequently be made responsive by the tenderer by correction of the nonconformity.

2.21 Conversion to a single currency

2.21.1 Where other currencies are used, the Kenya Pipeline Co. Ltd will convert those currencies to Kenya shillings using the selling exchange rate on the date of tender closing provided by the central bank of Kenya.

2.22 Evaluation and comparison of tenders.

2.22.1 The Kenya Pipeline Co. Ltd will evaluate and compare the tenders which have been determined to be substantially responsive, pursuant to paragraph 2.20

2.22.2 The comparison shall be of the price including all costs as well as duties and taxes payable on all the labor be used in the provision of the services. There shall be no correction of arithmetic errors. The completed Bills of Quantities shall match KPC requirements (BOQ). Any amendments to the KPC BOQ shall be considered non-responsive and result in disqualification of the bid.

2.22.3 The Kenya Pipeline Co. Ltd's evaluation of a tender will take into account, in addition to the tender price, the following factors, in the manner and to the extent indicated in paragraph 2.22.4 and in the technical specifications:

(a) Operational plan proposed in the tender;

(b) Deviations in payment schedule from that specified in the Special Conditions of Contract;

2.22.4 Pursuant to paragraph 2.22.3 the following evaluation methods will be applied:

(a) *Operational Plan.*

The Kenya Pipeline Co. Ltd requires that the services under the Invitation for Tenders shall be performed at the time specified in the Schedule of Requirements. Tenders offering to perform longer than the Kenya Pipeline Co. Ltd's required delivery time will be treated as non-responsive and rejected.

(b) *Payment schedule.*

Payment schedule shall be as outlined in the special conditions of contract.

2.22.5 The tender evaluation committee shall evaluate the tender within 30 days from the date of opening the tender.

2.22.6 To qualify for contract awards, the tenderer shall have the following:-

- (a) Necessary qualifications, capability experience, services, equipment and facilities to provide what is being procured.
- (b) Legal capacity to enter into a contract for procurement
- (c) Shall not be insolvent, in receivership, bankrupt or in the process of being wound up and is not the subject of legal proceedings relating to the foregoing
- (d) Shall not be debarred from participating in public procurement.

2.23. Contacting the Kenya Pipeline Co. Ltd

2.23.1 Subject to paragraph 2.19, no tenderer shall contact the Kenya Pipeline Co. Ltd on any matter relating to its tender, from the time of the tender opening to the time the contract is awarded.

2.23.2 Any effort by a tenderer to influence the Kenya Pipeline Co. Ltd in its decisions on tender evaluation tender comparison or contract award shall result in the rejection of the tenderers tender.

2.24 Award of Contract

a) Post qualification

2.24.1 In the absence of pre-qualification, the Kenya Pipeline Co. Ltd will determine to its satisfaction whether the tenderer that is selected as having submitted the lowest evaluated responsive tender is qualified to perform the contract satisfactorily.

2.24.2 The determination will take into account the tenderer's financial and technical capabilities. It will be based upon an examination of the documentary evidence of the tenderers qualifications submitted by the

tenderer, pursuant to paragraph 2.1.2, as well as such other information as the Kenya Pipeline Co. Ltd deems necessary and appropriate.

2.24.3 An affirmative determination will be a prerequisite for award of the contract to the tenderer. A negative determination will result in rejection of the Tenderer's tender, in which event the Kenya Pipeline Co. Ltd will proceed to the next lowest evaluated tender to make a similar determination of that Tenderer's capabilities to perform satisfactorily.

b) Award Criteria

2.24.3 Subject to paragraph 2.24 the Kenya Pipeline Co. Ltd will award the contract to the successful tenderer whose tender has been determined to be substantially responsive and has been determined to be the lowest evaluated tender, provided further that the tenderer is determined to be qualified to perform the contract satisfactorily.

2.24.4 The Kenya Pipeline Co. Ltd reserves the right to accept or reject any tender and to annul the tendering process and reject all tenders at any time prior to contract award, without thereby incurring any liability to the affected tenderer or tenderers or any obligation to inform the affected tenderer or tenderers of the grounds for the Kenya Pipeline Co. Ltd's action. If the Kenya Pipeline Co. Ltd determines that none of the tenderers is responsive; the Kenya Pipeline Co. Ltd shall notify each tenderer who submitted a tender.

2.24.5 A tenderer who gives false information in the tender document about its qualification or who refuses to enter into a contract after notification of contract award shall be considered for debarment from participating in future public procurement.

2.25 Notification of award

2.25.1 Prior to the expiration of the period of tender validity, the Procuring entity will notify the successful tenderer in writing that its tender has been accepted.

2.25.2 The notification of award will signify the formation of the Contract subject to the signing of the contract between the tenderer and the Kenya Pipeline Co. Ltd pursuant to clause 2.26. Simultaneously the other tenderers shall be notified that their tenders have not been successful.

2.25.3 Upon the successful Tenderer's furnishing of the performance security pursuant to paragraph 2.26, the Kenya Pipeline Co. Ltd will promptly notify each unsuccessful Tenderer and will discharge its tender security, pursuant to paragraph 2.12

2.26 Signing of the Contract

2.26.1 At the same time as the Kenya Pipeline Co. Ltd notifies the successful tenderer that its tender has been accepted, the Kenya Pipeline Co. Ltd will simultaneously inform the other tenderers that their tenders have not been successful.

2.26.2 Signing of the contract shall be within the tender validity period but not until fourteen (14) days have elapsed from the date of notification of award. The successful tenderer shall sign the contract and return it to KENYA PIPELINE COMPANY.

2.26.3 The parties to the contract shall have it signed within 30 days from the date of notification of contract award unless there is an administrative review request.

2.27 Performance Security

2.27.1 Within thirty (30) days of the receipt of notification of award from the Kenya Pipeline Co. Ltd, the successful tenderer shall furnish the performance security in accordance with the Conditions of Contract, in the Performance Security Form provided in the tender documents, or in another form acceptable to the Kenya Pipeline Co. Ltd.

2.27.2 Failure of the successful tenderer to comply with the requirement of paragraph 2.26 or paragraph 2.27 shall constitute sufficient grounds for the annulment of the award and forfeiture of the tender security, in which event the Kenya Pipeline Co. Ltd may make the award to the next lowest evaluated or call for new tenders.

2.28 Corrupt or Fraudulent Practices

2.28.1 The Kenya Pipeline Co. Ltd requires that tenderers observe the highest standard of ethics during the procurement process and execution of contracts. A tenderer shall sign a declaration that he has not and will not be involved in corrupt or fraudulent practices.

2.28.2 The Kenya Pipeline Co. Ltd will reject a proposal for award if it determines that the tenderer recommended for award has engaged in corrupt or fraudulent practices in competing for the contract in question;

2.28.3 Further, a tenderer who is found to have indulged in corrupt or fraudulent practices risks being debarred from participating in public procurement in Kenya.

Appendix to Instructions to The Tenderers

The following information for procurement of services shall complement or amend the provisions of the Instructions to Tenderers. Wherever there is a conflict between the provisions of the instructions to tenderers and the provisions of the appendix, the provisions of the appendix herein shall prevail over those of the instructions to tenderers.

Instructi ons to tenderers	Particulars of appendix to instructions to tenderers
2.7	Tenderer shall furnish the following documents with their bid a) Certificate of Incorporation/Registration b) Original Tender Security of Kshs 200,000.00 from a bank Registered in Kenya or from an Insurance Company Approved by PPRA or equivalent in foreign currency. Valid for 180 days from the date of tender opening. c) Valid KRA tax compliance certificate (for local firms). d) Signed declaration form. e) Signed and Stamped Site visit certificate. Site visit shall be held at PS 14 Kipevu Depot at 10:00 am on 25th February 2019. f) Bidders must paginate all their documents and initialize each page. g) Valid API Standard 653 Certificate for Tank Inspector. h) Valid API Standard 570 Certificate for Piping Inspector. i) Completed and signed form of tender with prices inclusive of VAT.
2.11	Particulars of eligible tenderers
2.10	Tenderer shall quote in Kenya Shillings
2.12	Tender security in the amount of KShs 200,000.00
2.27	Performance Security shall be 10% of the contract sum. The performance bond shall be in form of a bank guarantee from a financial institution approved by KPC and shall state that it will

expire upon issue of a Certificate of Completion from KPC.
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During financial evaluation the lowest evaluated bidder will be recommended for award.

The employer may, prior to the award of the tender, confirm the qualifications of the tenderer who submitted the lowest evaluated responsive tender in order to determine whether the tenderer is qualified to be awarded the contract

2.22 Evaluation Criteria

No.	Description of Criteria	Points
1.	<p>a. Previous Tank Inspections - 10 points</p> <p>i) A Tenderer who submits a list and documentary proof of previous API Standard 653 Tank inspection works complete with MFL scanning for 10 and above petroleum storage tanks shall be awarded 10 points</p> <p>ii) A Tenderer who submits a list and documentary proof of previous API Standard 653 Tank inspection works complete with MFL scanning for between 5 and 9 petroleum storage tanks shall be awarded 5 points.</p> <p>iii) A Tenderer who submits a list and documentary proof of previous API Standard 653 Tank inspection works complete with MFL scanning for between 1 and 4 petroleum storage tanks shall be awarded 2.5 points.</p> <p>iv) A Tenderer who does not submit a list and proof of previous API Standard 653 Tank inspection works complete with MFL scanning shall be awarded 0 points</p> <p>Note: Proof of past experience shall comprise the name and contact of the clients, the tank details, scope of the NDE inspection and executive summaries of the inspection reports.</p> <p>b. Previous Piping Inspections – 10 points</p> <p>i) Tenderer who submits a list and documentary proof of pervious API Standard 570 piping</p>	Max 20

No.	Description of Criteria	Points
	<p>inspection work using phased array ultrasonic testing equipment in at least 2 oil and gas installations carried out by an authorized API 570 piping inspector shall be awarded – 10 points.</p> <p>ii) Tenderer who submits a list and documentary proof of pervious API Standard 570 piping inspection work using phased array ultrasonic testing equipment in at least 1 oil and gas installations carried out by an authorized API 570 piping inspector shall be awarded – 5 points.</p> <p>iii) A bidder who does not meet the requirement above gets zero.</p>	
2.	<p>Inspection Period - 5 points</p> <p>i) A Tenderer who demonstrates ability to inspect the tank and deliver report within the time duration indicated in the schedule of requirements Clause 5.4.5 shall be awarded - 5 points</p> <p>ii) A Tenderer who does not demonstrates ability to inspect the tank and deliver report within the time duration indicated in the schedule of requirements shall be awarded - 0 points</p> <p>Note: The Tenderer shall submit a Gantt chart showing key milestone on how all the inspection activities shall be progressed to meet the requirements of this criterion. Tenderer should note that this program of inspection shall be adopted as the working program during the Contract implementation.</p>	Max 5
3.	<p>Availability of Key Equipment</p> <p>A Tenderer who provides proof of ownership of or ability to hire (signed lease or hire agreements with owner complete with proof of ownership of the equipment issued by the owner as required in note ii below) the following equipment shall be awarded points as follows - 50 points</p> <p>a) Phased array ultrasonic testing equipment - 25 points</p>	Max 50

No.	Description of Criteria	Points
	<ul style="list-style-type: none"> b) 3No and more MFL Inspection tool – 10 points 2No MFL Inspection tool – 5 points 1No MFL Inspection tool – 2.5 points c) 1No Ultrasonic crawler inspection tool – 5 points d) 1No MPI inspection tool – 5 points e) 2No. and more Linear Vacuum box – 5 points (1No. Linear Vacuum box – 2.5 points) f) 2No. and more Corner Vacuum box – 5 points (1No. Corner Vacuum box – 2.5 points) <p>Note:</p> <ul style="list-style-type: none"> i. Proof of ownership shall be in the form of purchase receipts, sale/purchase agreement etc. ii. For lease or hire agreements, the hiring agency shall provide similar proof as those of owner. 	
4.	<p>Key Personnel - 25 points</p> <p>A Tenderer who demonstrate to have the following key personnel will be awarded point as follows:</p> <ul style="list-style-type: none"> a) Certified and experienced API Standard 653 Inspector – 10 points <ul style="list-style-type: none"> i. Inspector with valid certification for API653 with 5 years and above tank inspection experience – 10 points ii. Inspector with valid certification for API653 only with 5 years and above tank inspection experience – 5 points iii. Inspector with valid certification for API653 only with less than 5 year active work experience – 3 points b) Certified and experienced API Standard 570 Inspector – 10 points <ul style="list-style-type: none"> i. Inspector with valid certification for API 570 with 3 years and above piping inspection experience – 10 points ii. Inspector with valid certification for API570 and work experience of less than 2 years’ experience – 4 points iii. Inspector who does not meet the requirements above gets – 0 	Max 25

No.	Description of Criteria	Points
	<p>c) 2No and above experienced and trained MFL tool operator with SNT-TC-1A qualification for MFL– 2 points (1No experienced and trained MFL tool operator with SNT-TC-1A qualification for MFL – 1 points)</p> <p>d) 2No and above experienced and trained UT tool operator with SNT-TC-1A qualification UT Level 1 – 2 points (1No experienced and trained UT tool operator – 1 point)</p> <p>e) Experienced and trained Vacuum Box operator – 1 point</p> <p>Tenderer to submit the CV for each of the key personnel showing the year of experience and training background and copies of the Certification).</p>	

Note:

- 1) Only those Tenderers who pass the minimum 70% overall mark and 50% on each criterion on the technical evaluation criteria shall have their financial submissions evaluated. Those who don't pass the technical evaluation shall not be considered in the financial evaluation.

SECTION III General Conditions of Contract

3.1 Definitions

In this contract the following terms shall be interpreted as indicated:

- a) “The contract” means the agreement entered into between the Kenya Pipeline Co. Ltd and the tenderer as recorded in the Contract Form signed by the parties, including all attachments and appendices thereto and all documents incorporated by reference therein.
- b) “The Contract Price” means the price payable to the tenderer under the Contract for the full and proper performance of its contractual obligations.
- c) “The services” means **NDE Inspection of Tank 14-TK-502 at PS14 Kipevu Depot** services to be provided by the contractor including labor and incidentals which the tenderer is required to provide to the Kenya Pipeline Co. Ltd under the Contract.
- d) “The Procuring Entity ” means Kenya Pipeline Company Limited
- e) “The contractor means the individual or firm providing the services under this Contract.
- f) “GCC” means general conditions of contract contained in this section
- g) “SCC” means the special conditions of contract
- h) “Day” means calendar day

3.2 Application

These General Conditions shall apply to the extent that they are not superseded by provisions of other part of contract.

3.3 Standards

- 3.3.1 The services provided under this Contract shall conform to the 7 standards mentioned in the Schedule of requirements.

3.5 Patent Right’s

The tenderer shall indemnify Kenya Pipeline Co. Ltd against all third-party claims of infringement of patent, trademark, or industrial design

tights arising from use of the services under the contract or any part thereof.

3.6 Performance Security

3.6.1 Within Thirty (30) days of receipt of the notification of Contract award, the successful tenderer shall furnish to the Kenya Pipeline Co. Ltd the performance security where applicable in the amount specified in Special Conditions of Contract.

3.6.2 The proceeds of the performance security shall be payable to the Kenya Pipeline Co. Ltd as compensation for any loss resulting from the Tenderer's failure to complete its obligations under the Contract.

3.6.3 The performance security shall be denominated in the currency of the Contract, or in a freely convertible currency acceptable to the Kenya Pipeline Co. Ltd and shall be in the form of:

a) A bank guarantee.

b) Such insurance guarantee approved by the Authority.

3.6.4 The performance security will be discharged by the Kenya Pipeline Co. Ltd and returned to the candidate not later than thirty (30) days following the date of completion of the tenderer's performance of obligations under the contract, including any warranty obligations under the contract.

3.7 Inspections and Tests

3.7.1 The Kenya Pipeline Company Limited or its representative shall have the right to inspect and/or to test the services to confirm their conformity to the Contract specifications. The Kenya Pipeline Co. Ltd shall notify the tenderer in writing, in a timely manner, of the identity of any representatives retained for these purposes.

3.7.2 The inspections and tests may be conducted on the premises of the tenderer or its subcontractor(s). If conducted on the premises of the tenderer or its subcontractor(s), all reasonable facilities and assistance, including access to drawings and production data, shall be furnished to the inspectors at no charge to the Kenya Pipeline Co. Ltd.

3.7.3 Should any inspected or tested services fail to conform to the Specifications, the Kenya Pipeline Co. Ltd may reject the services, and the tenderer shall either replace the rejected services or make alterations

necessary to meet specification requirements free of cost to the Kenya Pipeline Co. Ltd.

3.7.4 Nothing in this paragraph shall in any way release the tenderer from any warranty or other obligations under this Contract.

3.8 Payment

3.8.1 The method and conditions of payment to be made to the tenderer under this Contract shall be specified in SCC

3.9 Prices

Prices charged by the contractor for services performed under the Contract shall not, with the exception of any Price adjustments authorized in SCC, vary from the prices by the tenderer in its tender or in the Kenya Pipeline Co. Ltd's request for tender validity extension as the case may be. No variation in or modification to the terms of the contract shall be made except by written amendment signed by the parties.

3.10 Assignment

The tenderer shall not assign, in whole or in part, its obligations to perform under this contract, except with the Kenya Pipeline Co. Ltd's prior written consent.

3.11 Termination for Default

Kenya Pipeline Co. Ltd may, without prejudice to any other remedy for breach of Contract, by written notice of default sent to the tenderer, terminate this Contract in whole or in part:

- a) If the tenderer fails to provide any or all of the services within the period(s) specified in the Contract, or within any extension thereof granted by Kenya Pipeline Co. Ltd.
- b) If the tenderer fails to perform any other obligation(s) under the Contract.
- c) If the tenderer, in the judgment of Kenya Pipeline Co. Ltd has engaged in corrupt or fraudulent practices in competing for or in executing the Contract.

In the event Kenya Pipeline Co. Ltd terminates the Contract in whole or in part, it may procure, upon such terms and in such manner as it deems appropriate, services similar to those undelivered, and the tenderer shall be liable to the Kenya Pipeline Co. Ltd for any excess costs for such similar services.

3.12 Termination of insolvency

Kenya Pipeline Co. Ltd may at any time terminate the contract by giving written notice to the contractor if the contractor becomes bankrupt or otherwise insolvent. In this event, termination will be without compensation to the contractor, provided that such termination will not produce or affect any right of action or remedy, which has accrued or will accrue thereafter to Kenya Pipeline Co. Ltd.

3.13 Termination for convenience

3.13.1 Kenya Pipeline Co. Ltd by written notice sent to the contractor may terminate the contract in whole or in part, at any time for its convenience. The notice of termination shall specify that the termination is for the Kenya Pipeline Co. Ltd convenience, the extent to which performance of the contractor of the contract is terminated and the date on which such termination becomes effective.

3.13.2 For the remaining part of the contract after termination the Kenya Pipeline Co. Ltd may elect to cancel the services and pay to the contractor on agreed amount for partially completed services.

3.14 Resolution of disputes

The Kenya Pipeline Co. Ltd's and the supplier shall make every effort to resolve amicably by direct informal negotiations any disagreement or dispute arising between them under or in connection with the contract.

If after thirty (30) days from the commencement of such informal negotiations both parties have been unable to resolve amicably a contract dispute either party may require that the dispute be referred for resolution shall be referred to the high court of Kenya.

3.15 Governing Language

The contract shall be written in the English language. All correspondence and other documents pertaining to the contract, which are exchanged by the parties, shall be written in the same language.

3.16 Force Majeure

Neither party shall be liable *for* forfeiture of its performance security, or termination for default if and to the extent that its delay in performance or other failure to perform its obligations under the Contract is the result of an event of Force Majeure.

3.17 Applicable Law.

The contract shall be interpreted in accordance with the laws of Kenya.

3.18 Notices

Any notices given by one party to the other pursuant to this contract shall be sent to the other party by post or by fax or E-mail and confirmed in writing to the other party's address specified in the SCC

A notice shall be effective when delivered or on the notices effective date, whichever is later.

SECTION IV Special Conditions of Contract

Special Conditions of Contract shall supplement the General Conditions of Contract. Whenever there is a conflict, between the GCC and the SCC, the provisions of the SCC herein shall prevail over these in the GCC.

4.1 Performance Security

Clause 3.6 is amendment as follow:

The performance security shall be 10% of the bid price.

4.2 Terms of payment

Clause 3.8

The Tenderer shall be paid the amount due after submission of invoice.

The payment milestones in this Contract shall be as detailed below.

4.2.1 Payment Certificate No. 1

Mobilization plus NDE inspection as per clauses 7.1 of section VII and 8.1 of section VIII – Lump Sump

4.2.2 Payment Certificate No. 2

Submission of suitability for service evaluation report as per clause 7.2 of and piping inspection report as per clause 7.6 of section VII and 8.2 of section VIII – Lump Sump

4.2.3 Payment Certificate No. 3

Submission of inspection report for repair works done on tank as per clause 7.3 of section VII and 8.3 of section VIII – 50% of Lump Sump

4.2.4 Payment Certificate No. 4

Submission of inspection report for repair works done on tank as per clause 7.3 of section VII and 8.3 of section VIII – remaining 50% of Lump Sump

4.2.5 Payment Certificate No. 5

Demobilization plus submission of hydro-test report and tank settlement reports and final API 653 out of service report done on tank as per clause 7.4 and 7.5 of section VII and 8.3 of section VIII.

4.3 No Advance Payment

There shall be no advance payment in this tender.

4.4 Statutory Licensing & Certification

The Tenderer shall at the time of submission of his bid ensure and provide evidence of compliance of all the necessary registration and tax certifications in accordance to the statutory requirements of Government of Kenya

4.5 Notices

For the purposes of this Clause, the address shall be:-

**The Managing Director,
Kenya Pipeline Company Ltd,
Kenpipe Plaza,
Sekondi Rd, Off Nanyuki Rd,
Industrial Area,
P. O. Box 73442 - 00200,
Nairobi, Kenya.**

SECTION V Requirements of the API Standard 653 Inspection

5.1 Abbreviations

a) AGO	Automobile Gas oil
b) API	American Petroleum Institute
c) ASTM	American Society of Testing and Materials
d) Code	API Standard 653
e) Inspector	Authorized Inspector as defined by the Standard
f) MFL	Magnetic Flux Leakage
g) MT	Magnetic Particle Examination
h) NDE	Non-Destructive Examination
i) PMS	Premium Motor Spirit
j) PT	Liquid Penetrant Examination
k) QA	Quality Assurance
l) QC	Quality Control
m) TK	Tank
n) UT	Ultrasonic Thickness
o) m	Meter
p) m ³	Cubic Meter

5.2 Tank Construction and Maintenance History

5.2.1 Tank 14-TK-502 is an external floating roof tank designed and constructed in accordance with the requirements of API Standard 650 for Welded Tanks for Oil Storage.

5.2.2 The tank dimensions are:

- a) Diameter 62.69m
- b) Height 17.07m
- c) Capacity 52,473m³

5.2.3 The tank was originally designed for crude oil service but later in 1985 was converted to white oil service for storage DPK.

5.2.4 The tank was last rehabilitated in 2004 during which identified metal loss defects on the tank bottom, shell, roof and other appurtenances were repaired by either patching or fill welding. The tank was then internally epoxy lined on the bottom, shell and product side of the double deck floating roof.

5.3 Need for Inspection of Tank 14-TK-502

- 5.3.1 The tank begun showing signs of minor leak in November 2017. The leak was in the form of wetness with product fumes emanating from beneath the tank floor and the tank foundation. This scenario was seen on a small section of the tank.
- 5.3.2 Later in December 2017, during normal operation of the tank, the leak become pronounced and significant volumes of product were seen to be emanating from between the tank bottom and the foundation.

5.4 Requirements for API 653 Inspection Agency

The inspection agency to be contracted to carry out the services in this Contract shall meet the following requirements:

- 5.4.1 Must have the requisite tools to effectively carry out the inspection. As a minimum the following equipment be available:
- a) 1No. Phased Array Ultrasonic Testing Equipment
 - b) 2No. MFL scanner equipment
 - c) 1No. UT crawler Equipment
 - d) 1No. MPI equipment
 - e) 2No. Vacuum box
 - f) 2No. Corner vacuum box
- 5.4.2 Must have qualified and experienced personnel to operate the equipment listed in 5.4.1 above.
- 5.4.3 Must have qualified and experienced personnel to interpret, analyze, size and report the indication/anomalies detected by the equipment listed in 5.4.1 above.
- 5.4.4 Must be able to prepare and submit a preliminary inspection report and detailed inspection report in accordance with the requirements of API Standard 653. Both reports must be signed by a certified API tank inspector.
- 5.4.5 Must have the capacity to carry out the specified NDE on the tank, perform suitability for service evaluation of tank and submit the

preliminary API 653 Inspection report within a maximum duration of 25 days.

5.4.6 Must have a certified and experienced API 570 piping inspector.

SECTION VI Specifications for NDE

6.0 Reference Standard

- a) API 650 Standard for Welded Tanks for Oil Storage
- b) API 653 Standard for Tank Inspection, Repair, Alteration, and Reconstruction
- c) ASTM E432 Standard Guide for Selection of a Leak Testing Method
- d) ASTM E1002 Standard Practice for Leaks Using Ultrasonics
- e) ASTM E164 Standard Practice for Contact Ultrasonic Testing of Weldments
- f) ASTM E709 Standard Guide for Magnetic Particle Testing
- g) ASTM E1444 Standard Practice for Magnetic Particle Testing
- h) ANSI/ASSE Z117 Safety Requirements for confined space

6.1 MFL Inspection

- 6.1.1 The entire tank floor shall be scanned using the MFL tool for detection and reporting on all metal loss defects.
- 6.1.2 The scanning shall be done on each plate comprising the tank bottom.
- 6.1.3 The MFL scanning shall discriminate the metal loss defects that are on topside and underside of the tank bottom.
- 6.1.4 All other features other than metal loss defects detected by the tool shall be reported and a clear concise description given for each feature.
- 6.1.5 All points of metal loss shall be marked out using indelible ink for ease of identification during repair.
- 6.1.6 A map shall be plotted out using the identified point showing the distribution of the metal loss defects on the tank bottom.

6.1.7 A list of all the identified metal loss defects shall be prepared giving details of depth and location as prescribed in the schedule of requirements.

6.2 UT Inspection

6.2.1 All the metal loss defects on the tank bottom identified by MFL shall be scanned using the UT equipment to determine the actual depth and cross-sectional area of the metal loss in “x” and “y” coordinates.

6.2.2 UT measurements shall endeavor to discriminate embedded corrosion products from the actual remaining wall thickness.

6.2.3 The tank shell thickness inspection shall be carried out using the UT crawler machine to determine the remaining wall thickness in accordance with the requirements of the API Standard 653.

6.2.4 The floating roof top deck shall be inspected for remaining wall thickness by use of the UT crawler machine.

6.2.5 A list of all measured defects in order of severity and their location shall be submitted with the report in accordance with the schedule of requirement.

6.2.6 All the bottom sumps and roof sump shall be scanned 100%. A report on status of each sump shall be submitted.

6.2.7 All points of metal loss shall be marked out using indelible ink for ease of identification during repair.

6.2.8 A map shall be plotted out using the identified point showing the distribution of the metal loss defects on the tank shell and roof.

6.2.9 A list of all the identified metal loss defects shall be prepared giving details of depth and location as prescribed in the schedule of requirements.

6.3 Vacuum Box Inspection

6.3.1 All the linear welds on the tank bottom shall be vacuum box tested 100% in a systematic method.

- 6.3.2 All fillet welds on the floor to shell joints and on the bottom sumps shall be vacuum box tested 100%.
- 6.3.3 All butt welds on the first tank shell shall be vacuum box tested 100%.
- 6.3.4 A list of all leaking welds shall be prepared and submitted in the report in accordance with the scheduled of requirement.

6.4 MPI Inspection

- 6.4.1 All detected cracks shall be investigated using the MPI method.
- 6.4.2 A list of all cracks shall be submitted giving details of length and location.
- 6.4.3 A graphical presentation shall be submitted on the distribution of the cracks on the tank bottom.

6.5 Tank Settlement Inspection

- 6.5.1 The tank shall be inspected for signs of settlement in accordance with the requirements of API Standard 653. These shall include tank bottom settlement, edge settlement, shell settlement and any other as per the requirement of API Standard 653.
- 6.5.2 Graphical presentation shall be submitted showing areas of settlement.
- 6.5.3 Where practicable, the extent of each individual settlement shall be quantified in in “x”, “y” and “z” coordinates.
- 6.5.4 A detail report on the tank bottom settlement inspection shall be submitted in accordance with the schedule of requirement.

6.6 Tank Verticality And Roundness

The Inspector shall carry out tank verticality and roundness checks as required by the API Standard 653.

SECTION VII Scope of Inspection

7.0 Scope of API Standard 653 Inspection

The scope of the API 653 inspection and shall comprise:

- a) NDE inspection of the tank in accordance to API Standard 653
- b) Suitability for service evaluation of the tank in accordance with the requirements of API Standard 653 out-of-service inspection.
- c) Inspection of tank repair works in accordance to API Standard 653

In addition, the inlet and outlet piping to the tank shall be inspected in accordance to the requirement of API 570 and the detailed specification hereunder by qualified and certified API 570 piping inspector.

7.1 NDE Inspection of Tank

The Inspector shall carry out the following NDE activities on the tank in accordance with the requirements of API Standard 653:

7.1.1 Visual inspection

The Inspector shall carry out visual inspection and mark defect areas for repair using indelible ink on the following:

- a) Primary wind girder
- b) Secondary wind girder
- c) All pontoon manholes and lids
- d) Pontoon rim
- e) Foam seals and scuff bag
- f) Curb angle
- g) Rolling ladder
- h) Spiral stairway and associated platforms
- i) Inlet manholes and nozzles
- j) Roof sumps
- k) Bottom sumps
- l) Roof support legs
- m) Sump drain lines
- n) Roof drain line
- o) Striker plates
- p) Guide pole
- q) MRT pipe

- r) Roof vents
- s) Other tank appurtenances

The Inspector shall identify areas of repair and those that require replacement.

7.1.2 Flash blasting

The Inspector shall flash blast:

- a) The entire tank floor to prepare the surface for MFL scan.
- b) The tank shell to floor fillet weld in preparation for the vacuum box testing of the weld.
- c) 3No floor sumps.

7.1.3 MFL Scanning

The Inspector shall carry out 100% MFL scanning of the entire tank bottom.

All plates condemned for replacement shall be clearly marked using indelible ink showing the cutting lines/the size of the replacement plates.

All areas to be repaired by patch welding shall be clearly marked showing the size of the patch plate to be installed.

7.1.4 Vacuum Box Testing

The Inspector shall carry out 100% vacuum box testing on:

- a) All tank bottom lap welds
- b) Bottom to shell fillet (corner) welds
- c) All tank first shell course butt welds
- d) All the tank roof lap welds
- e) Sump corner welds

All leaking welds shall be marked for repair using indelible ink showing the length of the weld to be repaired.

7.1.5 MT Examination

The Inspector shall carry out MPI test on critical section of the tank as may be necessary.

7.1.6 UT Scanning

The Inspector shall carry out UT thickness measurements on the tank shell and floating roof top deck in accordance with the requirements of API Standard 653.

All areas that require repair shall be clearly mark using indelible ink.

7.1.7 RT Examination

The Inspector shall carry out RT on butt joint repair weld joints on the tank shell and annular ring in accordance with the requirements of API Standard 653.

7.1.8 PT Examination

The Inspector shall carry out PT in lieu of MT examination where the code allows.

7.1.9 Diesel Test

The Inspector shall carry out complete diesel test on all the pontoons. All the leaking pontoon shall be identified and areas for repair shall be marked using indelible ink.

7.1.10 Phased Array Ultrasonic Examination

The API 570 Piping Inspector shall carry out phased array ultrasonic examination of all the product piping attached to the tank and evaluate the findings for fitness for service of the piping in accordance with the requirements of API 570 code.

7.2 Suitability for Service Evaluation

The Inspector shall carry out the complete evaluation of the tank to determine suitability for service in accordance with the requirements of API Standard 653.

7.2.1 Tank Roof Evaluation

The Inspector shall carry out structural integrity assessment for the roof and the roof support system to verify their status.

The Inspector shall identify and mark roof plates corroded to an average thickness of less than 0.09 in. in any 100 in.²

The Inspector shall evaluate all anomalies on the tank roof and pontoons that shall include but not limited to cracks, holes, corrosion pitting etc in accordance with the requirement of the code.

The Inspector shall also evaluate the roof support system, perimeter seal system, appurtenance such as roof rolling ladder, anti-rotation device, and water drain system and venting system on the tank roof.

7.2.2 Tank Shell Evaluation

The Inspector shall evaluate flaws, deterioration and other condition that might adversely affect the performance or structural integrity of the shell of the tank.

The Inspector shall carry out the actual thickness determination on corroded areas on the tank shell assure on the tank hydraulic and structural integrity and if there is need to adjust the tank liquid level.

The Inspector shall also check on signs of shell distortions and make appropriate recommendations for repair in accordance with the requirements of the code.

The Inspector shall also check for presence of other flaws on the tank shell plates comprising but not limited to cracks or laminations and recommend suitable repair method in accordance with the requirements of the code.

The Inspector shall also evaluate the condition of the wind girders i.e. top and intermediate girders and identify areas of repair and the suitable repair method.

The Inspector shall evaluate the condition of tank shell welds and defects identified shall be marked for repair. The Inspector shall recommended suitable repair method in accordance with the requirements of the code.

7.2.3 Tank Bottom Evaluation

The Inspector shall evaluate condition of the tank bottom based on the NDE methods specified in this document. The identified defects shall be evaluated for fitness for continued use or for repair in accordance with the requirements of the code.

The Inspector shall endeavor to identify and report on the cause of bottom failure.

The Inspector shall also carry out tank bottom plate thickness measurements and evaluate the same against requirements of minimum thickness for tank bottom plate and especially for the annular plate ring.

The Inspector shall determine the rate of corrosion on both product side and soil side of the tank bottom and recommend the appropriate corrosion mitigation measures required in accordance with the requirements of the code.

7.2.4 Tank Foundation Evaluation

The Inspector shall evaluate the condition of the tank foundation and determine extent of deterioration. The Inspector shall consider the effect of settlement, erosion, cracking etc. on the integrity of the tank foundation.

The Inspector shall thereafter recommend the appropriate repair method or replacement as may be applicable.

7.2.5 Tank Inlet and Outlet Piping Evaluation

The API 570 Piping Inspector shall carry out an evaluation of all the product piping attached to the tank in accordance with the requirements of API 570 code and submit a fitness for service report complete with the necessary repairs to be carried out on the piping.

7.3 Inspection of Tank Repair Works

The Inspector shall inspect the tank repair works to ensure compliance with the requirements of API Standard 653. The scope of work shall include but not limited to the following:

Tank Shell Repairs (Provisional)

7.3.1 Removal and replacement of shell plate material

The Inspector shall ensure compliance with the:

- a) Specified minimum dimensions of replacement shell plate where applicable.
- b) Weld joint design.
- c) Door sheet installation if applicable.

7.3.2 Shell repair using lap-welded patch plate

The Inspector shall ensure compliance with the requirements of the code on this method of tank shell repair.

7.3.3 Repair of defect in shell plate material

The Inspector shall ensure compliance with the requirements of the code during the repair of indications such as cracks, gouges or tears, widely scatted pits and corroded areas identified during the inspection of the tank.

7.3.4 Repair of defective welds

The Inspector shall ensure compliance with the requirements of the code during repair of weld defects such as cracks, porosity, undercut etc.

7.3.5 Repair of shell penetration

The Inspector shall ensure compliance with the requirements of the code during repair of defects on the existing shell penetrations.

7.3.6 Alteration of existing shell penetrations

The Inspector shall ensure compliance with the requirements of the code during alterations of the existing shell penetrations if need to do so arises.

Tank Bottom Repair

7.3.7 Repairing of a portion of tank bottom

The Inspector shall ensure compliance with the requirements of the code during repair of tank bottom using welded-on patch plates and especially within the critical zone.

7.3.8 Replacement of tank bottom plates

The Inspector shall ensure compliance with the requirements of the code during replacements of some bottom plates or the entire tank bottom (renewing the tank floor).

7.3.9 Installation of additional welded-on plate

The Inspector shall ensure compliance with the requirements of the code during installation of other welded-on plates such as wear, striker plates etc. and especially were such plates are to be installed with the critical zone.

Tank Floating Roof (Provisional)

7.3.10 Repair of corroded portions of the roof

The Inspector shall ensure compliance with the requirements of the code during repair of corroded roof plates by either welded-on patch plates or replacement of roof plates.

7.3.11 Repair of pontoons

The Inspector shall ensure compliance with the requirements of the code during repair of leaking pontoons.

7.3.12 Repair and replacement of floating roof perimeter seals

The Inspector shall ensure compliance with the requirements of the code during repair or replacement of the roof seal.

7.4 Tank Settlement Survey

The Inspector shall carry out tank settlement survey in accordance with the requirement of API 653 and report on the following:

- i. Shell settlement
- ii. Edge settlement
- iii. Bottom settlement

7.5 Hydrostatic Testing

The Inspector shall prepare procedure for hydrostatic testing of the repaired tank. He shall also supervise and collect requisite data throughout the process to ensure compliance to the requirements of the code.

7.6 Inspection of Tank Inlet and Outlet Piping

The Inspector shall carry out inspection of the adjoining inlet and outlet piping to the tank. The evaluation of the piping shall determine the integrity of the piping and identify any corrective action to be taken.

The scope of inspection shall commence from the tank side valves up to the tank inlet manifold.

SECTION VIII Inspection Reports

8.0 Introduction

The resultant inspection report(s) shall be used to carry out repair on the tank.

8.1 Preliminary Inspection Report

The Preliminary Inspection Report shall be submitted within **5 days** of completion of the inspection and shall contain the following as a minimum:

- a) All identified leak points
- b) All critically corroded areas
- c) Metal loss features with remaining wall thickness of 20% and their location
- d) All cracks detected, their location and length
- e) Status of the roof and floor sumps

8.2 Final Inspection Report

The Final Inspection Report shall be submitted within **14 days** of completion of the inspection and shall be a combination of the following detailed inspection reports:

a) MFL Report

The MFL scan report shall include all defects detected and their specific locations using the “x” and “y” coordinate system on the individual plates and their depth and remaining plate thickness.

Condemned plates on tank bottom and roof for replacement.

Various sizes of the patch plates for both tank bottom and roof and their location.

b) UT Report

Full UT report on the status of the tank pointing areas that require repair and method of repair.

For tank bottom examination, the UT report shall be complimentary to the MFL report providing accurate data on the identified metal loss defects.

A full UT report shall be submitted for tank shell and floating roof top deck remaining wall thickness measurements.

All the metal loss defects for repair identified by the UT tool shall be listed complete with location of the defects.

c) Vacuum Test Report

Vacuum test report for all linear welds and fillet welds giving status of the welds.

d) MPI Report

MPI report for any crack detected.

e) Tank Settlement Report

Tank settlement report shall be submitted showing the following aspects of settlement:

- iv. Shell settlement
- v. Edge settlement
- vi. Bottom settlement

8.3 API Standard 653 Out of Service Report

The Inspector shall submit a complete API Standard 653 Tank Inspection Report for the tank in accordance the requirement of the Standard.

8.4 Repair Inspection Report

The inspector shall submit a detailed inspection report on the various aspect of repair works carried out on tank. This report shall include the hydrostatic testing of the tank.

8.5 Report Presentation

The reports were applicable shall be accompanied by detailed description how the inspection was carried out, tank bottom preparations for inspection including layout and mapping, colour photographs of key inspection features, anomaly tables, the graphical data presentations, defect/feature analysis method used and recommendations.

The reports shall also inform on the accuracy of the tools and degree of reporting confidence as well as any limitations inherent to the technology used in each inspection tool.

The report shall be presented in:

- a) Hard copy i.e. in four ring
- b) Ipad Air 2 (cellular) 128GB
- c) Soft copy i.e. either in USB stick or CD (editable)

The final inspection reports shall be submitted within 14 days of completion of the Inspection exercise of each category.

SECTION IX Price Schedule

Item	Description	UoM	Amount
1	Allow for mobilization of equipment and personnel	L.S	
2	Allow for Visual Inspection Examination of tank in accordance with clauses 7.1.1 of Section VII and 8.1 of Section VIII.	L.S	
3	Allow for flash blasting of tank in accordance with clauses 7.1.2 of Section VII	L.S	
4	Allow for MFL Scan Examination of tank floor in accordance with clauses 7.1.3 of Section VII and 8.1 of Section VIII.	L.S	
5	Allow for Vacuum Box Examination of tank in accordance with clauses 7.1.4 of Section VII and 8.1 of Section VIII.	L.S	
6	Allow for Magnetic Particle Examination of tank in accordance with clauses 7.1.5 of Section VII and 8.1 of Section VIII. (Provisional)	L.S	
7	Allow for UT Scanning Examination of tank shell in accordance with clauses 7.1.6 of Section VII and 8.1 of Section VIII.	L.S	
8	Allow for Radiographic Examination of new welds on the tank in accordance with clauses 7.1.7 of Section VII and 8.1 of Section VIII. (Provisional).	L.S	
9	Allow for Liquid Penetrant Examination in accordance with clauses 7.1.8 of Section VII and 8.1 of Section VIII. (Provisional).	L.S	
10	Allow for diesel test on all pontoon in accordance with clauses 7.1.9 of Section VII and 8.1 of Section VIII. (Provisional).	L.S	
11	Allow for suitability for service evaluation of the tank in accordance with clause 7.2 of Section VII and 8.2 of Section VIII.	L.S	
12	Allow for tank settlement survey in accordance with clause 7.4 of Section VII and 8.2 of Section VIII.	L.S	
14	Allow for supervision of hydro-test of the repaired tank in accordance with clause 7.5 of	L.S	

Item	Description	UoM	Amount
	Section VII.		
15	Allow for piping inspection of the tank inlet and outlet piping in accordance with the clauses 7.6 of Section VII and 8.5 of Section VIII and the requirements of API 570	L.S	
16	Allow for demobilization of equipment and personnel	L.S	
	Sub-Total		
	VAT 16%		
	Total to be carried to form of tender		

Signature of Tenderer _____

Note: In case of discrepancy between unit price and total, the unit price shall prevail.

SECTION X Standard Forms

10.1 FORM OF TENDER

To: _____ [Date]

***Kenya Pipeline Company Ltd
Kenpipe Plaza,
Sekondi Road, Industrial Area,
P.O. Box 73442 - 00200
Nairobi, Kenya***

Tender for API Standard 653 Inspection of Tank 14-TK-502 at PS14 Kipevu Depot

Dear Sir,

- i. In accordance with the Conditions of Contract, Specifications, Drawings and Price bid, for the execution of the above named Works, we, the undersigned Offer to undertake and complete such Works and remedy any defects therein for the sum of Kshs _____ [Amount in figures ***Inclusive of all taxes***] Kenya Shillings _____ [Amount in words]
- ii. We undertake, if our tender is accepted, to commence the Works as soon as is reasonably possible after the receipt of the Engineer's notice to commence, and to complete the whole of the Works comprised in the Contract within the time stated in the Agreement to Conditions of Contract.
- iii. We agree to abide by this tender until _____, (Insert Date) and it shall remain binding upon us and may be accepted at any time before that date.
- iv. Unless and until a formal Agreement is prepared and executed, this tender together with your written acceptance thereof, shall **NOT** constitute a binding Contract between us.
- v. We understand that you are not bound to accept the lowest or any tender you may receive.
 - a. Dated this _____ day of _____ 20 _____

Signature _____ in the capacity of _____

Duly authorized to sign tenders for and on behalf of:

Witness:

Name _____

Address _____

Signature _____

Date _____

Duly authorized to sign tender for an on behalf of _____

10.2 CONFIDENTIAL BUSINESS QUESTIONNAIRE FORM

You are requested to give the particulars indicated in Part 1 and either Part 2(a), 2(b) or 2 (c) whichever applied to your type of business
 You are advised that it is a serious offence to give false information on this form

<i>Part 1 – General:</i>	
Business Name	
Location of business premises.	
Plot No..... Street/Road	
Postal Address Tel No. Fax	
Email	
Nature of Business	
Registration Certificate No.....	
Maximum value of business which you can handle at any one time – Kshs/USD	
Name of your bankers Branch	

	Part 2 (a) – Sole Proprietor																
	Your name in full Age																
	Nationality Country of origin																
	<ul style="list-style-type: none"> • Citizenship details 																
	Part 2 (b) Partnership																
	Given details of partners as follows:																
	<table border="0"> <tr> <td style="text-align: center;">Name</td> <td style="text-align: center;">Nationality</td> <td style="text-align: center;">Citizenship Details</td> <td style="text-align: center;">Shares</td> </tr> <tr> <td style="text-align: center;">1.</td> <td>.....</td> <td>.....</td> <td>.....</td> </tr> <tr> <td style="text-align: center;">2.</td> <td>.....</td> <td>.....</td> <td>.....</td> </tr> <tr> <td style="text-align: center;">3.</td> <td>.....</td> <td>.....</td> <td>.....</td> </tr> </table>	Name	Nationality	Citizenship Details	Shares	1.	2.	3.
Name	Nationality	Citizenship Details	Shares														
1.														
2.														
3.														

	4.																														
	Part 2 (c) – Registered Company																														
	Private or Public																														
	State the nominal and issued capital of company- Nominal Kshs/USD..... Issued Kshs/USD.....																														
	Given details of all directors as follows																														
	<table style="width: 100%; border-collapse: collapse;"> <thead> <tr> <th style="width: 15%;"></th> <th style="width: 30%;">Name</th> <th style="width: 30%;">Nationality</th> <th style="width: 15%;">Citizenship Details</th> <th style="width: 10%;">Shares</th> </tr> </thead> <tbody> <tr> <td style="text-align: center;">1.</td> <td>.....</td> <td>.....</td> <td>.....</td> <td>.....</td> </tr> <tr> <td style="text-align: center;">2.</td> <td>.....</td> <td>.....</td> <td>.....</td> <td>.....</td> </tr> <tr> <td style="text-align: center;">3.</td> <td>.....</td> <td>.....</td> <td>.....</td> <td>.....</td> </tr> <tr> <td style="text-align: center;">4.</td> <td>.....</td> <td>.....</td> <td>.....</td> <td>.....</td> </tr> <tr> <td style="text-align: center;">5.</td> <td>.....</td> <td>.....</td> <td>.....</td> <td>.....</td> </tr> </tbody> </table>		Name	Nationality	Citizenship Details	Shares	1.	2.	3.	4.	5.
	Name	Nationality	Citizenship Details	Shares																											
1.																											
2.																											
3.																											
4.																											
5.																											
	Date Signature of Candidate																														

- If a Kenya Citizen, indicate under “Citizenship Details” whether by Birth, Naturalization or registration.

10.3 TENDER SECURITY FORM

Whereas [*name of the Tenderer*]
(hereinafter called “the Tenderer”) has submitted its tender dated
..... [*date of submission of tender*] for the **API Standard 653
Inspection of Tank 14-TK-502 at PS14 Kipevu Depot** (hereinafter
called “the Tender”) KNOW
ALL PEOPLE by these presents that WE of
..... having our registered office at
..... (hereinafter called “the Bank”), are bound unto **Kenya
Pipeline Company Ltd** (hereinafter called “the Procuring entity”) in
the sum of for which payment well and truly to be
made to the said Procuring entity, the Bank binds itself, its
successors, and assigns by these presents. Sealed with the Common
Seal of the said Bank this _____ day of _____ 20
_____.

THE CONDITIONS of this obligation are:-

1. If the Tenderer withdraws its Tender during the period of tender validity specified by the Tenderer on the Tender Form; or
2. If the Tenderer, having been notified of the acceptance of its Tender by the Procuring entity during the period of tender validity:
 - (a) fails or refuses to execute the Contract Form, if required; or
 - (b) fails or refuses to furnish the performance security in accordance with the Instructions to Tenderers;

We undertake to pay to the Procuring entity up to the above amount upon receipt of its first written demand, without the Procuring entity having to substantiate its demand, provided that in its demand the Procuring entity will note that the amount claimed by it is due to it, owing to the occurrence of one or both of the two conditions, specifying the occurred condition or conditions.

This tender guarantee will remain in force up to and including thirty (30) days after the period of tender validity, and any demand in respect thereof should reach the Bank not later than the above date.

[signature of the bank] _____
(Amend accordingly if provided by Insurance Company)

10.4 CONTRACT FORM

THIS AGREEMENT made the day of 20..... by and between **KENYA PIPELINE COMPANY LIMITED** of P.O. Box 73442, Nairobi (hereinafter referred to as the Employer) on the one part and (Hereinafter referred to as the Contractor) on the other part.

WHEREAS the Employer is desirous of **API Standard 653 Inspection of Tank 14-TK-502 at PS14 Kipevu Depot** as detailed herein and has accepted the tender made by the **Contractor** for the supply of those goods in the sum of [*contract price in words and figures*] (Hereinafter called “the Contract Price).

NOW THIS AGREEMENT WITNESSETH AS FOLLOWS:

1. In this Agreement words and expressions shall have the same meanings as are respectively assigned to them in the Conditions of Contract referred to:
2. The following documents shall be deemed to form and be read and construed as part of this Agreement viz:
 - (a) The Tender Form and the Price Schedule submitted by the Tenderer
 - (b) The Schedule of Requirements
 - (c) The Technical Specifications
 - (d) The General Conditions of Contract
 - (e) The Special Conditions of contract; and
 - (f) Notification of Award
3. In consideration of the payments to be made by Kenya Pipeline Company Ltd to the Contractor as hereinafter mentioned, the tender hereby covenants with Kenya Pipeline Company Ltd to provide the goods and to remedy defects therein in conformity in all respects with the provisions of the Contract
4. The Contractor commence process of Supply of the Equipment as soon as is reasonably possible after the receipt of Purchase Order, and to complete the supply within the time stated in the Agreement..

IN WITNESS whereof the parties hereto affixed their signature on the Agreement hereto the day and the year first above written.

The Common Seal of the said

KENYA PIPELINE COMPANY LIMITED

was affixed in the presence of

..... Managing Director

..... Witnessed

Signed for and on behalf of

(CONTRACTOR)

.....

..... Authorized Representative

..... Witnessed

10.5 PERFORMANCE SECURITY FORM

To **Kenya Pipeline Company Ltd**

WHEREAS [*name of Tenderer*] (hereinafter called “the Tenderer”) has undertaken , in pursuance of Contract No. _____
_____ [*reference number of the contract*] dated _____ 20 _____
_____ to **API Standard 653 Inspection of Tank 14-TK-502 at PS14 Kipevu Depot** (hereinafter called “the Contract”).

AND WHEREAS it has been stipulated by you in the said Contract that the Tenderer shall furnish you with a bank guarantee by a reputable bank for the sum specified therein as security for compliance with the Tenderer’s performance obligations in accordance with the Contract.

AND WHEREAS we have agreed to give the Tenderer a guarantee:

THEREFORE WE hereby affirm that we are Guarantors and responsible to you, on behalf of the Tenderer, up to a total of [*amount of the guarantee in words and figure*] and we undertake to pay you, upon your first written demand declaring the Tenderer to be in default under the Contract and without cavil or argument, any sum or sums within the limits of [*amount of guarantee*] as aforesaid, without you needing to prove or to show grounds or reasons for your demand or the sum specified therein.

This guarantee is valid until the _____ day of _____ 20 _____

Signed and seal of the Guarantors

[*name of bank or financial institution*]

[*address*]

[*date*]

10.6 LETTER OF NOTIFICATION OF AWARD

Kenya Pipeline Company Ltd,
Kenpipe Plaza, Sekondi Rd, Off Nanyuki Rd,
Industrial Area,
P. O. Box 73442 - 00200,
Nairobi, Kenya.

To: _____

RE: Tender No. _____

Tender Name: ***API Standard 653 Inspection of Tank 14-TK-502 at PS14 Kipevu Depot.***

This is to notify that the contract/s stated below under the above mentioned tender have been awarded to you.

1. Please acknowledge receipt of this letter of notification signifying your acceptance.
2. The contract/contracts shall be signed by the parties within 30 days of the date of this letter but not earlier than 14 days from the date of the letter.
3. You may contact the Officer(s) whose particulars appear below on the subject matter of this letter of notification of award.

(FULL PARTICULARS) _____

Signed for Kenya Pipeline Company Ltd

10.7 DECLARATION FORM

Date _____

To: _____

The Tenderer i.e. (Name and Address) _____

_____ declare the following:

- a) Has not been debarred from participating in public procurement.

- b) Has not been involved in and will not be involved in corrupt and fraudulent practices regarding public procurement.

_____ _____ _____
Title Signature Date

(To be signed by authorized representative and officially stamped)

10.8 CERTIFICATE OF SITE VISIT

**Tender for API Standard 653 Inspection of Tank 14-TK-502 at PS14
Kipevu**

Tender No: KPC/PU/011– OT/18-19

This is to certify that.....of
(Tenderer name)

Visited PS14 to familiarize with the tender requirements for NDE Inspection of
Tank 14-TK-502 at PS 14 Kipevu Depot.

[Name of KPC Representative]

[Signature]

[Date]