

AIR-CONDITIONING AND VENTILATION SYSTEMS TERM MAINTENANCE
CONTRACTS (2017/2020) FOR HONG KONG HOUSING AUTHORITY ESTATES,
AREAS AND BUILDINGS

NOTICE OF PRE-QUALIFICATION OF TENDERERS

It is hereby notified that the Hong Kong Housing Authority (HKHA) will shortly invite tenders for two term maintenance contracts for the air-conditioning and ventilation systems under HKHA through selective tendering. The contracts comprise routine operation, maintenance and overhaul of and emergency services, alterations and additions to the air-conditioning and ventilation systems. The two contracts, each of which lasts for three years, are expected to be commenced in January 2017 and July 2017 respectively.

Contractors are now invited to apply for pre-qualification for tendering. In order to be pre-qualified, they must:—

- a. be the confirmed contractors on the Works Branch of the Development Bureau's List of Approved Suppliers of Materials and Specialist Contractors for Public Works (the Specialist List)—Air-conditioning Installation (Group II—Contracts/Subcontracts of unlimited value);
- b. have within the past one year (i.e. the period from 1 January 2015 to 31 December 2015), direct experience of operating and maintaining central chiller plants of a total concurrent cooling capacity not less than 2,500 TR, and the unit capacity of the chillers is not less than 300 TR;
- c. have their own workshop of at least 100 square metres stocked with spares and equipped with instruments, plant and machinery suitable and sufficient for carrying out the maintenance and general repair work of the central air-conditioning plants under the contract;
- d. have a 24-hour standby service team to support the emergency maintenance work;
- e. have a proven track record of satisfactory performance in the operation, maintenance and improvement works of central chiller plants in the past three years (i.e. the period from 1 January 2013 to 31 December 2015);
- f. not attain more than one 'Adverse' report in the worst-performed contract out of all its current and completed Housing Authority (HA) and Development Bureau contracts in the past twelve months (i.e. the period from 1 January 2015 to 31 December 2015);
- g. possess the relevant and valid ISO 9001 certificate covering the operation and maintenance of air-conditioning and ventilation systems;
- h. have a good site safety management system including but not limited to company safety policies and practices, safety training, provision of personal protective equipment, etc; and
- i. the contractor (or each company forming the partnership or joint venture) must possess a sound financial background and satisfy the capital requirement as below:—

(I) Working Capital (WC) Required:—

\$3.4M or

- (i) 15% of outstanding works^{Note 1} (if contractor has either Employed Capital (EC) or WC under \$4.2M); or
- (ii) 10% of outstanding works^{Note 1} (if contractor has both EC & WC not less than \$4.2M respectively); or
- (iii) 8% on first \$950M of outstanding works^{Note 1} and 10% on remainder (if contractor is also a NW2 building contractor on HA List or Group C Contractor on Development Bureau List of Approved Contractors for Public Works),

whichever is higher.

(II) Employed Capital Required^{Note 2} :

\$4.7M or

10% of total assets

whichever is higher.

(III) Profitability Trend Analysis (PTA) ^{Note 3}

Loss Rate shall not be greater than 30%.

Note 1 Outstanding works represent the annualized value of outstanding works (including HA, Government and private sector contracts) and any tenders under consideration.

Note 2 The issued and paid-up capital and shareholders' funds should both meet the level of minimum employed capital.

Note 3 The Profit/Loss Ratio is calculated to reflect the weighted average of the annual ratios of the operating profit/loss over the opening balance of the shareholders' funds or net worth (as per audited accounts) for each of the past three years, with weights of 3:2:1 (higher weight being given to the more recent year).

Contractors satisfying the above criteria may apply for pre-qualification by letter. The contractors' application letters expressing their interests in being pre-qualified and the duly completed questionnaires and the financial information should reach the following address by registered post on or before 19 February 2016:—

Regional Management Office/Kowloon West and Hong Kong
Wing B, Level 4, HKHA Customer Service Centre,
3 Wang Tau Hom South Road,
Kowloon.
(Attn.: Building Services Engineer/CHK)
(Tel. no.: 2760 3213, Fax. no.: 2762 1005)

Contractors failing to apply for pre-qualification in the manner prescribed above will not be considered in the pre-qualification assessment. Their names will not be put on the list of tenderers.

Contractors who have applied for pre-qualification in the manner prescribed above are required to complete and submit a questionnaire and the financial information, in which they will be asked to provide relevant company information. Eligibility to tender for the above term maintenance contracts will be assessed on the basis of the individual contractors' proven capability and performance. Financial capabilities will be examined in detail at the same time with this pre-qualification assessment. Contractors satisfying the pre-qualification requirements will be separately invited to tender.

For any successful applicants that are related companies among themselves, only one of them is allowed to tender for the above two contracts. Companies are deemed to be related if their relationship falls within the meaning of 'related parties' as defined in Hong Kong Institute of Certified Public Accountants (HKICPA)—Hong Kong Accounting Standard (HKAS 24) (Revised) on Related Party Disclosures.

The tenders to be invited will be covered by the Agreement on Government Procurement of the World Trade Organization.

The HKHA reserves the right to reject any application.

22 January 2016

Stanley YING *Director of Housing*