

TENDER FOR REFUSE HANDLING SYSTEM TERM MAINTENANCE  
CONTRACTS 2019/2022 FOR HOUSING AUTHORITY BUILDINGS  
NOTICE OF PRE-QUALIFICATION OF TENDERERS

It is hereby notified that the Hong Kong Housing Authority will invite tenders concurrently in February 2019 from qualified contractors for two term maintenance contracts for the maintenance services of refuse handling systems (RHS) for a total of sixty-nine public rental housing estates.

2. The two contracts are expected to commence in August 2019, and each contract is expected to have a contract period of three years.

3. RHS for public rental housing (PRH) estates shall include volume control & storage devices (for the transfer of refuse from refuse chute to storage bins) at the bottom of refuse chutes inside refuse storage & material recovery chambers of residential blocks; indications inside refuse storage & material recovery rooms at typical floors; refuse compactors/containers, bin lifters and bin cleansing machines in refuse collection points (RCPs); electrical control systems, 660-litre refuse storage bins, de-odorizing systems for RCPs and other ancillary facilities, etc.

4. The contractor shall be responsible for the maintenance and improvement works of RHS for the PRH estates.

5. Contractors satisfying the criteria listed below are invited to apply for pre-qualification:

- i. The contractor shall be a registered Hong Kong Company with appropriate trade qualification and proven work record <sup>Note 1</sup> in Hong Kong as detailed below:
  - (a) The contractor shall be a Registered Electrical Contractor under the Electricity Ordinance;
  - (b) The contractor shall either be a manufacturer or shall have secured the agreement of one or more manufacturers (hereinafter referred to as supporting manufacturer) for the supply of RHS equipment including volume control & storage device for transfer of refuse from refuse chute to storage bins, stationary compactor and matching container, and bin cleansing machine;
  - (c) The contractor or supporting manufacturer shall have engaged in not less than three years' design and manufacturing of refuse handling equipment; and
  - (d) The contractor shall have engaged in not less than three years' installation and maintenance of refuse handling equipment or large electrical & mechanical

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<sup>Note 1</sup> Proven work record means job reference(s) with no consecutive adverse reports in the past 3 years in the case of Housing Authority (HA) or other government projects or with confirmation of satisfactory performance by the consultant / client concerned in the case of private-sector projects.

plants in new buildings with a total turnover of not less than \$6 million <sup>Note 2</sup> in the past three years.

- ii. The contractor shall employ at least one full-time managerial / engineering personnel, who shall possess a qualification of diploma or above in mechanical, electrical or building services engineering & five years' relevant managerial / engineering experience for the installation and maintenance of refuse handling or electrical & mechanical installation in new buildings; or possess a degree or above & 3 years' similar experience.
- iii. The contractor shall also employ at least one site supervisory personnel with qualification equivalent to or above that of a registered skilled worker in building services work under the Construction Workers Registration Ordinance and three years' practical experience in the supervision of refuse handling or electrical & mechanical installation in new buildings and maintenance work.
- iv. The contractor's eligibility to tender will be subject to compliance with the financial criteria and minimum requirements as stipulated below:

Working Capital (WC) Required	Employed Capital (EC) Required	Profitability Trend Analysis
(a) or (b), whichever is higher: (b) \$3.4M OR (b) (i) 15% of outstanding works (if contractor has either employed capital or working capital under \$4.2M); or (ii) 10% of outstanding works (if contractor has both employed capital and working capital not less than \$4.2M respectively); or (iii) 8% on first \$950M of outstanding works & 10% on remainder (if contractor is also a NW2 building contractor on HA List).	\$4.7M or 10% of Total Assets, whichever is higher	Loss Rate not greater than 30%
<p><i>Note 1: The issued and paid-up capital and shareholders' funds should both meet \$4.7M.</i></p> <p><i>Note 2: Outstanding works represent the annualized value of outstanding works (including HA, Government and private sector contracts on a worldwide basis) and any tenders under consideration.</i></p> <p><i>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 the weights of 3:2:1 (higher weight being given to the more recent year).</i></p>		

<sup>Note 2</sup> The job reference(s) shall either be completed contract(s) or on-going ones with sectional completion having been certified. In the latter case, only the value of the completed section(s) shall be taken into account. Job references in the past three years shall be submitted according to the following order of priority to make up the \$6M requirement:

- a) HA refuse handling system contract,
- b) Other relevant HA contract,
- c) Government refuse handling system contract,
- d) Other relevant government contract,
- e) Private-sector refuse handling system contract,
- f) Other relevant private-sector contract.

- v. The contractor shall undertake, and/or obtain undertaking from their supporting manufacturer(s), to keep stock of and supply in good time proprietary spare parts for emergency use and complete the repair of multiple RHS in a number of estates under the concerned term contract within 6 hours after report of breakdown or failure of the system(s).
  - vi. The contractor shall undertake, and/or obtain undertaking from relevant service company, to provide conventional refuse collection vehicle service for removing the refuse collected to refuse transfer station or landfill in the event of breakdown of any of the compactor/container assembly that renders removal by Food and Environmental Hygiene Department in the usual time and manner not possible.
  - vii. The contractor shall be operating quality assurance procedures and be certified as a firm of assessed capability to ISO 9001 on the design, supply, installation and maintenance of refuse handling or electrical & mechanical installation.
6. Application documents for pre-qualification shall be obtained from:

Mr. Alvin, Y.K. KONG, BSE/SKC  
Kwai Chung Regional Management Office,  
7/F, Lung Cheung Office Block,  
138 Lung Cheung Road,  
Wong Tai Sin,  
Kowloon,  
Hong Kong.  
Tel.: 3162 0261 Fax.: 3417 5029

7. Completed pre-qualification application documents should be enclosed inside an envelope marked “Pre-qualification of Tenderers for RHS TMCs (2019/2022)” and addressed to Building Services Engineer/SKC of the Hong Kong Housing Authority in writing and reach the following address by registered post on or before 14 December 2018 (Hong Kong Time) :

Kwai Chung Regional Management Office,  
7/F, Lung Cheung Office Block,  
138 Lung Cheung Road,  
Wong Tai Sin,  
Kowloon,  
Hong Kong.  
(Attn : Building Services Engineer/SKC)

8. Companies failing to apply for pre-qualification in the manner prescribed above will not be considered for the pre-qualification assessment, and their names will not be put on the list of tenderers.
9. The eligibility of contractors to tender for the above RHS term maintenance contracts

shall be assessed based on the above requirements and their proven capability and performance. Selected contractors will then be separately invited to tender.

10. For related companies, only one of these companies is allowed to submit a tender. Companies are deemed to be related if their relationship falls within the meaning of ‘related parties’ as defined in the Hong Kong Institute of Certified Public Accountants (HKICPA) – Hong Kong Accounting Standard (HKAS 24) (Revised), on Related Party Disclosures.

11. The contractors will be required to confirm in writing their acceptance of “tender irregularity restriction”, when accepting pre-qualification invitation, as follows:

“Without prejudice to the rights and remedies which we may have, should you fail to submit any of the tenders after you have committed to do so, or withdraw your tenders after submission, your participation in future pre-qualification/tendering exercise will be adversely affected, as such failure has reflected the poor attitude and lack of sincerity of a tenderer in preparing and submitting a tender.”

12. The Hong Kong Housing Authority reserves the right to revise the number of contracts and their combination to be tendered out.

13. The Hong Kong Housing Authority reserves the right to reject any application.

*2 November 2018*

*Stanley YING Director of Housing*