

TENDER FOR TERM CONTRACTS (2024/2027) FOR THE SUPPLY AND
INSTALLATION OF REFUSE HANDLING SYSTEMS FOR NEW HOUSING
AUTHORITY BUILDINGS (PACKAGES A AND B)

NOTICE OF PRE-QUALIFICATION OF TENDERERS

It is hereby notified that the Hong Kong Housing Authority will invite tenders concurrently in April 2024 from qualified contractors for two term contracts for the supply and installation of refuse handling systems (RHS) for a total of thirty-three new public housing development projects.

2. The two term contracts are expected to commence in August 2024, and each contract is expected to have a contract period of three years.

3. RHS for new public housing development projects 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 design, construction, testing and commissioning of RHS for new public housing development projects, and the subsequent maintenance for twenty-four (24) months following the certified installation completion date.

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^{Note 1} 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, bin cleansing machine, stationary compactor and matching container;
 - (c) The contractor or supporting manufacturer shall have engaged in not less than three years' design and manufacturing of refuse handling equipment; and

^{Note 1} 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.

- (d) The contractor shall have engaged in not less than three years' installation and maintenance of refuse handling equipment or large electrical & mechanical plants in new buildings with a total turnover of not less than \$6 million ^{Note 2} 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 & three 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.

^{Note 2} 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.

- iv. The contractor shall meet the following requirements -

Working Capital Required	Employed Capital Required	Profitability Trend Analysis
(a) or (b), whichever is higher: (a) \$3.4M OR (b) (i) 15% of outstanding works (if contractor has either Employed Capital (EC) or Working Capital (WC) under \$4.2M); or (ii) 10% of outstanding works (if contractor has both EC and WC not less than \$4.2M respectively); or (iii) 8% on first \$950M of outstanding works & 10% on remainder (if contractor is also a New Works 2 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 the level of minimum employed capital.</i></p> <p><i>Note 2 Outstanding works represents 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>		

- 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 six 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 the 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.
- viii. The contractor would not being imposed any regulatory action by HA for works of RHS installation when being considered for pre-qualification of tenderers, tender invitation, tender return and tender assessment.
- ix. The contractor would not being joint venture companies when being considered for pre-qualification of tenderers, tender invitation, tender return and tender assessment.

6. Application documents for pre-qualification shall be obtained from:

Mr. Jim T.H. CHAN, BSE/C47
Housing Authority Headquarters
8th Floor, Block 1,
33 Fat Kwong Street,
Homantin, Kowloon,
Hong Kong.
Tel.: 2761 7199 Fax.: 2761 7622
E-mail: jimchan@housingauthority.gov.hk

7. Completed pre-qualification application documents shall be deposited into the Hong Kong Housing Authority Tender Box located at G/F, Block 2, Housing Authority Headquarters, 33 Fat Kwong Street, Homantin, Kowloon, Hong Kong before **10:00 a.m. on Friday, 19 January 2024 (Hong Kong Time)**.

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 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 for each 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), on Related Party Disclosures. For relevant definitions and updates on “related parties”, please refer to the HKICPA’s website.

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 HA may have, should we fail to submit tender after we have committed to do so or withdraw our tender after submission, our participation in future pre-qualification/tendering exercise will be adversely affected, as such failure has reflected the poor attitude and sincerity of a tenderer in preparing and submitting a tender.”

12. The Contractors will be required to confirm in writing their compliance with “probity requirement”, when accepting pre-qualification invitation, as follows -

“We shall be responsible for our own good behavior as well as that of our sub-contractors, employees and agents. We shall incorporate the company

probity/ethical integrity requirements (i.e. company Code of Ethics and Code of Conduct as applicable) into the contracts/agreements with our counterparties including sub-contractors, suppliers and agents to ensure that they would uphold the same standards of honesty and integrity. We shall advise our sub-contractors, employees and agents that they are not allowed to offer or give any advantage or excessive entertainment to any of HA employees or members of their family, or to solicit or accept any advantage or excessive entertainment from other sub-contractors, employees and agents in relation to the services under any HA contract. We may be subject to regulatory actions if we, our sub-contractors, employees or agents have committed any offence under the Prevention of Bribery Ordinance in relation to any HA contract. In addition, we may be subject to regulatory actions for our poor integrity such as negligence, misconduct and impropriety, or that of our sub-contractors, employees or agents unless the misconduct is not within the control of us, or for bringing disrepute on HA in relation to any HA contracts.”

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

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

15 December 2023

Rosanna LAW Director of Housing