

Minutes of the Pre-Bid meeting - B/21/2025

Project "Construction of a Jet A-1 Fuel Transfer Pipeline from Muthurajawela to BIA Katunayake and Construction of Jet A-1 Storage Tanks and Associated Facilities with modifications to existing Terminal at Muthurajawela"

Date & Time: 29.07.2025 at 1000hrs

Venue: CPC Head Office Auditorium

Attendance:

A. Representatives from the following companies participated in the meeting:

- i. *Access International (Pvt) Ltd, Sri Lanka*
- ii. *China Chemical Engineering Second Construction Corporation, China*
- iii. *China Harbour Engineering Company Ltd., China*
- iv. *China Machinery Engineering Corporation, China*
- v. *China National Aero-Technology Import & Export Corporation, China*
- vi. *China Petroleum Pipeline Engineering Company Ltd, China*
- vii. *China State Construction Engineering Corporation Ltd., China*
- viii. *Colombo Consultancy Lanka (Pvt) Ltd, Sri Lanka*
- ix. *Fabtech Projects & Engineers, India*
- x. *Hayleys Advantis Limited, Sri Lanka*
- xi. *Inova Engineering (Pvt) Ltd., Sri Lanka*
- xii. *MAC holdings (Pvt) Ltd, Sri Lanka*
- xiii. *Maga Engineering (Pvt) Ltd., Sri Lanka*
- xiv. *Petro Ocean Lanka (Pvt) Ltd., Sri Lanka*
- xv. *Queens Group of Company, Sri Lanka*

B. Employer's Representatives:

1. *Eng. N.B.M.P. Jeewasiri* -Act. DGM (Technical Services & Corporate Affairs)
2. *Eng. G.P.K. Wijekoon* -Manager (Engineering & Premises)
3. *Eng. R.M. Ariyamanjula* -Act. Manager (Corporate Planning & Business Development)
4. *Eng. D.D.U.S. Jayasundera* -Electrical Engineer (Electrical & Instrumentation)
5. *Eng. R. Shivashankar* - Civil Engineer
6. *Eng. D.C. Pathiray* - Mechanical Engineer
7. *Mr. R.M.U.S. Rathnayaka* - Manager (Finance – T&R)
8. *Mr. N.D. Weerakoon* - Senior Officer (Operations)

Meeting Proceedings:

The meeting commenced at 1015 hrs. Eng. N.B.M.P. Jeewasiri, Acting DGM (TS&CA), welcomed all participants and provided an overview of the project's expected outcomes.

The Actg. Manager (CP&BD) and the Project Mechanical Engineer delivered a detailed presentation covering the following topics.

PART 1: Background of the Project

- ❖ Proposed Development
- ❖ Summary of the project
- ❖ Pipeline Route
- ❖ Virtual Visit

PART 2: Structure of the Bidding Document

- ❖ Parts of the Bidding Document
- ❖ Key points of the Bidding Document
- ❖ Checklist
- ❖ Agenda of the site visit

Particular emphasis was placed on the documents required to be submitted along with the bid.

Following the presentation, participants were invited to raise queries. Responses to several questions were provided during the meeting, while others will be addressed in accordance with the timelines specified in the Bidding Document.

Clarifications Raised and Responses Provided:

Q1: Bidder requested a softcopy of the presentation.

A1: The Employer confirmed that the softcopy of the presentation & the kml/kmz of the Pipeline route will be circulated to all participants. **(Attachment – 1)**

Q2: Can the locations of the Block Valve Stations (BVS) indicate in the pipeline route be changed?

A2: Yes. The BVS locations in document PEN-117258-040 may be altered if they serve the intended purpose and remain within the approved Right-of-Way (ROW). Approval from relevant authorities may be required. No private land shall be used.

Q3: What is the width of the Right-of-Way (ROW)?

A3: The principal approvals from all the stakeholders have been obtained to lay the pipeline along the indicated route. However, the width of the ROW has not been clearly defined. The

contractor can utilize the space available outside the carriage way to lay the pipeline within the Colombo Katunayake Expressway (CKE). Contractor is also, expected to manage whatever the space available along the pipeline route as there is no separate corridor originally intended to this pipeline along this route belong to different stakeholders such as RDA, SLLRDC, PRDA, Municipal Councils, AASL.

Q4: Regarding the Eligible Material and Equipment indicated in the Recommended Vendor list, some of the listed manufacturers do not manufacture the listed equipment in western countries anymore and moved their manufacturing facilities to Asia and different countries. In such situation a manufacturer who manufactures the relevant equipment in same quality and specification in a country other than specified in the Recommended Vendors list is acceptable?

A4: In the Recommended Vendors list, there are several brands/manufactures indicated for the Bidder to select. Employer expect that Prospective Bidders can source the required equipment among the listed brands/manufacturers complying with the Employer's requirements.

Q5: Regarding the Table 1 of Eligibility and Qualification Criteria, our understanding of Scenario 1 is that it comprises three distinct conditions, each carrying 15 points. If we meet the requirements in a single project related to having executed storage tanks of similar capacity and of the required value, and executed the pipeline scope within the same project, we believe we would be awarded 45 points — 15 points each and same follows for other scenario. Is it correct?

A5: Under Scenario 1, the 15 points are not awarded separately for each individual condition (e.g., tank farm, pipeline length, project value). Instead, a project must fulfill all three criteria simultaneously to be awarded 15 points. The required criteria are:

- (i) A minimum 25,000 m³ storage tank farm;
- (ii) A minimum 10 km long-distance oil & gas pipeline; and
- (iii) A total project value of at least USD 20 million.

Each project meeting all three requirements will be awarded 15 points, and bidders may submit multiple such projects. A maximum of three (03) fully qualified projects will be considered, totaling up to 45 points.

Q6: In the Table 1 of Eligibility and Qualification Criteria it is mentioned that "only the oil & gas pipeline constructions carried out in populated urban areas are considered as similar nature pipeline projects". Normally pipelines are laid avoiding this kind of urban areas. In that situation how we can deal with past experience category for this criteria?



A6: The proposed pipeline will be laid in a highly congested urban area, where the Contractor will have to manage numerous challenges not typically encountered in pipelines laid outside urban areas. Therefore, a Contractor with prior experience in dealing with multiple stakeholders, traffic management, utility line relocations, and other urban-related complexities is essential for this project.

Q7: In the Table 2 of Eligibility and Qualification Criteria it is mentioned that the Construction Manager shall be a Sri Lankan Nationality with 08 years Oil & Gas experience. However, we feel that finding a local Construction Manager with such experience will be difficult as Oil & Gas projects are very rare in Sri Lanka.

A7: The rationale behind requesting a Sri Lankan Construction Manager with experience in the oil and gas sector is based on the nature of the project, which requires a thorough understanding of local regulations and conditions. However, taking your concerns into consideration, we will relax the requirement related to oil and gas experience. Nevertheless, the Construction Manager must be a Sri Lankan national. The revised requirement will be communicated through an Addendum.

Q8: Since most of the materials in recommended vendors list are from European Manufacturers, it takes considerable time to carry out the communication with those vendors regarding the material supply. Hence, it is requested for a time extension at least 02 months period.

A8: A time extension is possible and will be communicated to the bidders through an Addendum.

Q9: We have requested a clarification around 2 weeks ago regarding the Bid Security Guarantee Format. As we are a Chinese Company, the Security Guarantee will be issued by a Chinese Bank and will act as a Counter Guarantee. Since that process takes too much time, we need and answer for the clarification we have requested regarding this Bid Security Guarantee format.

A9: This format has been vetted and approved by our legal entity for use. It has also been successfully used in several previous projects without any issues, and banks have issued Bid Security Guarantees in accordance with this format. Therefore, no exceptions can be granted to any bidder by altering the prescribed format. All bidders are requested to strictly adhere to the formats provided in the Bidding Document.

Q10: If we participate to this bid as a JV, do we have to register the JV in Registrar of Companies (ROC) in Sri Lanka?

A10: At the time of bidding, a legally executed Memorandum of Understanding (MoU) and a draft Joint Venture (JV) agreement shall be submitted. If selected as the Successful Bidder, the JV shall be registered with the Registrar of Companies (ROC).

Q11: When we tried to obtain the PCA 3 as a JV, they requested the JV agreement. Can the lead partner obtain the PCA 3?

A11: This is acceptable only for PCA 3.

Q12: Does the Scope of Works include the relocation of Utility lines along the pipeline route?

A12: This falls within the scope of work of the successful Contractor. Contractors are expected to utilize the data provided by the Employer in the Bidding Document and conduct their own surveys—such as trial pits, Ground Penetrating Radar (GPR), or other appropriate technologies—to identify existing utility lines and any relocation requirements, based on the proposed design. The Employer will provide support in obtaining the necessary stakeholder approvals by issuing official letters. Further, along with the pre-bid meeting minutes, the Employer will provide the available details & drawings related to utility lines. **(Attachment – 2).**

Q13: Can you consider utility relocation cost as a Provisional Sum as it is very difficult to quantify the relocation requirements at this stage.

A13: Employer expects that the selected Contractor to have a thorough understanding of the subject matter, which is why similar project experience in pipeline construction within populated urban areas has been requested. However, in response to requests from many of you, we will consider including a Provisional Sum item for utility relocation and reinstatement works under the Schedule of Prices. This will be communicated via an Addendum.

Q14: In the Bidding Forms, for the MOU there is a draft format of the MOU, whereas for the Draft JV agreement there is only a content to be included. So, in the JV Agreement, does it require to specifically mention the Scope of Work of each member or just a share percentage are enough?

A14: The draft Joint Venture (JV) Agreement shall follow the format provided in the Bidding Document. The "Allocation of Obligations" shall be defined under Schedule 3 of the draft JV Agreement, in accordance with the format given in Form BDF-5 of Part 1, Section IV.

Q15: Can we submit only the legally executed JV Agreement with the Bid, instead of the legally executed MOU and the draft JV Agreement?

A15: It is acceptable, subject to the condition that the Joint Venture (JV) Agreement has been formed specifically for this particular bid B/21/2025 or has provision to comply with the conditions specified under the B/21/2025.

Q16: Can we propose equipment brands which are not in the recommended vendors list?

A16: Prospective bidders shall select the brands and country of manufacture from the recommended vendors list.

Q17: Is this a Custom Duty-Free Project?

A17: No, the Employer has not received any tax waiver. **(NOTE 1: Payment for the Contractor shall be made by considering the actual taxes during the execution stage. In other words, the Actual Tax paid will be re-imbursed excluding corporate & income tax).**

Q18: Does a Solar Power System Require?

A18: The Bidding Document specifies a grid-tied hybrid solar power system for the Block Valve Stations, and a separate Schedule of Prices item is included in Part 5. **(NOTE 2: Following the site visit, it was decided to exclude the solar power system requirement for the Block Valve Stations. An Addendum will be issued in this regard.).**

Q19: For the river crossings next to the road bridges is it acceptable to go with HDD or can we propose a separate pipe bridge?

A19: Yes, both options are acceptable.

Q20: For the Block Valve Stations, no drawings for the buildings are provided.

A20: The reinforced concrete underground pit for the installation of the valve station is shown in Drawing No. 7258-STD-43-01. However, as this is an EPC/Turnkey Contract, the selected Contractor is responsible for designing and developing the relevant plot plans, building plans, and specifications accordingly.

Q21: We have received the building drawings for the Muthurajawela Terminal. However, with regard to the Block Valve Stations, we have not received any building drawings apart from those related to the Block Valve Pits. Typically, these stations require additional facilities such as a firefighting room, electrical room, UPS system, solar system, telecom system, and a guard

room. Without comprehensive building drawings, it is unclear how these components are to be accommodated.

A21: These BVS will be unmanned facilities which will not require any guard rooms. If specific details are not provided in the bid package, it is the responsibility of the Contractor to design and implement them accordingly.

Q22: In clause 1.14 (viii) of Part 3, Section VII (page 08) states that after issuing the Letter of Acceptance an agreement among the members of the JV Firm (to whom the work has been awarded) shall be executed and got registered before the Registrar of the Companies under Companies Act or before the Registrar/Sub - Registrar under the Registration Act. However, Joint Ventures are not registered with the Registrar of Companies, as the Companies Act does not cover Joint Ventures.

A22: The Employer has advised referring to the website of the Registrar of Companies for further clarification. In the meantime, the Employer will obtain guidance from the Legal Department and provide further instructions.

Q23: In clause 1.13 of Part 3, Section VII (page 07) states that "the contractor is responsible for obtaining permits to work and approvals required for the works carried out." However, certain approvals are typically obtained only by the Employer. Could you please clarify which approvals will be the responsibility of the Contractor and which will be obtained by the Employer? Is the Contractor responsible for all types of approvals?

A23: The Contractor is required to coordinate with all relevant stakeholders to obtain the necessary permits and approvals. The Employer will support the process by issuing official documents and letters as needed. Generally, this clause refers to situations such as restrictions on working within airport premises due to air traffic movements, or the need to obtain approval from the Road Development Authority (RDA) to access expressway premises including the carriageway. In such cases, the Contractor must obtain the necessary stakeholder approvals, with the Employer facilitating the process through necessary correspondence.

Q24: Are there any approvals that can only be obtained by the Employer and not by the Contractor?

A24: As the EPC/Turnkey Contractor, you are responsible for obtaining all necessary approvals from the relevant stakeholders. These lands do not belong to the Employer but are owned by various authorities such as the RDA, PRDA, SLLRDC, AASL, and Municipal Councils. While the Employer has already obtained the principal approvals from these stakeholders, it will be the Contractor's responsibility to secure the required approvals during the construction phase. The Employer will support this process by issuing the necessary letters and documentation.







Q25: The "Purchase Order" has been mentioned as the item (b) of the Priority of Documents in clause 1.5 of Part 3, Section VII (page 06). Please clarify why it has a high-priority?

A25: The purchase order is a legal document which is usually the most recent and specific instruction, issued after all negotiations are completed. That is why it has been given high priority. However, the Employer also noted that a response to this clarification has already been prepared under the "Answers to Clarifications" and will be provided after obtaining the necessary internal approvals, either within this week or the next.

Q26: Will you provide a Purchase Order draft as it is a defined term in the Bidding Document?

A26: The standard Purchase Order draft of CPC will be provided. (Attachment – 3)

The Meeting was adjourned at 12.30 hrs. on 29.07.2025

			
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R.M.U.S. Rathnayaka	G.P.K. Wijekoon	R.M. Ariyamanjula	N.B.M.P. Jeewasiri
Manager (Finance – T&R)	Manager (E&P)	Actg. Manager (CP&BD)	Actg. DGM (TS&CA)